



**COSA RESOURCES CORP.**

**Condensed Interim Financial Statements**

**For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three months ended March 31, 2026 and 2025**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Cosa Resources Corp. for the interim periods ended March 31, 2026 and 2025, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, D&H Group LLP, have not performed a review of these unaudited condensed interim financial statements.

May 27, 2026

**COSA RESOURCES CORP.**  
**Condensed Interim Statements of Financial Position**  
(Unaudited - Expressed in Canadian dollars)

	Note	March 31, 2026	December 31, 2025
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		8,327,400	9,700,247
Accounts receivable		-	39,183
Goods and services tax recoverable		368,504	249,700
Prepaid expenses and deposits	6	134,704	187,064
		<b>8,830,608</b>	10,176,194
Equipment		7,337	8,147
Exploration and evaluation assets	5,7	7,355,650	7,442,470
Investments	7,8	158,500	31,500
<b>Total assets</b>		<b>16,352,095</b>	17,658,311
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		724,819	309,453
Flow-through premium liability	9	1,813,842	2,432,033
		<b>2,538,661</b>	2,741,486
Obligation to issue shares	5	1,236,977	1,893,637
<b>Total liabilities</b>		<b>3,775,638</b>	4,635,123
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	26,550,551	24,668,237
Reserves		2,676,796	2,898,289
Deficit		(16,650,890)	(14,543,338)
<b>Total shareholders' equity</b>		<b>12,576,457</b>	13,023,188
<b>Total liabilities and shareholders' equity</b>		<b>16,352,095</b>	17,658,311

Nature of business and going concern (Note 1)  
Subsequent event (Note 14)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Keith Bodnarchuk"  
Director

/s/ "Janine Richardson"  
Director

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

**COSA RESOURCES CORP.****Condensed Interim Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except number of shares)

		Three months ended March 31,	
	Note	2026	2025
		\$	\$
<b>Operating expenses</b>			
Depreciation		809	809
Exploration and evaluation expenses	7, 11	2,210,606	1,605,622
Marketing and investor relations		130,981	134,209
Office and administrative		52,961	46,130
Professional fees		45,709	40,540
Salaries and management fees	11	180,275	153,055
Share-based compensation	10, 11	120,442	175,462
Transfer agent and filing fees		15,155	12,999
Travel		4,846	10,702
		<b>(2,761,784)</b>	<b>(2,179,528)</b>
<b>Other income (expense)</b>			
Accretion expense	5	(26,910)	(34,295)
Amortization of flow-through premium liability	9	618,192	547,669
Change in fair value of investments		(3,000)	-
Income on sale of mineral rights		57,493	-
Interest income		47,783	26,151
Services revenue		31,704	-
Change in fair value of obligation to issue shares		(71,030)	-
<b>Net loss and comprehensive loss</b>		<b>(2,107,552)</b>	<b>(1,640,003)</b>
<b>Net loss per share:</b>			
Basic and diluted		(0.02)	(0.02)
<b>Weighted average number of common shares:</b>			
Basic and diluted		115,333,578	75,807,180

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

**COSA RESOURCES CORP.**  
**Condensed Interim Statements of Cash Flows**  
(Unaudited - Expressed in Canadian dollars)

	Three months ended	
	2026	March 31, 2025
	\$	\$
<b>Operating activities:</b>		
Net loss for the period	(2,107,552)	(1,640,003)
Adjustments for:		
Accretion expense	26,910	34,295
Amortization of flow-through premium liability	(618,192)	(547,669)
Change in fair value of investments	3,000	-
Change in fair value of obligation to issue shares	71,030	-
Depreciation	809	809
Income on sale of mineral rights	(57,493)	-
Share-based compensation	120,442	175,462
Changes in non-cash working capital:		
Accounts receivable	39,183	-
Goods and services tax recoverable	(118,804)	(98,144)
Prepaid expenses and deposits	52,360	(21,342)
Accounts payable and accrued liabilities	415,367	269,211
<b>Cash used in operating activities</b>	<b>(2,172,940)</b>	<b>(1,827,381)</b>
<b>Investing activities:</b>		
Acquisition of exploration and evaluation assets	(10,686)	(73,745)
Proceeds on option of mineral rights	25,000	-
<b>Cash provided by (used in) investing activities</b>	<b>14,314</b>	<b>(73,745)</b>
<b>Financing activities:</b>		
Proceeds from exercise of warrants	785,779	-
Proceeds from the issuance of units	-	2,200,000
Proceeds from the issuance of charity flow-through units	-	3,800,000
Unit issuance costs	-	(498,434)
<b>Cash provided by financing activities</b>	<b>785,779</b>	<b>5,501,566</b>
Net change in cash and cash equivalents	(1,372,847)	3,600,440
Cash and cash equivalents, beginning of period	9,700,247	1,682,243
<b>Cash and cash equivalents, end of period</b>	<b>8,327,400</b>	<b>5,282,683</b>
<b>Supplemental cash flow information:</b>		
Cash income tax paid	-	-
Cash interest received	47,783	-
Fair value of shares issued to acquire mineral properties	754,600	3,619,854
Fair value of shares received under option agreements	130,000	-
Unit issuance costs - warrants	-	106,656
Reallocation of reserve on warrant exercise	341,935	-

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

**COSA RESOURCES CORP.****Condensed Interim Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	<b>Number of shares</b>	<b>Share capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total shareholders' equity</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, December 31, 2024	56,959,914	11,855,128	1,814,485	(10,153,995)	3,515,618
Shares issued to acquire Denison Properties	14,195,506	3,619,854	-	-	3,619,854
Units issued for cash	8,800,000	2,156,000	44,000	-	2,200,000
Charity flow-through units issued for cash	8,941,176	3,755,294	44,706	-	3,800,000
Flow-through premium liability	-	(1,564,706)	-	-	(1,564,706)
Share issuance costs - cash	-	(498,434)	-	-	(498,434)
Share issuance costs - agent warrants	-	(106,656)	106,656	-	-
Share-based compensation	-	-	175,462	-	175,462
Net loss and comprehensive loss for the period	-	-	-	(1,640,003)	(1,640,003)
Balance, March 31, 2025	88,896,596	19,216,480	2,185,309	(11,793,998)	9,607,791
Balance, December 31, 2025	112,972,748	24,668,237	2,898,289	(14,543,338)	13,023,188
Shares issued to settle obligation to issue shares	1,960,000	754,600	-	-	754,600
Exercise of warrants	2,099,729	1,127,714	(341,935)	-	785,779
Share-based compensation	-	-	120,442	-	120,442
Net loss and comprehensive loss for the period	-	-	-	(2,107,552)	(2,107,552)
<b>Balance, March 31, 2026</b>	<b>117,032,477</b>	<b>26,550,551</b>	<b>2,676,796</b>	<b>(16,650,890)</b>	<b>12,576,457</b>

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

## **COSA RESOURCES CORP.**

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

#### **For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

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## **1. NATURE OF BUSINESS AND GOING CONCERN**

Cosa Resources Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on November 16, 2020. The Company's head office is located at 1723 - 595 Burrard St, Vancouver, British Columbia, Canada, V7X 1L4; and its registered office is located at 401 - 353 Water Street, Vancouver, British Columbia, Canada, V6B 1B8. The Company's common shares trade on the TSX Venture Exchange under the symbol "COSA", the OTCQB Venture Market under the ticker symbol "COSAF", and on the Frankfurt Stock Exchange under the ticker symbol "SSKU".

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company is in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

### **Going concern**

These unaudited condensed interim financial statements for three months ended March 31, 2026 and 2025 have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2026, the Company has not yet achieved profitable operations. The continuing operations of the Company are dependent upon obtaining the necessary financing to meet the Company's commitments as they become due and its ability to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which may differ materially from their carrying values. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. These financial statements do not include any adjustments for the recoverability and classification of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

## **2. BASIS OF PRESENTATION**

### **a) Statement of compliance**

These condensed interim financial statements ("financial statements") were approved by the Board of Directors and authorized for issue on May 27, 2026.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all the disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended December 31, 2025 and 2024 (the "Annual Financial Statements").

### **b) Basis of presentation**

These financial statements have been prepared on a historical cost basis. In addition, except for cash flow information, these financial statements have been prepared using the accrual method of accounting.

### **c) Functional and presentation currency**

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the Company is the Canadian dollar. The financial statements are presented in Canadian dollars, except otherwise noted.

## **3. MATERIAL ACCOUNTING POLICIES**

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

**5. DENISON ACQUISITION**

On November 27, 2024, the Company entered into an acquisition agreement with Denison Mines Corp. ("Denison") to acquire a 70% ownership interest in the Murphy Lake North, Darby and Packrat properties (collectively, the "Denison Properties") from Denison (the "Acquisition"). Upon closing of the Acquisition, the parties agreed to form a joint venture for each of the Denison Projects. The Acquisition was completed on January 13, 2025.

Consideration for the Acquisition of the Denison Projects comprised:

- 14,195,506 common shares of the Company at \$0.255 per share for a fair value of \$3,619,854 ("Effective Date Consideration Shares");
- Common shares of the Company with an aggregate value of \$2,250,000 ("Deferred Consideration Shares").

Due to the deferral in issuing the Deferred Consideration Shares, their value is measured at the acquisition date by discounting the future payment using the effective interest method. During the three months ended March 31, 2026, the Company recognized \$26,910 (2025 - \$34,295) as accretion expense and issued 1,960,000 common shares of the Company in connection with the Deferred Consideration Shares. A change in the fair value on the obligation to issue shares of \$71,030 was recognized due to a change in the timing of the issuance of the Deferred Consideration Shares. The Company is obliged to issue the Deferred Consideration Shares by January 13, 2030. As at March 31, 2026, the value of the Deferred Consideration Shares is \$1,236,977 (December 31, 2025 - \$1,893,637).

	<b>Obligation to issue shares</b>
	\$
Balance, December 31, 2024	-
Recognition of obligation to issue shares	1,752,377
Accretion	141,260
Balance, December 31, 2025	1,893,637
Accretion	26,910
Revaluation	71,030
Settlement	(754,600)
<b>Balance, March 31, 2026</b>	<b>1,236,977</b>

As part of the Acquisition, the Company has agreed to fund \$1,500,000 before December 31, 2027 and \$5,000,000 before June 30, 2029 for evaluation and exploration expenditures on Murphy Lake North and Darby, respectively. Failure to complete the required expenditure will reduce the Company's ownership percentage in each property to 49%. As of March 31, 2026, the Company has completed the \$1,500,000 funding requirement for Murphy Lake North and completed \$1,846,879 of expenditures towards Darby.

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**5. DENISON ACQUISITION (continued)**

A summary of the Company's fair value of the consideration and net assets acquired is as follows:

	January 13, 2025
	\$
<b>Consideration</b>	
Effective Date Consideration Shares	3,619,854
Deferred Consideration Shares	1,752,377
Acquisition cost - professional fees	181,375
	<b>5,553,606</b>
<b>Net assets acquired</b>	
Murphy Lake North	2,550,338
Darby	2,040,271
Packrat	962,997
	<b>5,553,606</b>

**6. PREPAID EXPENSES AND DEPOSITS**

A summary of the Company's prepaid expenses and deposits is as follows:

	March 31, 2026	December 31, 2025
	\$	\$
Prepaid expenses	39,050	11,124
Saskatchewan Ministry of Energy and Resources deficiency deposits	95,654	175,940
	<b>134,704</b>	<b>187,064</b>

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES**

a) A summary of the Company's exploration and evaluation assets comprising capitalized acquisition costs is as follows:

	March 31, 2026	December 31, 2025
	\$	\$
Murphy Lake North (Note 5)	2,551,238	2,550,338
Darby (Note 5)	2,047,271	2,040,271
Packrat (Note 5)	962,997	962,997
Ursa (i)	398,371	398,371
Astro (ii)	1,500	-
Other (iii)	1,394,273	1,490,493
	<b>7,355,650</b>	<b>7,442,470</b>

**i) Ursa**

As at March 31, 2026, the Company held a portfolio of properties in the Athabasca Basin which were initially acquired through the 2022 acquisition of Polaris Uranium Corp., which include four uranium exploration properties, consisting of Castor, Charcoal, Orion, and Ursa. Ursa is subject to a 2% NSR which can be reduced to 1% with the payment of \$1,000,000. Ursa is the only material property in this acquisition and the other three properties are grouped in Other.

**ii) Astro**

On April 8, 2025, the Company entered into an option agreement with Global Uranium Corp. ("Global Uranium"), pursuant to which Global Uranium may earn up to an 80% interest in the Company's Astro property ("Astro"). Under the terms of the agreement, Global Uranium can earn this interest by funding exploration expenditures of up to \$9,500,000, making aggregate

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)**

cash payments of \$800,000, and issuing 2,600,000 common shares to the Company over five earn-in phases through December 31, 2029.

The Company will act as the initial operator of the property and is entitled to charge an operator fee of 7.5%. Upon completion of Phase 2, and at the conclusion of each subsequent phase, Global Uranium may elect either to continue with the earn-in or to form a joint venture with the Company. If Global Uranium terminates the agreement prior to completing Phases 1 and 2 by their respective deadlines, all consideration paid will be forfeited, and no interest in Astro will be retained.

A summary of Global Uranium's obligations under the agreement is as follows:

	Exploration expenditures	Cash payments	Share payments	Total ownership
	\$	\$	#	
Signing (fulfilled)	-	-	100,000	0%
Phase 1 - December 31, 2025	500,000	100,000	200,000	20%
Phase 2 - December 31, 2026	1,500,000	100,000	300,000	35%
Phase 3 - December 31, 2027	2,000,000	200,000	500,000	50%
Phase 4 - December 31, 2028	2,500,000	200,000	500,000	65%
Phase 5 - December 31, 2029	3,000,000	200,000	1,000,000	80%
	<b>9,500,000</b>	<b>800,000</b>	<b>2,600,000</b>	

During the year ended December 31, 2025, Global Uranium issued 300,000 common shares to the Company. The Global Uranium common shares have a fair value of \$36,000 as at March 31, 2026 (December 31, 2025 - \$31,500). The Phase 1 deadline was extended to March 31, 2026 and Global Uranium has met the Phase 1 requirements.

**iii) Other**

The Company's other properties include Heron, Castor, Charcoal, Orion, Aurora, Eclipse, Helios, Orbit and Cosmo.

Heron is subject to a 2% net smelter return royalty ("NSR"). The Company will have the right at any time following the delivery of a feasibility report on Heron to repurchase 1% NSR for \$2,000,000 in cash, and the remaining 1% NSR for \$5,000,000 in cash.

On February 10, 2026, the Company entered into an option agreement with Traction Uranium Corp. ("Traction") pursuant to which Traction has a right to earn up to an 80% interest in the Aurora uranium property by incurring \$9,150,000 in exploration expenditures, making \$1,500,000 in cash payments and issuing 5,000,000 shares of Traction in stages by the following deadlines:

	Exploration expenditures	Cash payments	Share payments	Total ownership
	\$	\$	#	
Signing (fulfilled)	-	25,000	250,000	0%
Phase 1 - December 31, 2026	1,150,000	75,000	500,000	20%
Phase 2 - December 31, 2027	2,000,000	100,000	500,000	35%
Phase 3 - December 31, 2028	2,000,000	100,000	750,000	49%
Phase 4 - December 31, 2029	2,000,000	200,000	1,000,000	65%
Phase 5 - December 31, 2030	2,000,000	1,000,000	2,000,000	80%
	<b>9,150,000</b>	<b>1,500,000</b>	<b>5,000,000</b>	

Upon completion of phase 2 through 5, Traction will have to option to continue the earn-in or elect to enter into a Joint Venture with the Company. During the three months ended March 31, 2026, Traction issued 250,000 common shares and paid \$25,000 to the Company. The Traction common shares have a fair value of \$122,500 as at March 31, 2026.

b) A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2026 and 2025 is as follows:

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)**

	Note	March 31, 2026	March 31, 2025
		\$	\$
Murphy Lake North	(i)	513,434	792,860
Darby	(ii)	1,644,187	4,360
Packrat	(iii)	-	1,470
Ursa	(iv)	7,024	792,417
Other	(v)	45,961	14,515
		<b>2,210,606</b>	<b>1,605,622</b>

**i) Murphy Lake North**

A summary of the Company's exploration and evaluation expenses relating to its 70% interest in Murphy Lake North is as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Drilling	350,789	717,158
Geophysics	375,115	-
General exploration	60,614	75,702
JV contributions	(273,084)	-
	<b>513,434</b>	<b>792,860</b>

**ii) Darby**

A summary of the Company's exploration and evaluation expenses relating to its 70% interest in Darby is as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Drilling	1,638,735	-
General exploration	5,452	4,360
	<b>1,644,187</b>	<b>4,360</b>

**iii) Packrat**

During the three months ended March 31, 2026, the Company incurred exploration and evaluation expenses of \$Nil (2025 - \$1,470) for general exploration related to its 70% interest in Packrat.

**iv) Ursa**

A summary of the Company's exploration and evaluation expenses relating to Ursa for the three months ended March 31, 2026 and 2025 is as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Drilling	-	105,411
Geophysics	-	836
General exploration	7,024	686,170
	<b>7,024</b>	<b>792,417</b>

**v) Other**

A summary of the Company's exploration and evaluation expenses relating to Other properties for the three months ended March 31, 2026 and 2025 is as follows:

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)**

	March 31, 2026	March 31, 2025
	\$	\$
Drilling	6,684	-
Geophysics	21,669	-
General exploration	17,609	14,515
	<b>45,962</b>	<b>14,515</b>

**8. INVESTMENTS**

Pursuant to the Astro property and Aurora property option agreements the Company received 300,000 shares of Global Uranium valued at \$36,000 and 250,000 shares of Traction Uranium valued at \$122,500.

	Global Uranium	Traction Uranium	Total
	\$	\$	\$
Fair value, December 31, 2024	-	-	-
Fair value of shares received	42,000	-	42,000
Change in fair value	(10,500)	-	(10,500)
Fair value, December 31, 2025	31,500	-	31,500
Fair value of shares received	-	130,000	130,000
Change in fair value	4,500	(7,500)	(3,000)
Fair value, March 31, 2026	36,000	122,500	158,500

**9. FLOW-THROUGH PREMIUM LIABILITY**

The Company has raised funds through the issuance of flow-through equity securities. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31 of the year following the issuance of equity securities.

The premium received for a flow-through equity security, which is the price received for the equity security in excess of the market price of the share, is recorded as a flow-through premium liability. This liability is subsequently reduced when the required exploration expenditures are made, on a pro rata basis, and accordingly, a recovery of flow-through premium is then recorded as a reduction in the deferred tax expense to the extent that deferred income tax assets are available.

On February 26, 2025, the Company issued 8,941,176 charity flow-through units at \$0.425 per 2025 Charity FT Unit for gross proceeds of \$3,800,000 (Note 9). The units were issued at a premium of \$0.175 per unit. As a result, a flow-through premium liability of \$1,564,706 was recorded. The Company is obligated to spend \$3,800,000 by December 31, 2026 on eligible exploration expenditures.

On December 4, 2025, the Company closed a brokered private placement of 7,537,690 Charity Flow-through Units at \$0.398 per unit for gross proceeds of \$3,000,000. The units were issued at a premium of \$0.138 per unit. As a result, a flow-through premium liability of \$1,040,201 was recorded. The Company is obligated to spend \$3,000,000 by December 31, 2026 on eligible exploration expenditures.

On December 4, 2025, the Company closed a brokered private placement of 5,000,000 flow-through shares at \$0.30 per share for gross proceeds of \$1,500,000. The flow-through shares were issued at a premium of \$0.04 per flow-through share. As a result, a flow-through premium liability of \$200,000 was recorded. The Company is obligated to spend \$1,500,000 by December 31, 2026 on eligible exploration expenditures.

During the three months ended March 31, 2026, the Company incurred qualifying exploration expenditures of \$1,831,882 (2025 - \$1,605,622). As a result, an amortization of flow-through premium liability of \$618,191 (2025 - \$547,669) was recorded.

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

**9. FLOW-THROUGH PREMIUM LIABILITY (continued)**

A summary of the Company's flow-through premium liability and remaining eligible expenditure obligation movement is as follows:

	Flow-through funding and eligible expenditures	Flow-through premium liability
	\$	\$
Balance, December 31, 2024	1,809,315	617,147
Flow-through funds raised	8,300,000	2,804,907
Eligible expenditures	(2,902,489)	(990,022)
Balance, December 31, 2025	7,206,826	2,432,032
Eligible expenditures	(1,831,882)	(618,191)
<b>Balance, March 31, 2026</b>	<b>5,374,944</b>	<b>1,813,841</b>

**10. SHARE CAPITAL AND RESERVES****a) Authorized**

The Company is authorized to issue an unlimited number of common shares without par value.

**b) Issued and outstanding**

During the three months ended March 31, 2026, the Company completed the following transactions:

- On January 13, 2026, the Company issued 1,960,000 common shares to Denison at a price of \$0.385 to reduce the Deferred Consideration Shares by \$754,600.
- The Company issued 2,099,729 common shares for gross proceeds of \$785,779 on the exercise of warrants. Accordingly, the Company reallocated \$341,935 from reserves to share capital.

During the three months ended March 31, 2025, the Company completed the following transactions:

Units issued in private placement

- On February 26, 2025, the Company closed a brokered private placement of 8,800,000 units at \$0.25 per unit for gross proceeds of \$2,200,000. Each unit consists of one common share and half of a warrant with an exercise price of \$0.37 and expire on February 26, 2027. Applying the residual method, proceeds were allocated between shares and warrants using the closing fair value on the issuance date of \$0.24 for one common share. Proceeds from the units of \$2,156,000 were allocated to share capital and a residual amount of \$44,000 was allocated to reserves.

Charity FT units issued in private placement

- On February 26, 2025, the Company closed a brokered private placement of 8,941,176 Charity FT Units at \$0.425 per unit for gross proceeds of \$3,800,000 (Note 8). Each unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.37 and expire on February 26, 2027. The gross proceeds were first allocated to the flow-through premium liability, calculated as the difference between the price of a Charity FT Unit and the price of a unit on the issue date. As a result, \$1,564,706 was allocated to the flow-through premium. The remaining proceeds of \$2,235,294 were allocated using the residual value method. As a result, \$2,190,588 was allocated to share capital and \$44,706 was allocated to reserves.

Other share issuances

- On January 13, 2025, the Company issued 14,195,506 common shares to acquire a 70% ownership interest in the Denison Projects at a fair value of \$0.255 per common share for gross consideration of \$3,619,854 (Note 5).

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(Unaudited - Expressed in Canadian dollars, except where noted)

**10. SHARE CAPITAL AND RESERVES (continued)**

- In connection with the private placement and issuance of Charity FT Units on February 26, 2025, the Company paid combined share issuance costs of \$498,434 and issued 824,070 agent warrants. The agent warrants were valued using the Black-Scholes option pricing model and has a fair value of \$106,656. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until February 26, 2027.

**c) Warrants**

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, December 31, 2024	12,148,423	0.56
Issued	20,344,995	0.36
Expired	(6,741,871)	0.49
Balance, December 31, 2025	25,751,547	0.42
Expired	(4,940,019)	0.67
Exercised	(2,099,729)	0.37
<b>Balance, March 31, 2026</b>	<b>18,711,799</b>	<b>0.37</b>

During the three months ended March 31, 2026, the weighted average share price on the date of exercise of warrants was \$0.53 per share (2025 - \$Nil).

A summary of the Company's outstanding warrants as at March 31, 2026 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
February 26, 2027	8,608,088	0.37	0.91
February 26, 2027	509,287	0.25	0.91
December 4, 2027	9,538,076	0.37	1.68
December 4, 2027	56,348	0.26	1.68
	<b>18,711,799</b>	<b>0.37</b>	<b>1.30</b>

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for warrants issued for the three months ended March 31, 2025 is as follows:

	2025
Share price	\$0.25
Exercise price	\$0.36
Expected life	2 years
Risk-free interest rate <sup>(1)</sup>	2.65%
Expected volatility <sup>(2)</sup>	100.00%
Expected annual dividend yield	0.00%

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.

(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the option.

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2026 and 2025**

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**10. SHARE CAPITAL AND RESERVES (continued)****d) Stock options**

The Company has adopted a stock option plan, subject to regulatory and shareholder approvals, whereby directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company, enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

A summary of the Company's stock option activity is as follows:

	Number of stock options outstanding	Weighted average exercise price
	#	\$
Balance, December 31, 2024	5,384,000	0.31
Granted	5,136,000	0.27
Forfeited	(150,000)	0.29
<b>Balance, December 31, 2025 and March 31, 2026</b>	<b>10,370,000</b>	<b>0.30</b>

A summary of the Company's outstanding stock options as at March 31, 2026 is as follows:

Date of expiry	Number of stock options outstanding	Number of stock options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
March 30, 2027	2,000,000	2,000,000	0.33	1.00
July 5, 2027	1,030,000	1,030,000	0.27	1.26
October 5, 2027	25,000	25,000	0.21	1.52
December 1, 2027	150,000	150,000	0.17	1.67
June 26, 2028	950,000	950,000	0.36	2.24
October 4, 2028	50,000	50,000	0.36	2.52
June 26, 2029	1,104,000	736,000	0.31	3.24
January 17, 2030	1,406,000	937,330	0.27	3.80
June 18, 2030	1,735,000	578,333	0.225	4.22
October 23, 2030	75,000	25,000	0.275	4.57
December 16, 2030	1,845,000	615,000	0.33	4.72
	<b>10,370,000</b>	<b>7,096,663</b>	<b>0.30</b>	<b>2.98</b>

All stock options have a term of five years and vest in three equal annual installments commencing on the date of the grant.

During the three months ended March 31, 2026, the Company recorded share-based compensation of \$120,442 (2025 - \$175,462) related to the vesting of stock options.

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for stock options granted for the three months ended March 31, 2025 is as follows:

	2025
Share price	\$0.27
Exercise price	\$0.27
Expected life	5 years
Risk-free interest rate <sup>(1)</sup>	3.01%
Expected volatility <sup>(2)</sup>	100.00%
Expected annual dividend yield	0.00%

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.

(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the option.

## COSA RESOURCES CORP.

### Notes to the Condensed Interim Financial Statements

#### For the three months ended March 31, 2026 and 2025

(Unaudited - Expressed in Canadian dollars, except where noted)

## 11. RELATED PARTY DISCLOSURES

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions with key management personnel for the three months ended March 31, 2026 and 2025 is as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Exploration and evaluation expenses	55,000	43,604
Salaries and management fees	128,000	95,299
Share-based compensation	86,484	96,589
	269,484	235,492

## 12. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support current operations comprising the acquisition and development of its exploration and evaluation assets. The Company obtains funding primarily through issuing common shares. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2026. The Company is not subject to externally imposed capital requirements.

## 13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments comprise cash and cash equivalents, marketable securities, deposits and accounts payable and accrued liabilities. Cash and cash equivalents, deposits and accounts payable and accrued liabilities are classified as and subsequently measured at amortized cost. The carrying values of cash and cash equivalents and accounts payable and accrued liabilities approximate their fair values because of their short-term nature. Marketable securities are classified as financial assets at fair value through profit or loss and are measured at fair value at each reporting date.

The Company is exposed to varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is as follows:

### a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfill its contractual obligations. Credit risk for the Company is associated with its cash and cash equivalents and deposit. The Company has minimal exposure to credit risk as the Company's cash and cash equivalents are held with major Canadian financial institutions and its deposit with a government ministry.

### b) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. The Company holds its cash and cash equivalents in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have a significant impact on the estimated fair value of the Company's cash and cash equivalents balance as at March 31, 2026. The Company does not have any financial assets or liabilities subject to changes in exchange rates so does not expect exchange rates to have a material impact to the Company.

The Company is exposed to equity price risk as a result of holding marketable securities with a fair value of \$158,500 (December 31, 2025 - \$31,500). A 10% change in the market price of these securities would result in an increase or decrease of \$15,850 in net loss for the period.

**COSA RESOURCES CORP.**

**Notes to the Condensed Interim Financial Statements**

**For the three months ended March 31, 2026 and 2025**

(Unaudited - Expressed in Canadian dollars, except where noted)

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

**c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company's cash and cash equivalents are invested in business accounts, which are available on demand. The Company manages its liquidity risk mainly through raising funds from private placements.

**14. SUBSEQUENT EVENT**

Subsequent to March 31, 2026, the Company has issued 1,345,466 shares on the exercise of warrants and options for proceeds of \$439,836.