



**K2 Gold Corporation**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2026**

**(Unaudited - Expressed in Canadian Dollars)**

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

---

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

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

**K2 Gold Corporation**  
**Condensed Consolidated Interim Statements of Financial Position**  
*(Unaudited - Expressed in Canadian Dollars)*  
**AS AT**

	Note	March 31, 2026	December 31, 2025
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 34,116,544	\$ 10,854,686
Amounts receivable		83,212	18,852
Prepaid expenses		1,267,934	206,326
		35,467,690	11,079,864
Exploration and evaluation assets	3	7,571,377	7,275,262
Reclamation bond		70,793	69,610
<b>TOTAL ASSETS</b>		<b>\$ 43,109,860</b>	<b>\$ 18,424,736</b>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 599,141	\$ 377,219
		599,141	377,219
<b>Shareholders' Equity</b>			
Share capital	4	77,824,257	50,817,667
Reserves	4	8,238,436	8,319,078
Deficit		(43,551,974)	(41,089,228)
		42,510,719	18,047,517
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 43,109,860</b>	<b>\$ 18,424,736</b>

Nature of operations (Note 1)

Commitments (Note 8)

Subsequent events (Note 10)

Approved on behalf of the Board of Directors on May 27, 2026.

"Jim Paterson", Director

"Carolyn Loder", Director

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

**K2 Gold Corporation**  
**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss**  
*(Unaudited - Expressed in Canadian Dollars)*

For the three months ended March 31,	Note	<b>2026</b>	2025
<b>Expenses</b>			
Advertising, marketing and promotion		\$ 362,374	\$ 31,330
Corporate listing and filing fees		46,619	16,954
Exploration costs	3, 7	1,798,735	386,068
Office and administration		34,728	46,060
Personnel	7	93,594	78,419
Professional fees		22,096	15,401
Rent	7,8	13,401	20,173
Share-based compensation	4	279,779	-
Travel and conferences		63,291	33,897
		(2,714,617)	(628,302)
<b>Other income (expenses)</b>			
Foreign exchange gain (loss)		93,399	(10,155)
Interest income		158,472	1,506
<b>Loss and comprehensive loss for the period</b>		<b>(2,462,746)</b>	<b>(619,653)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.01)</b>	<b>\$ (0.00)</b>
<b>Weighted average number of common shares</b>			
<b>outstanding – basic and diluted</b>		<b>219,675,373</b>	<b>132,130,361</b>

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

**K2 Gold Corporation**  
**Condensed Consolidated Interim Statements of Cash Flows**  
**For the Three Months Ended March 31, 2026 and 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

<b>Cash provided by (used In):</b>	<b>2026</b>		<b>2025</b>	
<b>Operating activities:</b>				
Loss for the period	\$	(2,462,746)	\$	(619,653)
Items not involving cash:				
Share-based compensation		279,779		-
Foreign exchange		(1,183)		65
Change in non-cash working capital items:				
Accounts receivable		(64,360)		9,036
Prepaid expenses		(1,061,608)		14,610
Accounts payable and accrued liabilities		221,922		11,106
		(3,088,196)		(584,836)
<b>Investing activities:</b>				
Exploration and evaluation expenditures		(296,115)		(20,000)
		(296,115)		(20,000)
<b>Financing activities:</b>				
Proceeds from issuance of shares		25,250,000		3,583,003
Share issue costs		(1,877,096)		(160,815)
Proceeds from warrants exercised		3,273,265		-
		26,246,169		3,422,188
Change in cash and cash equivalents		23,261,858		2,817,352
Cash and cash equivalents, beginning of the period		10,854,686		132,792
Cash and cash equivalents, end of the period	\$	34,116,544	\$	2,950,144
<b>Cash and cash equivalents consist of:</b>				
Cash	\$	34,088,468	\$	2,860,953
Cash equivalents	\$	28,076	\$	89,191
<b>Supplemental Schedule of non-cash investing and financing activities</b>				
Adjustment of fair value for warrants exercised	\$	360,421	\$	-
Fair value of broker warrants	\$	-	\$	32,426
Reclassification on warrant extension (incremental fair value)	\$	-	\$	233,893

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

**K2 Gold Corporation**  
**Condensed Consolidated Interim Statement of Changes in Shareholders' Equity**  
**For the Three Months Ended March 31, 2026 and 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

	Share Capital (Note 4)		Reserves	Subscription receivable	Deficit	Total
	Number of Shares	Amount				
<b>Balance, December 31, 2024</b>	<b>126,416,800</b>	<b>\$ 32,740,093</b>	<b>\$7,844,532</b>	<b>\$ (30,000)</b>	<b>\$ (36,246,196)</b>	<b>\$4,308,429</b>
Private placement	24,386,691	3,219,430	438,573	(75,000)	-	3,583,003
Reclassification on warrant extension (incremental fair value)	-	(233,893)	233,893	-	-	-
Share issuance costs – cash	-	(160,815)	-	-	-	(160,815)
Share issuance costs - finders fees	-	(32,426)	32,426	-	-	-
Loss for the period	-	-	-	-	(619,653)	(619,653)
<b>Balance, March 31, 2025</b>	<b>150,803,491</b>	<b>35,532,389</b>	<b>8,549,424</b>	<b>(105,000)</b>	<b>(36,865,849)</b>	<b>7,110,964</b>
Warrants exercised	41,762,995	12,528,899	-	-	-	12,528,899
Stock options exercised	225,000	46,500	-	-	-	46,500
Shares issued for mineral property	1,850,000	1,480,000	-	-	-	1,480,000
Adjustment of fair value for warrants exercised	-	1,229,879	(1,229,879)	-	-	-
Subscription receivable	-	-	-	105,000	-	105,000
Share-based compensation	-	-	999,533	-	-	999,533
Loss for the period	-	-	-	-	(4,223,379)	(4,223,379)
<b>Balance, December 31, 2025</b>	<b>194,641,486</b>	<b>50,817,667</b>	<b>8,319,078</b>	<b>-</b>	<b>(41,089,228)</b>	<b>18,047,517</b>
Private placement	36,071,429	25,250,000	-	-	-	25,250,000
Warrants exercised	10,910,887	3,273,265	-	-	-	3,273,265
Adjustment of fair value for warrants exercised	-	360,421	(360,421)	-	-	-
Share issuance costs – cash	-	(1,877,096)	-	-	-	(1,877,096)
Share-based compensation	-	-	279,779	-	-	279,779
Loss for the period	-	-	-	-	(2,462,746)	(2,462,746)
<b>Balance, March 31, 2026</b>	<b>241,623,802</b>	<b>\$ 77,824,257</b>	<b>\$ 8,238,436</b>	<b>\$ -</b>	<b>\$ (43,551,974)</b>	<b>\$42,510,719</b>

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

# **K2 Gold Corporation**

## **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Unaudited - Expressed in Canadian Dollars)*

---

### **1. Nature of operations**

K2 Gold Corporation (“K2 Gold”, “K2” or the “Company”) was incorporated on May 3, 2011, pursuant to the Business Corporations Act of British Columbia, Canada. The Company’s head office and registered and records office is located at Suite 1020 – 800 West Pender St., Vancouver, BC, V6C 2V6. The Company’s common shares are publicly listed on the Toronto Stock Exchange’s Venture Exchange (the “Exchange”) under the symbol “KTO”.

K2 Gold is an exploration stage company with its primary focus being the exploration of mineral properties in California, Nevada and the Yukon Territory.

The recoverability of amounts shown as mineral property interests is dependent upon the discovery of economically recoverable reserves, the Company’s ability to obtain financing to develop its property and the ultimate realization of profits through future production or sale of its property. Realized values may be substantially different than carrying values as recorded in these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2026, the Company had not achieved profitable operations and had an accumulated deficit of \$43,551,974 (December 31, 2025 - \$41,089,228). The Company’s continuation as a going concern is dependent upon the successful results from its exploration activities and raise equity capital or borrowings sufficient to meet current and future obligations, however, management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months. These condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations, exploration and development activities.

# **K2 Gold Corporation**

## **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

### **2. Basis of presentation**

#### **a) Statement of compliance**

These condensed consolidated interim financial statements are prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting under International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company. These condensed consolidated interim financial statements do not contain all of the information required for full annual financial statements. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company’s most recent annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB.

#### **b) Approval of the condensed consolidated interim financial statements**

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on May 27, 2026.

#### **c) Functional and presentation currency**

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its condensed consolidated interim financial statements. These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company’s (and its subsidiaries’) presentation and functional currency.

Transactions in foreign currencies are translated into the functional currency at exchange rates as at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the functional currency exchange rate at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the date of acquisition. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

#### **d) Basis of consolidation**

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries Mojave Precious Metals Inc. (“Mojave Precious Metals”), and K2 Gold (USA) Inc. (“K2 Gold USA”). The financial statements of Mojave Precious Metals, and K2 Gold USA are included in the condensed consolidated interim financial statements from the date on which control was transferred to the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant intercompany accounts and transactions have been eliminated on consolidation.

## **K2 Gold Corporation**

### **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

#### **2. Basis of presentation *(continued)***

##### ***e) Key Sources of Estimation Uncertainty and Critical Judgments***

###### ***Critical accounting judgments, estimates and assumptions***

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below with further details of the assumptions contained in the relevant note.

The preparation of these condensed consolidated interim financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

###### ***Key sources of estimation uncertainty***

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the condensed consolidated interim financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. The following are the critical judgments and estimates that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements.

## **K2 Gold Corporation**

### **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

#### **2. Basis of presentation** *(continued)*

##### ***e) Key Sources of Estimation Uncertainty and Critical Judgments*** *(continued)*

###### *Deferred tax assets and liabilities*

The measurement of the deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of deferred taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company's deferred tax assets and tax provisions could be affected.

###### *Carrying value and recoverability of exploration and evaluation assets*

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of the mineral property interests themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its mineral property interests or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets. Management assesses for impairment indicators at each reporting date.

###### *Share-based compensation*

Share-based compensation expense is measured by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share-based compensation expense for the three months ended March 31, 2026, and 2025 are disclosed in Note 4.

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 3. Exploration and evaluation assets

Details of the exploration and evaluation assets is as follows:

	Mojave	Si2 Gold	Wels	Wolf	Total
Balance, December 31, 2024	\$ 2,320,939	\$ 264,400	\$ 1,557,557	\$ -	\$ 4,142,896
Cash & advance royalty payments	1,632,366	-	20,000	-	1,652,366
Shares issued	-	1,480,000	-	-	1,480,000
Balance, December 31, 2025	3,953,305	1,744,400	1,577,557	-	7,275,262
Staking	-	-	-	296,115	296,115
Balance, March 31, 2026	\$ 3,953,305	\$ 1,744,400	\$ 1,577,557	\$ 296,115	\$ 7,571,377

#### Mojave Property

The Mojave Property consists of the Mojave Gold Project as well as the contiguous Morningstar Project.

##### Mojave Project

In July 2019, the Company signed an option agreement to acquire a 100% interest in the Mojave Gold Project ("Mojave Project"), with the option agreement subsequently amended in June 2022 and exercised in full in 2025. The Company earned its 100% of the Mojave Project, by making the following staged cash and share payments as listed below:

		Cash option payments		Common shares issuance	
July 12, 2019 (Effective date)	US\$	112,500	paid	480,000	issued
6-months from the effective date		112,500	paid		
12-months from the effective date		125,000	paid	480,000	issued
18-months from the effective date		125,000	paid		
24-months from the effective date		150,000	paid	480,000	issued
30-months from the effective date		150,000	paid		
August 31, 2023		25,000	paid	480,000	issued
August 31, 2023*		150,000	paid		
February 29, 2024*		175,000	paid		
August 31, 2024*		275,000	paid	480,000	issued
<b>Total</b>	<b>US\$</b>	<b>1,400,000</b>		<b>2,400,000</b>	

\*During the year ended December 31, 2025, the Company paid all outstanding amounts, previously agreed to be deferred by the vendor, plus an additional US\$200,000 to complete the exercise of the option, for a total of \$1,116,576.

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 3. Exploration and evaluation assets (continued)

##### Mojave Property (continued)

###### Mojave Project (continued)

Pursuant to the agreement, the Company must make an annual pre-production payment of US\$275,000 per year beginning on August 31, 2025\*(\$378,290 (US\$275,000) paid August 2025), and continuing annually until the achievement of commercial production, and to grant a 3% net smelter returns royalty ("NSR") with respect to all mineral produced from the Mojave Project, subject to a minimum annual royalty payment following commercial production of US\$300,000. The Company may reduce the NSR to 2% with a payment of US\$2,500,000, and may reduce the NSR by a further 0.5%, being an effective 1.5% NSR, with a payment of US\$5,000,000.

\* All pre-production payments will be adjusted for inflation starting August 31, 2028 using the CPI for the month of August 2025, as published by the U.S. Department of Labor, Bureau of Labor Statistics, as the basis for calculating all future increases.

In August 2020, the Company was required to post a bond in the amount of \$70,793 (US\$50,000), (2025 - \$69,610 - (US\$50,000) with the Bureau of Land Management for reclamation work associated with the Mojave Project.

###### Morningstar Project

In August 2021, the Company signed an option agreement to acquire a 100% interest in the Morningstar Project ("Morningstar Project"), located adjacent to the Company's Mojave Project in Inyo County, California. The option agreement was subsequently amended, extending all outstanding payments with the most recent amendment executed in 2024.

To earn 100% of the Morningstar Project the Company must make staged cash payments as listed below:

	Cash option payments			Work commitment	
July 30, 2021 (Effective date)	US\$	10,000	(paid)	-	
60 days from the effective date		40,000	(paid)	-	
December 31, 2024		25,000	(paid 2025)	-	
July 30, 2025		75,000	(paid 2025)	US\$	25,000 (incurred)
July 30, 2026		75,000			25,000
July 30, 2027		75,000			25,000
July 30, 2028		75,000			25,000
July 30, 2029		250,000			-
<b>Total</b>	<b>US\$</b>	<b>625,000</b>		<b>US\$</b>	<b>100,000</b>

In addition, a bonus payment of US\$500,000 is payable following the completion of a bankable feasibility study.

## **K2 Gold Corporation**

### **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

#### **3. Exploration and evaluation assets (continued)**

##### *Morningstar Project (continued)*

Commencing in the year following the second anniversary of the closing date and continuing for four years thereafter, the Company has agreed to expend a minimum of US\$25,000 annually on exploration, development, and mining work on the Morningstar project claims, for an aggregate amount of at least US\$100,000 over the four-year period. In addition, the Company has granted the vendor a 3% NSR royalty with respect to all minerals produced from the Morningstar Project. The Company can repurchase half of the NSR for US\$1,000,000. The Company may terminate the agreement at any time during the option period.

##### **Si2 Project**

In January 2022 and subsequently amended, the Company signed an option agreement with Orogen Royalties Inc. and its subsidiaries ("Orogen"), to earn a 100% interest, subject to a 2% NSR, in Orogen's Si2 Gold Project, formerly known as the Elba project, in Nevada, USA (the "Si2 Gold project" or "Si2"), pursuant to which the Company was to make staged cash payments totalling US\$2,500,000 (US\$200,000 paid as of March 31, 2026) and incur total work commitment of \$2,500,000.

In December 2025, the Company completed an agreement with Orogen to acquire a 100% interest in the Si2 Project, originally entered into in January 2025, by issuing 1,850,000 common shares of the Company at a value of \$1,480,000. Orogen will retain a 2% net smelter return ("NSR") royalty.

##### **Wels Property**

The Company signed a definitive option agreement with Go Metals Corp. "Go Metals" (formerly "Go Cobalt Mining Corp.") in August 2016, subsequently amended, to acquire a 90% joint venture interest in certain mineral property interests located in the Yukon Territory, known as the "Wels Property". To earn its interest, the Company made cash payments aggregating \$350,000 staged over 24 months and issued 3,000,000 common shares staged over a 30-month period.

Upon completion of the payments and share issuances, the Company and Go Metals will proceed under the terms of a joint venture agreement (the "Joint Venture"). Under the Joint Venture, the Company will fund the project fully through completion of a preliminary economic assessment, following which project expenditures will be funded on a 90/10 proportionate basis between the Company and Go Metals, respectively, with the Company acting as project manager and holding voting control of the Joint Venture project committee. If, at any time, either party's Joint Venture interest is diluted to less than 1% that diluted party's interest will be cancelled, and the Joint Venture will terminate.

The Wels Property is subject to 3% NSR royalty governed by a 2011 agreement between Go Metals and two arm's length holders. The royalty agreement provides that 2% of the 3% NSR may be purchased from the royalty holders for cash payment of \$1,500,000. Pursuant to the option agreement, the Company will pay the \$20,000 annual advance royalty due under the 2011 agreement. Pursuant to the option agreement a \$nil annual advance royalty was paid in 2026 (2025 - \$20,000).

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 3. Exploration and evaluation assets (continued)

##### Wolf Project

During the three months ended March 31, 2026, the Company staked certain claims in the Yukon, comprising of the Wolf Project.

##### Exploration Expenditures

The Company expended the following exploration and evaluation expenditures:

*Three months ended March 31, 2026*

	Mojave	Si2 Gold	Wels	Wolf	Total
Drilling and site works	\$ -	\$ 1,080,112	\$ -	\$ -	\$ 1,080,112
Geology	181,236	287,547	1,197	24,215	494,195
Land use and licenses	-	1,059	-	-	1,059
Permitting & legal	196,095	1,587	-	-	197,682
Travel	8,305	17,382	-	-	25,687
Total exploration costs	\$ 385,636	\$ 1,387,687	\$ 1,197	\$ 24,215	\$ 1,798,735

*Three months ended March 31, 2025*

	Mojave	Si2 Gold	Wels	Wolf	Total
Geology	\$ 179,405	\$ 14,975	\$ 1,501	\$ -	\$ 195,881
Land use and licenses	72,324	-	-	-	72,324
Permitting & legal	110,741	-	-	-	110,741
Travel	1,312	3,437	2,373	-	7,122
Total exploration costs	\$ 363,782	\$ 18,412	\$ 3,874	\$ -	\$ 386,068

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 3. Exploration and evaluation assets (continued)

##### Exploration Expenditures (continued)

Cumulative exploration expenses

	Mojave	Si2 Gold	Wels	Wolf
<b>Balance, December 31, 2024</b>	\$ 8,647,314	\$ 2,343,480	\$ 3,020,190	\$ -
Exploration expenses incurred 2025	<u>2,306,339</u>	<u>344,083</u>	<u>20,619</u>	<u>-</u>
<b>Balance, December 31, 2025</b>	10,953,653	2,687,563	3,040,809	-
Exploration expenses incurred 2026	<u>385,636</u>	<u>1,387,687</u>	<u>1,197</u>	<u>24,215</u>
<b>Balance, March 31, 2026</b>	\$ 11,339,289	\$ 4,075,250	\$ 3,042,006	\$ 24,215

#### 4. Share capital

##### a) Authorized Share Capital

As at March 31, 2026, the authorized share capital comprised an unlimited number of common shares without par value. As at March 31, 2026, the Company has 241,623,802 (December 31, 2025 – 194,641,486) common shares outstanding.

##### b) Issued Share Capital

###### Transactions for the three months ended March 31, 2026

In February 2025, the Company completed a private placement financing by issuing a total of 36,071,429 common shares at a price of \$0.70 for gross proceeds of \$25,250,000. The Company paid transaction costs of \$1,877,096, including finders fees of \$1,761,200 and other associated costs of \$115,896.

The Company issued 10,910,887 common shares from warrant exercises for gross proceeds of \$3,273,265 and recorded \$360,421 from reserves to share capital in accordance with the fair value of warrants exercised.

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 4. Share capital (continued)

##### b) Issued Share Capital (continued)

###### Transactions for the year ended December 31, 2025

In March 2025, the Company completed a private placement financing by issuing a total of 24,386,691 units at a price of \$0.15 per unit, for aggregate gross proceeds of \$3,658,004. Each unit consists of one common share in the capital of the Company and one half of one non-transferable common share purchase warrant. Each warrant will be exercisable to acquire one share at a price of \$0.30 per share for a period of 12 months from the date of issuance subject to an acceleration clause. These warrants were valued at \$438,573 at grant date. The fair value of warrants was determined using the Black-Scholes pricing model with an average risk-free rate of 2.58%, expected stock price volatility of 117% and average expected life of one year.

In connection with this private placement, the Company paid \$160,815 for share issuance costs and issued 1,033,402 finders warrants which were valued at \$32,426 at the time of issuance. Each finders' warrant is exercisable into one common share at a price of \$0.30 per share for a period of 12 months.

The Company issued 41,762,995 common shares from warrant exercises for gross proceeds of \$12,528,899, 225,000 common shares on exercise of stock options for gross proceeds of \$46,500 and recorded \$1,229,879 from reserves to share capital in accordance with the fair value of warrants exercised.

The Company issued 1,850,000 common shares valued at \$1,480,000 to acquire a 100% interest in the Si2 Project (Note 3).

##### c) Warrants

The warrants activity is summarized below:

Details of outstanding warrants are as follows:	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2024	42,563,680	\$ 0.30
Issued	13,276,747	\$ 0.30
Exercised	(41,762,995)	\$ 0.30
Expired	(3,115,346)	\$ 0.30
Outstanding warrants, December 31, 2025	10,962,086	\$ 0.30
Exercised	(10,910,887)	\$ 0.30
Expired	(51,199)	\$ 0.30
Outstanding warrants, March 31, 2026	-	\$ -

## **K2 Gold Corporation**

### **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

#### **4. Share capital (continued)**

##### **c) Warrants (continued)**

During the year ended December 31, 2025, the Company extended the expiry dates of 22,438,251 warrants to October 1, 2025, while 1,256,530 finders' warrants expired on February 1, 2025, and 563,400 finders' warrants expired on February 11, 2025. As a result of the extension, the Company reassessed the relative fair value allocation between the warrant and equity components using the Black-Scholes option pricing model. This resulted in an adjustment of \$233,893 to the previously recorded values. The impact of the fair value reallocation has been recognized in prior period's financial statements.

##### **d) Stock Options**

Under the Company's stock option plan, the board of directors may grant options for the purchase of up to 10% of the total number of issued and outstanding common shares of the Company. Options granted under the plan vest over time at the discretion of the board of directors and expire no later than ten years from the date of issuance. Exercise prices on options granted under the plan cannot be lower than the market price of one common share on the last trading day immediately preceding the day on which the option is granted, less the maximum applicable discount permitted by the Exchange.

In January 2026, the Company granted 100,000 stock options to a consultant of the Company. The options are exercisable at \$0.81 per share for a period of three years from the date of grant with 25% vesting in three months, and 25% vesting in the following six, nine and twelve months, respectively. The options were granted pursuant to the Company's shareholder-approved stock option plan and are subject to the policies of the TSX Venture Exchange and any applicable regulatory hold periods.

In January 2026, the Company granted 50,000 stock options to a consultant of the Company. The options are exercisable at \$0.81 per share for a period of five years from the date of grant with 25% vesting in six months, and 25% vesting on the anniversary every year thereafter. The options were granted pursuant to the Company's shareholder-approved stock option plan and are subject to the policies of the TSX Venture Exchange and any applicable regulatory hold periods.

In September 2025, the Company announced the granting of 500,000 incentive stock options which are exercisable at \$0.42 per share for a period of five years from the date of grant with 25% vesting in 6 months, and 25% vesting on the anniversary every year thereafter. The options were granted pursuant to the Company's shareholder-approved stock option plan and are subject to the policies of the TSX Venture Exchange and any applicable regulatory hold periods.

In June 2025, the Company granted 6,785,000 incentive stock options to certain directors, officers, employees and advisors of the Company. The options are exercisable at \$0.36 per share for a period of five years from the date of grant with 25% vesting in 6 months, and 25% vesting on the anniversary every year thereafter. The options were granted pursuant to the Company's shareholder-approved stock option plan and are subject to the policies of the TSX Venture Exchange and any applicable regulatory hold periods.

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 4. Share capital (continued)

##### d) Stock Options (continued)

The changes in stock options issued are as follows:

	Number of stock options	Weighted Average Exercise Price
Outstanding December 31, 2024	7,070,000	\$0.21
Granted	7,285,000	\$0.36
Exercised	(225,000)	\$0.21
Expired	(500,000)	\$0.61
Outstanding December 31, 2025	13,630,000	\$0.28
Granted	150,000	\$0.81
Outstanding March 31, 2026	13,780,000	\$0.28

Share-based compensation relating to options vested during the three months ended March 31, 2026 using the Black-Scholes option pricing model was \$279,779 (2025 –\$nil). This amount was recorded in shareholders' equity, within reserves, in the statement of financial position and recognized as an expense in the statement of loss and comprehensive loss.

The estimated grant date fair value of the options granted during 2026 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2026 Stock Options	2025 Stock Options
Number of options granted	150,000	7,285,000
Risk-free interest rate	2.733%	3.68%
Expected annual volatility	106%	108%
Expected life	4 years	5 years
Expected dividend yield	0%	0%
Grant date fair value per option	\$0.81	\$0.28
Share price at grant date	\$0.81	\$0.35

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 4. Share capital (continued)

##### d) Stock Options (continued)

As at March 31, 2026, the Company had outstanding options enabling the holders to acquire common shares as follows:

Expiry Date	Options outstanding	Options exercisable	Exercise price	Weighted Remaining Contractual Life (in Years)
May 13, 2026	870,000	870,000	\$0.32	0.12
May 13, 2027	2,850,000	2,850,000	\$0.15	1.12
May 1, 2028	2,625,000	2,625,000	\$0.15	2.09
January 2, 2029	100,000	-	\$0.81	2.76
June 9, 2030	6,785,000	1,696,250	\$0.36	4.19
September 8, 2030	500,000	125,000	\$0.42	4.44
January 2, 2029	50,000	-	\$0.81	4.76
	13,780,000	8,166,250	\$0.28	2.90

As of March 31, 2026, the Company had 8,166,250 exercisable options outstanding, with a weighted average contractual life of 2.01 year and weighted average exercise price of \$0.22.

#### 5. Financial Instruments

##### a) Fair values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of cash and cash equivalents, amounts receivable and accounts payables and accrued liabilities approximates their carrying value due to their short-term maturity. The fair value of the Company's reclamation bond approximate carrying value due to the use of market rates, which is the amount recorded on the statements of financial position.

## **K2 Gold Corporation**

### **Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025**

*(Expressed in Canadian Dollars)*

---

#### **5. Financial Instruments (continued)**

##### **b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and amounts receivable. The Company's maximum exposure to credit risk is the carrying amount of its cash and receivables.

Cash and cash equivalents are held with major Canadian financial institutions and amounts receivable primarily consist of GST recoverable are from Government entities. Management is of the view that all amounts are fully collectible.

##### **c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations and commitments as they become due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at March 31, 2026, the Company has cash and cash equivalents of \$34,116,544 to cover its current liabilities of \$599,141.

##### **d) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and commodity and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

In the normal course of business, the Company enters into transactions for the purchase of supplies and services and acquisition of mineral properties, denominated in a currency other than the functional currency of the Company. As a result, the Company is subject to foreign exchange risk from fluctuations in foreign exchange rates, however Management estimates the risk to be insignificant. The Company has not entered into any derivative or other financial instruments to mitigate this foreign exchange risk. A 10% fluctuation in the US\$ against the Canadian dollar would affect profit or loss by approximately \$530,984 (2025 - \$2,883).

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 5. Financial Instruments (continued)

##### e) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of resources, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

#### 6. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can provide returns and benefits for shareholders and advance the exploration of its mineral properties.

The Company's policy is to maintain a strong capital base to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves, net of accumulated deficit.

The Company depends on external financing to fund its activities and may issue new equity instruments to maintain its capital structure. The Company manages its capital structure through the preparation of operating budgets, which are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the three months ended March 31, 2026. The Company is not subject to any externally imposed capital requirements.

#### 7. Related parties

##### *Key management compensation*

Key management consists of the Company's directors and officers. In addition to management and consulting fees paid to these individuals, or companies controlled by these individuals, the Company provides non-cash benefits. Total key management compensation are as follows:

	Three months ended March 31, 2026	Three months ended March 31, 2025
Exploration costs	45,000	45,000
Personnel	85,005	73,005
Share-based compensation	227,015	-
Total	\$ 357,020	\$ 118,005

## K2 Gold Corporation

### Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

#### 7. Related parties (continued)

Related party transactions and balances not disclosed elsewhere in these condensed consolidated interim financial statements are as follows:

	Three months ended March 31, 2026	Three months ended March 31, 2025
Office rent (Squamish, BC) 1	5,749	5,633
Total	\$ 5,749	\$ 5,633

(1) Rental payments made to a company owned by a key management person.

#### 8. Commitments

The Company entered into a lease agreement with a company owned by a key management person for office space in Squamish, BC, commencing August 1, 2025, and expiring on July 31, 2026 for \$1,916 per month.

#### 9. Segment information

The Company operates in one reportable segment, being the acquisition, exploration and evaluation of mineral resources. The Company's exploration and evaluation assets are located in Canada and the United States as follows:

	March 31, 2026	December 31, 2025
Exploration and evaluation assets		
Canada	1,873,672	1,577,557
United States	5,697,705	5,697,705
	\$ 7,571,377	\$ 7,275,262

#### 10. Subsequent events

Subsequent to March 31, 2026, the Company:

- i) Issued 425,000 common shares pursuant to the exercise of options for gross proceeds of \$127,500 and issued 190,049 common shares pursuant to the cashless exercise of 385,000 stock options.
- ii) Entered into a sublease for office space with a monthly cost of \$4,560, commencing May 1, 2026 for a term of two years.