



CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

Notice to Reader

These condensed interim financial statements of Azarga Metals Corp. have been prepared by management and approved by the Audit Committee of the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim financial statements, notes to the financial statements or the related quarterly Management's Discussion and Analysis.

AZARGA METALS CORP.**Condensed Interim Statements of Financial Position**

(Unaudited – Expressed in Canadian dollars)

	<i>Note</i>	June 30, 2026	September 30, 2025
ASSETS			
Current assets			
Cash		\$ 1,021,387	\$ 128,287
Receivables		3,041	3,803
Prepaid expenses		58,063	10,558
		1,082,491	142,648
Exploration and evaluation assets	4	892,279	892,279
		\$ 1,974,770	\$ 1,034,927
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other payables	5	\$ 31,203	\$ 41,140
		31,203	41,140
Shareholders' equity			
Share capital	6	147,552,112	146,482,347
Share-based reserve	6	18,298,236	17,687,997
Deficit		(163,906,781)	(163,176,557)
		1,943,567	993,787
		\$ 1,974,770	\$ 1,034,927
Nature of operations and going concern	1		
Subsequent event	10		

These condensed interim financial statements were approved for issue by the Audit Committee of the Board of Directors on August 26, 2026.

They are signed on the Company's behalf by:

"Gordon Tainton"

Gordon Tainton, Director

"Blake Steele"

Blake Steele, Director

The accompanying notes form an integral part of these condensed interim financial statements

AZARGA METALS CORP.**Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)**

(Unaudited – Expressed in Canadian dollars)

		Three months ended June 30,		Nine months ended June 30,	
	Note	2026	2025	2026	2025
EXPENSES					
Consulting fees	7	\$ 82,500	\$ 68,500	\$ 224,167	\$ 205,500
Director fees	7	45,750	18,000	109,500	36,000
Exploration and evaluation expenditures	4	33,357	19,298	18,043	19,298
Marketing and promotion		52,930	13,495	85,616	13,495
Office expenses		4,741	5,140	16,907	15,523
Professional fees		2,518	-	2,518	4,300
Share-based compensation	6 & 7	89,371	-	228,567	12,722
Transfer agent and filing fees		15,021	11,500	30,695	38,438
Travel		7,619	3,384	14,211	3,384
		(333,807)	(139,317)	(730,224)	(348,660)
Foreign exchange loss		-	(28,345)	-	(28,433)
Gain on settlement of trade and other payables		-	-	-	515,070
INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		\$ (333,807)	\$ (167,662)	\$ (730,224)	\$ 137,977
Basic and diluted gain (loss) per common share		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ 0.00
Weighted average number of common shares outstanding - basic and diluted		90,955,945	74,908,605	83,482,450	59,042,720

The accompanying notes form an integral part of these condensed interim financial statements

AZARGA METALS CORP.
Condensed Interim Statements of Cash Flows
(Unaudited – Expressed in Canadian dollars)

	Nine months ended June 30,	
	2026	2025
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES:		
Income (loss) for the period	\$ (730,224)	\$ 137,977
Items not affecting cash:		
Share-based compensation	228,567	12,722
Gain on settlement of trade and other payables	-	(515,070)
Change in non-cash working capital items:		
Receivables	762	(278)
Prepaid expenses	(47,505)	(10,758)
Trade and other payables	(9,937)	(179,142)
	(558,337)	(554,549)
FINANCING ACTIVITIES:		
Private placements	1,500,560	1,100,000
Share issue costs	(49,123)	(6,500)
	1,451,437	1,093,500
INCREASE IN CASH FOR THE PERIOD	893,100	538,951
CASH, BEGINNING OF THE PERIOD	128,287	15,212
CASH, END OF THE PERIOD	\$ 1,021,387	\$ 554,163
Non-cash investing and financing activities		
Shares issued for finders' fees	\$ 37,862	\$ -
Warrants issued for finders' fees	73,951	-
Shares issued for exploration and evaluation assets	-	20,100
Shares issued for vested restricted share units	-	48,000
Supplementary information		
Interest paid	\$ -	\$ -
Income taxes paid	-	-

The accompanying notes form an integral part of these condensed interim financial statements

AZARGA METALS CORP.**Statements of Changes in Shareholders' Equity (Deficiency)**

(Unaudited – Expressed in Canadian dollars)

	Number of shares	Share capital	Share-based reserve	Deficit	Shareholders' equity
Balance, September 30, 2025	76,889,855	\$ 146,482,347	\$ 17,687,997	\$ (163,176,557)	\$ 993,787
Private placements	13,707,850	1,192,839	307,721	-	1,500,560
Shares issued for finders' fees	358,240	37,862	-	-	37,862
Share issue costs - shares	-	(37,862)	-	-	(37,862)
Share issue costs - cash	-	(49,123)	-	-	(49,123)
Share issue costs - warrants	-	(73,951)	73,951	-	-
Share-based compensation	-	-	228,567	-	228,567
Comprehensive loss for the period	-	-	-	(730,224)	(730,224)
Balance, June 30, 2026	90,955,945	\$ 147,552,112	\$ 18,298,236	\$ (163,906,781)	\$ 1,943,567

	Number of shares	Share capital	Share-based reserve	Deficit	Shareholders' equity (deficiency)
Balance, September 30, 2024	36,371,939	\$ 145,191,966	\$ 17,573,563	\$ (162,922,352)	\$ (156,823)
Private placement	36,666,666	1,100,000	-	-	1,100,000
Share issue costs	-	(6,500)	-	-	(6,500)
Shares issued for exploration and evaluation assets	670,000	20,100	-	-	20,100
Shares issued for vested restricted share units	1,200,000	48,000	(48,000)	-	-
Share-based compensation	-	-	12,722	-	12,722
Comprehensive income for the period	-	-	-	137,977	137,977
Balance, June 30, 2025	74,908,605	\$ 146,353,566	\$ 17,538,285	\$ (162,784,375)	\$ 1,107,476

The accompanying notes form an integral part of these condensed interim financial statements

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Azarga Metals Corp. (the “Company”) is a publicly traded company incorporated under the laws of the Province of British Columbia. The Company’s shares are listed on the TSX Venture Exchange and trade under the symbol AZR. The corporate office of the Company is located at Unit 1 - 15782 Marine Drive, White Rock, B.C., V4B 1E6.

The Company is engaged in the exploration and, if warranted, development of mineral resource projects in Canada. The Company is considered to be in the exploration stage as it has not placed any of its exploration and evaluation assets into production nor has it generated any revenues from operations.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As at June 30, 2026, the Company had working capital of \$1,051,288. Management estimates that its working capital may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

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

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

These condensed interim financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended September 30, 2025.

Basis of measurement

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

Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, which is the Company’s functional currency.

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Use of accounting estimates, judgments, and assumptions

Information about estimates and judgments used in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim financial statements are included in Note 2 to the Company's September 30, 2025 annual financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company as at and for the year ended September 30, 2025.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of June 30, 2026 and have not been applied in preparing these condensed interim financial statements.

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

AZARGA METALS CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Marg Property
September 30, 2025	\$ 892,279
Additions	-
June 30, 2026	\$ 892,279

The Marg project is the Company's 100% owned undeveloped high-grade copper-rich volcanogenic massive sulphide deposit located in the Keno Hill Silver District, Yukon Territory of Canada.

The Marg project is subject to a 1% net smelter return royalty which the Company has the option to buy back for cash consideration of \$1,500,000. In addition, upon a final decision to mine by the Company, a payment of \$300,000 is due in cash or shares, at the vendor's discretion, to the vendor of the Marg project.

The Company recorded the following exploration and evaluation expenditures on its Marg project during the three and nine months ended June 30, 2026 and 2025.

	Three months ended June 30,		Nine months ended June 30,	
	2026	2025	2026	2025
Consulting	\$ -	\$ 12,013	\$ 7,475	\$ 12,013
Camp costs	32,711	-	33,677	-
Helicopter	-	6,385	-	6,385
Permitting	-	-	3,385	-
Travel	646	900	1,117	900
Yukon government grant	-	-	(27,611)	-
	\$ 33,357	\$ 19,298	\$ 18,043	\$ 19,298

5. TRADE AND OTHER PAYABLES

	June 30, 2026	September 30, 2025
Trade and other payables	\$ 31,203	\$ 39,353
Due to related parties (Note 7)	-	1,787
Total	\$ 31,203	\$ 41,140

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

6. SHARE CAPITAL AND SHARE-BASED RESERVE

a) Authorized

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

b) Issued and outstanding

During the nine months ended June 30, 2026, the Company completed the following:

- On February 10, 2026, the Company completed a private placement through the issuance of 10,000,000 units at a price of \$0.10 per unit for gross proceeds of \$1,000,000. Each unit consisted of one common share and one-half of one share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of \$0.20 until February 10, 2028. The share purchase warrants were valued at \$201,147 using the relative fair value approach.

The Company paid cash finders' fees of \$30,000, issued 300,000 common shares valued at \$30,000, and issued 600,000 finders' warrants valued at \$63,080 to certain arm's length finders. The finders' warrants are exercisable to acquire one common share at a price of \$0.10 until February 10, 2028. The Company also incurred other share issue costs of \$7,193.

The fair value of the share purchase warrants and the finders' warrants were determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 2.53%; an expected volatility of 105%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero.

- On March 27, 2026, the Company completed a private placement through the issuance of 3,707,850 units at a price of \$0.135 per unit for gross proceeds of \$500,560. Each unit consisted of one common share and one-half of one share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of \$0.20 until March 27, 2028. The share purchase warrants were valued at \$106,574 using the relative fair value approach.

The Company paid cash finders' fees of \$7,862, issued 58,240 common shares valued at \$7,862, and issued 116,480 finders' warrants valued at \$10,871 to certain arm's length finders. The finder's warrants are exercisable to acquire one common share at a price of \$0.135 until March 27, 2028. The Company also incurred other share issue costs of \$4,068.

The fair value of the share purchase warrants and the finders' warrants were determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.18%; an expected volatility of 116%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero.

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

6. SHARE CAPITAL AND SHARE-BASED RESERVE (continued)

c) Share purchase warrants

The continuity of share purchase warrants for the nine months ended June 30, 2026 is as follows:

Expiry date	Exercise price	Balance, September 30, 2025	Granted	Exercised	Expired	Balance, June 30, 2026
November 7, 2025	\$ 0.50	730,000	-	-	(730,000)	-
February 10, 2028	\$ 0.20	-	5,000,000	-	-	5,000,000
February 10, 2028	\$ 0.10	-	600,000	-	-	600,000
March 27, 2028	\$ 0.20	-	1,853,926	-	-	1,853,926
March 27, 2028	\$ 0.135	-	116,480	-	-	116,480
		730,000	7,570,406	-	(730,000)	7,570,406
Weighted average exercise price	\$ 0.50	\$ 0.19	\$ -	\$ 0.50	\$ 0.19	

As at June 30, 2026, all warrants outstanding were exercisable with a weighted average remaining contractual life of 1.65 years.

d) Share-based compensation

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

In addition, the Company has an equity incentive plan (the “Equity Plan”) which governs the granting of any restricted share units, performance share units, or deferred share units granted under the Equity Plan, to directors, officers, employees and consultants of the Company. Under the Equity Plan, the Company has reserved for issuance up to 9,000,000 common shares.

Stock options

The continuity of stock options for the nine months ended June 30, 2026 is as follows:

Expiry date	Exercise price	Balance, September 30, 2025	Granted	Exercised	Expired/ Cancelled	Balance, June 30, 2026
January 5, 2029	\$ 0.07	800,000	-	-	-	800,000
July 30, 2030	\$ 0.08	1,950,000	-	-	-	1,950,000
March 27, 2031	\$ 0.15	-	300,000	-	-	300,000
		2,750,000	300,000	-	-	3,050,000
Weighted average exercise price	\$ 0.08	\$ 0.15	\$ -	\$ -	\$ 0.08	

As at June 30, 2026, all stock options outstanding were exercisable with a weighted average remaining contractual life of 3.74 years.

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

6. SHARE CAPITAL AND SHARE-BASED RESERVE (continued)

d) Share-based compensation (continued)

Stock options (continued)

On March 27, 2026, the Company granted 300,000 stock options to a consultant of the Company at a fair value of \$36,340 or \$0.12 per option, of which \$16,189 and \$25,999 was recorded as share-based compensation for the three and nine months ended June 30, 2026, respectively. The fair value of the stock options granted was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.18%; an expected volatility of 112%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

Restricted Share Units ("RSUs")

The continuity of RSUs for the nine months ended June 30, 2026 is as follows:

Issue date	Balance, September 30, 2025	Granted	Settled	Forfeited	Balance, June 30, 2026
July 30, 2025	1,350,000	-	-	-	1,350,000
November 21, 2025	-	916,667	-	-	916,667
	1,350,000	916,667	-	-	2,266,667

On July 30, 2025, the Company awarded 1,350,000 RSUs to three officers of the Company at a fair value of \$101,250, of which \$15,424 and \$46,271 was recorded as share-based compensation for the three and nine months ended June 30, 2026, respectively. The RSUs vest as to one-third on the first (Note 10), second and third anniversaries of the award date.

On November 21, 2025, the Company awarded 916,667 RSUs to a consultant, who is also a significant shareholder of the Company, at a fair value of \$119,167, of which \$29,710 and \$72,153 was recorded as share-based compensation for the three and nine months ended June 30, 2026, respectively. The RSUs vest on the first anniversary of the award date.

On January 5, 2024, the Company granted 1,200,000 RSUs to the three directors of the Company at a fair value of \$48,000, of which \$Nil and \$12,722 was recorded as share-based compensation for the three and nine months ended June 30, 2025, respectively. The RSUs vested on January 5, 2025, and on March 5, 2025, the Company issued 1,200,000 common shares to the three directors on the settlement of the 1,200,000 RSUs.

Deferred Share Units ("DSUs")

The continuity of DSUs for the nine months ended June 30, 2026 is as follows:

Issue date	Balance, September 30, 2025	Granted	Settled	Forfeited	Balance, June 30, 2026
July 30, 2025	1,500,000	-	-	-	1,500,000
	1,500,000	-	-	-	1,500,000

On July 30, 2025, the Company awarded 1,500,000 DSUs to two directors at a fair value of \$112,500, of which \$28,048 and \$84,144 was recorded as share-based compensation for the three and nine months ended June 30, 2026, respectively. The DSUs vest on the first anniversary of the award date and the settlement date is the date the director is no longer with the Company.

AZARGA METALS CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES*Compensation of key management personnel*

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the three and nine months ended June 30, 2026 and 2025 were as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2026	2025	2026	2025
Consulting fees				
Chief Executive Officer	\$ 52,500	\$ 43,500	\$ 142,500	\$ 130,500
Golden Oak *	30,000	25,000	81,667	75,000
	82,500	68,500	224,167	205,500
Director fees	45,750	18,000	109,500	36,000
Share-based compensation	43,472	-	130,415	12,722
	\$ 171,722	\$ 86,500	\$ 464,082	\$ 254,222

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

Due to related parties

		June 30, 2026	September 30, 2025
Golden Oak	Expenses	\$ -	\$ 1,787
		\$ -	\$ 1,787

8. SEGMENTED INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and evaluation in Canada.

All of the Company's assets are located in Canada.

AZARGA METALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended June 30, 2026

(Unaudited – Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss; fair value through other comprehensive income; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instruments	Category	June 30, 2026	September 30, 2025
Cash	Amortized cost	\$ 1,021,387	\$ 128,287
Receivables	Amortized cost	3,041	3,803
Trade and other payables	Amortized cost	31,203	41,140

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

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values for cash, receivables, and trade and other payables approximate their fair value due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

Risk Management

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended September 30, 2025.

10. SUBSEQUENT EVENT

On August 4, 2026, the Company issued 450,000 common shares to three officers of the Company on the settlement of 450,000 restricted share units (Note 6).