



## **Condensed Interim Consolidated Financial Statements**

**For the three and six months ended April 30, 2026**

(unaudited)

(presented in Canadian dollars)

### **Notice of non-review of condensed interim financial statements**

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In accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators, notice is given that the condensed interim consolidated financial statements for the six month period ended April 30, 2026 have not been reviewed by the Company's auditors.

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**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited and presented in Canadian dollars)

As at	Apr. 30, 2026	Oct. 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 4)	\$ 3,926,042	\$ 5,001,989
Accounts receivable	117,568	41,661
Prepaid expenses	117,045	22,676
Marketable securities (note 10)	24,246	22,450
	4,184,901	5,088,776
<b>Non-current assets</b>		
Restricted cash (note 4)	10,000	10,000
<b>Total assets</b>	<b>\$ 4,194,901</b>	<b>\$ 5,098,776</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 297,903	\$ 138,647
Other current liabilities (note 11)	-	87,400
	297,903	226,047
<b>Non-current liabilities</b>		
Performance share unit liability (note 7)	1,039,761	441,981
<b>Total liabilities</b>	1,337,664	668,028
<b>Shareholders' equity (deficit)</b>		
Share capital (note 5)	11,970,526	11,970,526
Share based payment reserve (note 6 & 13)	1,523,623	1,434,733
Deficit	(10,636,912)	(8,974,511)
	2,857,237	4,430,748
<b>Total liabilities and shareholders' equity</b>	<b>\$ 4,194,901</b>	<b>\$ 5,098,776</b>

Reporting entity and nature of operations (note 1)  
Commitments and contingencies (note 13)  
Events after the reporting period (note 16)

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)**  
(Unaudited and presented in Canadian dollars)

	Three months ended Apr. 30, 2026	Three months ended Apr. 30, 2025	Six months ended Apr. 30, 2026	Six months ended Apr. 30, 2025
<b>Expenses</b>				
Exploration & evaluation expenditures (note 11 & 13)	\$ 580,261	\$ 204,248	\$ 790,218	\$ 234,320
Share based payments (note 6, 7 & 12)	346,083	125,655	597,780	230,510
Professional fees	276,621	17,206	281,988	17,294
Consulting fees (note 12)	95,600	98,212	187,200	348,712
Administration	20,567	15,908	44,612	35,594
Shareholder information	19,644	14,910	27,322	22,908
Recovery of exploration & evaluation costs	(218,500)	-	(218,500)	-
(Loss) from operations	(1,120,276)	(476,139)	(1,710,620)	(889,338)
Interest income	27,289	50,703	47,013	61,910
Gain (loss) on change in fair value of marketable securities (note 10)	(1,796)	(2,694)	1,796	2,694
Foreign exchange gain (loss)	(590)	-	(590)	1,024
<b>Net loss and comprehensive loss</b>	<b>\$(1,095,373)</b>	<b>\$ (428,130)</b>	<b>\$(1,662,401)</b>	<b>\$ (823,710)</b>
<b>Basic and fully diluted loss per share (note 9)</b>	<b>\$ (0.014)</b>	<b>\$ (0.005)</b>	<b>\$ (0.021)</b>	<b>\$ (0.011)</b>

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited and presented in Canadian dollars)

For the six months ended,	Apr. 30, 2026	Apr. 30, 2025
<b>Cash flows from operating activities</b>		
Net loss	\$ (1,662,401)	\$ (823,710)
Contingent share based payments (note 13)	88,890	52,338
(Gain) loss on marketable securities (note 10)	(1,796)	(2,694)
Share based payments (note 6)	597,780	230,510
Changes in non-cash working capital items		
Accounts receivable	(75,907)	(7,652)
Prepaid expenses	(94,369)	(7,957)
Accounts payable and accrued liabilities	71,856	22,886
	(1,075,947)	(536,278)
<b>Cash flows from financing activities</b>		
Proceeds on issuance of common shares (note 5)	-	5,880,000
Share issue costs (note 5)	-	(23,189)
Exercise of warrants (note 8)	-	15,750
	-	5,872,561
<b>Net change in cash and cash equivalents</b>	<b>(1,075,947)</b>	<b>5,336,283</b>
Cash and cash equivalents, beginning of period	5,001,989	626,095
<b>Cash and cash equivalents, end of period</b>	<b>\$ 3,926,042</b>	<b>\$ 5,962,378</b>
<b>Supplemental cash flow information</b>		
Interest received	\$ 47,013	\$ 61,910

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)**  
(Unaudited and presented in Canadian dollars)

	Number of shares	Share capital	Share based payment reserve	Warrant reserve	Deficit	Total
<b>Balance, October 31, 2024</b>	<b>64,973,085</b>	<b>\$ 6,090,065</b>	<b>\$ 1,249,878</b>	<b>\$ 7,900</b>	<b>\$ (6,937,532)</b>	<b>\$ 410,311</b>
Private placements (note 5)	14,700,000	5,880,000	-	-	-	5,880,000
Cost of issue of private placements (note 5)	-	(23,189)	-	-	-	(23,189)
Issuance of shares upon exercise of warrants (note 8)	52,500	23,650	-	(7,900)	-	15,750
Share based payments (note 6)	-	-	17,289	-	-	17,289
Contingent share based payments (note 13)	-	-	52,338	-	-	52,338
Net loss and comprehensive loss for the period	-	-	-	-	(823,710)	(823,710)
<b>Balance, April 30, 2025</b>	<b>79,725,585</b>	<b>\$ 11,970,526</b>	<b>\$ 1,319,506</b>	<b>\$ -</b>	<b>\$ (7,761,242)</b>	<b>\$ 5,528,790</b>
Share based payments (note 6)	-	-	1,573	-	-	1,573
Contingent share based payments (note 13)	-	-	113,655	-	-	113,655
Net loss and comprehensive loss for the period	-	-	-	-	(1,213,269)	(1,213,269)
<b>Balance, October 31, 2025</b>	<b>79,725,585</b>	<b>\$ 11,970,526</b>	<b>\$ 1,434,733</b>	<b>\$ -</b>	<b>\$ (8,974,511)</b>	<b>\$ 4,430,748</b>
Contingent share based payments (note 13)	-	-	88,890	-	-	88,890
Net loss and comprehensive loss for the period	-	-	-	-	(1,662,401)	(1,662,401)
<b>Balance, April 30, 2026</b>	<b>79,725,585</b>	<b>\$ 11,970,526</b>	<b>\$ 1,523,623</b>	<b>\$ -</b>	<b>\$ 10,636,912)</b>	<b>\$ 2,857,237</b>

*The accompanying notes are an integral part of the condensed interim consolidated financial statements.*

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

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**1. REPORTING ENTITY AND NATURE OF OPERATIONS**

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Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 141 Adelaide Street West, Suite 301, Toronto, Ontario M5H 3L5. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project. The business involves a high degree of risk and the recoverability of the amounts expended on exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

**2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

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These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") on the basis of IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS®. These condensed interim consolidated financial statements are presented in Canadian dollars and should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2025.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The Board of Directors approved the condensed interim consolidated financial statements and authorized their issuance on June 19, 2026.

**3. MATERIAL ACCOUNTING POLICIES**

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The financial framework and accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those as disclosed in the most recently completed audited consolidated financial statements for the year ended October 31, 2025.

**(a) Changes in accounting policies**

The Company did not adopt any new accounting policies during the period ended April 30, 2026.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

**3. MATERIAL ACCOUNTING POLICIES (continued)**

**(b) Critical accounting estimates and significant judgements**

The preparation of these condensed interim consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. The condensed interim consolidated financial statements include judgements and estimates which, by their nature, are uncertain, and actual outcomes could differ. The impacts of such judgements and estimates are pervasive throughout the condensed interim consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. The preparation of these condensed interim consolidated financial statements required the following critical accounting estimates and significant judgements:

- (i) The fair value of stock options and warrants issued are subject to the limitations of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in input assumptions can materially affect the fair value estimate.
- (ii) The fair value of performance share units and the contingent share based payment requires management to make a judgement in estimating the vesting period, which is highly subjective, and a change in this assumption can materially affect the fair value estimate.
- (iii) The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.
- (iv) Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

**(c) Functional and presentation currency**

The condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company's and its subsidiary's functional currency.

**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include money market instruments and Guaranteed Investment Certificates ("GICs") which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	<b>April 30, 2026</b>	<b>October 31, 2025</b>
Cash	\$ 3,926,042	\$ 5,001,989
<b>Cash and cash equivalents</b>	<b>\$ 3,926,042</b>	<b>\$ 5,001,989</b>

Restricted cash consists of GIC collateral of \$10,000 for a corporate credit card.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

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**5. SHARE CAPITAL**

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The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at April 30, 2026, the Company had 79,725,585 common shares issued and outstanding.

On November 27, 2024, the Company closed a non-brokered private placement of 7,200,000 common shares at a price of \$0.40 per share for gross proceeds of \$2,880,000. In connection with the private placement, the Company incurred cost of issue expenses totaling \$17,032.

On December 11, 2024, the Company closed a non-brokered private placement of 7,500,000 common shares at a price of \$0.40 per share for gross proceeds of \$3,000,000. In connection with the private placement, the Company incurred cost of issue expenses totaling \$6,157.

During the period ended April 30, 2026, no share options were exercised. During the year ended October 31, 2025, no share options were exercised.

During the period ended April 30, 2026, no warrants were exercised. During the year ended October 31, 2025, 52,500 warrants were exercised for gross proceeds of \$15,750 in exchange for the issuance of 52,500 common share of the Company. The fair value of warrants exercised was \$7,900 which was reallocated from warrant reserve to share capital.

	<b>Number of Shares</b>	<b>Consideration</b>
Balance, October 31, 2024	64,973,085	\$ 6,090,065
Issuance of common shares by private placement, net of costs	14,700,000	5,856,811
Shares issued upon exercise of warrants (note 8)	52,500	23,650
Balance, October 31, 2025	79,725,585	\$ 11,970,526
<b>Balance, April 30, 2026</b>	<b>79,725,585</b>	<b>\$ 11,970,526</b>

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**6. SHARE BASED PAYMENTS**

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The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

During the period ended April 30, 2026, nil was recognized in the consolidated statement of operations and comprehensive loss with respect to grants occurring in previous years (year ended October 31, 2025, \$18,862).

During the period ended April 30, 2026 and year ended October 31, 2025 no share options were exercised.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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(Unaudited and presented in Canadian dollars)

**6. SHARE BASED PAYMENTS (continued)**

The following table reflects the continuity of share options for the period ended April 30, 2026 and year ended October 31, 2025.

	Options	Exercise price
Balance, October 31, 2024	4,540,000	\$ 0.33
Balance, October 31, 2025	4,540,000	0.33
<b>Balance, April 30, 2026</b>	<b>4,540,000</b>	<b>\$ 0.33</b>

As at April 30, 2026, the following share options were outstanding and exercisable:

Expiry date	Outstanding	Exercisable	Exercise price
April 26, 2026*	2,100,000	2,100,000	\$ 0.41
February 15, 2028	1,800,000	1,800,000	0.25
March 28, 2029	520,000	520,000	0.25
September 23, 2029	120,000	120,000	0.37
<b>Options outstanding and exercisable</b>	<b>4,540,000</b>	<b>4,540,000</b>	<b>\$ 0.33</b>

\* The options expiring April 26, 2026 were extended due to a company-imposed blackout provision relating to the proposed acquisition of the Company by Avenir Minerals Limited (note 16). The options will expire 10 days following the lifting of the blackout provision.

**7. PERFORMANCE SHARE UNITS**

The Company has a Performance Share Unit Plan ("PSU Plan") under which Performance Share Units ("PSUs") may be granted to directors, officers, employees, and consultants of the Company. The purpose of the Company's PSU Plan is to advance the interests of the Company by providing a cash bonus to participants in the event of a change of control of the Company. PSUs vest and are redeemable only upon a change of control of the Company and will be settled in cash. The fair value of PSUs granted will be recorded as a liability, the value of which on any particular date being equal to the market value of the Company shares.

The following table reflects the continuity of PSUs for the period ended April 30, 2026 and year ended October 31, 2025.

	PSUs
Balance, October 31, 2024	2,125,000
Balance, October 31, 2025	2,125,000
<b>Balance, April 30, 2026</b>	<b>2,125,000</b>

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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(Unaudited and presented in Canadian dollars)

**7. PERFORMANCE SHARE UNITS (continued)**

On October 2, 2023, a total of 2,125,000 PSUs were granted with an expiry date of October 2, 2028. The vesting date of the PSUs is deemed to be the occurrence of a Change of Control, as determined by the Board of Directors. Management has estimated a vesting date of October 2, 2028. The share price on April 30, 2026 was \$0.95 which resulted in a fair value of \$2,018,750. The fair value will be recorded over the vesting period and at the end of each fiscal quarter the total performance share unit liability is marked to market based on the price of the Company's shares. During the period ended April 30, 2026, the Company recognized \$597,780 in share-based payments expense relating to PSUs outstanding with an offset recorded in performance share unit liability (2025 - \$213,221).

**8. WARRANTS**

No warrants were exercised during the period ended April 30, 2026. During the year ended October 31, 2025, a total of 52,500 warrants with an exercise price of \$0.30 per share were exercised for gross proceeds of \$15,750. The fair value of warrants exercised was \$7,900 which was reallocated from warrant reserve to share capital.

The table below reflects the continuity of warrants for the period ended April 30, 2026 and year ended October 31, 2025.

	Number of Warrants	Allocated Value
Balance, October 31, 2024	52,500	\$ 7,900
Exercised	(52,500)	(7,900)
Balance, October 31, 2025	-	\$ -
<b>Balance, April 30, 2026</b>	<b>-</b>	<b>\$ -</b>

**9. INCOME (LOSS) PER SHARE**

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

	Three months ended Apr. 30, 2026	Three months ended Apr. 30, 2025	Six months ended Apr. 30, 2026	Six months ended Apr. 30, 2025
Net income (loss)	\$(1,095,373)	\$ (428,130)	\$(1,662,401)	\$ (823,710)
Weighted-average common shares outstanding:				
Basic	79,725,585	79,707,298	79,725,585	76,916,980
Diluted	79,725,585	79,707,298	79,725,585	76,916,980
<b>Basic income (loss) per common share</b>	<b>\$ (0.014)</b>	<b>\$ (0.005)</b>	<b>\$ (0.021)</b>	<b>\$ (0.011)</b>
<b>Diluted income (loss) per common share</b>	<b>\$ (0.014)</b>	<b>\$ (0.005)</b>	<b>\$ (0.021)</b>	<b>\$ (0.011)</b>

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

**10. MARKETABLE SECURITIES**

The Company did not buy or sell any marketable securities during the period ended April 30, 2026 and year ended October 31, 2025. The Company held the following marketable securities as at April 30, 2026:

<b>Company</b>	<b>Security</b>	<b>Cost</b>
Chibougamau Independent Mines Inc.	89,800 common shares	\$ 11,979

<b>Fair Value</b> <b>Oct. 31, 2024</b>	<b>Acquisition</b> <b>(Disposition)</b>	<b>Gain / (Loss)</b> <b>on Change in</b> <b>Fair Value</b>	<b>Fair Value</b> <b>Oct. 31, 2025</b>	<b>Acquisition</b> <b>(Disposition)</b>	<b>Gain / (Loss)</b> <b>on Change in</b> <b>Fair Value</b>	<b>Fair Value</b> <b>Apr. 30, 2026</b>
\$ 12,572	\$ -	\$ 9,878	\$ 22,450	\$ -	\$ 1,796	\$ 24,246

**11. EXPLORATION AND EVALUATION EXPENDITURES**

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,450 ha. The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of \$0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and a NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for \$3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	<b>Three</b> <b>months ended</b> <b>Apr. 30, 2026</b>	<b>Three</b> <b>months ended</b> <b>Apr. 30, 2025</b>	<b>Six</b> <b>months ended</b> <b>Apr. 30, 2026</b>	<b>Six</b> <b>months ended</b> <b>Apr. 30, 2025</b>
Technical and consulting	\$ 459,861	\$ 84,450	\$ 607,343	\$ 104,654
Permitting and consultation (note 13)	46,250	52,338	91,432	52,338
Metallurgy and assays	42,848	22,125	50,848	22,125
Leases and property taxes	12,092	12,612	12,940	13,437
Storage and rent	5,400	5,400	10,800	10,800
Travel and transportation	9,909	23,268	9,909	25,512
Field Work	3,902	4,054	6,947	5,454
<b>Exploration and evaluation expenditures</b>	<b>\$ 580,261</b>	<b>\$ 204,247</b>	<b>\$ 790,218</b>	<b>\$ 234,320</b>

During the year ended October 31, 2025, the Company was awarded funding by the Ontario government through the Critical Minerals Innovation Fund for up to \$218,500 for work on the Company's Martison project. The award will be applied toward process test work to convert merchant grade phosphoric acid ("MGA") into purified phosphoric acid ("PPA") for use in the LFP battery supply chain. As at October 31, 2025, the government grant did not meet the recognition criteria in accordance with IAS 20. As such, the cash received during the year of \$87,400 was recorded as a liability on the Company's statement of financial position as at October 31, 2025. During the period ended April 30, 2026, the balance of the grant was received and the liability was eliminated. The amount of the grant was accounted for as a recovery of exploration and evaluation costs.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

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**12. RELATED PARTY TRANSACTIONS**

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**(a) Director and executive compensation**

Director and executive compensation for the periods ended April 30, 2026 and 2025 consisted of the following:

	Three months ended Apr. 30, 2026	Three months ended Apr. 30, 2025	Six months ended Apr. 30, 2026	Six months ended Apr. 30, 2025
Cash compensation	\$ 48,000	\$ 48,000	\$ 96,000	\$ 122,000
Fair value of share based payments	309,439	108,031	534,486	190,645
<b>Total</b>	<b>\$ 357,439</b>	<b>\$ 156,031</b>	<b>\$ 630,486</b>	<b>\$ 312,645</b>

No share options were granted to officers and directors during the periods ended April 30, 2026 and 2025.

**(b) Director and executive transactions**

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

	Note	Transaction value		Balance outstanding	
		6 mo. ended Apr. 30, 2026	6 mo. ended Apr. 30, 2025	Apr. 30, 2026	Apr. 30, 2025
Consulting fees	(i)	\$ 96,000	\$ 122,000	\$ -	\$ -
<b>Total</b>		<b>\$ 96,000</b>	<b>\$ 122,000</b>	<b>\$ -</b>	<b>\$ -</b>

- (i) The Company paid consulting fees totaling \$60,000 to Stephen Case, the Chief Executive Officer and a Director, and consulting fees totaling \$36,000 to Fraser Laschinger, the Chief Financial Officer.

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**13. COMMITMENTS AND CONTINGENCIES**

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**(a) Mining leases**

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2023 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately \$13,000.

**Fox River Resources Corporation**  
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(Unaudited and presented in Canadian dollars)

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**13. COMMITMENTS AND CONTINGENCIES (continued)**

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**(b) Contingent share based payment**

On November 27, 2024, the Company entered into an agreement with an arm's length third party whereby the Company is required to issue 1,500,000 common shares to the third party upon the occurrence of an acquisition of two-thirds or more of the Company's equity or assets. Management has estimated a vesting date of October 2, 2028 and it was assigned a fair value of \$690,000 using the share price of \$0.46 on the date of the agreement. During the period ended April 30, 2026, the Company recognized \$ 88,890 in exploration expenditures with an offset recorded in share based payment reserve (year ended October 31, 2025 - \$ 165,993).

**14. CAPITAL MANAGEMENT**

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The Company's capital structure consists of shareholder's equity (deficit), which amounted to \$2,857,237 on April 30, 2026. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended April 30, 2026.

**15. FINANCIAL RISK FACTORS**

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The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**(a) Credit risk**

The Company's cash balance of \$3,926,042 (note 4) is held by a Schedule I Canadian Chartered Bank. The Company's cash equivalents balance of \$ nil (note 4) and restricted cash of \$10,000 (note 4) primarily consists of investment savings accounts and/or guaranteed investment certificates issued by Schedule I Canadian Chartered Banks. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments is remote.

**(b) Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at April 30, 2026, the Company had cash and cash equivalents of \$3,926,042 to settle current liabilities of \$297,903.

**(c) Interest rate risk**

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and six months ended April 30, 2026**  
(Unaudited and presented in Canadian dollars)

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**15. FINANCIAL RISK FACTORS (continued)**

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**(d) Market price risk**

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

**(e) Marketable securities price risk**

The Company is exposed to equity securities price risk because of the marketable securities held by the Company. The Company's marketable securities are not part of its core operations, and accordingly, gains and losses from these investments are not representative of the Company's performance. As at April 30, 2026, the impact of a 10% increase or decrease in the share prices of the marketable securities would have resulted in an increase or decrease of \$2,425 that would have been included in net loss and comprehensive loss.

**16. EVENTS AFTER THE REPORTING PERIOD**

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On May 4, 2026, the Company entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which Avenir Minerals Limited ("Avenir Minerals"), has agreed to acquire all of the issued and outstanding common shares of Fox River (the "Fox River Shares"), other than the Fox River Shares currently held by Avenir Minerals and its affiliates, by way of a statutory plan of arrangement under the Canada Business Corporations Act (the "Transaction"). Pursuant to the terms of the Transaction, Avenir Minerals will purchase the Fox River Shares for \$1.10 per share for an aggregate cash purchase price of approximately \$94.3 million on a fully diluted basis. The board of directors of the Company has unanimously recommended that shareholders of the Company vote in favour of the Transaction which is subject to shareholder and other approvals and is expected to close early in the third quarter of 2026.