



Ascot Resources Ltd.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Presented in thousands of Canadian Dollars, except where indicated)
(Unaudited)

Ascot Resources Ltd.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian Dollars in Thousands)

(Unaudited)

	Notes	September 30, 2025	December 31, 2024
ASSETS			
Current			
Cash and cash equivalents	3	\$ 5,386	\$ 27,974
Trade and other receivables		683	609
Inventories		1,801	3,587
Prepaid expenses and deposits		836	2,429
Total Current Assets		8,706	34,599
Restricted cash	4	6,749	4,749
Exploration and evaluation assets		5,424	5,424
Mineral properties, plant and equipment	5	542,786	793,035
Embedded derivatives	6	-	2,019
Other assets		4,134	2,271
Total Non-Current Assets		559,093	807,498
Total Assets		<u>\$ 567,799</u>	<u>\$ 842,097</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Trade and other payables		\$ 14,007	\$ 17,717
Contract liabilities	6	213,051	6,936
Reclamation provisions	7	957	957
Credit facilities	8	50,934	39,477
Lease liabilities	9	4,212	4,903
Promissory note	10	19,670	11,386
Other liabilities		53	774
Total Current Liabilities		302,884	82,150
Contract liabilities	6	39,983	226,968
Reclamation provisions	7	76,552	74,436
Credit facilities	8	-	12,081
Lease liabilities	9	6,105	7,992
Promissory note	10	-	7,674
Deferred income tax liabilities		-	981
Total Non-Current Liabilities		122,640	330,132
Total Liabilities		<u>425,524</u>	<u>412,282</u>
Shareholders' Equity			
Share capital	11	536,056	497,534
Contributed surplus	11	65,413	46,083
Accumulated deficit		(459,194)	(113,802)
Total Shareholders' Equity		142,275	429,815
Total Liabilities and Shareholders' Equity		<u>\$ 567,799</u>	<u>\$ 842,097</u>

Going concern (Note 1), Commitments (Notes 4, 5, 7 and 18), Contingencies (Notes 4, 5 and 19), Subsequent event (Note 20).
The accompanying notes are an integral part of these condensed interim consolidated financial statements.

/s/ "Andree St-Germain"

Director

/s/ "Indi Gopinathan"

Director

Ascot Resources Ltd.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Canadian Dollars in Thousands Except Loss per Share)

(Unaudited)

	Notes	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Revenues		\$ -	\$ 11,986	\$ -	\$ 14,405
Cost of sales					
Production costs		-	(9,535)	-	(11,411)
Depreciation, depletion and amortization			(1,990)	-	(2,476)
Total cost of sales		\$ -	\$ (11,525)	\$ -	\$ (13,887)
Gross profit		\$ -	\$ 461	\$ -	\$ 518
Mine site care and maintenance expenses		\$ (9,882)	\$ -	\$ (9,882)	\$ -
General and administrative expenses	12	(1,575)	(1,334)	(6,451)	(5,124)
Stock-based compensation	11	(256)	(406)	(1,208)	(1,324)
Depreciation and amortization		(1,475)	(82)	(1,546)	(184)
Financing costs		-	(120)	(651)	(1,482)
Finance expense	13	(11,245)	(719)	(13,394)	(2,078)
Other income	14	1,170	2,130	4,149	3,047
Loss on sale of mineral interest		-	-	-	(801)
Impairment of mineral properties	5	-	-	(324,404)	-
Loss on extinguishment of debt		-	-	-	(688)
Change in fair value of financial instruments	6,8	737	(11,638)	5,529	(5,903)
Foreign exchange gain (loss)		(995)	476	1,485	(226)
Loss before income taxes		\$ (23,521)	\$ (11,232)	\$ (346,373)	\$ (14,245)
Income tax recovery (expense)		-	-	981	(245)
Net loss for the period		\$ (23,521)	\$ (11,232)	\$ (345,392)	\$ (14,490)
Total comprehensive loss		\$ (23,521)	\$ (11,232)	\$ (345,392)	\$ (14,490)
Loss per share					
- basic and diluted		\$ (0.02)	\$ (0.02)	\$ (0.26)	\$ (0.02)
Weighted average shares outstanding					
- basic & diluted		1,487,005,099	686,757,056	1,335,225,881	633,295,728

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

Ascot Resources Ltd.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian Dollars in Thousands except No. of Shares)

(Unaudited)

	Number of shares issued and outstanding	Share capital	Contri- buted surplus	Deficit	Total share- holders' equity
Balance, January 1, 2024	556,047,352	\$400,825	\$ 32,227	\$ (82,294)	\$ 350,758
Shares issued for cash					
Private placements, net of issue costs	145,797,096	54,400	9,177	-	63,577
Exercise of stock options	371,369	300	(107)	-	193
Issued for other consideration					
Exercise of share units	1,225,516	661	(556)	-	105
Acquisition of assets	5,692,972	2,501	-	-	2,501
Premium on flow-through shares	-	(2,542)	-	-	(2,542)
Stock-based compensation expense	-	-	1,324	-	1,324
Stock-based compensation capitalized	-	-	394	-	394
Cost overrun facility - warrants	-	-	2,837	-	2,837
Net loss for the period	-	-	-	(14,490)	(14,490)
Balance, September 30, 2024	709,134,305	\$456,145	\$ 45,296	\$ (96,784)	\$ 404,657
Balance, January 1, 2025	982,832,352	\$497,534	\$ 46,083	\$(113,802)	\$ 429,815
Shares issued for cash					
Private placement, net of issue costs (Note 11a)	500,673,729	38,791	19,859	-	58,650
Issued for other consideration					
Exercise of share units	3,645,639	2,167	(2,167)	-	-
Premium on flow-through shares (Note 11a)	-	(2,436)	-	-	(2,436)
Stock-based compensation expense (Note 11)	-	-	1,208	-	1,208
Stock-based compensation capitalized	-	-	368	-	368
Cost overrun facility - warrants	-	-	62	-	62
Net loss for the period	-	-	-	(345,392)	(345,392)
Balance, September 30, 2025	1,487,151,720	\$536,056	\$ 65,413	\$(459,194)	\$ 142,275

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

Ascot Resources Ltd.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian Dollars in Thousands)

(Unaudited)

	Notes	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cash flows from operating activities			
Net loss for the period		\$ (345,392)	\$ (14,490)
Adjustment to reconcile loss to net cash used in operating activities:			
Stock-based compensation	11	1,208	1,324
Amortization and depreciation		1,546	2,660
Deferred revenue recognition		-	(675)
Loss on impairment of mineral properties		324,404	-
Loss on write off of assets		466	-
Financing costs		62	-
Gain on flow through share premium		(3,157)	(2,782)
Finance expense		12,521	1,279
Deferred income tax expense		(981)	245
Change in fair value of financial instruments	6,8	(5,529)	5,903
Loss on extinguishment of debt		-	688
Loss on sale of mineral interest		-	801
Unrealized foreign exchange (gain) loss		(1,500)	219
Changes in non-cash working capital balances:			
Change in inventories		628	(3,143)
Change in receivables		(74)	(360)
Change in prepaid expenses and deposits		1,593	(53)
Change in trade and other payables		1,211	6,730
Payment for reclamation provision		-	-
Total cash outflows from operating activities		(12,994)	(1,654)
Cash flows from investing activities			
Investment in mineral properties, plant and equipment	5	(62,586)	(138,274)
Proceeds from sale of net smelter return royalty		-	40,554
Payment of deposit for environmental bond (restricted cash)	4	(2,000)	(1,302)
Total cash outflows from investing activities		(64,586)	(99,022)
Cash flows from financing activities			
Proceeds from cost overrun facility		-	26,766
Proceeds from share issuance	11a	61,185	67,752
Share issue costs	11a	(2,535)	(4,175)
Financing costs		(35)	(881)
Proceeds from exercise of stock options		-	193
Payment for interest on cost overrun facility		-	(3,096)
Payment for lease liabilities	9	(3,623)	(2,937)
Total cash inflows from financing activities		54,992	83,622
Effect of exchange rate changes on cash and cash equivalents		-	(38)
Total decrease in cash during the period		(22,588)	(17,092)
Cash and cash equivalents, beginning of period		27,974	26,974
Cash and cash equivalents, end of period		\$ 5,386	\$ 9,882
Supplemental cash flow information	17		

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Ascot Resources Ltd. ("Ascot" or the "Company") is a development and exploration company that had been focusing on re-starting the past producing historic Premier gold mine located in British Columbia's Golden Triangle. The Company owns the Premier and Red Mountain Gold Projects and produced a limited amount of gold and silver doré at its processing plant at Premier in 2024. In June 2025, the Company suspended mine development and placed the mine on care and maintenance to preserve capital as the Company assesses its strategic alternatives.

The Company's Silver Coin, Big Missouri, and Premier deposits, collectively named the Premier Gold Project ("PGP") are located near the processing facility on the historical Premier Mine site, and the Red Mountain Project ("RMP") is located 23 km to the southeast in an adjacent valley. PGP together with RMP is defined as the "Project". The Company also has two other properties: Swamp Point, an aggregate project located in British Columbia on the Portland Canal, and Mt. Margaret, a porphyry copper-molybdenum-gold-silver deposit located in Washington State, USA.

Ascot was incorporated under the Business Corporations Act of British Columbia in May 1986. The Company's wholly-owned subsidiaries, as of September 30, 2025 were:

- IDM Mining Ltd. (BC, Canada);
- Ascot Power Ltd. (BC, Canada), and
- Ascot USA Inc. (Washington State, USA).

The Company is listed on the NEX Board of the TSX Venture Exchange ("TSXV") in Canada, having the trading symbol AOT.H. The Company is also trading on the OTCID market in the U.S. (symbol: AOTVF).

The address of the Company's corporate office and principal place of business is Suite 430, 1095 West Pender Street, Vancouver, British Columbia, V6E 2M6, Canada.

Going concern

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

On June 25, 2025, the Company suspended mine development and placed the Project on care and maintenance. As at September 30, 2025, the Project remains on care and maintenance with no timeline to resume development. Further development of the Project is dependent on the Company's ability to obtain future financing which may not be available or at terms acceptable to the Company.

As at September 30, 2025, the Company had a cash and cash equivalents balance of \$5,386 and a working capital deficiency of \$294,178. The Company has not paid scheduled principal and interest payments under the credit facilities (Note 8) and the promissory note (Note 10) which have resulted in a default under these agreements in addition to other default conditions present. In addition, default under the credit facilities and promissory note has resulted in cross default under the Company's stream agreements (Note 6). As at September 30, 2025, the Company has limited cash, negative working capital, no other sources of income and is in default under its credit facilities, promissory note and stream agreements which indicate material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern.

The Company has taken steps to address its working capital deficiency and default under its credit facilities, promissory note and stream agreements. This includes entering into an advisory agreement with Fiore to restructure and recapitalize the Company, initiating bridge financing and obtaining short-term default waivers (Note 20). As there is no assurance the restructuring and financings will be successful and remain subject to approval by the TSX Venture Exchange and certain shareholder approval requirements these also indicate material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern.

As at the date of the filing of these financial statements the Company had approximately \$3.3 million of cash and cash equivalents available after drawing US\$2.5 million from the bridge loan (Note 20). Should certain conditions precedent not be satisfied and more than US\$3 million cannot be drawn from the bridge loan (US\$0.5 remaining to be drawn), the Company has approximately one month of funding remaining.

These unaudited condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of compliance

These unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 and 2024 (the "Interim Financial Statements") have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS® Accounting Standards") applicable to the preparation of interim financial statements, including International Auditing Standard ("IAS") 34, Interim Financial Reporting. These Interim Financial Statements do not include all disclosures required for annual financial statements. Accordingly, they should be read in conjunction with the notes to the Company's annual financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS® Accounting Standards.

These Interim Financial Statements have been prepared using accounting policies consistent with those used in the Company's audited financial statements for the year ended December 31, 2024.

These Interim Financial Statements were authorized for issue by the Board of Directors on November 12, 2025.

b) Basis of measurement

These Interim Financial Statements include the accounts of Ascot and its wholly-owned subsidiaries. All intercompany transactions and balances are eliminated on consolidation.

These Interim Financial Statements are presented in Canadian dollars, which is also the Company's and its wholly-owned subsidiaries' functional currency. At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars using the exchange rate in effect at that date. At the fiscal period end date, unsettled monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the period-end date and the related translation differences are recognized in net loss.

c) New and amended IFRS Accounting Standards pronouncements

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

On August 15, 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when

it is not. The amendments are effective for reporting periods beginning on or after January 1, 2025. These amendments do not have a significant impact on the Company's financial statements.

IFRS 18 Presentation and Disclosures in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosures in Financial Statements. The objective of the new standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The new standard is effective for reporting periods beginning on or after January 1, 2027. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

Amendments to IFRS 9 and IFRS 7

On May 30, 2024, the IASB issued amendments to the classification and measurement of financial instruments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for reporting periods beginning on or after January 1, 2026. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

d) Judgments and estimates

In addition to the judgments and estimates noted in the Company's audited financial statements for the year ended December 31, 2024, management identified the following new area involving critical judgments in applying accounting policies and an area of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities:

Impairment of mineral properties, property, plant and equipment

At each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to its mineral properties. If any such indicator exists, then an impairment test is performed by management. On June 25, 2025, management placed the Project on care and maintenance, and, as a result, an impairment indicator was identified. The Company completed an impairment test for the Project as of June 30, 2025 by calculating the recoverable amount as the fair value less costs of disposal (FVLCD) and comparing it to the carrying value and recorded an impairment loss as a result (Note 5). The determination of the FVLCD of the mineral properties, plant and equipment is based on market information and is subjective. Changes in estimates, assumptions and judgments may materially affect the value of the mineral properties, property, plant and equipment.

As of September 30, 2025, based on management's assessment of impairment indicator, no new impairment indicators were noted that that would require an impairment test. This assessment included an evaluation of any changes to the significant assumptions used in the last impairment test at June 30, 2025.

Should an impairment indicator be identified in the future quarter and there be increased uncertainty compared to the current assessment, the Company will assess the impact on the recoverable amount and determine whether any impairment charge is required

3. CASH AND CASH EQUIVALENTS

Cash is held in treasury accounts at a Canadian chartered bank. GICs, term deposits and high interest savings accounts are held at registered brokers. The Canadian dollar treasury accounts, GICs, term deposits and high interest savings accounts bear interest at rates between 2.35% and 2.90% per annum (December 31, 2024: 3.65%).

Included in cash and cash equivalents is \$246 (December 31, 2024: \$3,570), which is required to be used for flow-through expenditures prior to December 31, 2025.

4. RESTRICTED CASH

The Company is required to maintain reclamation bonds for its mineral properties in respect of its expected rehabilitation obligations. As of September 30, 2025, Ascot has posted total reclamation and environmental bonds of \$46,935 (December 31, 2024: \$46,935) through surety arrangements with cash collateral of \$6,002 (December 31, 2024: \$4,002). The surety arrangements also require the Company to pay an annual bond fee between 2.0% and 2.5% of the respective bond amount.

The Company also has \$447 in reclamation bonds held in certificates of deposits with a Canadian chartered bank and the Ministry of Finance of British Columbia for its exploration licenses and Swamp Point property.

The Company is required to provide security under an agreement with BC Hydro to support future expansion of the existing power source for PGP. As of September 30, 2025, the Company posted a \$4,759 surety bond with respect to this agreement.

The following table summarizes the Company's reclamation deposits:

	September 30, 2025		December 31, 2024	
	Cash Security	Surety Bond	Cash Security	Surety Bond
Reclamation and environmental	\$ 6,449	\$ 46,935	\$ 4,449	\$ 46,935
BC Hydro facility agreements	300	4,759	300	4,759
	\$ 6,749	\$ 51,694	\$ 4,749	\$ 51,694

5. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties and project development costs	Cons- truction in progress	Land and buildings	Machi- nery and equip- ment	Office furniture and equip- ment	Right-of- use assets	Total
Cost							
At January 1, 2025	508,255	224,601	3,875	50,229	479	19,258	806,697
Additions	48,600	10,431	-	478	-	674	60,183
Capitalized interest	19,020	-	-	-	-	-	19,020
Disposals	-	-	-	-	-	(125)	(125)
Impairment	(324,404)	-	-	-	-	-	(324,404)
Decrease in asset retirement cost	(112)	-	-	-	-	-	(112)
At September 30, 2025	251,359	235,032	3,875	50,707	479	19,807	561,259
Accumulated Amortization							
At January 1, 2025	5,508	-	387	2,892	347	4,528	13,662
Depreciation & amortization	820	-	191	464	26	3,211	4,712
Depletion	213	-	-	-	-	-	213
Disposals	-	-	-	-	-	(114)	(114)
At September 30, 2025	6,541	-	578	3,356	373	7,625	18,473
Net book value							
At January 1, 2025	502,747	224,601	3,488	47,337	132	14,730	793,035
At September 30, 2025	\$ 244,818	\$ 235,032	\$ 3,297	\$ 47,351	\$ 106	\$ 12,182	\$ 542,786

Mineral properties and project development cost additions of \$48,600 consist mainly of mine development and pre-operating costs.

MINERAL PROPERTIES

The Project is a single cash generating unit ("CGU"). PGP comprises the Premier, Dilworth and Silver Coin Properties. Ascot's properties are subject to a number of royalties and product purchase rights.

In July 2021, the Company entered into a Benefits Agreement with Nisga'a Nation, which encompasses both PGP and RMP. Under the terms of the Benefits Agreement, the Company is required to make cash payments to Nisga'a Nation tied to permitting, project development and production milestones, totaling up to \$3,425. As of September 30, 2025, the Company has made milestone payments totaling \$1,250 under the Benefits Agreement. The Company is also required to make annual payments as a percentage of the Provincial Mineral Tax during production.

As of September 30, 2025, there are builders' liens placed on the Company's properties by three of the Company's former contractors.

Impairment of mineral properties, property, plant and equipment

On June 25, 2025, the Company suspended underground development and placed PGP on care and maintenance. Given the presence of this impairment indicator, management completed an impairment test for the Project CGU as of June 30, 2025. An impairment loss is recognized for the amount by which the CGU's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the CGU's value in use and FVLCD. The FVLCD was determined using a market-based valuation method which included estimating the value per in-situ ounces based on comparable market transactions

as well as comparing post announcement trading prices after the Company halted development and put the Project on care and maintenance on June 25, 2025.

Using this approach, management determined the FVLCD of the Project to be \$133,844 and the carrying value of the Project at June 30, 2025 was \$458,248. As at June 30, 2025, the carrying value of the Project CGU exceeded its FVLCD by \$324,404, which was recognized as an impairment loss in the consolidated statements of comprehensive income (loss).

As of September 30, 2025, based on management's assessment of impairment indicator, no new impairment indicators were noted that that would require the Company to perform an impairment test. This assessment included an evaluation of any changes to the significant assumptions used in the last impairment test at June 30, 2025.

6. CONTRACT LIABILITIES

a) Gold and silver stream

In January 2023, the Company entered into the Sprott Stream (the "First Stream") with SRSR whereby the Company received an upfront payment of US\$110 million (the "First Stream Deposit") in exchange for the delivery of 8.75% and 100% of gold and silver production, respectively, from PGP and RMP at ongoing payments of 10% of prevailing gold and silver prices. Once 150,000 ounces of gold have been delivered ("Delivery Threshold"), the stream deliveries for gold and silver shall be reduced by 50% to 4.375% and 50%, respectively. The Sprott Stream is senior secured by the Company's mineral properties, plant and equipment until such time that the Deposit reduces to zero.

On November 18, 2024, the Company amended the Sprott Stream with SRSR whereby the Company, upon meeting specified conditions, would receive US\$7.5 million as a prepayment for deliveries of 0.5% and 6.8% gold and silver (the "Second Stream Deposit").

Upon delivery of 8,600 ounces of gold to SRSR, the second stream percentage shall be reduced by 50%. On or before December 31, 2026, the Company has the right to repurchase (and eliminate) the second stream amount for US\$9.7 million. If the Company does not exercise its repurchase right, SRSR has a right to require the Company to repurchase (and eliminate) the second stream amount for a 12 month period commencing on January 1, 2027. As of September 30, 2025, the conditions for release of the prepayment have not been met and are not expected to be met in the future; therefore, the US\$7.5 million prepayment will not be received by the Company and is therefore unrecognized in these financial statements.

The Sprott Stream contains certain customary covenants including continuous uninterrupted operations in accordance with the mine plan, a minimum cash balance of US\$5 million and positive working capital (working capital is defined as the excess of current assets over current liabilities excluding the current portion of the credit facilities, the contract liabilities and any premium portion of flow through shares). On June 25, 2025, the Company suspended underground development and operations which resulted in a default of the Sprott Stream. Given the default, SRSR has the right to issue a written notice requiring a refund of the upfront deposit plus 12% of interest in addition to other remedies available to the Company. Accordingly, the entire balance of the contract liabilities is classified as a current liability.

The First Stream Deposit includes a significant financing component, which results in interest expense which increases the contract liability until delivery occurs and a corresponding increase in the revenue recognized upon delivery. The Company has the nominal pre-tax interest rate at 12%.

From January 1, 2025 until December 31, 2026, Ascot has the right to buy back 50% of the First Stream for US\$80 million in cash (the "First Stream Sprott Stream buyback option"). In the case that the First Stream Sprott Stream buyback option is exercised, then the remaining Delivery Threshold at that time will be reduced by the buyback percentage.

The First Stream Sprott Stream buyback option represents an embedded derivative asset requiring bifurcation from the balance recorded as a contract liability. The derivative is recorded at fair value through profit or loss with the initial recognition of the derivative asset resulting in a corresponding increase in the contract liabilities. The fair value of the derivative at the inception date and at each reporting period was calculated using the Monte Carlo Simulation Method. As of September 30, 2025, the fair value of the Sprott Stream buyback option was nominal (December 31, 2024: \$2,019) resulting in a loss of \$2,019 during the period. The assumptions used in this valuation model, and the resulting fair value of the embedded derivative were as follows:

Valuation date:	September 30, 2025	December 31, 2024
Production forecast period:	Q4 2027 to Q4 2040	Jan. 1, 2025 to Dec. 31, 2037
Designated gold percentage:	8.75%	8.75%
Designated silver percentage:	100%	100%
Forecast gold prices (forward curve):	US\$3,858/oz - US\$5,606/oz	US\$2,624/oz - US\$3,843/oz
Forecast silver prices (forward curve):	US\$46.67/oz - US\$57.37/oz	US\$28.87/oz - US\$41.14/oz
Gold volatility:	16.5%	14.5%
Silver volatility:	27.1%	26.8%
Correlation:	0.6598	0.7786
Buyback exercise date:	December 31, 2026	Varies*
Buyback purchase price:	US\$80 million	US\$80 million
Discount rate:	26.07%	26.00%
Fair value of the derivative:	<\$100	\$2,019

* Jan. 1, 2025, Dec. 31, 2025 and Dec. 31, 2026 (assumed exercised at the first date with a positive payoff)

As of September 30, 2025, the fair value of the Sprott Stream buyback option remained nominal.

b) NSR royalty

In February 2024, the Company entered into a Royalty Agreement with SRSR whereby SRSR provided the Company with a payment of US\$30 million as consideration for a new 3.10% NSR royalty covering the PGP property package (the "Sprott Royalty"). Until the end of 2026, up to 50% (the "Buyback Percentage") of the Sprott Royalty can be repurchased by the Company for varying amounts depending on timing and cumulative production (the "Sprott Royalty buyback option"). The repurchase price is payable in ounces of gold bullion or the equivalent value in cash and is equal to 21,600 and 24,000 gold equivalent ounces in 2025 and 2026, respectively, less the cumulative gold equivalent ounces delivered prior to the repurchase date, with the difference multiplied by the Buyback Percentage.

The consideration received from SRSR has been accounted for by the Company as a sale of mineral interest and a contract liability for the future extraction services of gold and silver ounces. On initial recognition the consideration received for the Sprott Royalty was bifurcated between the implied extraction obligation and the proceeds received representing a sale of an interest in the mineral property. The Company has deferred the portion of the proceeds attributed to the implied extraction obligation as a contract liability. Closing fees, legal fees and due diligence fees associated with the Sprott Royalty were recognized as financing costs in the consolidated statements of comprehensive income (loss).

The Sprott Royalty buyback option represents an embedded derivative asset requiring bifurcation from the balance recorded as contract liabilities. The initial recognition of a derivative asset was accounted for at fair value and subsequent changes are recognized in profit or loss. The fair value of the derivative at the inception date and at the reporting period-ends was calculated using the Monte Carlo Simulation Method. As of September 30, 2025, the fair value of the Sprott Royalty buyback option was \$Nil (December 31, 2024: \$Nil).

Movements in the value of the Company's contract liabilities are as follows:

		Stream		Extraction Services		Total
Balance at January 1, 2025	\$	195,657	\$	38,247	\$	233,904
Accretion		17,394		1,736		19,130
Balance, September 30, 2025	\$	213,051	\$	39,983	\$	253,034
Current		213,051		-		213,051
Non-current	\$	-	\$	39,983	\$	39,983

Movements in the value of the derivatives embedded in the Sprott Stream and the Sprott Royalty are as follows:

		Stream buyback option derivative		Royalty buyback option derivative		Total
Balance at January 1, 2025	\$	2,019	\$	-	\$	2,019
Change in fair value of derivative		(2,019)		-		(2,019)
Balance, September 30, 2025	\$	-	\$	-	\$	-

7. RECLAMATION PROVISIONS

Discounted site closure and reclamation provisions for the Company's properties are as follows:

Balance, December 31, 2024	\$	75,393
Change in estimate		(112)
Accretion of reclamation liability		2,228
Balance, September 30, 2025	\$	77,509
Current		957
Non Current		76,552

The Company's provision for environmental obligations at the Premier Gold mine is based on project plans prepared by management. As at September 30, 2025, the estimated future cash flows have been discounted using a nominal risk-free rate of 4% and a long-term inflation rate range between 1.7% and 2% was used to determine future expected costs (as at December 31, 2024: 4% and 1.7%-2.0%, respectively).

The Company's provision for environmental obligations at the Red Mountain property is based on the reclamation cost estimate prepared by management. As at September 30, 2025, the estimated future cash flows have been discounted using a risk-free rate of 3.17% and a long-term inflation rate of 2.25% was used to determine future expected costs (as at December 31, 2024: 3.23% and 2.25%, respectively).

8. CREDIT FACILITIES

a) Cost overrun facility ("COF")

On February 20, 2024, the Company received US\$20 million, net of an original issue discount of US\$0.8 million, from Nebari Credit Fund II ("Nebari Group"), under the COF, which matures on June 27, 2027. A 1% arrangement fee was paid to Nebari Group upon closing of the COF. Pursuant to the terms of the COF, the interest rate was 10.0% plus the greater of 3.5% and the three-month secured overnight financing rate ("SOFR") per annum. In connection with entering into the COF, the Company issued to Nebari Credit Fund II 10,164,528 warrants (the "COF Warrants") with a strike price of C\$0.53 and a term of 3.35 years.

On November 18, 2024, the COF agreement was amended and restated resulting in amendment of the strike price of the COF Warrants to C\$0.192. The Company issued 5,172,456 common shares of Ascot (the "Alignment Shares") to the Nebari Group. The interest rate on the COF was amended to 10.5% plus the greater of 3.5% and the three-month SOFR per annum. The amendment and restatement of the COF on November 18, 2024 resulted in an insignificant change in the value of future cash flows under the COF. As such, the amendment was accounted for as modification of debt.

On March 14, 2025, the amended and restated COF agreement was further amended resulting in a change in the strike price of the COF Warrants to C\$0.155 and amortization schedule of the COF. The amendment of the amended and restated COF on March 14, 2025 resulted in an insignificant change in the value of future cash flows under the COF. As such, the amendment was accounted for as modification of debt.

After the amendment of the amended and restatement of the COF on March 14, 2025, it follows a progressive amortization schedule with interest and principal payments due monthly for the term of the COF, starting in September 2025. Subject to the terms and conditions of the COF, Ascot may prepay the outstanding principal at any time, subject to a minimum prepayment amount of US\$1 million and Nebari Credit Fund II achieving a minimum absolute return of 15%.

The COF denominated in U.S. dollars was recorded at fair value initially and is subsequently measured over the term of the contract at amortized cost, using the effective interest rate method, and re-translated at each subsequent reporting date at the closing US\$/C\$ exchange rate. The prepayment option and the interest rate floor are considered closely related to the host contract, and therefore do not need to be bifurcated and accounted for as embedded derivatives.

Balance, January 1, 2025	27,268
Interest expense	5,099
Foreign exchange gain	(928)
Balance, September 30, 2025	\$ 31,439
Current	31,439
Non-current	-

The COF is subject to certain conditions and covenants, including continuous uninterrupted operations in accordance with the mine plan, a minimum cash balance of US\$5 million and positive working capital (working capital is defined as the excess of current assets over current liabilities excluding the current portion of the credit facilities, the contract liabilities and any premium portion of flow through shares). On June 25, 2025, the Company suspended underground development and operations which resulted in a default of the COF. Accordingly, the entire balance of the COF is classified as a current liability. Since the suspension of operations in June 2025, the Company has not made scheduled principal and interest payments under the COF.

b) Convertible facility

In June 2023, the Company entered into a credit agreement with Nebari Gold Fund 1, LP ("Nebari Group") for a US\$14 million subordinated convertible non-revolving credit facility (the "Convertible facility"). Upon closing, transaction costs and fees attributable to the Convertible facility have been included in the effective interest rate calculations for the liability component of the Convertible facility measured at amortized cost. Pursuant to the terms of the Convertible facility, interest accrues at a floating rate equal to the base rate of 5.0% plus the greater of 3.0% and the three-month SOFR per annum.

On November 18, 2024, the Convertible facility agreement was amended and restated providing for a relief period (the "Relief Period") until May 31, 2025. On March 14, 2025, the Convertible facility was amended with the Relief Period extended to September 30, 2025. Up to the end of the Relief Period, the interest (including compound interest) is capitalized quarterly and added to principal ("Convert PIK Interest"). Once added, such interest itself bears additional compound interest ("Additional Convert PIK Interest"). Upon the end of the Relief Period, interest on the outstanding principal becomes payable in cash quarterly. All accrued and unpaid interest (including Convert PIK Interest and Additional

Convert PIK Interest) is due and payable in full on June 27, 2027. If an event of default occurs and continues, the interest rate increases by an additional 4% per annum (the "Default Interest Rate"). Overdue amounts, including unpaid interest, accrue interest at this Default Interest Rate until paid in full.

The Convertible facility is subject to certain conditions and covenants, including continuous uninterrupted operations in accordance with the mine plan, a minimum cash balance of US\$5 million and positive working capital (working capital is defined as the excess of current assets over current liabilities excluding the current portion of the credit facilities, the contract liabilities and any premium portion of flow through shares). On June 25, 2025, the Company suspended underground development and operations which resulted in a default of the Convertible facility. Since the suspension of operations in June 2025, the Company has not made scheduled principal and interest payments under the convertible facility.

As of September 30, 2025, the Company accrued interest of \$4,826 on the Convertible facility, which was added to the principal loan amount.

The liability component of the Convertible facility was recorded at fair value initially and is subsequently measured over the term of the contract at amortized cost, using the effective interest rate method, and re-translated at each subsequent reporting date at the closing US\$/C\$ exchange rate.

The Company may elect to prepay the outstanding principal and accrued interest balance in whole or in part at any time. As part of this prepayment condition, Ascot issued to Nebari 25,767,777 unvested share warrants (the "Prepayment Warrants"). Voluntary prepayment is subject to the conditions of the Sprott Stream as well as vesting of a number of Prepayment Warrants that is equal to the quotient of the principal being prepaid divided by the initial US\$14 million advance, with each Prepayment Warrant entitling the holder to purchase one Ascot common share at an exercise price equal to the Conversion Price.

The prepayment option has been determined to be an embedded derivative that is not closely related to the Convertible facility, and therefore it must be bifurcated and accounted for separately. At each reporting period, the derivative is fair valued with changes in fair value recorded as an expense in profit or loss. As at September 30, 2025 this derivative had an estimated fair value of \$Nil (December 31, 2024: \$Nil).

Nebari has an option to convert all or a portion of the Convertible facility's outstanding principal into common shares of Ascot at a conversion price set at C\$0.72 per share (the "Conversion Price") upon initiation of the Convertible facility. In 2024, the Conversion Price was amended to C\$0.192.

On March 14, 2025, the Company entered into an amending agreement to the amended and restated Convertible facility agreement, which amended the Conversion Price to C\$0.155 and deferred interest payment commencing from May 31, 2025 to September 30, 2025. The amendment of the Convertible facility resulted in an insignificant change in the fair value of the Convertible facility. As such, the amendment was accounted for as modification of the debt.

	Convertible facility - Liability component	Convertible facility - Derivative component	Total
Balance, January 1, 2025	\$ 16,142	\$ 8,148	\$ 24,290
Interest expense	3,325	-	3,325
Change in fair value of derivative	-	(7,548)	(7,548)
Foreign exchange gain	(572)	-	(572)
Balance, September 30, 2025	\$ 18,895	\$ 600	\$ 19,495
Current	18,895	600	19,495
Non-current	-	-	-

The conversion feature within the Convertible facility agreement has been determined to be an embedded derivative that is not closely related to the Convertible facility, and is bifurcated and accounted for separately from the liability component. At each reporting period, the derivative is fair valued with changes in fair value recorded as a gain or loss in the statement of comprehensive income (loss).

The fair value of the conversion option derivative at each valuation date was calculated using the Finite Difference Method. The expected volatility assumption in the valuation model is based on the historical volatility of the Company's stock commensurate with the remaining term of the conversion option.

The assumptions used in this valuation model, and the resulting fair value of the embedded derivative were as follows:

Valuation date:	September 30, 2025	December 31, 2024
Maturity date:	Jun. 27, 2027	Jun. 27, 2027
Risk-free rate:	3.70%-4.08%	4.25%-4.32%
Share price:	US\$0.0341	US\$0.1287
Foreign exchange rate:	1.3921	1.4389
Expected volatility (rounded):	70%	70%
Dividend yield:	\$Nil	\$Nil
Interest rate:	5.00% + 3-month SOFR*	5.00% + 3-month SOFR*
Conversion price per share:	C\$0.1550	C\$0.192
Credit spread:	22.69%	22.08%

* Based on SOFR forward curve

The entire balance of the Convertible facility is classified as a current liability due to the lender's right to exercise the conversion option at any time at the Conversion Price.

The credit facilities are secured by the Company's mineral properties, plant and equipment.

9. LEASE LIABILITIES

The Company leased assets including mining equipment, light vehicles, office premises and camp facilities. The assets associated with the lease liabilities are included as right-of-use assets within mineral properties, plant and equipment (Note 5). During the nine months ended September 30, 2025, the Company incurred \$786 (nine months ended September 30, 2024: \$728) related to interest and finance expenses on the lease liabilities.

The following table summarizes the Company's lease activity and the carrying amounts of the lease liabilities at the present value of the remaining lease payments that are recognized in the statement of financial position:

Balance, January 1, 2025	\$	12,895
Additions and lease adjustments		263
Interest expense		56
Interest expense capitalized		730
Disposals		(4)
Lease payments		(3,623)
Balance, September 30, 2025	\$	10,317
Current		4,212
Non-current		6,105

10. PROMISSORY NOTE

On November 18, 2024, the Company issued to its mining contractor a promissory note in the amount of \$20,358 as consideration for certain accounts payable owed to the contractor. On March 14, 2025, the Company amended the amortization schedule of the promissory note. The promissory note bears interest of 8% per annum beginning on September 1, 2025 and matures on August 31, 2026. The promissory note follows a progressive amortization schedule with interest and principal payments due monthly from September 2025 to August 2026. The Company has not made the scheduled principal and interest payment in September 2025.

11. CAPITAL AND RESERVES

a) Share capital

The Company is authorized to issue an unlimited number of common shares with no par value. As at September 30, 2025, the number of total issued and outstanding common shares is 1,487,151,720 (December 31, 2024: 982,832,352).

On March 14, 2025, the Company closed the first of two tranches of the Offering consisting of 142,551,675 charity flow-through units of the Company (the "CDE FT Units") at a price of C\$0.1403 per CDE FT Unit and 191,435,095 hard dollar units of the Company (the "HD Units") at a price of C\$0.115 per HD Unit (together, the "Offered Securities") for gross proceeds of \$42,015. In connection with the Offering, the Company paid fees and expenses in the amount of \$1,920. A premium of \$2,436 on the issuance of CDE FT Units was recorded in other liabilities. Each Offered Security is comprised of one common share of the Company (each, a "Share") and one common share purchase warrant of the Company (each, a "Warrant"). On April 10, 2025, the Company closed the second and final tranche of the Offering (the "Second Tranche"), pursuant to which the Company issued an additional 166,686,959 HD Units at a price of C\$0.115 per HD Unit for additional net proceeds of \$18,732. Each Warrant entitles the holder to acquire one Share at a price of C\$0.155 per Share for a period of 24 months from March 14, 2025. The Shares and Warrants comprising the CDE FT Units qualify as "flow-through shares" within the meaning of subsection 66(15) of the *Income Tax Act* (Canada). The gross proceeds from the offering of the CDE FT Units have been used by the Company to incur eligible "Canadian development expenses" (within the meaning of the *Income Tax Act* (Canada)) (the "Qualifying Expenditures"). The Qualifying Expenditures are incurred or deemed to be incurred and renounced to the purchasers of the CDE FT Units with an effective date no later than September 30, 2025.

During the nine months ended September 30, 2025, the Company issued 3,003,300 common shares for exercised restricted share units ("RSU") and 642,339 common shares for exercised deferred share units ("DSU").

b) Stock options

Total compensation expense related to stock options for the nine months ended September 30, 2025 was \$886 (nine months ended September 30, 2024: \$1,187). The unrecognized compensation cost for non-vested stock options at September 30, 2025 was \$421 (December 31, 2024: \$858).

As of September 30, 2025, the Company had outstanding and exercisable stock options as follows:

Options outstanding				Options exercisable		
Range of price	Number outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price	Number exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price C\$
\$0.06 to \$0.36	10,371,307	4.33	0.17	2,438,973	4.39	0.16
\$0.37 to \$0.49	13,394,284	2.42	0.44	12,103,346	2.39	0.44
\$0.50 to \$0.99	530,000	2.35	0.66	530,000	2.35	0.66
\$1.00 to \$1.35	4,843,465	0.88	1.20	4,843,465	0.88	1.20
	29,139,056	2.84	0.48	19,915,784	2.27	0.60

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Options	Weighted average exercise price (C\$)
Outstanding at January 1, 2024	32,954,504	0.67
Granted	6,067,104	0.19
Exercised	(371,369)	0.52
Expired	(3,810,000)	0.77
Forfeited	(3,474,210)	0.59
Outstanding at January 1, 2025	31,366,029	0.58
Granted	6,104,603	0.16
Canceled	(206,184)	0.22
Expired	(6,514,185)	0.73
Forfeited	(1,611,207)	0.24
Outstanding at September 30, 2025	29,139,056	0.48

The Company uses the Black-Scholes option pricing model to estimate the fair value for all stock-based compensation. The expected volatility assumption inherent in the pricing model is based on the historical volatility of the Company's stock over a term equal to the expected term of the option granted.

During the nine months ended September 30, 2025, the Company granted 6,104,603 stock options to new employees and consultants to retain their services at a weighted average exercise price of \$0.16. The weighted average assumptions used

in the stock option pricing model and the resulting weighted average fair values per option for the options granted during the nine months ended September 30, 2025 were as follows:

Risk-free rate:	2.87% - 3.24%
Expected life:	5 years
Expected volatility:	80.68% - 85.36%
Expected dividends:	Nil
Estimated forfeiture rate:	4%
Weighted average fair value per option:	\$ 0.10

Subsequent to September 30, 2025, 240,976 stock options were forfeited.

c) Share units

The Company uses Ascot's closing stock price on the day prior to the grant date to estimate the fair value for RSU. The RSUs vest on specific dates or upon achieving certain milestones, as determined by the Board. The RSUs are settled in Ascot common shares. For the nine months ended September 30, 2025, \$628 was expensed in the statement of comprehensive loss as stock-based compensation expense for RSUs (nine months ended September 30, 2024: \$354).

The Company uses Ascot's closing stock price on the day prior to the grant date to estimate the fair value for DSU. The Company's DSUs vest immediately and may be redeemed when the individual ceases to be a director of the Company, following which the DSUs will be settled in cash or common shares of the Company at the election of the Board at the time of grant. During the nine months ended September 30, 2025, \$5 was expensed in the statement of comprehensive income loss as stock-based compensation expense for DSUs (nine months ended September 30, 2024: \$52).

During the nine months ended September 30, 2025, the Company granted 3,933,332 RSUs to new employees and consultants to retain their services.

Movements in the number of RSUs and DSUs outstanding are as follows:

	Number of RSUs/PSUs	Number of DSUs
Outstanding at January 1, 2025	8,205,679	3,123,041
Granted	3,933,332	43,181
Exercised	(3,003,300)	(642,339)
Forfeited	(778,542)	-
Expired	(248,131)	-
Outstanding at September 30, 2025	8,109,038	2,523,883

The weighted average remaining contractual life of RSUs outstanding at September 30, 2025 is 3.93 years. The DSUs outstanding at September 30, 2025 expire one year after the individual ceases to be a director of the Company.

Subsequent to September 30, 2025, 104,963 RSUs were forfeited.

d) Warrants

On March 14, 2025, as a part of the Offering (Note 11a), the Company issued 142,551,675 share purchase warrants for CDE FT units and 191,435,095 share purchase warrants for HD Units. On April 10, 2025, as a part of the Second Tranche (Note 11a), the Company issued 166,686,959 warrants for HD Units. The warrants are exercisable for two years from March 14, 2025 at an exercise price of \$0.155 per warrant.

The Company used the relative fair value method to allocate consideration received for the Offering between common shares and share purchase warrants. The Company used the Black-Scholes option pricing model to estimate the fair value of the warrants and it used Ascot's closing stock price on the day prior to the Offering closing date to value the common shares. The expected volatility assumption inherent in the Black-Scholes pricing model was based on the historical volatility of the Company's stock over a term equal to the expected term of the warrants granted. The weighted average assumptions used in this pricing model, and the resulting fair value per warrant for the warrants issued on March 14, 2025 and on April 10, 2025 were as follows:

Risk-free rate:	2.57%
Expected life:	2 years
Expected volatility:	101.96%
Expected dividends:	Nil
Fair value per warrant:	\$ 0.06
Total fair value:	\$28,874
Relative fair value:	\$19,860

Movements in the number of warrants outstanding and their related weighted average exercise prices are as follows:

	Warrants	Weighted average exercise price (C\$)
Outstanding at January 1, 2025	84,594,528	0.48
Issued	500,673,729	0.16
Outstanding at September 30, 2025	585,268,257	0.20

The weighted average remaining contractual life of the warrants outstanding at September 30, 2025 was 1.38 years.

In addition to vested warrants, 25,767,777 unvested warrants were outstanding at September 30, 2025 (Note 8b).

12. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Wages, benefits and management fees	\$ 593	\$ 400	\$ 2,337	\$ 2,457
Legal and professional services	426	731	2,144	1,552
Office and administration expenses	432	74	601	296
Travel	4	33	25	121
Investor relations and shareholders costs	50	47	201	274
Insurance	46	49	151	283
Compliance costs and property taxes	24	-	992	141
	\$ 1,575	\$ 1,334	\$ 6,451	\$ 5,124

13. FINANCE EXPENSE

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Interest on stream agreement ¹	\$ 5,992	\$ -	\$ 5,992	\$ -
Interest on credit facilities ¹	3,921	-	3,921	-
Interest and accretion on promissory note ¹	325	-	325	-
Accretion of asset retirement obligation	750	443	2,228	1,262
Reclamation bond fee	240	277	872	799
Interest on office lease liability	17	(1)	56	17
	\$ 11,245	\$ 719	\$ 13,394	\$ 2,078

¹ This expenditure was capitalized to mineral properties, plant and equipment (Note 5) in 2024 and in the first half of 2025. From July 2025 onwards, this expenditure is expensed in the statement of comprehensive loss.

14. OTHER INCOME

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Interest income	\$ 96	\$ 196	\$ 467	\$ 196.0
Flow through share premium	633	1,865	3,157	2,782
Sale of product inventories	504	-	504	-
Other	(63)	69	21	69
	\$ 1,170	\$ 2,130	\$ 4,149	\$ 3,047

15. RELATED PARTY TRANSACTIONS

The following is a summary of the Company's related party transactions during the period:

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive management and non-executive directors. Key management personnel compensation comprised:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Salaries, directors' and consulting fee and short-term benefits	\$ 333	\$ 204	\$ 1,300	\$ 1,069
Share-based payment transactions	134	222	710	739
	\$ 467	\$ 426	\$ 2,010	\$ 1,808

b) Other Related Party Transactions

Included in accounts payable and accruals at September 30, 2025 is \$74 (December 31, 2024: \$77) due to the Company's executive management.

During the nine months ended September 30, 2025, new members of the Company's executive management were granted 5,004,603 stock options at a weighted average exercise price of \$0.17 and 3,333,332 RSUs with the total fair value of \$528 and \$528, respectively to retain their services.

During the nine months ended September 30, 2025, one of the Company's directors was granted a total of 43,181 DSUs in lieu of cash fees with a fair value of \$5.

16. SEGMENT REPORTING

The Company has two operating segments: the development of the Project (Note 5) and exploration and evaluation of Mt. Margaret. The Company has two geographic areas, Canada and the US.

All of the Company's assets are in Canada except for the Mt. Margaret property which is located in the US. Costs for Mt. Margaret are included in exploration and evaluation assets.

17. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Net changes in non-cash items included in mineral properties		
Depreciation and amortization	\$ (245)	\$ (52)
Capitalized borrowing cost	19,020	24,330
Stock-based compensation	368	394
Change in estimate of reclamation provisions	(112)	21,097
Right-of-use assets	259	6,283
Accounts payable, accrued liabilities and holdbacks	(6,248)	6,847
	\$ 13,042	\$ 58,899

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

IFRS 7 Financial Instruments: Disclosures establishes a fair value hierarchy for financial instruments measured at fair value. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1 - applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 - applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

- Level 3 - applies to assets or liabilities for which there are unobservable market data.

The Company's recorded amounts of cash and cash equivalents, trade and other receivables, trade and other payables, other liabilities, lease liabilities and promissory note approximate their respective fair values due to their short-term nature. The carrying value of the reclamation deposit approximates its fair value, as it is cash-based.

The following tables present the Company's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. They do not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at September 30, 2025

	Fair value		
	Level 1	Level 2	Level 3
Financial assets			
Stream buyback option	\$ -	\$ -	\$ -
Royalty buyback option	-	-	-
	\$ -	\$ -	\$ -
Financial liabilities			
Convertible facility - derivative portion	\$ -	\$ -	\$ 600
	\$ -	\$ -	\$ 600

As at December 31, 2024

	Fair value		
	Level 1	Level 2	Level 3
Financial assets			
Stream buyback option	\$ -	\$ -	\$ 2,019
	\$ -	\$ -	\$ 2,019
Financial liabilities			
Convertible facility - derivative portion	\$ -	\$ -	\$ 8,148
	\$ -	\$ -	\$ 8,148

Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, currency risk, interest rate risk and liquidity risk. Risk management is carried out by management under policies approved by the board of directors. Management identifies and evaluates the financial risks in cooperation with the Company's departments. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance, in the context of its general capital management objectives.

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, cash equivalents and reclamation deposits. The Company limits its exposure to credit loss by placing its cash, cash equivalents and reclamation deposits with high credit quality financial institutions. Substantially all of our cash and cash equivalents held with financial institutions exceeds government-insured limits. We seek to minimize our credit risk by entering into transactions with investment grade worthy and reputable financial institutions and by monitoring the credit standing of the financial institutions with whom we transact. We seek to limit the amount of exposure with any one counterparty. The carrying amount of financial assets represents the maximum credit exposure.

Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company has not used any financial instrument to hedge potential fluctuations in foreign exchange rates. The Company's significant financial instruments denominated in a foreign currency (U.S. dollar) are the credit facilities (Note 8) and cash in treasury account (Note 3). A 10% decrease (increase) of the value of the Canadian dollar relative to the U.S. dollar as at September 30, 2025 would result in an additional \$4,619 foreign exchange loss (gain) reported in the Company's statement of comprehensive income (loss) for the nine months ended September 30, 2025 (nine months ended September 30, 2024: \$3,204).

Interest Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash in treasury accounts carried at variable interest rates. The Company's significant financial instruments valued using fluctuating risk-free interest rates are the Sprott Stream and Royalty buyback options (Note 6) and the derivative components of the credit facilities (Note 8). The Company's credit facilities and mining equipment lease liability are carried at floating interest rates. The Company has estimated that a one percentage point increase in the interest rate on its credit facilities and mining equipment lease would result in an additional \$383 of interest added to the balance of the credit facilities and \$73 interest paid for the nine months ended September 30, 2025. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered insignificant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to maintain sufficient cash to meet obligations when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

As at September 30, 2025, Ascot had a cash and cash equivalents balance of \$5,386 and a working capital deficiency of \$294,178, which included the \$213,051 value of the Sprott Stream, the \$20,232 value of the Convertible facility and the \$31,439 value of the COF, which are classified as current due to the Company being in default (Notes 6 and 8).

Contractual undiscounted cash flow requirements for financial liabilities as at September 30, 2025 were as follows:

	Less than 1 year	1-3 years	4-5 years	After 5 years	TOTAL
Trade and other payables	\$ 14,007	\$ -	\$ -	\$ -	\$ 14,007
Lease liabilities	4,212	6,370	1,203	-	11,785
Promissory note (Note 10)	21,437	-	-	-	21,437
Convertible facility (Note 8)	27,548	-	-	-	27,548
Cost overrun facility (Note 8)	36,466	-	-	-	36,466
	\$ 103,670	\$ 6,370	\$ 1,203	\$ -	\$111,243

As of September 30, 2025, the Convertible facility and the COF are classified as current liabilities (payable in less than 1 year) since the Company is not considered to have unconditional right to defer payment for the next 12 months under IAS 1 due to being in default (Note 8).

The Company is required to make a yearly service fee of \$1,010 plus reasonable maintenance costs for each calendar year until termination (which can be done on 6 months' notice) under an agreement for electrical power interconnection and transmission service.

The Company monitors its obligations as they become due by preparing annual capital and administrative expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure. The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable as well as the credit facilities (Note 8). The Company's trade and other accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company's Convertible facility and COF are classified as current on the statement of financial position as the Company was in default on those financial instruments as of September 30, 2025. The cash outflows on the facility have been categorized using the contractual maturities of the facility as exercise of the conversion option by the holder would be a non-cash exercise and not result in a cash outflow for the Company.

19. CONTINGENCIES

On February 26, 2025, a contractor to the Company provided the Company with a formal notice that a dispute has arisen under the terms of a construction contract. Pursuant to the terms of the contract, Ascot is required to adhere to the dispute resolution timeline. Accordingly, the Company has recorded a provision of approximately \$3,500. Subsequent to September 30, 2025, the Company reached a settlement in principle, subject to certain conditions, with the contractor and the settlement does not materially differ from the provision recorded.

During the quarter a statement of claim, related to a securities matter, was filed in the Ontario Superior Court of Justice against the Company asserting various claims relating to its public disclosure (the "Action"). The plaintiff seeks certification as a class proceeding and, with any other class members, seeks unspecified damages. At this time the Company cannot predict the outcome of the Action or determine the amount of any potential losses. The Company has engaged independent legal counsel and believes the statement of claim against it is unfounded and without merit, and it intends to vigorously defend the proceeding.

20. SUBSEQUENT EVENT

Subsequent to September 30, 2025, the Company entered into an advisory agreement in which Fiore Management and Advisory Corp. ("Fiore") has agreed to assist Ascot with restructuring and financing. Key components of the restructuring and financing plan include a \$14.9 million rights offering ("Rights Offering"), a 50:1 share consolidation and a \$150 million equity offering. There is no assurance the restructuring and financings will be completed and remain subject to approval by the TSX Venture Exchange and certain shareholder approval requirements.

In addition, the Company completed a bridge loan financing of US\$18 million and arranged for the settlement of certain existing lien claims in relation to the Project from the proceeds of the anticipated rights offering. The bridge loan is available in multiple drawdowns which are subject to the satisfaction of certain conditions precedent after US\$3 million has been drawn.

Concurrent with the bridge loan and the settlement of certain existing lien claims, the Company received default waivers relating to its credit facilities, promissory note and streaming agreements. The waivers are in effect until the earlier of December 31, 2025 or certain conditions of the restructuring and financings not being achieved.

Ascot Resources Ltd.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
Presented in Thousands of Canadian Dollars Except Price per Share/Unit
(Unaudited)

In connection with the Rights Offering, the Company will be offering 1,487,151,720 rights to certain shareholders at the close of business on the record date of November 18, 2025 on the basis of one right for each common share. Each right will entitle the holder (the "Shareholders") to subscribe for one common share of the Company at the subscription price of \$0.01 per right share. The Company has entered into a standby agreement with Fiore which has agreed to acquire 100% of all outstanding rights shares not otherwise acquired under the Rights Offering by the Shareholders.