



# **ELEMENT 29**

RESOURCES

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Unaudited - Expressed in Canadian dollars)**

**Three month period ended March 31, 2026**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

### **CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORTING**

The accompanying condensed consolidated interim financial statements of Element 29 Resources Inc. (the "Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the condensed consolidated interim financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

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

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

**Element 29 Resources Inc.****Condensed Consolidated Interim Statements of Financial Position**

As at March 31, 2026 and December 31, 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	March 31, 2026	December 31, 2025
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 4,935,913	\$ 7,572,828
Receivables		13,381	10,700
Prepaid expenses		246,685	216,687
Deposit		5,519	5,519
		5,201,498	7,805,734
<b>Non-current assets</b>			
Property and equipment		108,901	114,597
Exploration and evaluation assets	3	17,612,614	16,448,483
		17,721,515	16,563,080
<b>Total assets</b>		\$ 22,923,013	\$ 24,368,814
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 209,010	\$ 1,419,796
Current portion of lease liability	4	33,294	33,294
		242,304	1,453,090
<b>Non-current liabilities</b>			
Lease liability	4	\$ 35,661	43,714
<b>Total liabilities</b>		277,965	1,496,804
<b>Shareholders' equity</b>			
Share capital	5	41,551,889	41,436,389
Reserves	5	4,586,662	4,514,946
Deficit		(23,493,503)	(23,079,325)
<b>Total shareholders' equity</b>		22,645,048	22,872,010
<b>Total liabilities and shareholders' equity</b>		\$ 22,923,013	\$ 24,368,814

Nature of operations (Note 1)

Subsequent events (Note 10)

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

**Element 29 Resources Inc.****Condensed Consolidated Interim Statements of Comprehensive Loss**

For the periods ended March 31, 2026 and 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

	Notes	2026	2025
<b>General and administrative expenses</b>			
Administration and office		\$ 15,424	\$ 10,683
Corporate development		32,839	34,434
Investor relations		182,081	152,840
Personnel costs	6	136,575	115,945
Professional fees		5,184	3,540
Filing fees		20,024	20,047
Foreign exchange gain		(25,318)	(172,976)
Share-based compensation	5,6	71,716	532,151
Depreciation		9,434	20,036
Finance expenses		2,655	5,065
<b>Operating loss</b>		<b>450,614</b>	<b>721,765</b>
Interest income		(36,436)	(15)
<b>Loss and comprehensive loss for the period</b>		<b>\$ 414,178</b>	<b>\$ 721,750</b>
<b>Loss per common share</b>			
Basic and fully diluted		\$ (0.00)	\$ (0.01)
<b>Weighted average number of common shares outstanding – basic and diluted</b>		<b>155,643,198</b>	<b>123,980,303</b>
<b>Total common shares issued and outstanding</b>	5	<b>155,713,476</b>	<b>124,155,099</b>

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

## Element 29 Resources Inc.

### Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the periods ended March 31, 2026 and 2025 (unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	Number of Shares	Share capital	Reserves	Deficit	Total
<b>Balance at December 31, 2025</b>		155,508,476	\$ 41,436,389	\$ 4,514,946	\$ (23,079,325)	\$ 22,872,010
Issuance of share capital – warrant exercises	5	205,000	115,500	-	-	115,500
Loss and comprehensive loss		-	-	-	(414,178)	(414,178)
Share-based compensation	5	-	-	71,716	-	71,716
<b>Balance at March 31, 2026</b>		155,713,476	\$ 41,551,889	\$ 4,586,662	\$ (23,493,503)	\$ 22,645,048

	Note	Number of Shares	Share capital	Reserves	Deficit	Total
<b>Balance at December 31, 2024</b>		121,407,598	\$ 29,760,249	\$ 3,591,330	\$ (20,511,682)	\$ 12,839,897
Issuance of share capital – warrant exercises		2,747,501	901,875	(80,625)	-	821,250
Loss and comprehensive loss		-	-	-	(721,750)	(721,750)
Share-based compensation		-	-	532,151	-	532,151
<b>Balance at March 31, 2025</b>		124,155,099	\$ 30,662,124	\$ 4,042,856	\$ (21,233,432)	\$ 13,471,548

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

## Element 29 Resources Inc.

### Condensed Consolidated Interim Statements of Cash Flows

For the periods ended March 31, 2026 and 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	2026	2025
<b>Cash flows used in operating activities</b>			
Loss and comprehensive loss for the period		\$ (414,178)	\$ (721,750)
Items not affecting cash:			
Share-based compensation	5	71,716	532,151
Unrealized foreign exchange loss (gain)		475	(6,214)
Depreciation		9,434	20,036
Interest expense on lease liability	4	1,809	273
		(330,744)	(175,504)
Changes in non-cash operating working capital:			
Increase in receivables and prepaid expenses		(32,680)	(16,642)
Increase (decrease) in accounts payable and accrued liabilities		10,828	(279,356)
Decrease in deposits		-	19,966
		(352,596)	(451,536)
<b>Cash flows used in investing activities</b>			
Payments for exploration and evaluation assets	3	(2,385,748)	(256,969)
Purchase of property and equipment		(5,416)	-
		(2,391,164)	(256,969)
<b>Cash flows from financing activities</b>			
Proceeds from issuance of common shares – warrant exercises	5	115,500	821,250
Lease payments	4	(8,655)	(8,370)
		106,845	812,880
<b>(Decrease) increase in cash and cash equivalent</b>		<b>(2,636,915)</b>	<b>104,375</b>
<b>Cash and cash equivalent - beginning of the period</b>		<b>7,572,828</b>	<b>1,189,987</b>
<b>Cash and cash equivalent - end of the period</b>		<b>\$ 4,935,913</b>	<b>\$ 1,294,362</b>

#### Supplemental cash flow information (Note 8)

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

# Element 29 Resources Inc.

## Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

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### 1 Nature of operations

#### Nature of operations

Element 29 Resources Inc., together with its subsidiaries (collectively referred to as the “Company” or “E29”), is focused on the exploration of mineral property interests in Peru.

The Company was incorporated on August 30, 2017 in British Columbia. The Company’s registered office is at 1005-409 Granville Street, Vancouver, BC, V6C 1T2, Canada. The Company’s common shares commenced trading on the TSX Venture Exchange (“TSX-V”) on December 7, 2020 under the symbol “ECU” and on the Over-the-Counter OTCQB Venture Market (“OTCQB”) under the symbol “EMTRF”. On November 16, 2022, the Company commenced trading on the Bolsa de Valores de Lima Exchange (“BVL”) under the symbol “ECU”.

All amounts are expressed in Canadian dollars, except for certain amounts denoted in United States dollars (“US\$”).

The Company has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

The Company has not generated revenues from its operations to date. As at March 31, 2026, the Company has accumulated net losses of \$23,493,503 since inception and has working capital of \$4,959,194. The operations of the Company have primarily been funded by the issuance of common shares. The Company estimates it has adequate financial resources to satisfy its obligations over the next 12 month period.

### 2 Basis of presentation

#### Basis of presentation

The Company prepares its condensed consolidated interim financial statements in accordance with International Accounting Standards 34, Interim Financial Reporting (“IAS 34”), under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretation of the International Reporting Interpretations Committee (“IFRIC”). These should be read in conjunction with the Company’s annual audited consolidated financial statements as at and for the year ended December 31, 2025 (“annual financial statements”). The accounting policies and critical estimates and judgements applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company’s annual financial statements, unless otherwise stated.

These condensed consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value or amortized cost.

The Board of Directors of the Company approved these condensed consolidated interim financial statements and authorized them for issue on May 19, 2026.

#### Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries:

- Candelaria Resources S.A.C. (“Candelaria”)
- Elida Resources S.A.C. (“Elida”)
- Pahuay Resources S.A.C. (“Pahuay”)

All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

## **Element 29 Resources Inc.**

### **Notes to Condensed Consolidated Interim Financial Statements**

For the period ended March 31, 2026 (unaudited)

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(expressed in Canadian dollars, except where indicated)

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has the rights to, variable returns from the Company's involvement with the entity and has the ability to affect those returns through the Company's power over the entity.

### **3 Exploration and evaluation assets**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title to the mineral property assets remains in good standing.

#### **Flor de Cobre copper project**

The Company owns a 100% interest of the Flor de Cobre copper project. Globetrotters Resource Group Inc. ("Globetrotters") retains a 2% net smelter royalty ("NSR") on certain Flor de Cobre claims except for concessions acquired after the Company's initial public offering. The property is located in Peru.

#### **Elida copper project**

The Company owns 100% of the Elida copper project in Peru, subject to a 2% NSR to Globetrotters.

#### **Pahuay copper skarn project**

The Company owns 100% interest of the Pahuay copper skarn project, subject to a 2% NSR to Globetrotters. The property is located in Peru.

#### **Paka copper skarn project**

The Company owns 100% interest of the Paka copper skarn porphyry project, subject to a 2% NSR to Globetrotters. The project is located in Peru.

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

Expenditures for the period ended March 31, 2026 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
<b>Balance at December 31, 2025</b>	\$ 82,829	\$ 16,262,123	\$ 103,531	\$ 16,448,483
Additions:				
Drilling	-	589,978	-	589,978
Geological and mapping	161	35,648	-	35,809
Geophysics and geochemistry	-	96,100	-	96,100
Permitting, concessions and taxes	115	317,278	20,601	337,994
Community, health, safety and environment	-	760	-	760
Geology salaries	-	-	1,053	1,053
Property maintenance and administration	8,053	94,384	-	102,437
Total additions for the period	8,329	1,134,148	21,654	1,164,131
<b>Balance at March 31, 2026</b>	\$ 91,158	\$ 17,396,271	\$ 125,185	\$ 17,612,614

Expenditures for the year ended December 31, 2025 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
<b>Balance at December 31, 2024</b>	\$ 1	\$ 11,909,193	\$ 1	\$ 11,909,195
Additions:				
Drilling	471	2,509,846	8,894	2,519,211
Geological and mapping	8,661	-	24,202	32,863
Geophysics and geochemistry	-	390,135	3,428	393,563
Permitting, concessions and taxes	31,408	479,697	55,682	566,787
Community, health, safety and environment	-	145,136	8,244	153,380
Geology salaries	189	115,228	1,047	116,464
Property maintenance and administration	42,099	712,888	2,033	757,020
Total additions for the year	82,828	4,352,930	103,530	4,539,288
<b>Balance at December 31, 2025</b>	\$ 82,829	\$ 16,262,123	\$ 103,531	\$ 16,448,483

## 4 Lease liability

Lease liability

	March 31, 2026	December 31, 2025
Lease liability	\$ 68,955	\$ 77,008
Less: current portion	(33,294)	(33,294)
Long-term portion	\$ 35,661	\$ 43,714

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

#### Undiscounted lease payments

	March 31, 2026	December 31, 2025
Less than one year	\$ 34,620	\$ 34,620
One to five years	41,117	49,772
	\$ 75,737	\$ 84,392

The Company's leased asset is the right to use an office space in Vancouver. The lease liability is discounted at the Company's incremental borrowing rate of 10%. Interest expense on the lease liability amounted to \$1,809 for the three months ended March 31, 2026 (2025 – \$273). During the three months ended March 31, 2026, lease payments made amounted to \$8,655 (2025 – \$8,370).

## 5 Share capital and reserves

### a) Common shares

The Company's authorized share capital consists of unlimited common shares without par value. At March 31, 2026, the Company had 155,713,476 (December 31, 2025 – 155,508,476) shares issued and outstanding and nil common shares (2025 – nil) held in escrow.

### b) Issued share capital

The Company's share capital transaction for the year ended December 31, 2025 is as follows:

- On August 19, 2025, the Company closed a non-brokered private placement consisting of 12,649,000 units at a price of \$0.50 per unit which raised gross proceeds of \$6,324,500. Each unit consists of one common share of the Company and one-half of one non-transferable common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of \$0.70 per share for a period of three years from the closing date. The Company paid an aggregate finder's fees totaling \$254,415.

### c) Share options

The Company provides share-based compensation to its directors, officers, employees, and consultants through grants of share options.

The Company has adopted a stock option plan (the "Plan"), as amended, to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding shares of the Company. Vesting is determined at the discretion of the Board of Directors.

Under the Plan, an option holder may elect to terminate an option, in whole or in part and, in lieu of receiving shares to which the terminated option relates (the "Designated Shares"), receive the number of shares, disregarding fractions, which, when multiplied by the weighted average trading price of the shares on the TSX-V during the five trading days immediately preceding the day of termination (the "Fair Value" per share) of the Designated Shares, has a total dollar value equal to the number of Designated Shares multiplied by the difference between the Fair Value and the exercise price per share of the Designated Shares.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options granted.

The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the share options. Since the Company has not paid and does not anticipate paying dividends on its common shares, the expected dividend yield is assumed to be zero. Companies are required to utilize an estimated forfeiture rate when calculating the share-based compensation expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil in determining the share-based compensation expense recorded in profit or loss.

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

Share option transactions are summarized as follows:

	Number of share options	Weighted average exercise price \$
<b>Outstanding – December 31, 2024</b>	8,270,000	0.34
Granted	2,870,000	0.50
Exercised	(282,458)	0.29
Cancelled	(467,542)	0.33
Expired / forfeited	(650,000)	0.36
<b>Outstanding – December 31, 2025</b>	9,740,000	0.38
Expired / forfeited	(120,000)	0.57
<b>Outstanding – March 31, 2026</b>	<b>9,620,000</b>	<b>0.37</b>

At March 31, 2026, the following share options were outstanding:

Number of share options	Number of share options vested	Exercise price per share option \$	Expiry date
1,100,000	1,100,000	0.45 – 0.50	April 2026
900,000	900,000	0.57	March 2027
4,650,000	4,650,000	0.255	September 2029
100,000	100,000	0.255	October 2029
2,370,000	2,370,000	0.49	February 2030
400,000	200,000	0.52	May 2030
100,000	50,000	0.54	July 2030
<b>9,620,000</b>	<b>9,370,000</b>		

	March 31, 2026
Weighted average exercise price for exercisable share options	\$ 0.37
Weighted average fair value for share options exercised	n/a
Weighted average years to expiry for exercisable share options	3.31 years

No options were granted during the three month period ended March 31, 2026.

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

#### d) Share purchase warrants

Share purchase warrant transactions are summarized as follows:

	Number of share purchase warrants	Weighted average exercise price
Outstanding as at December 31, 2024	34,291,738	\$0.35
Exercised	(21,092,754)	0.25
Expired	(140,000)	0.25
Granted	6,324,500	0.70
Outstanding as at December 31, 2025	19,383,484	\$0.57
Exercised	(205,000)	0.56
Outstanding as at March 31, 2026	19,178,484	\$0.57

At March 31, 2026, the following share purchase warrants were outstanding:

Number of share purchase warrants	Exercise price per share purchase warrant \$	Expiry date
12,918,984	0.50	August 29, 2027
6,259,500	0.70	August 19, 2028
<b>19,178,484</b>		

During the three months ended March 31, 2026, share purchase warrants to purchase 205,000 common shares with exercise prices ranging from \$0.50 to \$0.70 were exercised resulting in gross proceeds of \$115,500 being received by the Company.

#### e) Deferred Share Units (“DSU”)

DSUs are granted to the Company’s directors as a part of compensation under the terms of the Company’s deferred share units plan (the “DSU Plan”). Each DSU entitles the participant to receive the value of one common share of the Company (a “Common Share”). The maximum number of awards under the combined DSU Plan and RSU Plan shall not exceed 5.0 million of the Company’s common shares.

Participants are entitled to the value of the Common Share upon termination of their service. In accordance to the DSU Plan, upon each vesting date the Company shall decide, at its sole discretion, whether participants receive (a) the issuance of Common Shares equal to the number of DSUs vesting, or (b) a cash payment equal to the number of vested DSUs multiplied by the fair market value of a Common Share, calculated as the volume weighted average trading price of the Company’s Common Shares on the TSX-V calculated by dividing the total value by the total volume of such Common Shares traded for the five trading days immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of DSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the DSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, DSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the DSU’s are considered equity settled.

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

DSU transactions are summarized as follows:

	Number of DSUs
Outstanding – December 31, 2024	375,000
Granted	150,000
Outstanding – December 31, 2025	525,000
Outstanding – March 31, 2026	<b>525,000</b>

#### f) Restricted Share Units (“RSU”)

RSUs are granted to the Company’s directors, officers, employees and consultants as a part of compensation under the terms of the Company’s restricted share units plan (the “RSU Plan”). Each RSU entitles the participant to receive the value of one Common Share. The maximum number of awards under the combined RSU Plan and DSU Plan shall not exceed 5.0 million of the Company’s common shares.

The number of RSUs awarded and underlying vesting conditions are determined by the Board of Directors in its discretion. In accordance with the RSU Plan, upon each vesting date the Company shall decide, at its sole discretion, whether participants receive (a) the issuance of Common Shares equal to the number of RSUs vesting, or (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a Common Share, calculated as the volume weighted average trading price of the Company’s Common Shares on the TSX-V calculated by dividing the total value by the total volume of such Common Shares traded for the five trading days immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of RSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the RSU’s are considered equity settled.

RSU transactions are summarized as follows:

	Number of RSUs
Outstanding – December 31, 2024	280,000
Redeemed	(76,666)
Forfeited	(50,000)
Granted	161,000
Outstanding – December 31, 2025	314,334
Outstanding – March 31, 2026	<b>314,334</b>

## 6 Related party transactions

The Company’s related parties include key management personnel and directors. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board of Directors and corporate

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

officers, including the Company's Chief Executive Officer, Chief Financial Officer, Chief Technical Officer, and Corporate Secretary.

Direct remuneration paid to the Company's directors and key management personnel during the three months ended March 31, 2026 and 2025 was as follows:

	March 31, 2026	March 31, 2025
Consulting fees – personnel costs	150,428	158,309
Directors' fees – personnel costs	38,972	24,000
Share-based compensation	41,630	427,607
	\$ 231,030	\$ 609,916

As at March 31, 2026, included in accounts payable and accrued liabilities was an amount of \$143,600 (December 31, 2025 - \$19,399) due to the Company's related parties.

## 7 Segmented information

The Company has one business segment, the exploration of mineral properties. As at March 31, 2026, all of the Company's significant non-current non-financial assets are located in Peru.

## 8 Supplemental cash flow information

	March 31, 2026	March 31, 2025
Non-cash investing activities		
- Exploration and evaluation expenditures included in accounts payable	\$ 33,540	\$ 121,587

## 9 Financial instruments

### a) Fair value classification of financial instruments

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices). Level 3 inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, accounts payable and accrued liabilities and lease liability.

The carrying values of these financial instruments approximate their fair value due to their short terms to maturity.

## Element 29 Resources Inc.

### Notes to Condensed Consolidated Interim Financial Statements

For the period ended March 31, 2026 (unaudited)

(expressed in Canadian dollars, except where indicated)

The following table summarizes the classification and carrying values of the Company's financial instruments at March 31, 2026:

	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
<b>Financial assets</b>				
Cash and cash equivalents	\$ -	\$ 4,935,913	\$ -	\$ 4,935,913
Receivables	-	13,381	-	13,381
Deposit	-	5,519	-	5,519
<b>Total financial assets</b>	\$ -	\$ 4,954,813	\$ -	\$ 4,954,813
<b>Financial liabilities</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 209,010	\$ 209,010
~	-	-	68,955	68,955
<b>Total financial liabilities</b>	\$ -	\$ -	\$ 277,965	\$ 277,965

## 10 Subsequent events

Subsequent to March 31, 2026, the following events occurred:

- On April 22, 2026, the Company closed a non-brokered private placement and issued 32,245,269 common shares of the Company at a price of \$1.10 per share for aggregate gross proceeds of \$35,469,796. The Company paid an aggregate cash finders' fees totaling \$630,000.
- 41,999 RSUs were redeemed for 41,999 common shares of the Company.
- Stock options to purchase 1,100,000 Designated Shares with exercise prices ranging from \$0.45 to \$0.50 were terminated and an aggregate of 686,823 shares were issued.
- On April 24, 2026, the Company granted an aggregate of 3,900,000 share options to certain directors, officers and consultants. Each option is exercisable to acquire one common share of the Company at an exercise price of \$1.35 per share for a period of five years from the date of grant. In addition, the Company granted an aggregate of 428,750 DSUs to certain directors, officers and consultants.
- On May 1, 2026, the Company granted 1,000,000 share options to a consultant. Each option is exercisable to acquire one common share of the Company at an exercise price of \$1.35 per share for a period of five years from the date of grant and vest quarterly over 2 years.