37 CAPITAL INC.

Unaudited Condensed Interim Financial Statements
Six Months Ended June 30, 2026 and 2025
(Expressed in Canadian Dollars)
(Unaudited)

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Notice of No Auditor Review of Condensed Interim Financial Statements

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited condensed interim financial statements as at June 30, 2026 and for the six months ended June 30, 2026 and 2025.

37 CAPITAL INC.
Balance Sheets
(Expressed in Canadian Dollars)

As at	June 30, 2026	December 31, 2025 (Audited)
Cash	$ 401,418	$ 680,940
GST receivable	9,839	5,213
Due from related parties (note 8)	281,493	-
	692,750	686,153
Investment (note 6)	139,013	-
Mineral Property Interests (note 5)	104,502	104,502
Total Assets	$ 936,265	$ 790,655
Liabilities and Stockholders' Deficiency		
Current		
Accounts payable and accrued liabilities (notes 7 and 14)	$ 49,660	$ 44,620
Due to related parties (note 8)	-	6,579
Loan payable (note 9)	-	-
Convertible debentures (note 10)	594,589	579,589
Total Liabilities	$ 644,249	$ 630,788
Stockholders' Deficiency		
Capital stock (note 11)	28,881,862	28,731,862
Equity portion of convertible debentures (note 10)	33,706	33,706
Reserves	458,213	321,057
Deficit	(29,081,765)	(28,926,757)
Total Stockholders' Deficiency	292,016	159,868
Total Liabilities and Stockholders' Deficiency	$ 936,265	$ 790,655

On behalf of the Board:

"Jake H. Kalpakian" (signed)
Jake H. Kalpakian, Director

"Gregory T. McFarlane" (signed)
Gregory T. McFarlane, Director

The accompanying notes form an integral part of these financial statements.

37 CAPITAL INC.
Statements of Comprehensive Loss
Years Ended December 31,
(Expressed in Canadian Dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	**2026**	2025
Expenses				
Consulting fee (recovery) (note 11)	$ 6,649	$ (7,393)	$ 15,065	$ (4,376)
Employee benefits (note 11)	27,841	3,078	86,091	7,636
Finance and interest (notes 7 and 10)	7,500	7,870	15,000	15,863
Legal, accounting and audit	-	8,020	-	8,020
Interest income	(12,303)	-	(14,653)	-
Management fee	12,000	-	24,000	-
Office, rent and miscellaneous (note 7)	6,018	6,018	12,646	12,131
Travel, meals and entertainment	1,178	-	1,178	-
Regulatory and transfer fees	13,056	8,941	15,681	12,765
	61,939	26,534	155,008	52,039
Net and Comprehensive Income/(Loss) for the Period	$ (61,939)	$ (26,534)	$ (155,008)	$ (52,039)
Basic and Diluted Income/(Loss) per Common Share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted Average Number of Common Shares Outstanding	28,797,760	15,205,947	28,207,632	15,205,947

The accompanying notes form an integral part of these financial statements.

37 CAPITAL INC.
Statements of Changes in Stockholders' Deficiency
(Expressed in Canadian Dollars)

	Common Shares	Amount	Equity Portion of Convertible Debentures Reserve	Reserves		Deficit	Total Stockholders' Equity (Deficiency)
				Warrants	Options		
Balance, December 31, 2024	15,205,947	$ 27,856,612	$ 33,706	$ 48,157	$ 91,688	$ (28,623,030)	$ (592,867)
Net loss for the period	-	-	-	-	-	(52,039)	(52,039)
Share-based payment	-	-	-	-	6,344	-	6,344
Balance, June 30, 2025	15,205,947	$ 27,856,612	$ 33,706	$ 48,157	$ 8,032	$ (28,675,069)	$ (638,562)
Net loss for the period	-	-	-	-	-	(251,688)	(251,688)
Share-based payment	-	-	-	-	154,151	-	154,151
Reclassification of reserves on exercise of warrants	-	20,000	-	(20,000)	-	-	-
Debt Settlement	1,330,000	119,700	-	-	-	-	119,700
Exercise of warrants	4,300,000	215,000	-	-	-	-	215,000
Private placement, net of issuance of costs	6,775,000	520,550	-	40,717	-	-	561,267
Balance, December 31, 2025	27,610,947	$ 28,731,862	$ 33,706	$ 68,874	$ 252,183	$ (28,926,757)	$ 159,868
Net loss for the period	-	-	-			(155,008)	(155,008)
Share-based payment	-	-	-	-	77,156	-	77,156
Private placement, net of issuance of costs	3,000,000	150,000	-	60,000	-	-	210,000
Balance, June 30, 2026	**30,610,947**	**$ 28,881,862**	**$ 33,706**	**$ 128,874**	**$ 329,339**	**$ (29,081,765)**	**$ 292,016**

37 CAPITAL INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating Activities		
Net Income/(Loss)	$ (155,008)	$ (52,039)
Items not involving cash:		
Interest expense on loan and convertible debentures	15,000	15,863
Share-based payment	77,156	6,344
	(62,852)	(29,832)
Changes in non-cash working capital		
Receivable	(4,626)	2,065
Accounts payable and accrued liabilities	5,040	(10,640)
Due from/to related parties	(288,071)	12,967
Cash used in operating activities	(350,508)	(25,440)
Investing Activities		
Investment in SpendRight	(139,013)	-
Cash used in investing activity	(139,013)	-
Financing Activities		
Issue of common shares & warrants, net of issue costs	210,000	-
Repayment of loan payable	-	(10,000)
Cash provided by/(used in) financing activities	210,000	(10,000)
Net increase (decrease) in cash	(279,522)	(35,440)
Cash, beginning of period	680,940	59,922
Cash, end of period	$ 401,418	$ 24,482

The accompanying notes form an integral part of these financial statements.

1. NATURE OF BUSINESS

37 Capital Inc. ("37 Capital" or the "Company") was incorporated on August 24, 1984 in British Columbia, Canada. The principal business of the Company is the acquisition, exploration, and if warranted, the development of natural resource prospects.

The common shares of the Company trade on the Canadian Securities Exchange (the "Exchange") under the symbol "JJJ". The Company's office is located at 575 – 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3A8, and its registered office is located at 3200 - 650 West Georgia Street, Vancouver BC V6B 4P7.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

During the six month period ended June 30, 2026 the Company has incurred an operating loss of $155,008, and as at June 30, 2026 has a deficit of $29,081,765 (December 31, 2025 deficit - $28,926,757). These material uncertainties may cast significant doubt about the Company's ability to continue as going concern. The financial statements do not include adjustments that may be necessary if the going concern principle is not appropriate. As the Company has limited resources and no sources of operating cash flow, there can be no assurances whatsoever that sufficient funding will be available for the Company to continue operations for an extended period of time. Such adjustments could be material.

The application of the going concern concept is dependent upon the Company's ability to raise sufficient funding to pay creditors and to satisfy its liabilities as they become due. Management is actively engaged in the review and due diligence on opportunities of merit and is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance whatsoever that management's plan will be successful.

3. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements are prepared in accordance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) Basis of presentation

These condensed interim financial statements were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements.

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

In addition, these financial statements have been prepared on the accrual basis, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. BASIS OF PRESENTATION (Continued)

(c) Approval of the financial statements

These financial statements were approved and authorized for issue by the Board of Directors on August 31, 2026.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The key area of judgment applied in the preparation of the financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities is as follows:

- assessment of the Company's ability to continue as a going concern and whether there are events or conditions that give rise to significant uncertainty;
- the classification/allocation of expenses as exploration and evaluation expenditures or operating expenses; and
- the determination whether there have been any events or changes in circumstances that indicate the impairment of its exploration and evaluations assets.

The key estimates applied in the preparation of the financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- The recoverability of the carrying value of exploration and evaluation assets;
- The provision for income taxes and recognition of deferred income tax assets and liabilities;
- The inputs in determining the liability and equity components of the convertible debentures; and
- The inputs in determining the fair value of share-based payments.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies of the Company include the following:

(a) Financial instruments

(i) Recognition and classification

The Company classifies its financial instruments in the following categories:

- At fair value through profit and loss ("FVTPL"): cash
- Amortized cost: accounts payable and accrued liabilities, due to related parties, loan payable and convertible debentures

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

(b) Mineral property interests

Costs directly related to the acquisition, exploration and evaluation of resource properties are capitalized once the legal rights to explore the resource properties are acquired.

The mineral property interests are tested for impairment if facts or circumstances indicate that impairment exists:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined there is an impairment in value, the property is written down to its recoverable amount. From time to time, the Company acquires or disposes properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balance of the payments received is recorded as a gain on option or disposition of mineral property interest.

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(b) Mineral property interests (continued)

Once the technical feasibility and commercial viability of the extraction of mineral resources are demonstrable, mineral property interests attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property and equipment.

To date, the Company's mineral property interest has not demonstrated technical feasibility and commercial viability. The recoverability of the carrying amount of any mineral property interests is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

(c) Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(d) Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset. The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arise during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. To date the Company does not have any decommissioning liabilities.

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

e) Income taxes

Income tax expense consisting of current and deferred tax expense is recognized to profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(f) Share-based payments

The Company grants stock options to directors, officers, employees and consultants of the Company. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes Option Pricing Model, and is recognized over the vesting period using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes Option Pricing Model.

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as mineral property interests with a corresponding increase in option reserves. The amount to be recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise
of stock options is recorded in capital stock and the related share-based payment is transferred from the stock option reserve to capital stock. For unexercised options that expire, the recorded value is transferred to deficit.

(g) Convertible debentures

The liability component of convertible debentures is recognized initially at the fair value of a similar liability that does not have a conversion option. The equity component is recognized initially, as the difference between the fair value of the convertible debenture as a whole and the fair value of the liability component. Transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the convertible debenture is measured at amortized cost using the effective interest method. The equity component is not re-measured subsequent to initial recognition.

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(h) Loss per share

Loss per share is calculated by dividing net loss attributable to common shares of the Company by the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

(i) Capital stock

Proceeds from the exercise of stock options and warrants are recorded as capital stock. The proceeds from the issuance of units of the Company are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are issued, and any residual value is allocated to the warrants. When the warrants are exercised, the related value is transferred from the warrant reserve to capital stock. For unexercised warrants that expire, the recorded value is transferred from the warrant reserves to deficit.

On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through tax liability"). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through tax liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

(j) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

Monetary assets and liabilities, at the rate of exchange in effect as at the balance sheet date;
Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the rate of exchange on the transaction date.

Exchange differences are recognized in profit or loss in the period which they arise.

(k) Future Changes in Accounting Policies Not Yet Effective

In April 2024, the IASB issued IFRS Accounting Standards 18, Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1. IFRS 18 introduces two newly required subtotals on the face of the income statement, which includes operating profit and profit or loss before financing and income tax, and three new income statement classifications, which are operating, investing, and financing. In addition, IFRS 18 requires non-IFRS Accounting Standards management performance measures that are subtotals of income and expenses to be disclosed on financial statement. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items

(Expressed in Canadian Dollars)

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(k) Future Changes in Accounting Policies Not Yet Effective (continued)

are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's financial statements.

5. MINERAL PROPERTY INTERESTS

	Extra High Property
Balance December 31, 2023	$ 98,992
Exploration costs	5,510
Balance, December 31, 2025 & June 30, 2026	$ 104,502

Extra High Property

The Extra High property is located in south-central British Columbia, approximately 60 kilometres north of the City of Kamloops, British Columbia, Canada and 22 km east of the town of Barriere. It lies on the southwest side of Samatosum Mountain, located north of Skwaam Bay on Adams Lake. It consists of five contiguous BC MTO mineral titles in the Kamloops Mining Division.

As at June 30, 2026, the Company owns a 100% undivided right, interest, and title in and to the Extra High Property.

The mineral claims covering the Extra High Property are valid until December 28, 2028.

The Extra High Property is subject to a 1.5% Net Smelter Royalty ("NSR") payable to a third party, 50% of which, or 0.75%, can be purchased by the Company at any time by paying $500,000.

6. INVESTMENT IN SPENDRIGHT, INC.

During March 2026, the Company entered into an agreement with SpendRight, Inc. for the purchase of a 5% ownership in SpendRight, Inc. for US$100,000 (PAID). The Company also has the option for twelve (12) months to purchase an additional 5% ownership for an additional US$200,000, for a total of 10% ownership in SpendRight. 37 Capital will have, for twelve (12) months, the first right of refusal for thirty (30) days on any future financing carried out by SpendRight. In addition, 37 Capital has the right to assign or transfer the Company's interest in SpendRight to any related party of 37 Capital.

(Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2026	December 31, 2025
Trade payables	$ 16,029	$ 10,915
Accrued liabilities	33,631	33,705
	$ 49,660	$ 44,620

8. RELATED PARTY TRANSACTIONS

The Company, together with Jackpot Digital Inc. ("Jackpot"), a related company with certain common directors, have entered into an office lease agreement, and an office support services agreement (note 12).

The amounts due from/to related parties are unsecured, payable on demand which consist of the following:

	June 30, 2026	December 31, 2025
Due to related party (non-interest-bearing)	$ (7,537)	$ (6,578)
Due from related party	289,030	-
	$ 281,493	$ (6,578)

During the six months ended June 30, 2026, the Company issued an advance loan to a director with an interest rate of 12% per annum totaling $289,030. Subsequent to the six months ended June 30, 2026, the related party repaid $289,030.

The convertible debentures and accrued interest of $594,589 (December 31, 2025 - $579,589) is owed to the Chief Executive Officer, and to a former director of the Company (note 10).

During the six-month period ended June 30, the following amounts were charged by a related party.

	2026	2025
Rent charged by a company with common directors (note 12)	$ 6,000	$ 6,000
Office expenses charged by, and other expenses paid on behalf of the Company by a company with common directors (note 12)	7,179	6,398
	$ 13,179	$ 12,368

Management compensation

On October 1, 2025, the Company entered into a management services agreement with Kalpakian Bros. of BC Ltd. for a term of one year at a monthly rate of $4,000 plus GST.

8. RELATED PARTY TRANSACTIONS (Continued)

Insider participation

On May 25,2026, an insider of the Company subscribed for 3,000,000 units in the capital of the Company at $0.07 per unit in the private placement, for total proceeds of $210,000.

On September 15, 2025, two insiders of the Company subscribed for 1,500,000 units in the capital of the Company at $0.07 per unit in the private placement, for total proceeds of $105,000.

On November 17, 2025, an insider of the Company subscribed for 320,000 units in the capital of the Company at $0.125 per unit in the private placement financing, for total proceeds of $40,000.

During 2025, a total of 4,300,000 share purchase warrants at the exercise price of $0.05 per share were exercised by two insiders of the Company, for total proceeds of $215,000.

9. LOAN PAYABLE

During May 2021, a party lent the Company $50,000. During the year ended December 31, 2024, the Company repaid the principal amount of $30,000. As of December 31, 2025, the Company paid the outstanding principal of $20,000 and accrued interest totaling $18,466.

10. CONVERTIBLE DEBENTURES FINANCING

Convertible Debentures Financing 2015

On January 6, 2015, the Company closed a convertible debenture financing with two directors of the Company for the amount of $250,000. The convertible debentures matured on January 6, 2016, and bear interest at the rate of 12% per annum payable on a quarterly basis. The convertible debentures are convertible into common shares of the Company at a conversion price of $1.50 per share. The liability component of the convertible debentures was recognized initially at the fair value of a similar liability with no equity conversion option, which was calculated based on the application of a market interest rate of 25%. On the initial recognition of the convertible debentures, the amount of $222,006 was recorded under convertible debentures and the amount of $27,994 has been recorded under the equity portion of convertible debenture reserve.

On October 29, 2021, the Company entered into an Addendum to the convertible debentures whereby the maturity date of the principal amount totaling $250,000 of the convertible debentures together with the accrued interest has been extended indefinitely, until mutual consent of the Company and Lender has been reached.

At June 30, 2026, the Company recorded interest expense of $15,000 (December 31, 2025 - $30,000). As of June 30, 2026, $250,000 (December 31, 2025 - $250,000) of convertible debentures are outstanding plus the accrued interest of $344,589 (December 31, 2025- $329,589).

The following table reconciles the fair value of the debentures to the carrying amount.

(Expressed in Canadian Dollars)

10. CONVERTIBLE DEBENTURES FINANCING (Continued)

Liability Component			Equity Component		Total
Balance, December 31, 2024	$	549,589	$ 33,706	$	583,295
Interest accrued		30,000	-		30,000
Balance, December 31, 2025	$	579,589	$ 33,706	$	613,295
Interest accrued		15,000	-		15,000
Balance, June 30, 2026	$	594,589	$ 33,706	$	628,295

11. CAPITAL STOCK

(a) Authorized

Unlimited number of common and preferred shares without par value.

As of June 30, 2026, there are no preferred shares issued.

(b) Issued

As of June 30, 2026, there are 30,610,947 common shares issued and outstanding.

During the six-month period ended June 30, 2026, the following transaction occurred:

a) On May 25, 2026, the Company closed the non-brokered private placement announced on March 17, 2026, for gross proceeds of $210,000 through the issuance of 3,000,000 units of the Company at $0.07 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.10 per common share for a period of three years. Based on the residual value the warrants were valued at $0.02.

During the year ended December 31, 2025, the following transactions occurred:

a) On November 20, 2025, the Company closed the third tranche of the non-brokered private placement announced on September 26, 2025, for gross proceeds of $90,625 through the issuance of 725,000 units of the Company at $0.125 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.15 per common share for a period of three years. Based on the residual value the warrants were valued at $18,125. Finder’s fees consist of $6,344 cash and 50,750 warrants exercisable at $0.15 for two years.

b) On November 17, 2025, the Company closed the second tranche of the non-brokered private placement announced on September 26, 2025, for gross proceeds of $62,500 through the issuance of 500,000 units of the Company at $0.125 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.15 per common share for a period of three years. Based on the residual value the warrants were valued at $15,000.

11. CAPITAL STOCK (Continued)

(b) Issued (continued)

During the year ended December 31, 2025, the following transactions occurred (continued):

c) On October 16, 2025, the Company closed the first tranche of the non-brokered private placement announced on September 26, 2025, for gross proceeds of $68,750 through the issuance of 550,000 units of the Company at $0.125 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.15 per common share for a period of three years. An administrative fee of $100 was charged. Based on the residual value the warrants were valued at $nil.

d) During October 2025, a total of 500,000 common shares were issued pursuant to the exercise of certain warrants totaling $25,000.

e) On September 15, 2025, the Company closed the second and final tranche of the non-brokered private placement was announced on July 30, 2025, for gross proceeds of $171,500 through the issuance of 2,450,000 units of the Company at $0.07 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.10 per common share for a period of three years. Finder's fees consist of $1,575 cash and 22,500 warrants exercisable at $0.10 for two years. Based on the residual value the warrants were valued at $nil.

f) During September 2025, a total of 3,800,000 common shares were issued pursuant to the exercise of certain warrants totaling $190,000.

g) During August 2025, the Company issued 1,330,000 common shares of the Company at a deemed price of $0.09 in settlement of debt totaling $119,700.

h) On August 28, 2025, the Company closed the first tranche of the non-brokered private placement financing which was announced on July 30, 2025, for gross proceeds of $178,500 through the issuance of 2,550,000 units of the Company at $0.07 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of $0.10 per common share for a period of three (3) years. Finder's fees consist of $2,450 cash, $140 admin fees and 35,000 warrants exercisable at $0.10 for two years. Based on the residual value the warrants were valued at $nil.

During the year ended December 21, 2021, the following share transaction occurred:

On January 15, 2021, the Company issued 80,000 flow-through units for proceeds of $20,000. Each flow-through unit consists of one flow-through common share of the Company and one non-flow-through share purchase warrant to acquire one non-flow-through common share of the Company at a price of $0.50 for a period of two years. During the year-ended December 31, 2022, the Company made a formal application to Canada Revenue Agency and cancelled the Company's flow-through share application which was submitted during the year ended December 31, 2020. As at December 31, 2025 and 2024, the Company has included a provision for indemnification of the flow through shareholder for an amount of $10,000 in accounts payable.

(Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

c) Warrants

Warrants activity is as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, December 31, 2024	10,675,000	$	0.06
Issued	6,883,250	$	0.11
Exercised	(4,300,000)	$	0.05
Balance, December 31, 2025	13,258,250	$	0.09
Issued	3,000,000	$	0.10
Balance, June 30, 2026	16,258,250	$	0.10

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

Expiry Date		Exercise Price	Number of Warrants Outstanding
October 31, 2026	$	0.15	15,000
August 28, 2027	$	0.10	35,000
August 31, 2027	$	0.05	200,000
September 15, 2027	$	0.10	22,500
September 20, 2027	$	0.15	290,000
October 31, 2027	$	0.15	650,000
November 20, 2027	$	0.15	50,750
December 4, 2027	$	0.15	520,000
May 15, 2028	$	0.05	3,700,000
July 24, 2028	$	0.05	1,000,000
August 28, 2028	$	0.10	2,550,000
September 15, 2028	$	0.10	2,450,000
October 16, 2028	$	0.15	550,000
November 17, 2028	$	0.15	500,000
November 20, 2028	$	0.15	725,000
May 25, 2029	$	0.10	3,000,000
			16,258,250

The weighted average remaining contractual life for warrants outstanding at June 30, 2026 is 1.61 years (June 30, 2025 – 2.77 years).

(d) Stock options

The Company's 2015 Stock Option Plan provides that the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company options to acquire up to 20% of the issued and outstanding common shares of the Company calculated from time to time on a rolling basis. The terms of the options are determined at the date of grant.

(Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

(d) Stock options (continued)

On October 2, 2025, the Company issued 2,065,000 stock options with an exercise price of $0.155 per share. The options expire in three years from the grant date and vest 25% on the grant date, with 25% vesting each 6 months following the grant date. The fair value of the options granted was $122,834 or $0.061 per option.

On November 20, 2025, the Company issued 400,000 stock options with an exercise price of $0.155 per share. The options expire in three years from the grant date and vest 25% on the grant date, with 25% vesting each 6 months following the grant date. The fair value of the options granted was $10,031 or $0.025 per option.

The following summarizes the officer, director and consultants stock options that were granted and expired during the six month period ended June 30, 2026 and 2025. The options vest 25% on grant and thereafter at 25% every six months or after one year:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2024	1,900,000	$ 0.10
Issued	2,465,000	$ 0.155
Balance, December 31, 2025 and June 30, 2026	4,365,000	$ 0.13

The weighted average remaining contractual life for options outstanding at June 30, 2026 is 1.62 years (June 30, 2025 – 1.76 years).

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its stock options granted. Accordingly, share-based payments of $86,091 (June 30, 2025 - $7,636) were recognized as employee benefits and $8,935 (June 30, 2025 - $1,292) was recognized as consulting fee recovery for options granted to consultants.

12. COMMITMENTS

a) The Company has an office lease agreement with Jackpot. Under the agreement, the Company is entitled to have office space from Jackpot at a monthly rate of $1,000 plus applicable taxes. Furthermore, Jackpot or the Company may terminate this agreement by giving each other three months’ notice in writing.

b) The Company has an office support services agreement with Jackpot which has been extended until September 30, 2026. Under the agreement, the Company is entitled to receive office support services from Jackpot at a monthly rate of $1,000 plus applicable taxes. Either Jackpot or the Company may terminate this agreement by giving each other three-month’ notice in writing.

c) In relation to the flow-through private placement completed during January 2021, the Company was committed to incur and renounce $20,000 in Canadian exploration expenditures by December 31, 2022. The Company was unable to incur the $20,000. The Company has agreed to indemnify the flow-through shareholder for certain costs incurred by the shareholder as a result of the Company not meeting its

12. COMMITMENTS (Continued)

obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement. As at December 31, 2025 and 2024, the Company has included a provision for indemnification of the flow through shareholder for an amount of $10,000 in accounts payable.

13. CAPITAL MANAGEMENT

The Company considers its capital to be comprised of stockholders' deficiency and convertible debenture.

The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition, exploration and, if warranted, the development of mineral properties, to invest in non-mining related projects and to maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity and debt financing. Future financings are dependent on market conditions and there can be no assurance that 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 six-month period June 30, 2026. The Company is not subject to externally imposed capital requirements.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Company's business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Company's risk management framework, the Company's management has the responsibility to administer and monitor these risks.

(b) Fair value of financial instruments

The fair values of cash, accounts payable and accrued liabilities, due to related parties and convertible debentures approximate their carrying values due to the short-term maturity of these instruments.

IFRS establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash. The Company mitigates its exposure to credit loss associated with cash by placing its cash with a major financial institution.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

At June 30, 2026, the Company had cash of $401,418 (December 31, 2025 - $680,940) available to apply against short-term business requirements and current liabilities of $644,249 (December 31, 2025 - $630,787). All of the current liabilities are due within 90 days. Amounts due to related parties are due on demand. As of June 30, 2026, two convertible debentures together with the accrued interest for a total amount of $594,589 are outstanding. Liquidity risk is assessed as high

(e) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's net earnings or the value of financial instruments. As at June 30, 2026, the Company is not exposed to significant interest rate risk, currency risk or other price risk on its financial assets and liabilities due to the short-term maturity of its financial liabilities and the fixed interest rate on the outstanding convertible debentures.

15. EVENTS AFTER REPORTING PERIOD

a) the Company announces that it intends to raise gross proceeds of up to $200,000 by the issuance of up to 4,000,000 units of the Company at a price of $0.05 per unit (“Non-Flow Through Financing”). Each Unit will consist of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at a price of $0.15 per common share for a period of three (3) years from the Closing Date. The Company has received $30,000 in subscription proceeds, however no closing has taken place.

b) The Company entered into an option and asset purchase agreement dated August 18, 2026 (the "Agreement") with Quimbaya Gold Corp. and its wholly-owned subsidiary Golden Pacifico Exploration S.A.S. ("Golden Pacifico") by which 37 Capital was granted the exclusive option (the "Option") to acquire an undivided 100% legal and beneficial right, title and interest in and to a mineral exploration property located in Colombia. In connection with the Option, the Company is undertaking a non-brokered private placement of up to 5,000,000 units at a price of CDN$0.10 per unit to raise gross proceeds of up to CDN$500,000. Each unit consists of one common share and one common share purchase warrant, with every two warrants exercisable to purchase one additional common share at a price of CDN$0.15 per share for three years from the date of issuance.