



TRISTAR GOLD, INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

Reader's Note: These condensed consolidated interim financial statements for the three and six month periods ended June 30, 2026 and 2025 of TriStar Gold, Inc. have been prepared by management and have not been reviewed by the Company's auditor.

TriStar Gold, Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
(Expressed in United States Dollars)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents (Note 6)	\$ 9,934,035	\$ 4,454,931
Accounts receivable, other	36,804	57,624
Prepaid expenses	89,185	105,529
Total current assets	<u>10,060,024</u>	<u>4,618,084</u>
Non-current assets:		
Mineral properties and deferred expenditures (Note 7)	30,485,728	29,819,436
Equipment, net	4,891	2,839
Total non-current assets	<u>30,490,619</u>	<u>29,822,275</u>
Total assets	<u><u>\$ 40,550,643</u></u>	<u><u>\$ 34,440,359</u></u>
Liabilities and Shareholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 272,703	\$ 223,264
Warrants liability (Note 9)	1,677,695	2,526,330
Total current liabilities	<u>1,950,398</u>	<u>2,749,594</u>
Non-current liabilities:		
Provisions (Note 8)	202,153	223,350
Total non-current liabilities	<u>202,153</u>	<u>223,350</u>
Total liabilities	<u>2,152,551</u>	<u>2,972,944</u>
Shareholders' equity:		
Share capital (Note 10)	68,687,909	63,431,375
Capital reserve (Note 10 and Note 12)	4,830,830	4,665,830
Accumulated deficit	(35,120,647)	(36,629,790)
Total shareholders' equity	<u>38,398,092</u>	<u>31,467,415</u>
Total liabilities and shareholders' equity	<u><u>\$ 40,550,643</u></u>	<u><u>\$ 34,440,359</u></u>

Nature of Operations and Going Concern (Note 2)
Commitments and Contingencies (Note 16)
Subsequent Events (Note 21)

Approved on behalf of the Board of Directors.

Director: "Nicholas Appleyard"
Director: "Jessica Van Den Akker"

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)
(Unaudited)
(Expressed in United States Dollars)

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Expenses:				
General and administrative (Note 8 and Note 13)	\$ 329,141	\$ 374,477	\$ 677,952	\$ 777,703
Foreign exchange (gain) losses	2,210	(47,828)	68,888	(14,170)
	331,351	326,649	746,839	763,533
Other income (expenses):				
Warrants liability fair value change (Note 9)	3,022,948	(403,456)	2,258,937	(574,935)
Bank charges	(1,588)	(1,091)	(2,795)	(2,662)
Other expenses	(54,331)	-	(54,331)	-
Interest income	28,062	1,030	54,171	1,121
	2,995,091	(403,517)	2,255,982	(576,476)
Net income (loss) and comprehensive income (loss) for the period	\$ 2,663,740	\$ (730,166)	\$ 1,509,143	\$ (1,340,009)
Basic income (loss) per share (Note 14)	\$ 0.01	\$ (0.00)	\$ 0.00	\$ (0.00)
Diluted loss per share (Note 14)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Basic weighted-average number of shares outstanding (Note 14)	365,128,124	311,186,169	358,637,694	298,235,588
Diluted weighted-average number of shares outstanding (Note 14)	385,958,105	311,186,169	380,295,861	298,235,588

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited)
(Expressed in United States Dollars)

	Common Shares		Capital Reserve	Deficit and Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number	Amount			
Balance at December 31, 2025	352,059,748	\$ 63,431,375	\$ 4,665,830	\$ (36,629,790)	\$ 31,467,415
Shares issued on exercise of warrants (Note 9)	38,500	9,994	-	-	9,994
Shares issued on financing, net of share issue cost (Note 10)	45,011,000	5,167,722	194,691	-	5,362,413
Shares issued on exercise of options (Note 12)	75,000	13,196	(5,292)	-	7,904
Shares issued on exercise of agent compensation options (Note 11)	357,692	65,622	(24,399)	-	41,223
Net income and comprehensive income for the period	-	-	-	1,509,143	1,509,143
Balance at June 30, 2026	397,541,940	\$ 68,687,909	\$ 4,830,830	\$ (35,120,647)	\$ 38,398,092

	Common Shares		Capital Reserve	Deficit and Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number	Amount			
Balance at December 31, 2024	279,928,441	\$ 57,870,319	\$ 4,420,529	\$ (34,361,410)	\$ 27,929,438
Shares issued on financing, net of share issue cost (Note 10)	71,362,077	5,524,512	198,950	-	5,723,462
Shares issued on debt payment (Note 10)	769,230	69,470	-	-	69,470
Net loss and comprehensive loss for the period	-	-	-	(1,340,009)	(1,340,009)
Balance at June 30, 2025	352,059,748	\$ 63,464,301	\$ 4,619,479	\$ (35,701,419)	\$ 32,382,361

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)
(Expressed in United States Dollars)

	For the three months ended		For the six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Operating activities				
Net income (loss) for the period	\$ 2,663,740	\$ (730,166)	\$ 1,509,143	\$ (1,340,009)
Adjustments to reconcile net income (loss) to net cash used in operating activities:				
Warrants liability fair value change (Note 9)	(3,022,948)	403,456	(2,258,937)	574,935
Changes in non-cash operating working capital:				
Accounts receivable	44,312	(11,314)	19,753	(9,693)
Prepaid expenses	3,127	(26,718)	16,685	(21,848)
Accounts payable and accrued liabilities	73,589	56,065	46,256	44,973
Provisions (Note 8)	(11,190)	29,933	(35,432)	34,159
Net cash used in operating activities	(249,370)	(278,744)	(702,532)	(717,483)
Investing activities				
Mineral properties acquisition and exploration (Note 7)	(383,239)	(345,117)	(664,698)	(605,170)
Purchase of equipment	(735)	(1,778)	(3,647)	(1,778)
Net cash used in investing activities	(383,974)	(346,895)	(668,345)	(606,948)
Financing activities				
Proceeds from financing (Note 10)	7,449,681	7,305,846	7,449,681	8,061,962
Share issuance cost	(672,598)	(558,535)	(672,598)	(581,431)
Net proceeds from exercise of warrants (Note 9)	-	-	5,625	-
Net proceeds from exercise of options (Note 12)	7,905	-	7,905	-
Net proceeds from exercise of agent's options (Note 11)	41,223	-	41,223	-
Net cash provided by financing activities	6,826,211	6,747,311	6,831,836	7,480,531
Net increase in cash and cash equivalents	6,192,867	6,121,672	5,460,959	6,156,100
Effect of exchange rate change on cash and cash equivalents	(653)	(97,480)	18,145	(3,540)
Cash and cash equivalents, beginning of period	3,741,821	630,958	4,454,931	502,590
Cash and cash equivalents, end of period	\$ 9,934,035	\$ 6,655,150	\$ 9,934,035	\$ 6,655,150

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

1. Corporate Information

TriStar Gold, Inc. (“TriStar” or the “Company”) was incorporated on May 21, 2010, in British Columbia, Canada. The Company is listed on the TSX Venture Exchange (“TSX”), under the symbol TSG.V and on the OTCQX, under the symbol TSGZF. The address of the Company’s corporate office and principal place of business is 7950 E Acoma Drive, Suite 209, Scottsdale, Arizona, United States, 85260.

TriStar was created to hold certain existing Brazauro Resources Corporation (“Brazauro”) assets as a result of an Arrangement Agreement (the “Arrangement”) between Brazauro and Eldorado Gold Corporation (“Eldorado”). Under the “spin out” Arrangement, Brazauro transferred certain Brazilian mineral exploration properties and Eldorado provided a cash contribution for working capital of \$10 million to TriStar. The completion of the Arrangement occurred on July 20, 2010.

2. Nature of Operations and Going Concern

TriStar’s primary business focus is the acquisition, exploration and development of precious metal prospects in the Americas, including its current focus on advancing the exploration success of Castelo de Sonhos (“CDS”) located in the Tapajós Gold District of Brazil’s northerly Pará State. The Company is concentrating its exploration activities on the CDS property because the Company believes CDS has the potential to host several million ounces of gold.

The Company’s current properties are in the exploration stage and have not yet been proven to be commercially developable. The continued operations of the Company and the recoverability of the amounts shown for mineral property are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of such properties, and the future profitable production from or disposition of such properties.

The Company has no source of revenue. Its ability to continue as a going concern and meet its commitments as they become due, including completion of the exploration and development of its mineral property interests and to meet its general and administrative expenses, is dependent on the Company’s ability to obtain the necessary financing. The Company relies primarily on the sale of its treasury securities to fund its operations and the Company’s cash position is currently sufficient to maintain its planned operations for an additional twelve months. Management may raise additional capital to finance operations. Although the Company has been successful in raising funds in the past, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

For the three-month period ended June 30, 2026, the Company reported a net income of \$2,663,740 (June 30, 2025: net loss of \$730,166). The Company’s accumulated deficit at June 30, 2026, was \$35,120,647 (December 31, 2025: \$36,629,790). The unaudited condensed consolidated interim financial statements (“consolidated financial statements”) have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for one year, however, adverse financial conditions may cast substantial doubt upon the validity of this assumption.

These consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes to the Condensed Consolidated Interim Statements of Comprehensive Income (Loss) that may be necessary if the Company was unable to continue as a going concern.

3. Basis of Presentation

Statement of Compliance

The consolidated financial statements for the three-month periods ended June 30, 2026 and 2025, have been prepared in accordance with IAS 34, *Interim Financial Reporting* (“IAS 34”). Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS, as issued by the International Accounting Standards Board (“IASB”) in effect at June 30, 2026, have been omitted or condensed.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

3. Basis of Presentation (continued)

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on August 26, 2026.

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss. These consolidated financial statements are presented in United States dollars (“U.S. dollars”), unless otherwise noted.

Reclassifications

Certain reclassifications have been made to the prior year financial statements for consistency with the current year presentation. The change in presentation has no effect on prior year equity or net loss.

4. Changes in Material Accounting Policies and Recent Accounting Pronouncements

Accounting Policies

These consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s December 31, 2025, audited annual consolidated financial statements. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2025.

Changes in Material Accounting Policies

On January 1, 2026, the Company adopted narrow scope amendments to IFRS 9 “Financial Instruments” (“IFRS 9”) and IFRS 7 “Financial Instruments: Disclosures” (“IFRS 7”). The amendments include the clarification of the date of initial recognition or derecognition of financial liabilities, including financial liabilities that are settled in cash using an electronic payment system. The amendments also introduce additional disclosure requirements to enhance transparency regarding investments in equity instruments designated at FVOCI and financial instruments with contingent features. The amendments did not have an impact on the Company’s condensed consolidated interim financial statements or the comparative period on the date of adoption. On January 1, 2026, the Company adopted targeted amendments to IFRS 9 and IFRS 7 to help companies better report the financial effects of nature-dependent electricity contracts. The amendments clarify the factors an entity would consider when assessing whether a renewable electricity contract qualifies for the own-use exemption under IFRS 9, as well as hedge accounting requirements for when a renewable electricity contract is designated as the hedging instrument in a cash flow hedge of forecasted sales or purchases of electricity. The amendments did not have an impact on the Company’s condensed consolidated interim financial statements or the comparative period on the date of adoption.

Recent Accounting Pronouncements Issued Not Yet Adopted

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

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates based on assumptions about future events that affect the reported amount of assets and liabilities and disclosures of contingent assets or liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported periods.

The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised.

Material areas that require estimates and assumptions as the basis for determining the reported amounts include, but are not limited to, the following:

Going concern. Management considers whether there exists any events or conditions that may cast doubt on the Company's ability to continue as a going concern. Considerations take into account all available information about the future including the availability of debt and equity financing as well as the Company's working capital balance and future cash commitments.

Functional currency. The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of all entities within the group is the U.S. dollar. Functional currency of each of the entities was determined based on the currency that mainly influences sales prices for goods and services, labor, material and other costs and the currency in which funds from financing activities are generated.

Impairment of assets. Management assesses each CGU at each reporting period to determine whether any indication of impairment exists. In addition, management assesses a CGU for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made which is considered to be the higher of the fair value less costs to sell and its value in use. These assessments require the use of estimates and assumptions such as future capital requirements and assessments of preliminary assay results. Fair value is determined as the amount that could be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

Fair value of derivative financial instruments (warrants liability). Management assesses the fair value of the Company's financial derivatives in accordance with the accounting policy stated in Note 4 to the consolidated audited financial statements. Fair values of warrants have been measured using the Black-Scholes model, taking into account the terms and conditions upon which the warrants are granted. These calculations require the use of estimates and assumptions. Changes in assumptions concerning volatilities, interest rates and expected life could have significant impact on the fair valuation attributed to the Company's financial derivatives. When these assumptions change or become known in the future, such differences will impact asset and liability carrying values in the period in which they change or become known.

Fair value of stock options and stock-based compensation. Management assesses the fair value of stock options granted in accordance with the accounting policy stated in Note 4 to the consolidated audited financial statements. The fair value of the options granted is measured using the Black-Scholes model, taking into account the terms and conditions upon which the options are granted. Changes in assumptions concerning volatilities, interest rates and expected life could have significant impact on the fair valuation attributed to the Company's stock options.

Mineral resources. The Company estimates its measured and indicated and inferred mineral resources for Castelo de Sonhos based upon information compiled by Qualified Persons, as defined in National Instrument 43-101. Information relative to geological data on the size, depth, grade and shape of the mineralized body requires complex geological and geo-statistical judgements to interpret data, which judgements themselves contain significant estimates and assumptions.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty (continued)

Changes in the measured and indicated and inferred mineral resources may impact the carrying value of mineral properties and deferred expenditures.

Provisions. Provisions recognized in the consolidated financial statements involve judgments on the occurrence of future events which could result in a material outlay for the Company. In determining whether an outlay will be material, the Company considers the expected future cash flows based on facts, historical experience and probabilities associated with such future events. Uncertainties exist with respect to estimates made by management and as a result, the actual expenditure may differ from amounts currently reported.

6. Cash and Cash Equivalents

Cash and cash equivalents include:

	Balance at June 30, 2026	Balance at December 31, 2025
<i>Cash:</i>		
Cash at bank	\$ 2,942,598	\$ 360,361
Investment accounts	6,991,437	4,094,570
Total	\$ 9,934,035	\$ 4,454,931

At June 30, 2026, the investment accounts include saving accounts with a balance of \$161,837 (December 31, 2025: \$195,050) and Redeemable Short Term Investment Certificates for a total balance of \$6,829,600 (December 31, 2025: \$3,899,520) with annual interest rate between 2.15% and 4.15% (December 31, 2025: interest rate between 2.15% and 3.80%) and maturity date of less than a year.

7. Mineral Properties and Deferred Expenditures

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures cannot guarantee the Company's title to all of its properties. Such properties may be subject to prior mineral rights applications with priority, prior unregistered agreements or transfers or indigenous land claims, and title may be affected by undetected defects. Certain of the mineral rights held by the Company are held under applications for mineral rights or renewal of mineral rights and, until final approval of such applications is received, the Company's rights to such mineral rights may not materialize and the exact boundaries of the Company's properties may be subject to adjustment. The Company does not maintain title insurance on its properties.

Castelo de Sonhos Property (Brazil)

On November 9, 2010, the Company entered into an agreement with a third-party vendor to acquire 100% of the mineral rights to the Castelo de Sonhos property in Brazil. Pursuant to this agreement and subsequent amendments (three such amendments were agreed to), between 2010 and 2016, the Company made monetary payments totaling \$2,750,000 and issued the vendors a total of 2,000,000 common shares of the Company.

All agreed fixed price payments have been made. However, under the Second Amending Agreement, the Company agreed to pay the vendor \$3,600,000 out of production from the property over and above its royalty. At its option, TriStar may pay to the vendor \$1,500,000 on or prior to the making of a construction decision in lieu of the payment out of production.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

7. Mineral Properties and Deferred Expenditures (continued)

Castelo de Sonhos Property (Brazil) (continued)

Under the original agreement, the vendors had the right to receive a payment equal to \$1.00 per ounce should a gold deposit with proven and probable reserves in excess of 1 million troy ounces be identified and the property owner will retain a 2% Net Smelter Return (“NSR”) royalty, half of which can be purchased by TriStar (purchase right subsequently transferred to Royal Gold Inc. “Royal Gold”) at any time and which amount will be calculated based on the proven and probable reserves identified by a feasibility study.

On August 2, 2019, the Company, through its subsidiary Mineracao Castelo de Sonhos Ltda., entered into a Royalty Agreement with RG Royalties, LLC (“RG”), a subsidiary of Royal Gold, Inc. Under the Royalty Agreement, TriStar will sell and grant to RG a newly created 1.5% NSR royalty (incrementally earned pro-rata with the funding schedule) on the CDS property for the purchase price of \$7,250,000. All payments have been received pursuant to this agreement.

Mineral properties and deferred expenditures were as follows:

	Balance at December 31, 2025	Additions	Balance at June 30, 2026
<i>Castelo de Sonhos Properties:</i>			
Acquisition costs	\$ 3,303,945	\$ -	\$ 3,303,945
Exploration costs	32,653,901	666,292	33,320,193
Total Deferred Expenditures	35,957,846	666,292	36,624,138
Sale of Royalty	(6,138,410)	-	(6,138,410)
Total Carrying Amount	\$ 29,819,436	\$ 666,292	\$ 30,485,728
	Balance at December 31, 2024	Additions	Balance at June 30, 2025
<i>Castelo de Sonhos Properties:</i>			
Acquisition costs	\$ 3,303,945	\$ -	\$ 3,303,945
Exploration costs	31,077,561	606,813	31,684,374
Total Deferred Expenditures	34,381,506	606,813	34,988,319
Sale of Royalty	(6,138,410)	-	(6,138,410)
Total Carrying Amount	\$ 28,243,096	\$ 606,813	\$ 28,849,909

During the periods ended June 30, 2026 and 2025, the additions to exploration costs include the following:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
<i>Castelo de Sonhos Properties:</i>				
Camp costs (Note 8)	\$ 92,173	\$ 50,131	\$ 152,004	\$ 85,331
Wages, salaries and benefits costs (Note 15)	125,487	158,665	244,004	295,805
Geological analysis costs	28,649	2,390	30,032	4,935
Licenses and permits costs	45,065	44,603	90,003	89,802
Engineering and economic costs	31,936	53,330	70,606	94,041
Other costs	60,795	36,595	79,643	36,899
Total Exploration Costs	\$ 384,105	\$ 345,714	\$ 666,292	\$ 606,813

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

8. Provisions

The provision represents the Company estimates of the taxes it may have to pay on a possible provision for labor severance obligations in Brazil. The Company is uncertain about the amount or timing of any outflows of funds, if any were to occur.

The following table presents the changes in the provision:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Balance at beginning of the period	\$ 211,040	\$ 206,633	\$ 223,350	\$ 187,621
Change in provision estimate	(8,887)	15,147	(21,197)	34,159
Balance at end of the period	\$ 202,153	\$ 221,780	\$ 202,153	\$ 221,780

Each reporting period the Company reviews estimated amounts and other assumptions used in the valuation of the provision to reflect events, changes in circumstances and new information available. Changes in these estimates and assumptions may have a corresponding impact on the value of the provision. The changes in the provision estimate are reported in general and administrative expenses (Note 13) and the foreign exchange effects, which accounted for the variation in the provision, are included in foreign exchange gains and losses.

During the period of three and six months ended June 30, 2026, included in the change in the provision estimate are \$2,303 and \$14,235; respectively, from effect of exchange rates (June 30, 2025: \$10,952 and \$25,739; respectively).

9. Warrants Liability

Warrants have their exercise prices denominated in Canadian dollars which is not the Company's functional currency and therefore the warrants have been accounted for as a non-hedged derivative financial liability. The derivative liability is recorded at the estimated fair value through profit and loss at each reporting date based upon a Black-Scholes Option Pricing Model. At initial recognition when warrants are issued with the issuance of shares the Company allocates their full fair value as a warranty liability at issuance with the residual value of proceeds raised from the shares issued recorded in common shares. Subsequent changes in the fair value of the warrant's liability are recorded in the Condensed Consolidated Interim Statement of Comprehensive Income (Loss) for the period. These activities are non-cash transactions and are excluded from the Consolidated Statements of Cash Flows.

On February 23, 2026, a total of 38,500 common shares were issued as a result of exercise of the same number of share purchase warrants with an exercise price of Can\$0.20 for gross proceeds of Can\$7,700.

During the period ended June 30, 2026, under a brokered private placement completed on June 4, 2026, the Company issued 22,505,500 share purchase warrants exercisable to acquire 22,505,500 shares at Can\$0.30 per share and a two year term to maturity. The estimated fair value of the warrant liability at issuance was \$1,414,670.

On March 31, 2025, a total of 3,928,000 share purchase warrants with a weighted average exercise price of Can\$0.25 expired unexercised. The estimated fair value of the warrant liability at expiry date was nil.

During the period ended June 30, 2025, under a brokered private placement completed on May 29, 2025, the Company issued 31,521,150 share purchase warrants exercisable to acquire 31,521,150 shares at Can\$0.25 per share and a two year term to maturity. The estimated fair value of the warrant liability at issuance was \$1,753,528.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

9. Warrants Liability (continued)

The following is a summary of changes in warrants:

	Number of Warrants	Weighted Average Exercise Price	Amount
Balance at December 31, 2025	43,921,035	Can\$0.24	\$ 2,526,330
Warrants exercised	(38,500)	Can\$0.20	(4,368)
Warrants issued	22,505,500	Can\$0.30	1,414,670
Warrants liability fair value change	-	-	(2,258,937)
Balance at June 30, 2026	66,388,035	Can\$0.24	\$ 1,677,695

	Number of Warrants	Weighted Average Exercise Price	Amount
Balance at December 31, 2024	16,327,885	Can\$0.21	\$ 480,369
Warrants expired	(3,928,000)	Can\$0.25	-
Warrants issued	31,521,150	Can\$0.25	1,753,528
Warrants liability fair value change	-	-	574,935
Balance at June 30, 2025	43,921,035	Can\$0.24	\$ 2,808,832

At June 30, 2026 and 2025, the fair value of the Company's warrants was estimated using the Black-Scholes option-pricing model with the following assumptions:

	June 30, 2026	June 30, 2025
Expected dividend yield	0%	0%
Expected volatility	83.84% - 98.93%	102.09% - 110.15%
Risk-free interest rate	2.72%	2.60%
Expected life	2 months - 1.9 years	1.1 - 1.9 years
Share Price	Can\$0.16	Can\$0.19

As at June 30, 2026, outstanding warrants are as follows:

Number of Warrants	Weighted Average Exercise Price	Issuance Date	Expiry Date
6,330,616	Can\$0.20	August 30, 2023	August 30, 2026
6,030,769	Can\$0.20	September 5, 2023	September 5, 2026
31,521,150	Can\$0.25	May 29, 2025	May 29, 2027
22,505,500	Can\$0.30	June 4, 2026	June 4, 2028
66,388,035			

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

10. Share Capital and Capital Reserve

The Company's authorized share capital consists of an unlimited number of common shares without par value. At June 30, 2026, the Company had 397,541,940 common shares outstanding, and a total of 77,557,291 common shares were reserved for issuance upon exercise of options and warrants outstanding.

On January 28, 2025, the Company issued a total of 769,230 common shares to an employee, as a termination payment, in accordance with his employment agreement, to settle debt of \$69,470. The common shares were valued at Can\$0.13 per share.

On February 21, 2025, the Company closed the final tranche of a non-brokered private placement consisting of 8,319,777 units at the price of Can\$0.13 per unit for gross proceeds of \$756,116. Two directors of the Company participated for a total of 538,000 units in the non-brokered private placement first tranche closed on February 6, 2025. A 3% finder's fee in the amount of Can\$5,070 was paid to a Canadian-based financial services firm with respect to the sale of the final tranche.

On May 29, 2025, the Company closed its brokered private placement, announced May 8, 2025, consisting of 63,042,300 units at the price of Can\$0.16 per unit for gross proceeds of \$7,305,846 from which the Company deducted cash finder's fees in the amount of \$414,448 and share issue costs, including legal and other fees paid, in the amount of \$134,202 for net proceeds of \$6,757,196. Each unit in this financing consists of one common share and one half (1/2) of one common share purchase warrant. Each of the 31,521,150 whole common share purchase warrants entitles the holder to purchase one additional common share of the Company at Can\$0.25 per share until May 29, 2027. The fair value of warrants issued in the amount of \$1,753,528 was recorded in warrants liability. In addition, the Company issued 3,576,288 agent's compensation options, exercisable to acquire 3,576,288 common shares of the Company at Can\$0.16 per share until May 29, 2027, and the estimated fair value at grant date of \$245,301 was recorded in capital reserve. The Company deducted the amount of the fair value of warrants and the agent compensation options from the net proceeds and recorded the remaining amount of \$4,758,367 in Common Shares.

On June 4, 2026, the Company closed its brokered private placement, announced May 20, 2026, consisting of 45,011,000 units at the price of Can\$0.23 per unit for gross proceeds of \$7,449,681 from which the Company deducted cash finder's fees in the amount of \$446,981 and share issue costs, including legal and other fees paid, in the amount of \$225,617 for net proceeds of \$6,777,083. Each unit in this financing consists of one common share and one half (1/2) of one common share purchase warrant. Each of the 22,505,500 whole common share purchase warrants entitles the holder to purchase one additional common share of the Company at Can\$0.30 per share until June 4, 2028. The fair value of warrants issued in the amount of \$1,414,670 was recorded in warrants liability. In addition, the Company issued 2,700,660 agents share purchase warrants ("agents compensation warrants"), exercisable to acquire 2,700,660 common shares of the Company at Can\$0.23 per share until June 4, 2028, and the estimated fair value at grant date of \$194,691 was recorded in capital reserve. The Company deducted the amount of the fair value of warrants and the agent compensation options from the net proceeds and recorded the remaining amount of \$5,167,722 in Common Shares.

11. Agent Compensation Options and Warrants

During the six months period ended June 30, 2026, a total of 357,692 agent's compensation options with an exercise price of Can\$0.16 were exercised. Their estimated fair value at grant date was \$24,534.

The following is a summary of changes in agent compensation options and warrants:

	Number of options/warrants	Weighted Average Exercise Price	Amount
Balance at December 31, 2025	3,576,288	Can\$0.16	\$ 245,301
Agent compensation options exercised	(357,692)	Can\$0.16	(24,534)
Agent compensation warrants issued	2,700,660	Can\$0.23	194,691
Balance at June 30, 2026	5,919,256	Can\$0.19	\$ 415,458

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

11. Agent Compensation Options and Warrants (continued)

	Number of options	Weighted Average Exercise Price	Amount
Balance at December 31, 2024	-	-	\$ -
Agent compensation options issued	3,576,288	Can\$0.16	245,301
Balance at June 30, 2025	3,576,288	Can\$0.16	\$ 245,301

At June 30, 2026 and 2025, the fair value of agent compensation options and warrants granted was estimated as of the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	June 30, 2026	June 30, 2025
Expected dividend yield	0%	0%
Expected volatility	100.07%	102.36%
Risk-free interest rate	2.78%	2.6%
Expected life	2 years	2 years
Share Price	Can\$0.20	Can\$0.17
Weighted average fair value of options granted	Can\$0.10	Can\$0.09

Option pricing models require the input of subjective assumptions including the expected price volatility, the expected life and forfeiture rate. Changes in these assumptions can materially affect the estimated fair value of the stock options granted. The expected price volatility used was based on the historic volatility of the Company's share price.

The following table summarizes information about agent compensation options and warrants outstanding at June 30, 2026:

Grant Date	Compensation Options Outstanding	Exercise Price	Proceeds upon exercise of options outstanding (in Can\$)	Fair Value of Options Outstanding	Weighted Average Remaining Life in Years	Expiration Date
5/29/2025	3,218,596	Can\$0.16	\$ 514,975	\$ 220,766	0.9	5/29/2027
6/4/2026	2,700,660	Can\$0.23	621,152	194,691	1.9	6/4/2028
	5,919,256		\$ 1,136,127	\$ 415,457	1.4	

12. Stock Option Plan

The Company maintains a stock option plan ("the Plan") for directors, senior officers, employees and consultants of TriStar and its subsidiaries. Under the terms of the Plan, the options are exercisable over periods of up to ten years, and the exercise price of each option equals the closing market price of the Company's stock on the trading day immediately before the date of grant. Any consideration paid by the option holder on the exercise of options is credited to share capital in addition to the reclassification of amounts previously recorded in capital reserve.

The number of shares which may be issued pursuant to options previously granted and those granted under the Plan shall not exceed 18,800,000 at the time of the grant. The options granted under the Plan vest at determination of the Board. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued and outstanding shares on a yearly basis.

The Plan will terminate when all of the options have been granted or when the Plan is otherwise terminated by TriStar. Any options outstanding when the Plan is terminated will remain in effect until they are exercised or they expire.

The following is a summary of the changes in options:

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

12. Stock Option Plan (continued)

On April 14, 2026, a total of 75,000 common shares were issued as a result of exercise of the same number of share purchase options with an exercise price of Can\$0.145 for gross proceeds of Can\$10,875. Their estimated fair value at grant date was \$5,292.

	Number of Options Vested and Outstanding	Weighted Average Exercise Price of Options (in Can\$)
Balance at December 31, 2025	5,925,000	\$0.18
Options expired	(600,000)	\$0.26
Options exercised	(75,000)	\$0.145
Balance at June 30, 2026	5,250,000	\$0.17

	Number of Options Vested and Outstanding	Weighted Average Exercise Price of Options (in Can\$)
Balance at December 31, 2024	6,925,000	\$0.19
Options expired	(250,000)	\$0.165
Balance at June 30, 2025	6,675,000	\$0.19

During the three and six month periods ended June 30, 2026 and 2025, the estimated forfeiture rates were nil.

Option pricing models require the input of subjective assumptions including the expected price volatility, the expected life and forfeiture rate. Changes in these assumptions can materially affect the estimated fair value of the stock options granted. The expected price volatility used was based on the historic volatility of the Company's share price.

The following table summarizes information about stock options outstanding at June 30, 2026:

Grant Date	Options Vested and Outstanding	Exercise Price	Proceeds upon exercise of options outstanding (in Can\$)	Fair Value of Options Outstanding	Weighted Average Remaining Life in Years	Expiration Date
10/01/2022	300,000	Can\$0.125	\$ 37,500	\$ 17,900	1.3	09/30/2027
12/01/2022	1,500,000	Can\$0.145	217,500	108,373	1.4	11/30/2027
02/15/2023	300,000	Can\$0.16	48,000	23,917	1.6	02/14/2028
08/29/2024	3,150,000	Can\$0.195	614,250	313,142	3.2	08/28/2029
	5,250,000		\$ 917,250	\$ 463,332	2.5	

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

13. General and Administrative Expenses

General and administrative expenses consist of the following:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Consulting and professional fees (Note 15)	\$ 44,655	\$ 70,466	\$ 86,694	\$ 190,751
Change in provisions (Note 8)	(11,190)	4,194	(35,432)	8,420
Insurance	2,160	2,852	4,340	5,627
Office	7,532	7,239	23,060	16,345
Rent	7,995	7,251	15,990	14,502
Salaries and benefits (Note 15)	212,342	206,584	426,048	419,527
Shareholder relations	52,539	72,493	112,666	118,803
Travel and meals	13,108	3,398	44,586	3,728
Total	\$ 329,141	\$ 374,477	\$ 677,952	\$ 777,703

14. Basic and Diluted Income (Loss) per Share

The following table sets forth the computation of basic and diluted income (loss) per share:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
<u>Numerator:</u>				
Numerator for basic income (loss) per share:				
Net income (loss) for the period	\$ 2,663,740	\$ (730,166)	\$ 1,509,143	\$ (1,340,009)
Warrants Liability Fair Value exclusion	(3,022,948)	-	(2,258,937)	-
Adjusted numerator for diluted loss per share:	\$ (359,208)	\$ (730,166)	\$ (749,794)	\$ (1,340,009)
<u>Denominator:</u>				
Denominator for basic income (loss) per share:				
Basic weighted-average number of shares outstanding	365,128,124	311,186,169	358,637,694	298,235,588
Effect of warrants in the money	12,361,385	-	12,361,385	-
Effect of options in the money	8,468,596	-	9,296,782	-
Denominator for diluted loss per share:				
Diluted weighted-average number of shares outstanding	385,958,105	311,186,169	380,295,861	298,235,588
Basic income (loss) per share	\$ 0.01	\$ (0.00)	\$ 0.00	\$ (0.00)
Diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

During the three and six month periods ended June 30, 2025, the share purchase warrants, agent compensation options and stock options were excluded from the computation of diluted loss per share as their inclusion would be antidilutive.

During the three and six month periods ended June 30, 2026, the share purchase warrants, agent compensation options and stock options out of the money were excluded from the computation of diluted loss per share.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

15. Related Party Transactions

Key management personnel compensation comprised:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Short term employee salaries and benefits	\$ 185,030	\$ 185,326	\$ 369,405	\$ 320,064
Consulting fees	44,940	98,927	89,880	261,509
Director fees	27,000	54,000	54,000	54,000
	\$ 256,970	\$ 338,253	\$ 513,285	\$ 635,573

For the period ended June 30, 2026, consulting fees and salaries, in the amount of \$126,863 (June 30, 2025: \$63,055) were reported in Mineral properties and deferred expenditures (Note 7) under exploration cost of the Castelo de Sonhos project.

As of June 30, 2026, the total number of outstanding options held by directors and officers of the Company was 4,325,000 (June 30, 2025: 5,500,000).

During the period ended June 30, 2026, a total of 600,000 (June 30, 2025: 150,000) stock options granted to related parties with a weighted average exercise price of Can\$0.26 expired unexercised (June 30, 2025: Can\$0.178).

On January 28, 2025, the Company issued a total of 769,230 common shares to a related party, as a termination payment, in accordance with his employment agreement, to settle debt of \$69,470. The common shares were valued at Can\$0.13 per share.

Two directors of the Company participated in the first tranche of the non-brokered private placement closed on February 6, 2025, acquiring a total of 538,000 shares at Can\$0.13 per share.

The Company's president and CEO participated in the brokered private placement closed on May 29, 2025, acquiring a total of 1,562,500 shares at Can\$0.16 per share.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties and the Board of Directors.

16. Commitments and Contingencies

The Company leases offices in United States with an expiration date June 2027, for an estimated cost of \$2,665 per month and is cancellable within three months' notice.

The Company has various property access agreements related to its projects at an estimated cost of approximately \$1,500 per month.

In the ordinary course of business, the Company may be threatened with, named as defendants in, or made parties to pending and potential legal actions. The Company does not believe that the ultimate outcome of these and any outstanding matters will have a material effect upon our financial position, results of operations or cash flows. There are or could be legal challenges affecting permitting efforts which could cause delays and result in monetary damages which outcomes are unknown and their impact are indeterminant.

17. Segmented Information

Segments are defined as material components of an enterprise about which separate financial information is available and deemed relevant in managing the business. All of the Company's operations are within the mineral exploration sector. The Company's exploration operations are centralized whereby the Company's head office is responsible for the exploration results and for providing support in addressing local and regional issues. The Company's mineral properties are located in Brazil.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

17. Segmented Information (continued)

Information relating to each of the Company's reportable segments is presented as follows:

	June 30, 2026	June 30, 2025
Assets:		
Corporate Office	\$ 10,026,528	\$ 6,759,664
Mineral Exploration	30,524,115	28,873,726
Total assets	\$ 40,550,643	\$ 35,633,390

	June 30, 2026	June 30, 2025
Liabilities:		
Corporate Office	\$ 1,833,552	\$ 2,881,601
Mineral Exploration	318,999	369,428
Total liabilities	\$ 2,152,551	\$ 3,251,029

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net income (loss)				
Corporate Office	\$ 2,732,243	\$ (694,491)	\$ 1,595,232	\$ (1,260,327)
Mineral Exploration	(68,503)	(35,675)	(86,089)	(79,682)
Total income (loss)	\$ 2,663,740	\$ (730,166)	\$ 1,509,143	\$ (1,340,009)

Geographical information related to non-current assets is presented as follows:

	Brazil	Total
As at June 30, 2026		
Mineral properties and deferred expenditures (Note 7)	\$ 30,485,728	\$ 30,485,728
Equipment	4,891	4,891
Total non-current assets	\$ 30,490,619	\$ 30,490,619

	Brazil	Total
As at June 30, 2025		
Mineral properties and deferred expenditures (Note 7)	\$ 28,849,909	\$ 28,849,909
Equipment	2,510	2,510
Total non-current assets	\$ 28,852,419	\$ 28,852,419

18. Capital Management and Liquidity

The Company considers its cash and cash equivalents, common shares, stock options and warrants as capital. The Company's objective in managing capital is to maintain adequate levels of funding to support exploration of its mineral property interests, maintain corporate and administrative functions necessary to support organizational management oversight, and obtain funding sufficient for advancing the Company's investments.

The Company manages its capital structure in a manner that intends to provide sufficient funding for operational activities. Funds are primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

18. Capital Management and Liquidity (continued)

In order to facilitate management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary with actual spending compared to budget on a monthly basis. The Company's investment policy, in general, is to invest short-term excess cash in highly liquid short-term interest-bearing investments with maturities of less than one year or that may be liquidated with no reduction in principal. This is to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and preserving its invested balances.

19. Financial Instruments and Management of Financial Risk

The Company is exposed to potential loss from various risks including currency risk, interest rate risk, liquidity risk, market risk and commodity price risk.

Market Risks

The significant market risks to which the Company is exposed include commodity price risk and interest rate risk.

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, and accounts receivable. The Company invests any excess capital in short-term, highly liquid and highly-rated financial instruments such as cash and short-term guaranteed deposits, all held with Canadian and USA based financial institutions.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents balances. Liquidity requirements are managed based on expected cash flow to ensure there is sufficient capital to meet short-term obligations. The Company estimates that its contractual obligations pertaining to accounts payable and accrued liabilities should be satisfied within one year.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market price of gold. The Company does not have any sales revenue and accordingly no hedging or other commodity-based risks impact its operations.

Market prices for gold historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

Currency risk

The Company operates in USA, Canada, and Brazil. As a result, the Company has foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk of the Company can be categorized as follows:

Transaction exposure

The Company operates and incurs costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate. The Company has not hedged its exposure to currency fluctuations.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

19. Financial Instruments and Management of Financial Risk (continued)

Currency risk (continued)

Translation exposure

A strengthening of the U.S. dollar by 10% against the Canadian dollar and the Brazilian Real at June 30, 2026, with all other variables held constant would have decreased the Company's before tax net income by approximately \$662,000 (at June 30, 2025, \$503,000) as a result of a change in value of the financial assets and liabilities denominated in those currencies.

Exposure to currency risk

The Company is exposed to currency risk through the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, accounts receivables, prepaid expenses, accounts payables and other liabilities, provisions and warrants liability. The currencies of the Company's financial instruments and other foreign currency denominated liabilities, based on notional amounts, were as follows:

	June 30, 2026		December 31, 2025	
	Canadian dollar	Brazilian Real	Canadian dollar	Brazilian Real
Cash and cash equivalents	\$ 8,512,179	\$ 28,578	\$ 2,939,752	\$ 56,754
Accounts receivable	32,978	3,826	53,700	3,923
Prepaid expenses	86,594	1,092	101,770	2,259
Accounts payable and accrued liabilities	(134,177)	(116,846)	(82,433)	(139,962)
Provisions	-	(202,153)	-	(223,350)
Warrants liability	(1,677,695)	-	(2,526,330)	-
Net balance sheet exposure	\$ 6,819,879	\$ (285,503)	\$ 486,459	\$ (300,376)

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

In respect of financial assets, the Company's policy is to invest cash at variable rates of interest in cash equivalents, in order to maintain liquidity, while preserving capital. The Company is exposed to interest rate risk on its short-term investments which were included in cash and cash equivalents at June 30, 2026. The short-term investment interest earned is based on prevailing one day to one year market savings interest rates which may fluctuate. Based on amounts as at June 30, 2026, a one percent change in the interest rate would change interest income by approximately \$17,600 (June 30, 2025: \$3,600). The Company has not entered into any derivative contracts to manage this risk.

20. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from relevant markets.

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value.

- Level 1 inputs are unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the entity can access at the measurement date.

TriStar Gold, Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited) (Expressed in United States Dollars)

For the three and six month periods ended June 30, 2026 and 2025

20. Fair Value Measurements (continued)

- Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (for example, interest rate and yield curves observable at commonly quoted interval and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means.
- Level 3 inputs are prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

As at June 30, 2026, the Company's assets and liabilities measured at fair value on a recurring basis were as follows:

	Level 1	Level 2	Level 3
Liabilities			
Warrants liability (Note 9)	\$ -	\$ 1,677,695	\$ -
	\$ -	\$ 1,677,695	\$ -

The following table provides the carrying value and the fair value of financial instruments at June 30, 2026:

	Carrying Amount	Fair Value
Financial assets		
Cash and cash equivalents (Note 6)	\$ 9,934,035	\$ 9,934,035
Accounts receivable	36,804	36,804
	\$ 9,970,839	\$ 9,970,839
Financial liabilities		
Accounts payable and accrued liabilities	\$ 272,703	\$ 272,703
Derivative instruments		
Warrants liability (Note 9)	\$ 1,677,695	\$ 1,677,695

21. Subsequent Events

On August 21, 2026, a total of 6,730,769 common shares were issued as a result of exercise of the same number of share purchase warrants with an exercise price of Can\$0.20 for gross proceeds of Can\$1,346,154.