



Nations Royalty Corp.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended June 30, 2026 and 2025

(Presented in Canadian Dollars)

(Unaudited)

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

		June 30, 2026 (\$)	March 31, 2026 (\$)
	Notes		
Assets			
Current assets			
Cash and cash equivalents		16,267,232	17,050,928
Amounts receivable	4	4,010,044	1,805,877
Prepaid expenses and deposits		52,994	53,764
Total assets		20,330,270	18,910,569
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		148,118	107,222
Total liabilities		148,118	107,222
Shareholders' equity			
Share capital	6	42,476,005	42,476,005
Reserves	6	8,213,833	7,671,702
Deficit		(30,507,686)	(31,344,360)
Total shareholders' equity		20,182,152	18,803,347
Total liabilities and shareholders' equity		20,330,270	18,910,569

Nature of operations (Note 1)
Subsequent events (Note 10)

Approved and authorized for issuance by the Board of Directors:

"Alex Morrison"

Director

"Derrick Pattenden"

CEO & Director

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)

(Expressed in Canadian Dollars)

(Unaudited)

	Notes	For the three months ended June 30, 2026 (\$)	For the three months ended June 30, 2025 (\$)
Revenue			
Royalty income	5	2,205,000	190,350
Expenses			
Salaries and benefits		471,526	349,937
Director fees	7	53,848	44,917
Consulting		115,130	55,348
Marketing		18,544	103,018
Professional fees		112,266	45,618
Office and administration		67,944	77,379
Transfer agent and filing fees		10,596	1,987
Travel		81,263	60,152
Donations		10,000	500
Share-based compensation	6,7	542,131	548,312
Income (loss) from operations		721,752	(1,096,818)
Interest income		114,922	34,073
Net income (loss) and comprehensive income (loss)		836,674	(1,062,745)
Basic and diluted income (loss) per share		0.01	(0.01)
Weighted average number of common shares outstanding			
Basic		155,230,637	144,730,637
Diluted		156,460,962	144,730,637

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	Number of Shares (#)	Share Capital (\$)	Reserves (\$)	Deficit (\$)	Total Shareholders' Equity (\$)
At March 31, 2025		144,730,637	30,267,574	3,805,337	(28,548,428)	5,524,483
Share-based compensation	6,7	-	-	548,312	-	548,312
Net income (loss) and comprehensive income (loss)		-	-	-	(1,062,745)	(1,062,745)
At June 30, 2025		144,730,637	30,267,574	4,353,649	(29,611,173)	5,010,050
At March 31, 2026		155,230,637	42,476,005	7,671,702	(31,344,360)	18,803,347
Share-based compensation	6,7	-	-	542,131	-	542,131
Net income and comprehensive income		-	-	-	836,674	836,674
At June 30, 2026		155,230,637	42,476,005	8,213,833	(30,507,686)	20,182,152

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

		For the three months ended June 30, 2026 (\$)	For the three months ended June 30, 2025 (\$)
	<i>Notes</i>		
Operating activities			
Net income (loss) for the period		836,674	(1,062,745)
Items not involving cash:			
Share-based compensation	6	542,131	548,312
Changes in non-cash working capital items:			
Amounts receivable	4	(2,204,167)	(190,350)
Prepaid expenses and deposits		770	(44,044)
Accounts payable and accrued liabilities		40,896	4,029
Net cash used in operating activities		(783,696)	(744,798)
Change in cash and cash equivalents		(783,696)	(744,798)
Cash and cash equivalents – beginning		17,050,928	4,713,250
Cash and cash equivalents – end		16,267,232	3,968,452
Cash and cash equivalents is comprised of:			
Cash		16,209,732	3,910,952
Term deposit		57,500	57,500

No cash was paid for interest or income taxes during the three months ended June 30, 2026 and 2025. During the three months ended June 30, 2026, the Company received interest on cash and cash equivalents of \$114,922 (June 30, 2025: \$34,073)

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

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For the Three Months Ended June 30, 2026 and 2025
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(Unaudited)

1. NATURE OF OPERATIONS

Nations Royalty Corp. (formerly Vega Mining Inc.) (the “Company”) is a majority Nisga’a Nation owned company focused on acquiring royalties in the resource sector and was incorporated on November 21, 2007, under the Business Corporations Act (British Columbia). The Company changed its name from Vega Mining Inc. to Nations Royalty Corp. on May 3, 2024. The head office is Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered and records office is located at Suite 2500 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3. The Company’s common shares trade on the TSX Venture Exchange under the ticker symbol “NRC”, the OTCQB market under the trading symbol “NRYCF”, and the Frankfurt Stock Exchange under the trading symbol “Y96”.

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements (these “Financial Statements”) have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”), using accounting policies and methods of measurement consistent with those applied in the Company’s audited annual consolidated financial statements for the year ended March 31, 2026, which were prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the IASB. These Financial Statements do not include all of the information and disclosures required in annual financial statements and should be read in conjunction with those annual consolidated financial statements. These Financial Statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. These Financial Statements are presented in Canadian Dollars, which is also the Company’s functional and reporting currency.

The Board of Directors approved these Financial Statements on August 28, 2026.

3. MATERIAL ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies and methods of measurement as those disclosed in the Company’s audited annual financial statements for the year ended March 31, 2026. Accordingly, these condensed interim financial statements should be read in conjunction with the Company’s audited annual financial statements for the year ended March 31, 2026, which include a full disclosure of the significant accounting policies applied by the Company. There have been no changes to these accounting policies during the current period.

a) New Accounting Standards Issued

Effective April 1, 2026, the Company adopted the amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, issued by the IASB in May 2024. The amendments clarify the timing of recognition and derecognition of financial assets and liabilities, provide additional guidance for assessing whether a financial asset meets the solely-payments-of-principal-and-interest criterion, and introduce new disclosure requirements for financial instruments with contractual terms that can change the timing or amount of cash flows.

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4. AMOUNTS RECEIVABLE

	June 30, 2026 (\$)	March 31, 2026 (\$)
Accrued royalty income	4,009,155	1,804,155
Other receivables	889	1,722
Total amounts receivable	4,010,044	1,805,877

The accrued royalty income balance is the Company's estimate of revenue from the Brucejack mine. Proceeds from the Brucejack Annual Payment are received once per year and consists of amounts accrued over a 12-month period.

5. REVENUE

The Company currently generates revenue from one royalty interest, the Brucejack mine operated by Newmont Corporation. The revenue is an Annual Payment and is calculated based on amounts payable by Newmont Corporation under the Mineral Tax Act. The following table summarizes the Company's total revenue from royalty interests during the three months ended June 30, 2026 and 2025:

	June 30, 2026 (\$)	June 30, 2025 (\$)
Revenue from royalties		
Brucejack	2,205,000	190,350
Total revenue from royalties	2,205,000	190,350

6. SHARE CAPITAL

a) Authorized

Unlimited number of common and preferred shares without par value.

b) Issued and fully paid

As at June 30, 2026, the Company had 155,230,637 common shares outstanding (March 31, 2026 – 155,230,637)

During the three months ended June 30, 2026, the Company did not issue any common shares.

c) Stock options

The Company has established a "rolling" Stock Option Plan (the "Plan"). Under the Plan, the number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding shares and, to any one optionee, may not exceed 5% of the issued shares on a yearly basis. The maximum term of each option shall not be greater than 10 years. The exercise price of each option shall not be less than the market price of the Company's shares at the date of grant. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period. All other options vest at the discretion of the Board of Directors.

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6. SHARE CAPITAL (continued)

The Company uses the Black Scholes option pricing model to determine the fair value of stock options granted. Changes in stock options during the three months ended June 30, 2026 are as follows:

	Number of stock options (#)	Weighted-average exercise price (\$)
Outstanding - March 31, 2025	10,062,500	0.84
Granted	1,140,000	0.64
Forfeited	(171,000)	0.84
Exercised	(1,125,000)	0.70
Outstanding – March 31, 2026	9,906,500	0.84
Granted	934,000	0.96
Forfeited	-	-
Exercised	-	-
Outstanding – June 30, 2026	10,840,500	0.85

As at June 30, 2026, the following options were outstanding:

Outstanding (#)	Exercisable (#)	Exercise price (\$)	Expiry date
934,000	311,022	0.96	May 12, 2031
125,000	-	1.16	September 9, 2029
7,900,000	5,581,250	0.90	June 18, 2029
400,000	200,000	0.90	October 21, 2029
981,500	337,995	0.58	July 25, 2030
75,000	75,000	0.90	February 20, 2027
375,000	375,000	0.10	June 5, 2033
50,000	50,000	0.10	August 14, 2033
10,840,500	6,930,267	0.85	

The following assumptions were used in the valuation of the stock options granted during the three months ended June 30, 2026 and the year ended March 31, 2026.

	June 30, 2026	March 31, 2026
Annualized volatility	84%	79%
Expected life (years)	5	3-5
Dividend rate	0.00%	0.00%
Risk-free interest rate	3.24%	2.46% - 2.69%
Forfeiture rate	0.00%	0.00%

During the three months ended June 30, 2026, the Company recorded \$542,131 (June 30, 2025: \$548,312) of share-based compensation expense based on the vesting of stock options.

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6. SHARE CAPITAL (continued)

d) Warrants

A summary of the changes in warrants follows:

	Number of stock Warrants (#)	Weighted-average exercise price (\$)
Outstanding - March 31, 2025	-	-
Granted	5,233,500	2.18
Exercised	-	-
Outstanding – March 31, 2026	5,233,500	2.18
Granted	-	-
Exercised	-	-
Outstanding – June 30, 2026	5,233,500	2.18

As of June 30, 2026, the following warrants were outstanding:

Outstanding and exercisable	Exercise price (\$)	Expiry date
4,687,500	2.25	January 30, 2029
546,000	1.60	January 30, 2029
5,233,500	2.18	

e) Voluntary pooling restrictions:

132,852,500 of the issued and outstanding common shares are subject to voluntary pooling restrictions pursuant to a June 2024 agreement. As of June 30, 2026, 73,068,875 shares (March 31, 2026 – 92,996,750) remain subject to the voluntary pooling restrictions and will be released in scheduled tranches until June 2027.

7. RELATED PARTY TRANSACTIONS

Key management consists of personnel having the authority and responsibility for planning, directing, and controlling the activities of the Company, which are the directors and executive officers of the Company. Compensation to key management is summarized below:

	For the three months ended June 30, 2026 (\$)	For the three months ended June 30, 2025 (\$)
Salaries	135,000	191,250
Bonuses	93,000	-
Director fees	53,848	44,917
Share-based compensation	260,792	231,557
Total related party expenses	542,640	467,724

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8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

The fair values of the Company's cash and cash equivalents, amounts receivable, and accounts payable approximate their carrying value, due to their short-term maturities and market interest rate.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is attributable to cash and cash equivalents, and amounts receivable relating to royalty revenues. Cash and cash equivalents are held with large Canadian banks. Management believes the risk of loss to be remote. The Company's amounts receivable is primarily comprised of amounts owing from counterparties who own and operate the mines underlying the royalty portfolio. Therefore, the Company's amounts receivable is subject to the credit risk of the counterparties who own and operate the mines. Counterparty risk is not deemed significant given payments to date have always been received when due and the counterparty operates a mine with proven operational history.

b) *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 manages liquidity risk by continuing to monitor forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support

the Company's normal operating requirements on an ongoing basis and its development plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from royalty interests, its holdings in cash and cash equivalents and its committed liabilities. The Company had working capital (current assets less current liabilities) of \$20,182,152 at June 30, 2026 (March 31, 2026 - \$18,803,347).

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8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

c) *Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, and equity prices:

I. Interest Rate Risk

Interest rate risk consists of two components:

- (a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Due to the short-term nature of the Company's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values during the periods presented. Future cash flows from interest income on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on the preservation of capital and liquidity. Interest rate risk is assessed as low.

9. CAPITAL RISK MANAGEMENT

The Company defines its capital as all components of shareholders' equity. In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the periods presented.

10. SUBSEQUENT EVENTS

The Company received the Brucejack Annual Payment from Newmont Corporation for the 2025 annual payment in the amount of \$1,156,155 on August 5, 2026.