

Granada Gold Mine Inc.
Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of Granada Gold Mine Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

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

Granada Gold Mine Inc.
Statements of Financial Position

As at September 30, 2025, and June 30, 2025
(unaudited - in Canadian dollars)

		September 30,	June 30,
		2025	2025
	Note	\$	\$
Assets			
Current			
Cash		44,057	11,013
Amounts receivable	5,15	25,499	22,401
Prepaid expenses		20,067	25,345
Marketable securities	6	59,234	37,367
Total current assets		148,857	96,126
Non-Current			
Reclamation deposit	7	384,421	384,421
Property and equipment	8	33,490	35,777
Total Assets		566,768	516,324
Liabilities			
Current			
Trade payables, accrued liabilities and provisions	9,15	12,534,803	12,195,580
Flow-through premium	10	76,312	76,312
Secured loans payable	11	1,532,181	1,501,688
Total current liabilities		14,143,296	13,773,580
Non-Current			
Provision for site reclamation and restoration	7	384,552	380,061
Total Liabilities		14,527,848	14,153,641
Deficit			
Share Capital	12.1	74,284,042	73,845,446
Reserves	12.2	444,089	634,500
Deficit		(88,689,211)	(88,117,263)
Total Deficit		(13,961,080)	(13,637,317)
Total Liabilities and Deficit		566,768	516,324

Nature of operations and going concern (Note 2)

Commitments and contingencies (Notes 7, 10, 11 and 16)

Subsequent events (Note 20)

Approved on behalf of the Board on November 24, 2025.

"Frank Basa"
Director

"Christopher Ecclestone"
Director

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

Granada Gold Mine Inc.
Statements of Loss and Comprehensive Loss
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

		2025	2024
	Note	\$	\$
Exploration and evaluation expenses	13	16,143	125,603
Corporate expenses			
Administrative and general expenses		10,956	4,523
Financing fees	11	30,493	28,152
Professional fees	15	129,792	44,203
Filing costs and shareholder information		4,266	3,750
Travel		-	1,014
Total corporate expenses		175,507	81,642
Total expenses		191,650	207,245
Other expenses (income)			
Equipment rental	15	-	(26,000)
Interest and other expenses (income)		-	1,283
Stock-based compensation		248,185	-
Part XII.6 penalty and interest	9	34,145	31,961
Flow-through indemnification action provision	9	119,836	136,898
Unrealized loss (gain) on marketable securities	6	(21,868)	44,735
Loss on sale of equipment		-	4,943
Total other expenses (income)		380,298	193,820
Net and comprehensive loss for the period		571,948	401,065
Weighted average number of shares outstanding (basic and diluted)	14	165,116,549	158,830,815
Basic and diluted loss per share	14	0.003	0.003

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

Granada Gold Mine Inc.
Statements of Changes in Equity

For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

	<i>Number of Shares</i>	<i>Share capital</i> \$	<i>Reserves</i> \$	<i>Deficit</i> \$	<i>Total equity</i> \$
Balance at June 30, 2024	158,830,815	72,603,942	1,598,099	(86,417,356)	(12,215,315)
Net loss for the period	-	-	-	(401,065)	(401,065)
Expiry of warrants	-	315,876	(315,876)	-	-
Balance at September 30, 2024	158,830,815	72,919,818	1,282,223	(86,818,421)	(12,616,380)
Balance at June 30, 2025	165,116,529	73,845,446	634,500	(88,117,263)	(13,637,317)
Net loss for the period	-	-	-	(571,948)	(571,948)
Stock option grant	-	-	248,185	-	248,185
Expiry of warrants	-	438,596	(438,596)	-	-
Balance at September 30, 2025	165,116,529	74,284,042	444,089	(88,689,211)	(13,961,080)

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

Granada Gold Mine Inc.

Statements of Cash Flows

For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

		2025	2024
	Note	\$	\$
OPERATING ACTIVITIES			
Net loss		(571,948)	(401,065)
Depreciation	8	2,287	4,731
Stock-based compensation		248,185	-
Interest on secured loans payable	11	30,493	28,152
Part XII.6 penalties and interest	9	34,145	31,961
Flow-through indemnification provision	9	119,836	136,898
Unrealized loss (gain) on marketable securities	6	(21,867)	44,735
Change in provision for reclamation and restoration	7	4,491	1,615
Loss on sale of equipment	8	-	4,943
Changes in non-cash working capital items:			
Amounts receivable		(3,098)	(33,808)
Prepaid expenses		5,278	-
Trade payables, accrued liabilities and provisions		185,242	165,633
Net cash generated from (used in) operating activities		33,044	(16,205)
INVESTING ACTIVITIES			
Proceeds from sale of equipment		-	15,486
Total cash generated from investing activities		-	15,486
Increase (decrease) in cash		33,044	(719)
Cash, beginning of the period		11,013	9,146
Cash, end of the period		44,057	8,427

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

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

1. Statement of incorporation and nature of activities

Granada Gold Mine Inc. ("Granada" or the "Company") is domiciled in Canada and was incorporated on July 17, 1985, under the Company Act of British Columbia. The Company is a publicly-traded-company with its shares listed on the TSX Venture Exchange ("TSXV"), the Frankfurt Stock Exchange, and the US over the counter ("OTC") market. The principal business of the Company is the acquisition, exploration and development of mineral property interests. The Company's head office is located at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

2. Basis of presentation and going concern

Basis of presentation

These Financial Statements have been prepared on an accrual basis and are based on historical costs, except certain financial instruments that have been measured at fair value. The Financial Statements are presented in Canadian dollars, which is also the Company's functional currency, except where otherwise indicated.

All values are rounded to the nearest dollar, except per share values.

Statement of compliance

The unaudited condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, 'Interim Financial Reporting' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results may ultimately differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in Note 4.

Going concern

These unaudited condensed interim financial statements for the three months ended September 30, 2025, have been prepared on a going concern basis, which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2025, the Company had not yet achieved profitable operations, had cash of \$44,057 (June 30, 2025 - \$11,013), current assets of \$148,857 (June 30, 2025 - \$96,126), current liabilities of \$14,143,296 (June 30 2025 - \$13,773,580) and has incurred accumulated losses of \$88,689,211 (June 30, 2025 - \$88,117,263) since inception.

The Company continues to rely on additional equity financing and the conversion of existing convertible loans. Management has prepared cash-flow forecasts showing that, without further financing, the Company would be unable to meet its obligations beyond the next 12 months.

2. Basis of presentation and going concern (continued)

Going concern (continued)

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral deposits that are economically recoverable. The Company will periodically have to obtain additional funds to continue its exploration activities, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continuing existence is dependent upon the discovery of economically recoverable reserves and resources, the preservation of its interest in the underlying properties, the ability of the Company to obtain necessary financing to complete exploration, development and construction of processing facilities, obtaining certain government approvals and the achievement of profitable operations.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, and renegotiation of contracts.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed inappropriate. Such adjustments could be material.

The Company has a need for equity capital and financing for working capital and exploration and development of its properties. Because of continuing operating losses and a significant working capital deficiency, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. These conditions indicate the existence of material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern.

Approval of the financial statements

These Financial Statements of the Company for the three months ended September 30, 2025, were approved and authorized for issue by the Board of Directors on November 24, 2025.

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

3. Material accounting policies

The accounting policies set out in the Company's audited financial statements for the year ended June 30, 2025 have been applied consistently to these unaudited condensed interim financial statements.

4. Judgements and estimates

The preparation of the Company's unaudited condensed interim financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and contingent liabilities. Actual results may differ from these estimates, and such differences could be material.

In the process of applying the Company's accounting policies, management has made the same judgments, estimates, and assumptions which were set out in the Company's audited financial statements for the year ended June 30, 2025.

5. Amounts receivable

Amounts receivable consist of balances due to the Company arising from refundable tax credits and sales tax recoveries, and are expected to be realized within the normal operating cycle.

	September 30, 2025	June 30, 2025
	\$	\$
Taxes receivable	25,499	22,401
	25,499	22,401

6. Marketable securities

As at September 30, 2025, the Company held marketable securities consisting of common shares and warrants of two publicly traded exploration companies, both related parties with common directors and officers. The fair value of common shares is based on quoted market prices, while warrants are valued using the Black-Scholes option pricing model. During the three months ended September 30, 2025, the Company recognized an unrealized gain of \$21,868 (2024 – loss of \$44,735) on these instruments.

	As at September 30, 2025		As at June 30, 2025	
	Cost (\$)	Fair Value (\$)	Cost (\$)	Fair Value (\$)
Nord Precious Metals Mining Inc.				
238,150 common shares	1,214,565	55,965	1,214,565	35,723
294,100 share purchase warrants	1,293,503	-	1,293,503	-
Coniagas Battery Metals Inc.				
46,173 common shares	-	3,232	-	1,616
23,086 share purchase warrants	-	37	-	28
Total marketable securities		59,234		37,367

The share purchase warrants of Nord expired unexercised during the period.

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

6. Marketable securities (continued)

On March 11, 2024, Nord completed a spin-out of Coniagas Battery Metals Inc ("Coniagas"), and as a result, the Company received 46,173 common shares, and 23,086 share purchase warrants for no additional consideration.

The warrants are exercisable at \$0.40 until March 18, 2026. The share purchase warrants of Coniagas are exercisable for \$0.40 until March 18, 2026. The Black-Scholes inputs for valuing these warrants were as follows:

	September 30, 2025	June 30, 2025
Stock price	\$0.070	\$0.035
Exercise price	\$0.40	\$0.40
Expected remaining life	0.41 years	0.72 years
Risk free interest rate	2.47%	2.60%
Volatility rate	148,81%	153.26%
Dividend rate	0%	0%

7. Reclamation Deposit and Liability

The Company has provided a reclamation deposit to the Ministère des Ressources naturelles et des Forêts (MERN) of Quebec as security for future site restoration obligations related to its exploration activities. The deposit in the amount of \$384,421 (June 30, 2025 – \$384,421) is refundable upon satisfactory completion of reclamation work or transfer of obligations.

The Company's provision for closure and reclamation costs is based on management's estimates of the costs to rehabilitate the area explored as well as an estimate of the future timing of the costs to be incurred. Management has assessed a total future liability of approximately \$524,614 (June 30, 2025 – \$521,140) based on an inflation rate of 3.0% (June 30, 2025 – 2.6%) and recognized a reclamation liability of \$384,552 (June 30, 2025 – \$380,061) based on a discount rate of 3.16% (June 30, 2025 – 3.22%). Reclamation is estimated to commence in 2030 (June 30, 2025 – 2030).

For the three months ended September 30, 2025, and year ended June 30, 2025, the increase in reclamation liability can be broken down as follows:

	September 30, 2025	June 30, 2025
	\$	\$
Opening balance	380,061	356,086
Accretion	4,491	23,975
Ending Balance	384,552	380,061

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
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(in Canadian dollars)

8. Property and equipment

The Company's property and equipment consist primarily of vehicles and trucks used to support exploration activities at its mineral property.

	Equipment \$	Trucks \$	Total \$
Cost			
As at June 30, 2024	148,667	122,525	271,192
Disposal	(103,980)	-	(103,980)
As at June 30 and September 30, 2025	44,687	122,525	167,212
Accumulated depreciation			
As at June 30, 2024	77,226	93,471	170,697
Additions	6,653	9,206	15,859
Disposals	(55,121)	-	(55,121)
As at June 30, 2025	28,758	102,677	131,435
Additions	792	1,495	2,287
As at September 30, 2025	29,550	104,172	133,722
Net book value at September 30, 2025	15,137	18,353	33,490
Net book value at June 30, 2025	15,929	19,848	35,777
Net book value at June 30, 2024	71,441	29,054	100,495

9. Trade payables, accrued liabilities and provisions

Trade and other payables include amounts due to suppliers, related parties, and provisions for tax-related exposures and indemnities arising from flow-through share issuances and audit reassessments.

	September 30, 2025	June 30, 2025
Trade payable	1,326,790	1,453,324
Accrued liabilities	920,013	825,502
Due to related companies	2,605,303	2,388,038
Part XII.6 taxes and interest ⁽ⁱ⁾	1,326,585	1,292,440
Flow-through indemnification provision ⁽ⁱⁱⁱ⁾	5,958,227	5,838,391
Quebec tax audit provision ⁽ⁱⁱⁱ⁾	397,885	397,885
	12,534,803	12,195,580

- (i) The Company has estimated potential Part XII.6 taxes in relation to unspent flow-through expenditures for fiscal years 2011 to 2017 and 2019 to 2020. During the three months ended September 30, 2025, the Company had accrued an additional \$34,145 (2024 - \$31,961) for Part XII.6 taxes, interest and penalties on the shortfall (note 17).

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

9. Trade payables, accrued liabilities and provisions (continued)

- (ii) The Company has estimated potential indemnity in relation to unspent flow-through expenditure for fiscal years 2011 to 2017. During the three months ended September 30, 2025, the Company accrued an additional \$119,836 (2024 - \$136,898) for indemnification and interest on the shortfall and made settlements against that liability of \$NIL (2024 - \$NIL) (note 17).
- (iii) The Company has recorded a payable of \$397,885 (June 30, 2025 - \$397,885) related to proposed Quebec tax credit reassessments (note 17).

10. Flow-Through Premium Liability

During the year ended June 30, 2025, the Company issued flow-through shares for total gross proceeds of \$200,000. Pursuant to the terms of the flow-through share agreements, the Company is required to incur qualifying Canadian exploration expenditures and renounce the tax benefits of such expenditures to the subscribers.

The difference between the price of the flow-through shares and the market price of the Company's common shares at the date of issuance is recognized as a flow-through premium liability. This liability represents the obligation to deliver the tax benefits associated with the qualifying expenditures to the investors.

The flow-through premium liability is initially recorded as a deferred liability and is subsequently recognized in profit or loss as the Company incurs and renounces qualifying expenditures.

As at September 30, 2025, the flow-through premium liability was \$76,312 (June 30, 2025 - \$76,312). During the year ended June 30, 2025, the Company recognized \$9,403 in income related to the settlement of the flow-through premium liability.

11. Secured Loans payable

As at September 30, 2025, the Company's secured borrowings totaled \$1,532,181 (June 30, 2025 - \$1,501,688), including interest accrued during the three months ended September 30, 2025 of \$30,493 (2024 - \$28,152). These borrowings are secured by a first-ranking lien on the Granada Gold Property, bear interest at 8% per annum (calculated monthly, payable annually), and are repayable on demand. Each facility has an initial three-year term, automatically renewing for successive three-year periods unless the lender provides 30 days' written notice prior to the current term's expiry. The outstanding loan balance is subject to repayment in full at any time at the sole discretion of the lender.

A clause in each loan allows lenders to elect repayment in refined gold (principal and accrued interest) instead of cash upon the Company achieving Commercial Production (defined as producing and pouring at least 3,000 oz of refined gold from the Granada Gold Property). The gold price is fixed at US\$800 per ounce, with the CAD-USD rate based on the Bank of Canada's rate at repayment. No such event having occurred, no derivative liability is recognized.

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

11. Secured Loans payable (continued)

Loan date	Principal loan amount	Balance at June 30, 2025	Interest during the Period	Balance at September 30, 2025
	\$	\$	\$	\$
August 4, 2015	200,000	352,198	7,151	359,349
August 4, 2015*	100,000	176,061	3,575	179,636
August 4, 2015*	429,016**	744,220	15,112	759,332
November 14, 2017***	125,000	229,209	4,655	233,864
Totals		1,501,688	30,493	1,532,181

* These loans have been entered into with a director of the Company or a corporation controlled by a director.

** The loan was amended on August 4, 2028 and the principal loan amount matches the amount of the amended agreement.

*** The November 14, 2017, loan has been entered into with a close relative of a director of the Company and includes a conversion feature. Initially, two \$125,000 convertible loans were issued, with the conversion feature valued at \$74,856 classified as equity and recorded in reserves, and the liability portion at \$175,144 accreted to face value over three years at a 20% effective interest rate. One loan was repaid in February 2022, derecognizing its liability and transferring the equity portion to retained earnings; no conversion rights remain. The remaining loan carries a liability of \$229,209 and an equity portion of \$37,428 as at September 30, 2025.

12. Share capital

12.1 Authorized Share Capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

As at September 30, 2025, the Company had 165,116,529 common shares issued and outstanding (June 30, 2025 – 165,116,529).

12.2 Common Shares Issuances

Year ended June 30, 2025

Private Placements

On December 30, 2024, the Company closed a private placement of 5,714,286 Quebec Flow-Through (QFT) of the Company, at a price of \$0.035 per QFT for aggregate gross proceeds of \$200,000. The Company issued 571,428 non-transferable finder's shares and warrants. Each finder's warrant is exercisable into one non-flow-through common share at exercise price of \$0.05 per share for a period of three years. The finder's shares were valued at \$11,429, based on the trading price of the Company's shares on the closing date. The warrants were valued at \$9,623 using the Black-Scholes option-pricing model. The following weighted average assumptions were used: share price - \$0.02; risk free interest rate – 2.90%; expected volatility – 185.2% (which is based on historical volatility of the Company's share price); expected dividend yield - nil; expected life - 3 years.

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

12. Share capital (continued)

12.3 Equity reserve – Warrants

Changes in warrants outstanding for the three months ended September 30, 2025, and the year ended June 30, 2025

	Period ended September 30, 2025		Year ended June 30, 2025	
	Weighted Average		Weighted Average	
	# of Warrants	Exercise Price	# of Warrants	Exercise Price
Beginning Balance	9,706,521	\$ 0.050	43,649,498	\$ 0.081
Issued	-	-	571,428	\$ 0.050
Expired or cancelled	(9,135,093)	\$ 0.050	(34,514,405)	\$ 0.089
Ending Balance	571,428	\$ 0.050	9,706,521	\$ 0.050

As at September 30, 2025, and June 30, 2025 the following share purchase warrants were outstanding:

	September 30, 2025			June 30, 2025		
	Remaining			Remaining		
Expiry Date	# of Warrants	Exercise Price	Life in years	# of Warrants	Exercise Price	Life in years
August 27, 2025	-	-	-	3,043,478	\$ 0.050	0.16
September 4, 2025	-	-	-	913,043	\$ 0.050	0.18
September 27, 2025	-	-	-	5,178,572	\$ 0.050	0.24
December 27, 2027	571,428	\$ 0.050	2.24	571,428	\$ 0.050	2.49
Total	571,428	\$ 0.050	2.24	9,706,521	\$ 0.050	0.34

The fair value of the warrants issued during the three months ended September 30, 2025, and the year ended June 30, 2025 was estimated based on the following ranges of key assumptions:

Warrants Reserve	Period ended September 30, 2025	Year ended June 30, 2025
Exercise Price	-	\$ 0.050
Expected Life	-	3 years
Dividend Yield	-	Nil
Volatility	-	186%
Risk Free Interest Rate	-	2.94%
Fair Value	-	\$ 0.017

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
For the three months ended September 30, 2025, and 2024
(in Canadian dollars)

12. Share capital (continued)

12.4 Equity reserve – Stock Options

The Company's Stock Option Plan (the "Plan") provides for the granting of stock options to directors, officers, employees and consultants of the Company. Share options are granted for a term not to exceed ten years from the date of grant. All options are subject to a four-month holding period from the date of grant, if granted at the price lower than the market price; options granted at market prices are not subject to the hold period. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual) and the vesting period. The maximum number of shares of the Company which may be reserved for the issuance shall be 10% of the issued and outstanding shares at the time of the option grant.

The following table shows a summary of the changes in the Company's stock option activities for the three months ended September 30, 2025, and the year ended June 30, 2025:

	Period ended September 30, 2025		Year ended June 30, 2025	
	# of Stock Options	Weighted Average Exercise Price	# of Stock Options	Weighted Average Exercise Price
Beginning Balance	3,825,000	\$ 0.050	4,950,000	\$ 0.067
Granted	5,400,000	\$ 0.050	-	-
Expired or cancelled	-	-	(1,125,000)	\$ 0.124
Ending Balance	9,225,000	\$ 0.050	3,825,000	\$ 0.050

The following table show a listing of all stock options issued and outstanding as at September 30, 2025, and June 30, 2025. All of the Company's stock options are fully vested and exercisable as at the date of these financial statements.

	September 30, 2025			June 30, 2025		
Expiry Date	# of Stock Options	Exercise Price	Remaining Life in years	# of Stock Options	Exercise Price	Remaining Life in years
February 14, 2026	1,525,000	\$ 0.050	0.38	1,525,000	\$ 0.050	0.62
June 4, 2029	2,300,000	\$ 0.050	3.68	2,300,000	\$ 0.050	3.93
September 16, 2030	5,400,000	\$ 0.050	4.96	-	-	-
Total	9,225,000	\$ 0.050	3.88	3,825,000	\$ 0.050	2.61

On September 16, 2025, the Company granted stock options to certain directors, officers, and consultants to purchase an aggregate of 5,400,000 common shares in the capital of the Company. The stock options are exercisable for a term of five years at an exercise price of \$0.05 per share. Directors and officers were granted 3,400,000 stock options as part of the grant.

Granada Gold Mine Inc.
Notes to the unaudited Condensed Interim Financial Statements
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(in Canadian dollars)

12. Share capital (continued)

12.4 Equity reserve – Stock Options (continued)

The fair value of the stock options granted during the three months ended September 30, 2025, and year ended June 30, 2025 was estimated based on the following ranges of key assumptions:

Stock Options Reserve	Period ended September 30, 2025	Year ended June 30, 2025
Exercise Price	\$ 0.050	-
Expected Life	5 years	-
Dividend Yield	Nil	-
Volatility	153.28%	-
Risk Free Interest Rate	2.74%	-
Fair Value	\$0.046	-

13. Exploration and evaluation expenditures

Granada Property, Quebec, Canada

The Company holds 100% interest in certain mining leases and claims. The mining leases are subject to a 2% Gross Metal Royalty (“GMR”), ½ of which may be purchased for \$1,000,000 and a 1% Net smelter royalty (“NSR”) and 23 of the original mining claims are subject to a 1% NSR. Additionally, there is a 2% NSR on 26 claims, half of which may be purchased for \$1,000,000.

The breakdown of exploration expenditures for the three months ended September 30, 2025, and 2024 is as follows:

	2025	2024
	\$	\$
Assay and testing	969	-
Depreciation	2,287	4,731
Equipment	223	-
Facility expense	1,715	4,876
Geology	-	35,000
Personnel costs	139	282
Project management	-	78,635
Reclamation costs	4,491	1,615
Permits and licensing	6,319	464
Total exploration expenses	16,143	125,603

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13. Exploration and evaluation expenditures (continued)

Granada Property, Quebec, Canada (continued)

The Company has determined that as at September 30, 2025, and 2024, the Granada Property has not met the technical feasibility and commercial viability criteria to be capitalized and classified as mining properties. Accordingly, the Company expensed all exploration and evaluation expenditures in the periods. As of September 30, 2025, and June 30, 2025, the Company did not hold any assets classified as mining properties.

14. Loss per share

Loss per share has been calculated by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The details of the calculation for the three months ended September 30, 2025, and 2024, are as follows:

	2025	2024
Net loss for the period attributable to shareholders	571,948	193,820
Weighted average number of common shares outstanding	165,116,549	158,830,815
Basic and diluted loss per share	0.003	0.003

For the three months ended September 30, 2025, and 2024, potential dilutive common shares from incentive stock options and warrants have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

15. Related party transactions

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the Company and comprise of the members of the Board of Directors (executive and non-executive), as well as the President and Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the Corporate Secretary, and persons related to the CEO. Compensation paid to key management is presented for the three months ended September 30, 2025, and 2024:

	2025	2024
	\$	\$
Company owned by the CEO**	110,000	110,000
Company owned by the CFO	7,500	-
Corporate Secretary	18,000	18,000
Company owned by a relative of the CEO	6,000	6,000
Company that the former CFO is employed with	17,531	17,370
Share-based compensation	211,416	-
	370,447	151,370

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15. Related party transactions (continued)

Other related party transactions

During the three months ended September 30, 2025, the Company recorded \$Nil (2024 - \$26,000) in equipment rental revenue from Nord. In prior years, equipment rental revenue, was recognized in Accounts Receivable (Note 5). The amount of \$287,116 that would have been recognized in Accounts Receivable at June 30, 2025, has been off-set against the Company's balance owing to Nord.

Amounts due to Related Parties

All amounts due to related parties are unsecured, non-interest bearing and due on demand.

	September 30, 2025	June 30, 2025
	\$	\$
Company owned by the CEO*		
Fees	1,460,800	1,350,800
Out-of-pocket expenses	73,792	72,473
Company owned by the CFO	7,875	-
Corporate Secretary	143,300	125,300
Company owned by a relative of the CEO	48,652	42,652
Due to Nord	2,667,284	2,390,050
Due to Coniagas	48,534	48,534
Company that the former CFO is employed with	-	37,275
Total amounts payable to related parties	4,450,237	4,067,084

* The Company retains the services of a company owned by the CEO of the Company to carry out exploration work on its resource properties and for management services.

** As of September 30, 2025, the Company owed \$2,667,284 to Nord, a company with common officers and directors (June 30, 2025 – \$2,390,050). Of this amount \$50,546 (June 30, 2025 – \$50,546) was included in accounts payable for services received from Nord's subsidiary.

The above amounts are unsecured, non-interest bearing and are due on demand.

Of the secured loans payable, \$1,172,831 was due to related parties as at September 30, 2025 (June 30, 2025 - \$1,149,490) (note 11).

See also notes 5, 6, 11, 12.2 and 16.

16. Commitments and Contingencies

Environmental obligations

The Company's operations are subject to governmental laws and regulations regarding environmental protection. The environmental consequences are hardly identifiable, whether with the outcomes, the impacts or the deadline.

As at September 30, 2025, and June 30, 2025, to the best knowledge of its management, the Company is in conformity with the laws and regulations.

Flow-through obligations

The Company is partly financed by the issuance of flow-through shares. However, there are no guarantees that the funds spent by the Company will qualify as Canadian exploration expenditures, even if the Company has taken all the necessary measures for this purpose. Disallowance of certain expenses by the tax authorities would have a negative tax-impact for investors.

Moreover, tax rules regarding flow-through investments set deadlines for carrying out the exploration work no later than the first of the following dates:

- i) Two years following the flow-through investment;
- ii) One year after the Company has renounced the tax deductions relating to the exploration work.

The Company has indemnified the subscribers of current and previous flow-through offerings against any tax-related amounts that become payable by shareholders in the event the Company does not meet its expenditure commitment. See Note 9.

As at September 30, 2025, the Company has approximately \$178,000 remaining to spend on qualifying Canadian exploration expenditures prior to December 31, 2025, to satisfy its current flow-through obligations.

Canada Revenue Agency audit

The Canada Revenue Agency ("CRA") is auditing certain of the Company's corporate tax returns and flow-through filings from 2012 to 2017 and 2019 to 2020 and has assessed that the Company had flow-through shortfalls in certain of those years. Accordingly, the Company has recorded a provision for the estimated cost to indemnify flow-through share subscribers for their possible personal income tax reassessments.

In estimating the liability, the Company has assumed the following:

- The subscribers would be taxable at the highest marginal personal tax rate;
- That all non-corporate subscribers are eligible for the federal 15% investment tax credit; and
- That Quebec subscribers are eligible for the 150% or 120% additional CEE deduction.

The ultimate amount owing and the timing of any payments to investors are highly uncertain as they are dependent on each taxpayer's individual tax situation as well as if, or when, they are reassessed by the CRA.

The Company has also accrued the estimated Part XII.6 tax and similar Quebec tax on the potential shortfalls.

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16. Commitments and Contingencies (continued)

Canada Revenue Agency audit (continued)

The CRA has also assessed penalties of approximately \$2,200,000 which the Company has not accrued. The Company believes the assessment of these penalties is without merit and has filed Notices of Objection to dispute the assessment. To date, the CRA has rejected the Notices of Objection, and the Company has submitted to the tax court. The outcome of the proceedings cannot be determined at this time and accordingly, no amounts have been accrued in these financial statements relating to the penalties.

Canada Revenue Agency audit (continued)

A continuity of the provision for the shareholder indemnity for the three months ended September 30, 2025 and year ended June 30, 2025 is as follows:

	September 30, 2025	June 30, 2025
	\$	\$
Opening Balance	5,838,389	5,363,851
Accrual for additional provision and interest	119,838	474,538
Ending Balance	5,958,227	5,838,389

Revenue Quebec

Revenue Quebec has commenced an audit of the Company's Quebec tax credit filings for 2020, 2021, 2022 and 2023. As at September 30, 2025, the Company maintains a provision of \$397,885 (June 30, 2025 - \$397,885) for the value of tax credits that are in dispute. Revenue Quebec is also proposing to assess penalties of approximately \$225,000, which the Company has not accrued. The Company believes the assessment of these penalties is without merit and is disputing them. The outcome of the dispute cannot be determined at this time and accordingly, no amounts have been accrued in these financial statements relating to the penalties.

Service agreements

The Company has consulting service agreements with related parties (certain officers and directors).

- i) Effective January 1, 2007, and amended December 1, 2010, May 16, 2013, and March 1, 2015, the Company entered into a management agreement with Grupo Moje Limited ("Grupo"), a company owned by a director and officer of the Company to provide management services of Frank Basa in consideration for a nominal annual fee of \$1.

This agreement also requires that if the agreement is terminated by the Company upon or following a change in control or change of management the Company shall make a payment to Grupo equal to 480 ounces of gold with the dollar amounts to be calculated based on the price of gold on the date of termination of the agreement. As a triggering event has not taken place, the contingent payment has not been reflected in these financial statements.

- ii) Effective January 1, 2014, the Company entered into a management agreement with Mineral Recovery Management Systems Corp. ("MRMSC"), a company controlled by Frank Basa and Elaine Basa, to provide project management, engineering and geological services to the Company in consideration of \$25,000 per month for the services of Frank Basa and \$11,666.67 per month for the services of Elaine Basa. Either party may terminate this agreement by giving four months' notice to the other, subject to certain provisions of the agreement.

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16. Commitments and Contingencies (continued)

Claims, lawsuits and other complaints

The Company is subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity. The outcome of these litigations cannot be reasonably determined, as a result, no amounts have been accrued as at September 30, 2025.

17. Capital management policies and procedures

The Company's objectives in managing its capital are to safeguard its ability to continue as a going concern and to fund its exploration and evaluation activities and administrative costs. The Company considers its capital to comprise shareholders' equity, consisting of common shares, reserves, and deficit, which totaled a deficiency of \$13,961,080 at September 30, 2025 (June 30, 2025 - \$13,637,317).

As the Company's mineral property interests are in the exploration stage and do not generate revenue, it relies on external financing, primarily through issuing new shares, to support exploration and operational needs. Management adjusts the capital structure based on available funds and evaluates potential new properties for acquisition based on their geologic and economic merit. The Board does not establish quantitative return on capital criteria, relying on management's expertise to secure financing.

Management reviews its capital management approach regularly and believes it is appropriate given the Company's size and stage of development. No changes were made to this approach during the three months ended September 30, 2025, or the year ended June 30, 2025. The Company is subject to TSX Venture Exchange (TSXV) rules requiring working capital or financial resources of at least \$50,000 or sufficient to cover six months of general and administrative expenses, whichever is greater. As at September 30, 2025, the Company may not be compliant with all TSXV policies; the impact of this potential violation is unknown and depends on the TSXV's discretion.

18. Financial assets and liabilities

The carrying amounts and fair value of financial instruments presented in the statement of financial position are as follows:

	September 30, 2025	June 30, 2025
Financial assets		
Cash	44,057	11,013
Amounts receivable	25,499	22,401
Marketable securities	59,234	37,367
Reclamation deposit	384,421	384,421
Total financial assets	513,211	455,202

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18. Financial assets and liabilities (continued)

	September 30, 2025	June 30, 2025
Financial liabilities		
Trade payable and accrued liabilities	12,534,803	12,195,580
Secured loans payable	1,532,181	1,501,688
Total financial liabilities	14,066,984	13,697,268

The carrying value of the above financial instruments is considered to be a reasonable expectation of fair value because of the short-term nature of these instruments.

19. Financial risks

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk. The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of cash and amounts receivable at the reporting date for the aggregate amounts of \$69,556 at September 30, 2025 (June 30, 2025 - \$33,414). This amount excludes the Reclamation deposit of \$384,421. The risk related to cash is considered negligible as the Company deals with a reputable financial institution whose credit rating is excellent, and the cash held in trust is accessible as and when required. As at September 30, 2025, the risk related to amounts receivable is considered negligible, as they exclusively consist of sales taxes receivable from the Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at September 30, 2025, the Company had \$12,534,803 (June 30, 2025 - \$12,195,580) in accounts payable and accrued liabilities and cash of \$44,057 (June 30, 2025 - \$11,013) to settle short term liabilities. The Company's trade payables generally have contractual maturities of 30 days or less and are subject to normal trade terms. See note 11 for details of the maturities of secured loans payable.

Foreign currency risk

Foreign currency risk arises from fluctuations in exchange rates that could impact the Company's financial performance. As at September 30, 2025, the Company conducts substantially all transactions, including exploration and evaluation costs and administrative expenses, in Canadian dollars, its functional and reporting currency. The Company holds no significant assets or liabilities denominated in foreign currencies, resulting in minimal exposure to foreign currency risk. No hedging instruments are currently used. Management monitors potential currency risks and will reassess its approach if the Company engages in foreign currency transactions in the future.

19. Financial risks (continued)

Market risk

Market risk is the risk that changes in market prices, such as commodity prices and interest rates, could impact the Company's financial position or the future economic feasibility of its exploration and evaluation activities. As an exploration-stage company, Granada has no revenue or capitalized exploration properties, and its market risk exposure is primarily related to potential future gold price fluctuations and interest rate changes affecting its financial instruments. The objective of market risk management is to monitor and mitigate exposures to ensure the Company's ability to fund ongoing exploration and operational needs. No hedging instruments are currently used. Management regularly reviews market conditions and adjusts its financing strategies as needed.

Commodity Price Risk

The Company does not currently produce or sell gold, so it has no direct exposure to commodity price fluctuations. However, future gold price movements could affect the economic viability of the Company's mineral property interests if commercial production is achieved. Management monitors gold market trends to assess potential impacts on future project development.

Interest Rate Risk

The Company's secured loans (Note 11) bear a fixed interest rate of 8% per annum, resulting in minimal exposure to interest rate fluctuations. Changes in market interest rates could affect the cost of future borrowings, if any.

Price risk on marketable securities

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve-month period:

- i) The Company receives low interest rates on its cash balances and carries debt with fixed interest rates. As such, the Company does not have significant interest rate risk.
- ii) The Company does not hold balances in foreign currencies to give rise to exposure to foreign currency risk.
- iii) The Company's receivables are composed primarily of refundable sales taxes owing from the government of Canada. As such, the Company does not have significant credit risk relating to its receivables.

The Company's marketable securities are comprised of common shares and warrants of Nord and Coniagas. A 10% change in the share price of the Company's marketable securities would result in a corresponding change to net loss in the amount of \$5,936 for the three months ended September 30, 2025 (2024 - \$6,700).

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19. Financial risks (continued)

Market risk (continued)

Classification of Financial Instruments

The Company's financial instruments consist of cash, amounts receivable, marketable securities, trade other payables and provisions, and secured loans payable. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature and current market rates for similar financial instruments.

Financial instruments recorded at fair value on the consolidated 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 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at September 30, 2025, and June 30, 2025, the Company did not have any assets measured at fair value that require classification within the fair value hierarchy, except for its marketable securities:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
September 30, 2025 marketable securities	59,197	37	-	59,234
June 30, 2025 marketable securities	37,339	28	-	37,367

There were no transfers to or from Level 2, or level 3 during the three months ended September 30, 2025, and the year ended June 30, 2025.

20. Subsequent events

Subsequent to September 30, 2025, and as at the date of this report, the Company borrowed an additional \$94,245 cash from Nord. The amounts are unsecured, non-interest bearing and have no fixed term of repayment.