



Consolidated Financial Statements of
Resouro Strategic Metals Inc.

For the years ended March 31, 2026 and March 31, 2025
(Expressed in Canadian Dollars)

To the Shareholders of Resouro Strategic Metals Inc.:

Opinion

We have audited the consolidated financial statements of Resouro Strategic Metals Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026 and March 31, 2025, and the consolidated statements of loss and other comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2026 and March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company will require additional financing in order to conduct its planned work programs. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits 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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Sergey Fesenko.

Calgary, Alberta

June 23, 2026

MNP LLP

Chartered Professional Accountants

RESOURO STRATEGIC METALS INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at,	Notes	March 31, 2026	March 31, 2025
ASSETS			
Current assets			
Cash		\$ 1,091,663	\$ 1,843,664
Prepaid expenses		70,866	54,958
Accounts receivable		32,690	26,800
		1,195,219	1,925,422
Non-current assets			
Right-of-use asset	6	-	7,849
Property and equipment	4	174,188	218,391
Exploration and evaluation assets	5	5,730,340	5,730,340
		5,904,528	5,956,580
TOTAL ASSETS		7,099,747	7,882,002
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	380,583	167,342
Due to related party	11	78,948	100,019
Lease obligation - current portion	7	-	5,789
TOTAL LIABILITIES		459,531	273,150
SHAREHOLDERS' EQUITY			
Share capital	9	22,461,852	19,480,922
Warrants	9	464,274	464,274
Contributed surplus		3,557,679	3,471,602
Foreign currency translation reserve		32,087	32,087
Non-controlling interest		(148,382)	17,080
Deficit attributable to shareholders		(19,727,294)	(15,857,113)
Total shareholders' equity		6,640,216	7,608,852
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 7,099,747	\$ 7,882,002
Going Concern	1		
Subsequent events	15		

Approved by the Board of Directors on June 22, 2026

"Simon Stilwell"
Board of Directors Chair

"Christopher Eager"
CEO and Director

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

RESOURO STRATEGIC METALS INC.
Consolidated Statements of Loss and Other Comprehensive Loss
(Expressed in Canadian dollars)

For the year ended,	Notes	March 31,	
		2026	2025
General and administrative			
Management fees	11	\$ 1,053,768	\$ 1,549,268
Professional fees		651,423	1,352,680
Investor relations		428,161	287,330
Travel - project related		123,070	66,816
Office and administrative		140,220	144,855
Share-based compensation	9	86,077	243,390
Depreciation	4	36,873	45,703
Accretion of right-of-use obligation	7	182	3,317
Depreciation of right-of-use asset	6	7,247	29,326
Foreign exchange loss (gain)		20,251	(63,772)
Exploration and evaluation expenditures	5	1,547,556	2,801,058
		4,094,828	6,459,971
Other items			
Interest income		(59,185)	(171,575)
Total comprehensive loss		4,035,643	6,288,396
Total comprehensive loss attributable to			
Common shareholders		3,870,181	6,051,637
Non-controlling interest	10	165,462	236,759
Total comprehensive loss		\$ 4,035,643	\$ 6,288,396
Net loss per share - basic and diluted		\$ (0.04)	\$ (0.07)
Weighted average shares outstanding basic and diluted	9	99,165,391	89,155,810

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

RESOURO STRATEGIC METALS INC.
Consolidated Statements of Cash Flow
(Expressed in Canadian dollars)

For the year ended,	Note	March 31, 2026	2025
Cash flow used in operating activities			
Total comprehensive loss for the year		\$ (4,035,643)	\$ (6,288,396)
Items not affecting cash:			
Share-based compensation	9	86,077	243,390
Depreciation	4	36,873	45,703
Foreign exchange		23,329	-
Accretion of right-of-use obligation	7	182	3,317
Depreciation of right-of-use asset	6	7,247	29,326
Net change in non-cash working capital balances:			
Accounts receivable		(5,890)	2,393
Interest receivable		-	-
Prepaid expenses		(15,908)	(31,948)
Due from related parties		(21,071)	1,334
Accounts payable and accrued liabilities		213,243	(771,801)
Cash flow used in operating activities		(3,711,561)	(6,766,682)
Cash flow provided by financing activities			
Related party financing	11	-	-
Repayment of office lease	7	(5,145)	(32,737)
Exercise of stock options	9	-	46,375
Private placement, net share issue costs	9	2,980,930	6,794,743
Cash flow provided by financing activities		2,975,785	6,808,381
Cash flow used in investing activities			
Exploration and evaluation costs		-	(50,000)
Property and equipment	4	(16,225)	(69,307)
Cash flow used in investing activities		(16,225)	(119,307)
Net change in cash		(752,001)	(77,608)
Cash at beginning of the year		1,843,664	1,921,272
Cash at the end of the year		\$ 1,091,663	\$ 1,843,664

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

RESOURO STRATEGIC METALS INC.
Consolidated Statements of Shareholders' Equity
(Expressed in Canadian dollars)

	<u>Share Capital</u>							
	Number of shares	Amount	Warrants	Contributed surplus	Non- controlling interest	Other comprehensive income	Accumulated deficit	Total equity
Balance at March 31, 2024	76,182,192	\$ 12,985,642	\$ 464,274	\$2,842,375	\$ 253,839	\$ 32,087	\$ (9,805,476)	\$ 6,772,741
Shares issued in private placements (Note 9)	16,000,000	7,300,420	-	-	-	-	-	7,300,420
Shares issuance costs (Note 9)	-	(933,772)	-	-	-	-	-	(933,772)
Shares issued - property acquisition (Note 5)	142,857	40,000	-	-	-	-	-	40,000
Agent options (Note 9)	-	-	-	428,094	-	-	-	428,094
Stock options exercised (Note 9)	265,000	88,632	-	(42,257)	-	-	-	46,375
Share based compensation (Note 9)	-	-	-	243,390	-	-	-	243,390
Total comprehensive loss for the year	-	-	-	-	(236,759)	-	(6,051,637)	(6,288,396)
Balance at March 31, 2025	92,590,049	\$ 19,480,922	464,274	\$3,471,602	17,080	32,087	(15,857,113)	7,608,852
Shares issued in private placements (Note 9)	15,000,000	2,999,999	-	-	-	-	-	2,999,999
Share issue costs (Note 9)	-	(19,069)	-	-	-	-	-	(19,069)
Share based compensation (Note 9)	-	-	-	86,077	-	-	-	86,077
Total comprehensive loss for the year	-	-	-	-	(165,462)	-	(3,870,181)	(4,035,643)
Balance at March 31, 2026	107,590,049	\$ 22,461,852	\$ 464,274	\$3,557,679	\$ (148,382)	\$ 32,087	\$ (19,727,294)	\$ 6,640,216

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

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Resouro Strategic Metals Inc. (“**the Company**” or “**Resouro**”), formerly Resouro Gold Inc., was incorporated on August 4, 1992, under the laws of British Columbia, Canada. The Company’s head office and registered is Suite 250, 997 Seymour Street, Vancouver, British Columbia, Canada V6B 3M1. The Company’s shares are listed on the Australian Securities Exchange (the “**ASX**”) under the symbol “**RAU**”, the Canadian Toronto Stock Exchange, Venture Exchange, (the “**TSX.V**”) under the symbol “**RSM**” and the United States Over the Counter Venture Market exchange (the “**OTCQB**”) under the symbol “**RSGOF**”.

The Company has four subsidiaries. Ison Mining Pte Ltd. (“**ISON**”) is 100% owned by Resouro. ISON was incorporated under the laws of Singapore. ISON owns 100% of the outstanding shares of ISON do Brasil Mineração Ltda (“**ISON do Brasil**”), a company incorporated under the laws of Brazil. Tiros Stratmet Pte Ltd (“**TSPS**”) is 100% owned by Resouro. TSPS was incorporated under the laws of Singapore. TSPS owns 90% of the outstanding shares of Tiros Minerais Estrategicos Mineração Ltda (“**TMEL**”), a company incorporated under the laws of Brazil. A third party holds a 10% non-controlling interest (“**NCI**”) over the Tiros project assets through its 10% ownership of TMEL.

The Company is an exploration stage company and has interests in mineral exploration properties in Brazil. Substantially all of the Company’s efforts are devoted to financing and developing these properties and/or acquiring new ones. There has been no determination whether the Company’s interests in mineral exploration properties contain mineral reserves, which are economically recoverable. The recoverability of resources discovered is dependent upon the reserves being economically recoverable, the ability of the Company to obtain the necessary financing to complete their exploration and development, confirmation of the Company’s interest in the underlying claims and leases, ability to obtain the necessary permits to mine, and future profitable production or proceeds from the disposition of these assets.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from the carrying values shown and these consolidated 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. The Company’s continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing and to seek joint venture partners. At the date of these consolidated financial statements, the Company has not achieved profitable operations and has accumulated losses since inception. The Company had a working capital surplus of \$735,688 and an accumulated deficit attributable to shareholders of \$19,727,294 for the year ended March 31, 2026. The Company has incurred a loss from operations of \$4,035,643 for the year ended March 31, 2026.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. The 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. Management believes the going concern basis is appropriate, as the Company has sufficient capital to fund operations for the next twelve months and has demonstrated an ability to raise additional capital from new and existing investors. However, there can be no assurance that such financing will be available when required.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS®**”) as issued by the International Accounting Standards Board (“**IASB**”) and Interpretations of the IFRS Interpretations Committee.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The preparation of these consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of the policies and reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Basis of consolidation

These consolidated financial statements comprise the accounts of the parent company, and its wholly-owned subsidiaries, after the elimination of all material intercompany balances and transactions.

Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. The Company has four subsidiaries. ISON is 100% owned by Resouro. ISON was incorporated under the laws of Singapore. ISON owns 100% of the outstanding shares of ISON do Brasil, a company incorporated under the laws of Brazil. TSPS is 100% owned by Resouro. TSPS was incorporated under the laws of Singapore. TSPS owns 90% of the outstanding shares of TMEL, a company incorporated under the laws of Brazil. A third party owns a 10% NCI of the Tiros project assets through its 10% ownership of TMEL.

Subsidiaries are deconsolidated from the date control ceases. The interest of non-controlling shareholders in the acquiree are initially measured at the non-controlling shareholders' proportionate share of the acquiree's identifiable net assets (after any relevant fair value adjustments to the assets, liabilities and contingent liabilities recognised as part of the business combination). Changes in the Company's ownership interests that do not result in a loss of control are accounted for as equity transactions with the existing shareholder.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The non-controlling interests' share of losses, where applicable, is attributed to the non-controlling interests irrespective of whether the non-controlling shareholders have a binding obligation and are able to make an additional investment to cover the losses.

Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional and reporting currency of Resouro and its subsidiaries. Below is a list of ownership percentages and functional currencies of Resouro's subsidiaries:

Entity Name	Functional Currency	Ownership Percentage
Ison Mining Pte Ltd. ("ISON")	Canadian Dollar	100%
Ison Do Brasil Mineração ("ISON do Brasil")	Canadian Dollar	100%
Tiros Stratmet Pte Ltd ("TSPS")	Canadian Dollar	100%
Tiros Minerais Estrategicos Mineração Ltda ("TMEL")	Canadian Dollar	90% (10% NCI)

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets

The Company recognizes financial assets when it becomes party to the contractual provisions of an instrument. 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 (“FVTOCI”); 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 FVTOCI 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. The Company’s financial assets consist of cash and accounts receivable classified at amortized cost.

The Company’s financial assets consist of cash and accounts receivable classified at amortized cost.

Derecognition of financial assets

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

Impairment of financial assets

An expected credit loss (“ECL”) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVTOCI, 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

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss. Financial liabilities are designated as either: fair value through profit or loss; or amortized cost using the effective interest rate. 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 consist of accounts payable and accrued liabilities, loan payable and due to related party classified at amortized cost. Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)*Derecognition of financial liabilities*

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement date, right-of-use assets are measured at cost, where cost comprises (a) the amount of the initial measurement of the lease liability; (b) any lease payments made at or before the commencement date, less any lease incentives received; (c) any initial direct costs incurred by the Company; and (d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any re-measurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term.

A lease liability is initially measured at the present value of the unpaid lease payments, discounted using the lessee's incremental borrowing rate applied to the lease liabilities. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of leased asset. Subsequently, the Company measures a lease liability by: (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in substance fixed lease payments.

Cash

Cash in the consolidated statements of financial position is comprised of cash at banks and on-hand.

Property, plant and equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. The carrying amounts of property, plant, and equipment (including initial and subsequent capital expenditure) are amortized to their estimated residual value over the estimated useful lives of the specific assets concerned. Amortization is provided using the straight-line basis evenly over the estimated useful lives of the property, plant and equipment. Property and equipment is comprised of furniture, office equipment, computer equipment, computer software and facility equipment.

The cost of an item of property, plant and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Amortization methods, useful lives and residual values are reviewed each year end and adjusted if appropriate.

Asset Class	Depreciation Method	Depreciation Rate
Computers and software	5-year useful life	20%
Office furniture and renovations	10-year useful life	10%
Machinery and equipment	10-year useful life	10%

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)**Exploration and evaluation assets and expenditures**

Acquisition costs for exploration and evaluation assets, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs include cash consideration and the value of common shares, based on recent issue prices, issued for mineral properties pursuant to the terms of the agreement. Exploration expenditures, net of recoveries, are recorded in the statement of loss and other comprehensive loss as incurred.

After an exploration and evaluation asset is determined by management to be commercially viable and technically feasible, exploration and evaluation expenditures on the property will first be assessed for impairment before being transferred to property under development. Thereafter, all costs will be capitalized to the property.

Option payments to acquire an exploration and evaluation asset, made at the sole discretion of the Company under an option agreement, are capitalized at the time of payment. Option payments received are treated as a reduction of the carrying value of the related acquisition cost for the mineral property until the payments are in excess of acquisition costs, at which time they are then credited to the statement of loss and other comprehensive loss. Option payments are at the discretion of the optionee and, accordingly, are accounted for when receipt is reasonably assured.

Capitalized acquisition costs are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work being carried out by the Company or its partners on a property, when a property is abandoned or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount. The recoverability of the carrying amount of mineral properties is dependent on the successful development and commercial exploitation or the sale of the respective areas of interest.

Exploration and evaluation assets and mineral properties are not subject to depletion or amortization – they are assessed for impairment indicators annually or when circumstances indicate that the carrying value may not be recoverable.

At disposal, gains or losses of an item within Exploration and Evaluation Assets, are calculated as the difference between the proceeds from disposal and the carrying amount. Those gains or losses are recognized net within other income in the statement of loss and other comprehensive loss.

Impairment of non-financial assets

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)

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

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable regarding previous years. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities that effect neither accounting or taxable profit; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to the offset of current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Provisions and asset retirement obligations

A provision is recognized if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions, including asset retirement obligations, are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Non-controlling interest

Non-controlling interest represents equity interests in subsidiaries owned by outside parties. The share of net assets of subsidiaries attributable to non-controlling interests is presented as a component of shareholders' equity (deficiency). Changes in the Company's ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Non-controlling interest consists of the non-controlling interest at the date of the original acquisition plus the non-controlling interest share of changes in equity since the date of acquisition. The Company owns 90% of the Tiros property assets held by its subsidiary, TMEL. These consolidated financial statements include 100% of the assets and liabilities related to TMEL and include a non-controlling interest representing 10% of TMEL.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)**Share capital**

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as 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 a financing to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded as part of the share-based payment reserve.

Transaction costs directly attributed to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Share-based compensation

The fair value of stock options granted to employees is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each statement of financial position date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors and officers of the Company.

Earnings (loss) per share

Basic earnings (loss) per share ("EPS") is calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders, and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the year. In years where a loss is reported, diluted loss per share is the same as basic loss because the effects of potentially dilutive common shares would be anti-dilutive.

Critical accounting judgments and estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Information about significant areas of estimation uncertainty and judgments made by management in preparing the financial statements are described below. The preparation of financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)**Judgments**

Critical accounting judgments require management to make assumptions 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:

Functional currency

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment. The Canadian dollar was determined to be the functional currency for all entities within the corporate group on a prospective basis. All entities continue to measure the items in their financial statements using their functional currencies.

Mineral properties under exploration

The carrying amount of the Company's exploration and evaluation assets does 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 development and upon future profitable production or proceeds from the disposition of the mineral properties 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 properties 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.

Going Concern

These consolidated financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Management has applied judgment in the assessment of the Company's ability to continue as a going concern, considering all available information, and concluded that the going concern assumption is appropriate for a period of at least twelve months following the end of the reporting period. Given the judgment involved, actual results may lead to a materially different outcome.

Estimates

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:

Share-based payments and warrant valuations

The determination of the fair value of stock options or warrants using the Black-Scholes option pricing model, requires the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

3. NEW AND FUTURE ACCOUNTING STANDARDS**Accounting pronouncements not yet effective****IFRS 9 - Classification and Measurement of Financial Instruments**

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at FVOCI and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the consolidated financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 becomes effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The new standard introduces defined categories—operating, investing, and financing—in the statement of profit or loss, mandates standardized subtotals such as operating profit, and requires enhanced disclosures for management performance measures (MPMs). It also introduces more detailed requirements for the disaggregation of material items. The Company is currently assessing the potential impact of IFRS 18 on its financial statement presentation and disclosures and has not undertaken early adoption.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

4. PROPERTY AND EQUIPMENT

	Asset	Depreciation	Net Book Value
Computer & software			
Opening balance at March 31, 2024	\$ 50,555	\$ (1,497)	\$ 49,058
Disposals	(2,485)	262	(2,223)
Additions	51,109	(23,411)	27,698
Balance at March 31, 2025	99,179	(24,646)	74,533
Disposals	(5,902)	5,902	-
Additions	15,055	(36,933)	(21,878)
Balance at March 31, 2026	108,332	(55,677)	52,655
Office furniture & renovations			
Opening balance at March 31, 2024	12,560	(1,322)	11,238
Disposals	(219)	111	(108)
Additions	11,677	(7,054)	4,623
Balance at March 31, 2025	24,018	(8,265)	15,753
Disposals	(10,778)	6,304	(4,474)
Additions	218	(988)	(770)
Balance at March 31, 2026	13,458	(2,949)	10,509
Machinery & equipment			
Opening balance at March 31, 2024	136,261	(1,770)	134,491
Additions	4,972	(14,434)	(9,462)
Balance at March 31, 2025	141,233	(16,204)	125,029
Disposals	(2,816)	1,877	(939)
Additions	952	(14,018)	(13,066)
Balance at March 31, 2026	139,369	(28,345)	111,024
Office renovations			
Opening balance at March 31, 2024	-	-	-
Additions	4,253	(1,177)	3,076
Balance at March 31, 2025	4,253	(1,177)	3,076
Disposals	(4,253)	1,248	(3,005)
Additions	-	(71)	(71)
Balance at March 31, 2026	-	-	-
Total property and equipment at March 31, 2025	268,683	(50,292)	218,391
Total property and equipment at March 31, 2026	\$ 261,159	\$ (86,971)	\$ 174,188

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

	March 31, 2025	Additions	March 31, 2026
<u>Brazil</u>			
Novo Mundo	\$1,636,607	\$ -	\$1,636,607
Tiros project	3,953,203	-	3,953,203
Santa Angela	140,530	-	140,530
Total	\$5,730,340	\$ -	\$5,730,340

	March 31, 2024	Additions	March 31, 2025
<u>Brazil</u>			
Novo Mundo	\$1,636,607	\$ -	\$1,636,607
Tiros project	3,863,203	90,000	3,953,203
Santa Angela	140,530	-	140,530
Total	\$5,640,340	\$ 90,000	\$5,730,340

The Tiros Rare Earth Elements and Titanium Oxide Project

On September 9, 2024, the Company entered into a binding agreement to acquire 3 additional tenements in the Tiros project area. The tenements complement the existing holdings by extending the mineral rights held in the North to the Southern holdings. The three tenements are contiguous with the Sao Gotardo block of the Tiros project and intersect the Capacete Formation associated with the project.

Consideration paid includes the following staged transactions:

- a. Initial cash payment of \$50,000 and the issuance of 142,857 common shares were completed on October 24, 2024. The shares are valued at a price of \$0.28, which was the closing common share price on October 24, 2024, for a total value of \$40,000.
- b. Milestone 1: Resouro is required to complete six drill holes on the tenements, with at least three holes intersecting a minimum of 20 continuous metres grading not less than 2,000 ppm TREO, within two years of the purchase date. If the drilling requirement is not satisfied within this period, the Company must make a cash payment of \$50,000 and issue 142,857 common shares, valued at \$50,000 to the vendor by September 9, 2026. As at March 31, 2026, no liability was recognized in respect to this milestone.
- c. Milestone 2: Resouro completes sufficient work to issue a JORC compliant report with an inferred resource of 100 million tonnes of at least 2,000 ppm TREO within 3 years of the purchase date. Payment: \$50,000 and common shares based on the 20-day Volume-Weighted Average Price (“VWAP”) of Resouro shares which occur immediately prior to the date the milestone is completed, with a minimum VWAP floor price of \$0.24.
- d. Milestone 3: Up to one year after the milestone 2 payment is made the final payment is due. Payment: \$100,000 and common shares based on the 20-day VWAP of Resouro shares which occur immediately prior to the date the milestone is completed, with a minimum VWAP floor price of \$0.24.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (Continued)**Novo Mundo project**

On May 11, 2021, the Company entered into an agreement with Nexa Recursos Minerais S.A. (“**Nexa**”) for the rights to conduct exploration work for up to three years (the “**Exploration Period**”) on the Novo Mundo project located in the State of Mato Grosso, Brazil. The Company is now the rightful owner and titleholder of the Novo Mundo Project subject to the terms of the purchase agreement.

The Company has the rights to conduct exploration work at its sole discretion. If within the remaining exploration period for each Mineral Right, an identified resource target which is predominately precious metals, the Company shall have the first right to develop and solely fund the project and Nexa will retain a 1.5% Net Smelter Return (“**NSR**”).

If within the remaining exploration period for each Mineral Right, an identified resource target of which is predominately base metals:

- Nexa shall have the first right to develop and solely fund a base metals project and the Company will retain a 1.5% NSR; and
- If Nexa does not wish to proceed, the Company may elect to develop a base metals project and Nexa will retain a 1.5% NSR.
- If it is determined that the Project is predominantly a precious metals Project, any base metals should be considered as byproducts of gold, silver and/or indium deposits in the Mineral Rights shall not be considered as base metals and shall be part of the precious metals project.

Either party has the option to buy back the NSR from the counterparty for:

- US\$2,000,000 for the full 1.5% NSR (can be adjusted proportionately for partial buyback) before May 11, 2023; and
- US\$5,000,000 for the full 1.5% NSR (can be adjusted proportionately for partial buyback) before May 11, 2026.

On January 19, 2023, the Company submitted two partial exploration reports (“**PER**”) to the Brazilian National Mining Agency (“**ANM**”). Following the approval of the first PER, the Company negotiated the timing of a payment of BRL 2,500,000 to Coogavepe, the original project owner, previous to Nexa, during October 2023, in order to proceed with the next phase of the exploration program. The final payment of BRL 1,500,000 (CAD \$405,000) was paid on June 19, 2024.

Santa Angela project

During December 2021, the Company acquired certain mineral exploration rights from the ANM to conduct mineral exploration work on the Santa Angela project in the State of Mato Grosso, Brazil. Total consideration paid for the exploration rights were BRL 551,099 (\$140,530).

Exploration and evaluation expenditures

For the years ended,	March 31, 2026	March 31, 2025
Drilling program	\$ -	\$ 698,144
Laboratory and studies	340,613	1,799,536
Professional consultants	979,433	2,453
Government fees	116,036	135,409
Equipment and supplies	111,474	165,516
Total exploration and evaluation expenditures	\$ 1,547,556	\$ 2,801,058

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (Continued)

Management assesses exploration and evaluation assets for impairment in accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources. Exploration and evaluation assets are tested for impairment when facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

In performing this assessment, management considers indicators of impairment including but not limited to: the expiry or expected expiry of exploration rights, a lack of substantive expenditure on further exploration activities, the absence of commercially viable quantities of mineral resources, or plans to discontinue exploration activities.

For the year ended March 31, 2026, management determined that there were no indicators of impairment for any of the Company's exploration and evaluation properties. Accordingly, no impairment testing has been performed.

6. RIGHT-OF-USE ASSETS

On October 1, 2023, the Company entered into a lease to rent office space in Australia for a term of twenty-one months. As a result, \$48,578 was added to the right-of-use asset and the associated liability for payments. A discount rate of 14.5% was used to determine the present value of the lease obligations. The lease expired June 2025 and was not renewed.

Opening balance - April 1, 2025	\$ 7,849
Depreciation, for the year	(7,247)
Foreign exchange impact	(602)
Net carrying value - March 31, 2026	\$ -
Opening balance - April 1, 2024	\$ 36,740
Depreciation, for the year	(29,326)
Foreign exchange impact	435
Net carrying value - March 31, 2025	\$ 7,849

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

7. LEASE OBLIGATION

The Company's lease obligations at March 31, 2025 relate to the office lease in Australia. A discount rate of 14.5% was used to determine the present value of the lease obligations. The lease expired June 2025 and was not renewed.

Opening balance - April 1, 2025	\$ 5,789
Repayments	(5,145)
Accretion	182
Foreign exchange impact	(826)
Closing balance - March 31, 2026	\$ -
Opening balance - April 1, 2024	\$ 32,857
Repayments	(30,386)
Accretion	3,317
Foreign exchange impact	1
Closing balance - March 31, 2025	\$ 5,789

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2026	March 31, 2025
Trade and other payables	\$ 309,787	\$ 105,342
Accrued liabilities	70,796	62,000
	\$ 380,583	\$ 167,342

9. SHARE CAPITAL**Authorized**

As at the date of this report, the authorized share capital of the Company was an unlimited number of common shares without par value.

	Ref	Number ⁽¹⁾	Value
Balance at March 31, 2024		76,182,192	\$ 12,985,642
Shares issued, June 14, 2024	(i)	16,000,000	7,300,420
Shares issue costs, June 14, 2024	(i)	-	(933,772)
Stock options exercised, April 26, 2024	(ii)	150,000	50,915
Stock options exercised, October 22, 2024	(iii)	115,000	37,717
Shares issued, October 24, 2024	(iv)	142,857	40,000
Balance at March 31, 2025		92,590,049	\$ 19,480,922
Shares issued, October 21, 2025	(v)	15,000,000	2,999,999
Share issue costs, October 21, 2025	(v)		(19,069)
Balance at March 31, 2026		107,590,049	\$ 22,461,852

⁽¹⁾ An Officer and Director of the Company owned 17% of the outstanding common shares.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (Continued)**Issued**

- (i) On June 14, 2024, the Company successfully completed a dual listing on the Australian Securities Exchange (“**ASX**”). Concurrent to the ASX listing the Company closed a private placement in Australia, which was considered an Initial Public Offering (“**IPO**”) on the ASX (“**ASX offer**”).

The Company successfully closed the ASX offer on June 12, 2024, in which 16,000,000 CHESS Depository Interests (“**CDI**”) over common shares were issued at a price of AUD\$0.50 (CAD\$0.46). Cash consideration of AUD\$8,000,000 (CAD \$7,300,420) was received and \$933,772 of share issue costs were recognized. The CDIs are subject to a 4 month plus 1 day hold period.

Taylor Collison Limited, an Australian broker, acted as the Lead Manager for the ASX Offer. As compensation for its services, the Lead Manager was paid a broker fee of AUD\$440,000 (CAD\$402,600) which was equal to 5.5% of the aggregate gross proceeds of the Offer and was issued 1,843,643 broker options in the Company at an exercise price of CAD\$0.68, vesting immediately, and expiring three years from the date of issue. The fair value assigned for the stock options was \$428,094. The broker options are subject to a 24-month escrow period.

Under ASX listing regulations, the following equity is subject to a 24-month escrow period. These equity instruments will be released from escrow on June 14, 2026:

Holder	Equity	Number	Expiry date	Remaining life	Escrow release
Resmin	Options	4,000,000	March 11, 2029	3.0	June 14, 2026
Resmin	Options	750,000	October 11, 2028	2.7	June 14, 2026
Directors	Options	750,000	October 11, 2028	2.7	June 14, 2026
RBM	Shares	1,642,000	March 11, 2027	N/A	June 14, 2026
RBM	Performance rights	750,000	October 15, 2028	2.7	June 14, 2026
Taylor Collison	Options	1,843,643	June 4, 2027	1.3	June 14, 2026

- (ii) On April 26, 2024, 150,000 stock options were exercised. The options were valued at \$50,915 which is comprised of \$26,250 cash and \$24,665 of the Black-Scholes value re-classified from contributed surplus to share capital.
- (iii) On October 22, 2024, 115,000 stock options were exercised. The options were valued at \$37,717 which is comprised of \$20,125 cash and \$17,592 of the Black-Scholes value re-classified from contributed surplus to share capital.
- (iv) On October 24, 2024, 142,857 common shares were issued to acquire 3 additional tenements in the Tiros project area. The shares were issued at \$0.28 for a value of \$40,000.
- (v) On October 21, 2025, the Company closed a private placement in which 15,000,000 units were issued at a price of \$0.20 per unit for cash consideration of \$3,000,000. Each unit was comprised of one common share of the capital in the Company and one-half of one common share purchase warrant, with each whole warrant being exercisable to acquire one common share at an exercise price of \$0.30 per share for a three-year period, expiring on October 21, 2028. The Company paid \$19,069 in share issue costs.

Reserve for warrants

On May 15, 2022, the Company completed a non-brokered private placement of 7,288,127 units at a price of \$0.35 per unit for gross proceeds of \$2,550,844 concurrent to the RTO. Each unit consisted of one common share and one-half share purchase warrant, where each full share purchase warrant is exercisable at \$0.50 per share for 24 months from the date of issuance with an expiry date of May 15, 2024, subject to an acceleration clause. The fair value of the warrants was recognized upon issuance, to reserve for warrants, where they remained until expiration or exercise. There were 3,644,062 warrants issued. A fair value of \$359,707 was assigned to the warrants, using the Black-

RESOURO STRATEGIC METALS INC.

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9. SHARE CAPITAL (Continued)

Scholes option pricing model, and the following assumptions: expected dividend yield of 0%; risk-free interest rate of 2.6% and a volatility of 89%. The warrants expired on May 15, 2024, unexercised.

On July 11, 2023, the Company issued 600,616 common share purchase warrants to a broker as a finders' fee. A fair value of \$104,567 was assigned to the warrants, using the Black-Scholes option pricing model and the following assumptions: expected dividend yield of 0%; risk-free interest rate of 4.13%; volatility of 105% and an expected life of 36 months.

In consideration of RBM accelerating the earn-in provision of the Tiros Agreement RBM will receive 750,000 performance rights of Resouro that will be convertible into common shares upon completion of the Definitive Feasibility Study by Resouro. The performance rights are considered to have no value at this time because management is not expecting the performance condition associated with those rights to be met prior to the 5-year expiry date. The performance rights will be subject to the applicable hold periods under TSXV policies and Canadian securities laws.

On October 21, 2025, the Company closed a private placement in which 15,000,000 units were issued at a price of \$0.20 per unit for cash consideration of \$3,000,000. Each unit was comprised of one common share of the capital in the Company and one-half of one common share purchase warrant, with each whole warrant being exercisable to acquire one common share at an exercise price of \$0.30 per share for a three-year period, expiring on October 21, 2028. In total, 7,500,000 of common share purchase warrants were issued. The entire \$3,000,000 value for the units were recognized in share capital with a nil value recognized for the warrants.

Stock options

On January 18, 2024, the Company announced the results of the Annual General Meeting ("AGM") which included the approval of an amended stock option plan. The amended stock option plan allows the Company to issue up to 14,193,752 stock options which represents 20% of the issued and outstanding common shares as of December 15, 2023.

Date	Number of Options	Number Vested	Remaining life	Escrow release date
Issued: June 13, 2023	4,560,000	4,560,000	2.2	-
Issued: October 11, 2023 ⁽¹⁾	2,250,000	2,250,000	2.6	June 14, 2026
Issued: March 11, 2024 ⁽²⁾	4,000,000	4,000,000	2.9	June 14, 2026
Exercised: April 26, 2024	(150,000)	(150,000)	-	-
Expired: April 30, 2024	(50,000)	(50,000)	-	-
Exercised: October 22, 2024	(115,000)	(115,000)	-	-
Issued: November 1, 2024	2,000,000	-	-	-
Total as of March 31, 2025	12,495,000	10,495,000	2.2	
Expired: August 14, 2025	(2,000,000)	-	-	-
Issued: March 18, 2026	1,000,000	500,000	5.0	-
Total as of March 31, 2026	11,495,000	10,995,000	2.8	

(1) 1,500,000 options are held in escrow.

(2) 4,000,000 options are held in escrow.

- i) On June 13, 2023, the company issued 4,560,000 common share purchase options to directors and officers of the Company. The options were exercisable at a price of \$0.175 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was \$789,732, which will be expensed over the next 24 months. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 3.18%; volatility of 112%,

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

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9. SHARE CAPITAL (Continued)

- and an expected life of 5 years. The options vest over a 24-month period following issuance with the exception of the options issued to a consulting firm, which vest over a 12-month period.
- ii) On October 11, 2023, the Company issued 2,250,000 common share purchase options to directors and officers of the Company. The options were exercisable at a price of \$0.50 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was \$800,040 and were expensed upon issuance. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 4.33%; volatility of 112%, and an expected life of 5 years. The options vested immediately following issuance and expire on October 11, 2028.
 - iii) On March 11, 2024, 4,000,000 stock options were issued to Resmin as compensation for its 33.3% ownership of TSPS. Upon TSXV approval the compensation was issued to close the acquisition. The options are exercisable at a price of \$0.20 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was \$1,456,400 and was expensed upon issuance. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 3.87%; volatility of 75%, and an expected life of 3 years. The options vested immediately following issuance. The value of the options form part of the value of the Tiros exploration assets recognized on the balance sheet. The options expire on March 11, 2029.
 - iv) On April 26, 2024, 150,000 stock options were exercised. The options were valued at \$50,915 which is comprised of \$26,250 cash and \$24,665 of the Black-Scholes value re-classified from contributed surplus to share capital.
 - v) On April 30, 2024, 50,000 stock options expired.
 - vi) On October 22, 2024, 115,000 stock options were exercised. The options were valued at \$37,717 which is comprised of \$20,125 cash and \$17,592 of the Black-Scholes value re-classified from contributed surplus to share capital.
 - vii) On November 1, 2024, the company issued 2,000,000 common share purchase options to the former CEO of the Company. The options lapsed on August 14, 2025, when the CEO resigned and the conditions of the options were no longer met.
 - viii) On March 18, 2026, the Company issued 1,000,000 common share purchase options to a director of the Company. The options are exercisable at a price of \$0.50 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was \$117,026 and will be expensed over the vesting period, 12 months. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 2.81%; volatility of 101%, and an expected life of 5 years. 500,000 options vested immediately upon issuance with the remaining options vesting in 12 months on March 18, 2027. The options expire on March 18, 2031.

For the year ended March 31, 2026, a total share-based compensation expense of \$86,077 (March 31, 2025 - \$243,390) has been recognized in the consolidated statement of loss and other comprehensive loss.

10. NON-CONTROLLING INTEREST

As of March 11, 2024, which marked the close of the Tiros acquisition, Resouro owned 90% and RBM owned 10% of the outstanding shares of TMEL.

RBM Non-Controlling Interest Ownership	
Tiros Estratégicos Mineração Ltda (“TMEL”)	10%
TMEL Financials as of March 31, 2026	
Net loss	\$ (1,654,622)
Net loss attributable to non-controlling interest	(165,462)
Current assets	136,420
Non-current assets	163,424
Current liabilities	(219,466)
Net assets	\$ 80,378

RBM Non-Controlling Interest Ownership	
Tiros Estratégicos Mineração Ltda (“TMEL”)	10%
TMEL Financials as of March 31, 2025	
Net loss	\$(2,367,594)
Net loss attributable to non-controlling interest	(236,759)
Current assets	914,726
Non-current assets	195,050
Current liabilities	(110,608)
Net assets	\$ 999,168

11. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, which includes the directors and officers. The aggregate value of transactions related to key management personnel are as follows:

Years ended,	March 31, 2026	March 31, 2025
Officers	\$ 519,468	\$ 706,260
Directors	534,300	843,008
Total compensation	\$ 1,053,768	\$ 1,549,268

As of March 31, 2026, \$78,948 was due to Officers and Directors for consulting fees and reimbursable expenses (March 31, 2025 - \$100,019).

12. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

The Company classified its financial instruments as follows:

	March 31, 2026	March 31, 2025
Financial assets - amortized cost:		
Cash	\$ 1,091,663	\$ 1,843,664
Accounts receivable	32,690	26,800
<i>Financial liabilities - amortized cost:</i>		
Accounts payable and accruals	380,583	167,342
Due to related party	78,948	100,019

Fair value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of cash, accounts receivable, accounts payable and accrued liabilities, and due to related party approximate their fair value because of the short-term nature of these instruments.

Capital risk management

Capital is comprised of the Company's components of shareholders' equity. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term.

Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company is not subject to any capital restrictions and did not change its approach to capital management during the most recent period.

Credit risk

Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash, and accounts receivable. The Company limits exposure to credit risk by maintaining its cash with large financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company relies on the issuance of shares and warrants and loans from an officer of the Company in order to fund exploration programs.

RESOURO STRATEGIC METALS INC.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2026 and March 31, 2025

(Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (Continued)**Currency risk**

The Company and its subsidiaries have identified its functional currency as the Canadian dollar. Certain administrative and exploration expenditures have been paid in the EURO, the United States dollar, the Australian dollar and the Brazilian Real. The Company's exposure to foreign currency risk arises primarily on fluctuations in value between the Canadian dollar and those currencies. The Company does not have any derivative instruments in place to manage fluctuations in foreign exchange values. Management believes the foreign exchange risk related to currency conversion is minimal.

Interest rate risk

As the Company's interest-bearing assets and liabilities are not subject to significant interest rates, the Company's income and operating cash flows are not significantly affected by changes in the market interest rates.

13. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment: the acquisition and exploration of mineral properties in Brazil.

14. INCOME TAXES

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

Year ended March 31,	2026	2025
Comprehensive loss for the year	\$(4,035,643)	\$(6,288,396)
Canadian income tax rate	27%	27%
Expected income tax expense (recovery)	(1,089,624)	(1,697,867)
Effect of change in statutory and foreign tax rates and other	(244,372)	(233,682)
<i>Permanent differences:</i>		
Share-based compensation	23,241	68,805
Share issue costs	(5,149)	(252,119)
Change in unrecognized deductible temporary differences and other	1,315,904	2,114,863
Total income tax expense (recovery)	\$ -	\$ -

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

Period ended,	March 31, 2026	Expiry date range	March 31, 2025	Expiry date range
Non-capital losses - Canada	\$15,072,016	2027-2045	\$12,746,681	2027-2044
Non-capital losses - Brazil	7,354,740	No expiry date	5,345,016	No expiry date
Non-capital losses - Singapore	12,804	2045	12,804	2044
Other - Brazil	36,350	No expiry date	41,642	No expiry date
Share issuance costs - Canada	818,700	2027-2045	1,125,083	2027-2044
	\$23,294,610		\$19,271,226	

15. SUBSEQUENT EVENTS

On April 21, 28 and May 19, 2026, a former Director exercised a total of 320,000 stock options for a total cash value of \$56,000. The associated Black-Sholes value of \$61,562 was reclassified from contributed surplus to share capital.