

KRAIT CRITICAL MINERALS CORP.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2026

and

PERIOD FROM INCORPORATION ON JANUARY 14, 2025 TO APRIL 30, 2025

(Expressed in Canadian Dollars)

DAVIDSON

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Krait Critical Minerals Corp.

Opinion

We have audited the accompanying financial statements of Krait Critical Minerals Corp. (the "Company"), which comprise the statements of financial position as at April 30, 2026 and 2025, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for year ended April 30, 2026 and the period from incorporation on January 14, 2025 to April 30, 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2026 and 2025, and its financial performance and its cash flows for year ended April 30, 2026 and the period from incorporation on January 14, 2025 to April 30, 2025 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 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 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 financial statements, which indicates that the Company has incurred losses since inception and may be required to raise funding to continue operations in the upcoming 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.

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 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Davidson & Company LLP

Chartered Professional Accountants

Vancouver, Canada

August 12, 2026

Krait Critical Minerals Corp.
Statements of Financial Position
As at April 30, 2026 and 2025
(Expressed in Canadian Dollars)

	Note	2026 \$	2025 \$
ASSETS			
Current			
Cash		350,958	87,111
Sales tax receivable		28,902	523
Prepaid expenses	7	55,612	-
		435,472	87,634
Exploration and evaluation assets	4	219,532	10,000
Total assets		655,004	97,634
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	5,7	88,035	-
Subscriptions received in advance		1,000	-
		89,035	-
SHAREHOLDERS' EQUITY			
Share capital	6	1,434,195	288,250
Deficit		(868,226)	(190,616)
Total shareholders' equity		565,969	97,634
Total liabilities and shareholders' equity		655,004	97,634

Nature of operations and going concern (note 1)

Events after the reporting period (note 14)

Approved on behalf of the Board of Directors on August 12, 2026:

"Oscar Mendoza"

Director

"Steve Vanry"

Director

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

Krait Critical Minerals Corp.
Statements of Loss and Comprehensive Loss
For the Year Ended April 30, 2026 and period from incorporation on January 14, 2025 to April 30, 2025
(Expressed in Canadian Dollars)

	Note	Year Ended April 30, 2026	From January 14, 2025 to April 30, 2025
		\$	\$
OPERATING EXPENSES			
Consulting fees		294,661	127,561
Management fees	7	200,284	50,533
Marketing, filing and office fees	7	109,862	11,300
Travel		33,722	-
Audit and accounting		25,500	-
Legal		11,555	-
		(675,584)	(189,394)
OTHER (EXPENSES)			
Foreign exchange		(2,026)	(1,222)
Loss and comprehensive loss for the period		(677,610)	(190,616)
Weighted average number of common shares outstanding			
Basic and diluted		7,202,274	2,589,816
Loss per share			
Basic and diluted		(0.09)	(0.07)

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

Krait Critical Minerals Corp.**Statements of Cash Flows****For the Year Ended April 30, 2026 and period from incorporation on January 14, 2025 to April 30, 2025**

(Expressed in Canadian Dollars)

	Year Ended April 30, 2026	From January 14, 2025 to April 30, 2025
	\$	\$
OPERATING		
Loss and comprehensive loss for the period	(677,610)	(190,616)
Changes in non-cash working capital balances:		
Sales tax receivable	(28,379)	(523)
Prepaid expenses	(55,612)	-
Accounts payable and accrued liabilities	73,207	-
Net cash flows - Operating	(688,394)	(191,139)
INVESTING		
Exploration and evaluation expenditures	(157,204)	(10,000)
Net cash flows - Investing	(157,204)	(10,000)
FINANCING		
Proceeds from issue of common shares	1,210,931	290,000
Share issue costs	(102,486)	(1,750)
Proceeds from subscriptions received in advance	1,000	-
Net cash flows - Financing	1,109,445	288,250
Increase in cash	263,847	87,111
Cash, beginning of period	87,111	-
Cash, end of period	350,958	87,111

Supplemental disclosure with respect to cash flows - note 9

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

Krait Critical Minerals Corp.
Statements of Changes in Shareholders' Equity
For the Year Ended April 30, 2026 and period from incorporation on January 14, 2025 to April 30, 2025
(Expressed in Canadian Dollars)

	Common Shares	Share Capital	Deficit	Total
	#	\$	\$	\$
Incorporation, January 14, 2025	1	-	-	-
Shares issued for cash	5,760,000	290,000	-	290,000
Share issue costs	-	(1,750)	-	(1,750)
Loss and comprehensive loss for the initial period	-	-	(190,616)	(190,616)
Balance, April 30, 2025	5,760,001	288,250	(190,616)	97,634
Shares issued for exploration and evaluation assets	150,000	37,500	-	37,500
Shares issued for cash	2,911,862	1,210,931	-	1,210,931
Share issue costs	-	(102,486)	-	(102,486)
Loss and comprehensive loss for the year	-	-	(677,610)	(677,610)
Balance, April 30, 2026	8,821,863	1,434,195	(868,226)	565,969

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Krait Critical Minerals Corp. ("the Company") operates in the mineral resource industry and is a junior mineral exploration company focused on the acquisition and exploration of mineral properties in North America. The Company was incorporated under the laws of the Province of British Columbia on January 14, 2025. The Company's registered records office and head office is located at 2303 Lawson Avenue, West Vancouver, BC, V7V 2E5.

The Company's principal business activities include the acquisition and exploration of mineral exploration and evaluation assets across the province of Ontario, Canada. To date, the Company has not earned any revenues.

These annual financial statements ("financial statements") have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing and to develop profitable operations. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

These financial statements represent the Company's current fiscal year ended April 30, 2026, which reflects a full 12-month period, whereas the comparative period ended April 30, 2025, represents the initial reporting period from January 14, 2025 (the date of incorporation) to April 30, 2025.

The Company's continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations, which in turn is dependent upon the existence of economically recoverable reserves and market prices for the underlying minerals. The Company may be required to raise funding to continue operations in the upcoming twelve months. These material uncertainties may cast significant doubt as to the ability of the Company to continue as a going concern. Management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favourable or adverse market conditions occur.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of presentation

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss ("FVTPL"). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information and certain financial assets that are measured at fair value, as explained in the material accounting policies set out in note 3.

Functional and presentation currency

These financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Significant estimates

The preparation of these financial statements requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploration, evaluation, and related 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, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Determination of income taxes

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences"), and losses carried forward.

The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is probable that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

Significant judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in these financial statements are, but are not limited to, the following:

Going concern

The Company has exercised judgment in determining whether its available funds are sufficient to continue operations for twelve months from the end of the reporting period (note 1).

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: amortized cost; fair value through other comprehensive income ("FVOCI"); or fair value through profit or loss ("FVTPL"). The classification of financial assets depends on the purpose for which the financial assets were acquired and is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets are 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 FVOCI are measured at 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. The classification determines the method by which the financial assets are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Financial assets are classified as current assets or non-current assets based on their maturity date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The Company's financial assets which consist of cash is classified as amortized cost.

Impairment of financial assets

An expected credit loss ("ECL") model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The ECL model 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 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. The Company's financial assets measured at amortized cost are subject to the ECL model.

Financial liabilities

Financial liabilities are designated as either: FVTPL or loss; or 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 consolidated statement of financial position subsequent to inception and how changes in value are recorded. The Company's financial liabilities which consist of accounts payable and accrued liabilities and subscriptions received in advance are classified as amortized cost.

Exploration and evaluation assets

All of the Company's projects were in the exploration and evaluation phase. Pre-acquisition costs are expensed in the period in which they are incurred. Exploration and evaluation expenditures, once the legal right to explore a property has been acquired, are capitalized in addition to the acquisition costs. These direct expenditures include such costs as materials used, geological and geophysical evaluation, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

When a project is deemed to no longer have commercially viable prospects for the Company, exploration and evaluation assets in respect of that project are deemed to be impaired. As a result, those exploration and evaluation asset costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for indicators of impairment in accordance with *IFRS 6 - Exploration for and Evaluation of Mineral Resources*. If indicators of impairment are identified, the Company assesses whether the exploration and evaluation assets are impaired in accordance with the criteria set out in *IAS 36 - Impairment of Assets* to determine whether the carrying amount of an asset exceeds its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the exploration and evaluation assets attributable to that mineral resource are first tested for impairment and then reclassified from exploration and evaluation assets to mines under construction.

Rehabilitation provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the rehabilitation of exploration and evaluation assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The Company records the present value of estimated future cash flows associated with rehabilitation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized rehabilitation 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 (additional rehabilitation costs).

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 had no rehabilitation obligations for the years presented.

Impairment

At the end of each reporting period, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Costs related to issuances not completed will be recorded as deferred financing costs if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Common shares issued for consideration other than cash are valued based on their fair value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Share-based payments

The Company accounts for all grants of options to employees, non-employees and directors in accordance with the fair value method for accounting for share-based payments. Share-based payment awards are calculated using the Black-Scholes option pricing model. Compensation expense is recognized immediately for past services and pro-rata for future services over the option vesting period. A corresponding increase in reserves is recorded when stock options are expensed. When share warrants are exercised, share capital is credited by the sum of the consideration paid and the related portion of share-based payment previously recorded in reserves.

Share-based payment to non-employees, who are not providing similar services to employees, are measured at the grant date by using the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services received cannot be reliably measured, and are recorded at the date the goods or services are received. When options expire unexercised or are forfeited, deficit is credited by the related portion of share-based payments previously recorded in reserves.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Warrants that are issued as payment for agency fee or other transactions costs are accounted for as share-based payments. When warrants expire unexercised, the value previously recorded in reserves is transferred to share capital, except where the original charge was to profit or loss, then it is allocated to deficit.

Income (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similarly to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, this calculation proved to be anti-dilutive.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Uncertainty over income tax treatments

An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. This applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

Foreign currency translation

Applicable to all entities in the group, transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the statement of financial position date. Non-monetary items are translated into Canadian dollars at the exchange rate in effect on the respective transaction dates. Revenues and expenses are translated at average rates for the period, except for amortization, which is translated on the same basis as the related asset. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the year.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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 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.

New accounting policies

Accounting standards issued but not yet adopted

At the date of approval of these financial statements a number of standards and interpretations have been issued, which are not yet effective. The Company considers these new standards and interpretations as either not applicable to the Company's operations or are not expected to have a material impact on the Company's financial statements. In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

On March 1, 2025 (the "Effective Date"), the Company entered into an option-to-purchase agreement (the "Option Agreement") with Rudolf Wahl and Mike Dorval (together "The Wahl Group" or the "Vendors") to acquire a 100% interest in the Spider Lake - Goldbar Lake Claims ("Spider Lake"), located in Tuuri & Walsh Township, Thunder Bay Mining District, Province of Ontario, Canada. The Spider Lake claims include but are not limited to the rights to explore for, mine, extract and sell rare earth elements, gold, base metals etc. from the Spider Lake.

Under the terms of the Option Agreement and addendums dated March 5, 2025 and January 21, 2026, in order to exercise the option in full and thereby acquire the undivided 100% ownership interest in Spider Lake, the Company shall make the following payments (the "Option Payments") to the Vendors and incur the following exploration expenses

- i. \$5,000 in cash on March 15, 2025 (paid);
- ii. \$5,000 in cash on April 15, 2025 (paid);
- iii. \$10,000 in cash on June 15, 2025 (paid);
- iv. \$10,000 in cash on July 15, 2025 (paid);
- v. Issuance of 150,000 common shares of the Company issued by August 15, 2025 (issued) (note 6);
- vi. Incur minimum exploration expenditures of \$150,000 prior to October 20, 2026 (incurred);
- vii. \$30,000 in cash and 150,000 common shares of the Company on or before June 15, 2026 (amended – note 14);
- viii. \$30,000 in cash and 150,000 common shares of the Company on or before June 15, 2027;
- ix. \$35,000 in cash and 150,000 common shares of the Company on or before June 15, 2028;
- x. Incur minimum exploration expenditures of \$250,000 prior to December 31, 2028; and
- xi. \$50,000 in cash and 400,000 common shares of the Company on or before June 15, 2029.

The Company may accelerate the Option Payments, in its sole discretion, at any time during the term of the Option Agreement.

The Wahl Group retains a 3 % net smelter return ("NSR") on any minerals and/or metals discovered and mined at Spider Lake. The Company has the right to obtain 1.5% of the NSR by paying \$1,500,000 to The Wahl Group at any time before commercial production. In the future if the property or an ore deposit is to be sold or optioned to a third party by the Company, the Company shall pay the Wahl Group an additional 10% of the sale price in cash or shares of the Company, upon such time.

During the year ended April 30, 2026, the Company spent a total of \$152,032 (2025 - \$nil) on geotechnical work at Spider Lake. These expenditures have been capitalized as exploration and evaluation assets.

Krait Critical Minerals Corp.**Notes to the Financial Statements****For the Year Ended April 30, 2026 and period from incorporation on January 14, 2025 to April 30, 2025**

(Expressed in Canadian Dollars, except where noted)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as at April 30, 2026 and 2025 were as follows:

	2026	2025
	\$	\$
Accounts payable	60,237	-
Accrued liabilities	27,798	-
	88,035	-

6. SHARE CAPITAL**Authorized share capital**

Unlimited number of common shares without par value.

Issued share capital

During the year ended April 30, 2026, the Company issued:

- 980,000 common shares, at a price of \$0.25 per common share, for total gross proceeds of \$245,000. The Company paid cash finders' fees of \$15,095 in relation to the private placement;
- 1,931,862 common shares, at a price of \$0.50 per common share, for total gross proceeds of \$965,931. The Company paid cash finders' fees of \$87,391 in relation to the private placement; and
- 150,000 common shares, at a price of \$0.25 per common share, for a total value of \$37,500, were issued in relation to the commitments for the Spider Lake Option Payments (note 4).

During the initial reporting period ended April 30, 2025, the Company issued:

- 1 common share, valued at \$nil upon incorporation of the Company;
- 5,000,000 units, at a price of \$0.02 per unit (each, a "Unit"), for total gross proceeds of \$100,000. Each Unit shall consist of one common share in the capital of the Company and one share purchase warrant, whereby each warrant shall be exercisable at \$0.20 into an additional common share for a period of 36 months with an expiry date of March 10, 2028. On closing the gross proceeds were fully allocated to the common shares. Accordingly, the residual value allocated to warrants was \$nil; and
- 760,000 common shares, at a price of \$0.25 per common share, for total gross proceeds of \$190,000. The Company paid cash finders' fees of \$1,750 in relation to the private placement.

Warrants

Warrant activities are summarized as follows:

	Warrants	Weighted average exercise price
	#	\$
Outstanding at incorporation	-	-
Issued	5,000,000	0.20
Outstanding at April 30, 2025 and 2026	5,000,000	0.20

Krait Critical Minerals Corp.**Notes to the Financial Statements****For the Year Ended April 30, 2026 and period from incorporation on January 14, 2025 to April 30, 2025**

(Expressed in Canadian Dollars, except where noted)

6. SHARE CAPITAL (continued)

The Company has outstanding warrants entitling the holder to purchase an aggregate of common shares at April 30, 2026 as follows:

Warrants	Weighted average exercise price	Expiry date	Contractual life remaining
#	\$		Years
5,000,000	0.20	March 10, 2028	1.86

7. RELATED PARTY TRANSACTIONS

The Company defines its directors and officers as its key management personnel. The compensation costs for key management personnel for the year ended April 30, 2026 and the initial reporting period ended April 30, 2025, are as follows:

	Year ended April 30, 2026	Period ended April 30, 2025
	\$	\$
Exploration and evaluation expenditures	14,828	-
Marketing, filing and office fees	20,000	-
Management fees	200,284	50,533
	235,112	50,533

Balances owing to related parties found within accounts payable and accrued liabilities (note 5) as at April 30, 2026 were \$48,256 (2025 - \$nil). Balances prepaid to related parties found within prepaid expenses as at April 30, 2026 were \$14,667 (2025 - \$nil).

8. INCOME TAXES

A reconciliation of income taxes at statutory rates for the year ended April 30, 2026 and initial reporting period ended April 30, 2025 are as follows:

	Year ended April 30, 2026	Period ended April 30, 2025
	\$	\$
Loss for the year before income tax	(677,610)	(190,616)
Expected income tax (recovery) at statutory rates	(183,000)	(51,500)
Share issuance cost	(28,000)	400
Change in unrecognized deductible temporary differences	211,000	51,100
Total income tax (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	Year ended April 30, 2026	Period ended April 30, 2025
	\$	\$
Deferred tax assets:		
Share issue costs	23,000	400
Non-capital losses available for future periods	240,000	51,100
	263,000	51,500
Unrecognized deferred tax assets	(263,000)	(51,500)
	-	-

Tax attributes are subject to review and potential adjustment by tax authorities. The Company has non-capital losses of approximately \$890,000 available to offset against taxable income in future years, which if unutilized will expire through 2045 to 2046, and share issue costs of approximately \$85,000 available to offset against taxable income in future years, which will amortize through 2030. Deferred tax benefits that may arise as a result of these losses, resource deductions and other tax assets have not been recognized in these financial statements due to a lack of probability of their realization.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the year ended April 30, 2026, and initial reporting period ended April 30, 2025, the Company's significant non-cash transactions consisted of shares issued for exploration and evaluation assets of \$37,500 (2025 - \$nil).

Balances owing for exploration and evaluation expenditures found within accounts payable and accrued liabilities (note 5) as at April 30, 2026, were \$14,828 (2025 - \$nil).

The Company did not incur any cash paid for income taxes or interest during the year ended April 30, 2026, and initial reporting period ended April 30, 2025.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, and subscriptions received in advance. The fair value of these financial instruments approximates their carrying values.

Financial risk factors

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and price risk.

Credit risk

The Company is exposed to industry credit risks arising from its cash holdings. The Company's primary bank accounts are held with a major Canadian bank and funds are transferred to the subsidiary's foreign bank accounts to cover expenditures as required, minimizing the risk to the Company. The Company's primary receivable consists of goods and service tax receivable due from the Federal Government of Canada. Management believes that credit risk related to these amounts is nominal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. To manage liquidity risk, the Company reviews additional sources of capital and financing to continue its operations and discharge its commitments as they become due. The Company is subject to liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of market price changes:

- a) *Interest rate risk* - this risk relates to the change in the borrowing rates of the Company. The Company is not exposed to interest rate risk as it does not have any significant financial instruments with interest rates, with the exception of cash. Interest earned on cash is based on prevailing bank account interest rates, which may fluctuate. A 10% change in interest rates would result in a nominal difference in interest income for the year ended April 30, 2026, and for the initial reporting period ended April 30, 2025.
- b) *Foreign currency risk* - this risk relates to any changes in foreign currencies in which the Company transacts. The effect of a 10% change in foreign exchange rates would result in a nominal difference in foreign exchange income (loss) for the year ended April 30, 2026, and for the initial reporting period ended April 30, 2025.
- c) *Price risk* - this 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 earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices in relation to its exploration and evaluation assets.

11. CAPITAL MANAGEMENT

The Company considers its components within shareholders' equity as capital. The Company's objective when managing capital is to fund its operations and corporate overhead costs, meet obligations as they come due, and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk. The Company has no earnings and therefore it must finance its activities and corporate overhead costs by the sale of common shares or loans.

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 new debt, or acquire or dispose of assets. In order to maximize ongoing development efforts, the Company does not pay out dividends. Given its objectives, the Company determines the amount of capital to be raised and retained based on the scope of operating activities and potential acquisitions as well as management's assessment of the expected availability of acceptably priced capital in future periods.

There were no changes in the Company's approach to capital management for the year ended April 30, 2026, and initial reporting period ended April 30, 2025. The Company is not subject to externally imposed capital requirements.

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, the acquisition and exploration of exploration and evaluation assets.

At April 30, 2026, the Company held exploration and evaluation assets of \$219,532 (April 30, 2025 - \$10,000) in Canada (note 4).

13. COMMITMENTS

Various tax and legal matters are outstanding from time to time. Judgments and assumptions regarding these matters are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations. In the event that management's estimate of the future resolution of these matters change, the Company will recognize these on the date such changes occur.

The Company's arrangement with its CEO includes a set of defined performance milestones with attached awarded compensation, as follows:

- i. Listing on Canadian stock exchange: US\$50,000 in cash, and 100,000 common shares of the Company;
- ii. Listing on USA over the counter market: US\$50,000 in cash, and 100,000 common shares of the Company;
- iii. Listing on a European market: US\$50,000 in cash, and 100,000 common shares of the Company;
- iv. The Company reaching a market capitalization of \$25,000,000: US\$50,000 in cash, and 200,000 common shares of the Company;
- v. The Company reaching a market capitalization of \$50,000,000: US\$50,000 in cash, and 200,000 common shares of the Company;
- vi. Post listing on a Canadian stock exchange, financings of the Company to a minimum combined total of \$5,000,000: US\$50,000 in cash, and 200,000 common shares of the Company.

Subsequent to April 30, 2026, the Company's arrangement with its CEO was amended to remove all cash consideration outlined in the defined performance milestones.

14. EVENTS AFTER THE REPORTING PERIOD

On May 4, 2026, the Company entered into an Exclusivity and Standstill Agreement with a Nevada USA based LLC (the "Nevada LLC") which provides the Company the exclusive right to acquire all of the outstanding equity interests of the Nevada LLC for period of 6-months. The Nevada LLC is party to a Mineral Property Purchase Agreement dated April 28, 2026, with a third-party corporation which holds an option to acquire a 100% interest in the Bales Antimony Project, Okanogan County, Washington, USA. In consideration for the grant of exclusivity and the opportunity to conduct due diligence investigations relating to the proposed transaction, the Company paid the Nevada LLC a non-refundable fee of US\$25,000 ("Exclusivity Fee"). Subject to negotiation and execution of definitive documentation the Exclusivity Fee would be credited against any such purchase price.

14. EVENTS AFTER THE REPORTING PERIOD (continued)

On May 19, 2026, the Company entered into an amending agreement, which altered the terms of the Spider Lake - Goldbar Lake Claims Option Agreement and addendums. Under the terms of the amending agreement the \$30,000 in cash and 150,000 common shares due on or before June 15, 2026, has been altered to a commitment from the Company to pay \$15,000 and issue 150,000 shares on or before June 15, 2026, and pay an additional \$15,000 on or before September 15, 2026.

On May 22, 2026, the Company issued 480,283 common shares, at a price of \$0.50 per share, for total gross proceeds of \$240,142.

On May 29, 2026, the Company's arrangement with its CEO was amended to remove all cash consideration outlined in the defined performance milestones.

On May 29, 2026, the Company entered into a debt settlement agreement with a company controlled by its CFO, whereby \$39,375 of accounts payable was settled through the issuance of 78,750 common shares of the Company.

On June 12, 2026, the Company closed a private placement resulting in the issue of 454,000 common shares at a price of \$0.50 per share, for total gross proceeds of \$227,000. In connection with the private placement the Company paid finders fees of \$6,300 and issued 12,600 finders warrants exercisable at \$0.75 for one-year.

On June 17, 2026, the Company paid \$15,000 and issued 150,000 common shares and in connection with the Spider Lake Option Agreement.

On July 16, 2026, the Company closed a private placement resulting in the issue of 1,265,600 shares at a price of \$0.50 per share, for total gross proceeds of \$632,800. In connection with the private placement the Company paid finders fees of \$22,750 and issued 45,500 finders warrants exercisable at \$0.75 for one-year.

On July 30, 2026, the Company closed a private placement resulting in the issue of 760,000 shares at a price of \$0.50 per share, for total gross proceeds of \$380,000.