Pecoy Copper Corp.

Condensed interim consolidated financial statements
for the three months ended July 31, 2026 and 2025
(Unaudited)

(Expressed in Canadian dollars)

The attached unaudited condensed interim consolidated financial statements have been prepared by management of Pecoy Copper Corp. and have not been reviewed by its external auditor.

Pecoy Copper Corp.
Consolidated statement of financial position (unaudited)
As at July 31, 2026
(in Canadian dollars, except otherwise noted)

	As at July 31, 2026	As at April 30, 2026
Assets	$	$
Current assets		
Cash and cash equivalents (Note 5)	28,795,808	22,450,343
Short-term investments (Note 5)	6,313,050	19,073,600
Other receivables	864,985	921,651
Prepaid expenses	350,854	301,226
Total current assets	36,324,697	42,746,820
Non-current assets		
Property and equipment	111,122	84,380
Exploration and evaluation assets (Note 6)	69,650,589	69,102,700
Total non-current assets	69,761,711	69,187,080
Total assets	106,086,408	111,933,900
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	3,141,544	5,222,069
Amount payable to a dissenting shareholder	1,163,386	1,163,386
Minandex acquisition payable	4,208,700	4,087,200
Total current liabilities	8,513,630	10,472,655
Non-current liabilities		
Balance of purchase price	208,820	200,784
Total liabilities	8,722,450	10,673,439
Shareholders' equity		
Common shares	109,897,331	109,897,331
Warrants	4,815,614	4,815,614
Contributed surplus (Note 7)	3,073,219	2,762,858
Accumulated other comprehensive income (loss)	304,613	(157,830)
Deficit	(20,726,819)	(16,057,512)
Total shareholders' equity	97,363,958	101,260,461
Total liabilities and shareholders' equity	106,086,408	111,933,900

Description of business and liquidity risk (Note 1)

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

Approved on behalf of the Board

(signed) Vincent Metcalfe, Director

(signed) Paul Matysek, Director

Pecoy Copper Corp.
Consolidated statement of loss and comprehensive loss (unaudited)
For the three months ended July 31, 2026 and 2025
(in Canadian dollars, except otherwise noted)

	For the three months ended	
	July 31, 2026	**July 31, 2025**
	$	$
Operating expenses		
Share-based compensation (Note 7)	310,361	1,476,297
Exploration expenses	3,574,823	–
General and administrative expenses	1,361,380	2,356,676
Listing expenses	–	112,368
Total operating expenses	**5,246,564**	**3,945,341**
Other expenses (income)		
Interest (income) expenses, net	(279,866)	(1,091)
Foreign exchange (gain) loss	(297,391)	306
Total other expenses (income)	(577,257)	(785)
Net loss	**4,669,307**	**3,944,556**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(462,443)	–
Comprehensive loss	**4,206,864**	**3,944,556**
Net loss per share – Basic and diluted (Note 8)	0.02	0.17

The net loss and comprehensive loss are solely attributable to Pecoy Copper Corp.'s shareholders.

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

Pecoy Copper Corp.
Consolidated statement of cash flows (unaudited)
For the three months ended July 31, 2026 and 2025
(in Canadian dollars, except otherwise noted)

	For the three months ended	
	July 31, 2026	**July 31, 2025**
	$	$
Operating activities		
Net loss for the period	(4,669,307)	(3,944,556)
Adjustments for:		
Professional fees settled through issuance of warrants	–	2,214,191
Share-based compensation (Note 7)	310,361	1,476,297
Foreign exchange gain	(431,537)	–
Accretion of interest on balance of purchase price	8,036	–
Changes in other assets and liabilities		
Other receivables	56,666	–
Prepaid expenses	(49,628)	–
Accounts payable and accrued liabilities	(2,080,525)	179,249
Net cash used in operating activities	(6,855,934)	(74,819)
Investing activities		
Redemption of short-term investments	13,139,923	–
Acquisition of property and equipment	(26,742)	–
Advance to Pembrook Copper Corp.	–	(1,548,670)
Restricted cash	–	(61,491,223)
Deferred transaction costs	–	(128,044)
Acquisition of exploration and evaluation assets	(49,000)	–
Net cash provided by (used in) investing activities	13,064,181	(63,167,937)
Financing activities		
Proceeds on issuance of common shares	–	2,000,000
Proceeds on issuance of subscription receipts	–	63,480,000
Share issuance costs	–	(8,251)
Subscription receipts issuance costs	–	(2,004,900)
Repayment of shareholder loans	–	(4,000)
Net cash provided by financing activities	–	63,462,849
Net increase in cash and cash equivalents	**6,208,247**	**220,093**
Effect of foreign exchange on cash and cash equivalents	137,218	–
Cash and cash equivalents – beginning of the period	**22,450,343**	**703,915**
Cash and cash equivalents – end of the period	**28,795,808**	**924,008**

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

Pecoy Copper Corp.
Consolidated statement of changes to shareholders' equity (unaudited)
For the three months ended July 31, 2026 and 2025
(in Canadian dollars, except otherwise noted)

	Number of common shares outstanding $	Common shares $	Warrants $	Contributed surplus $	Accumulated other comprehensive income (loss) $	Deficit $	Total $
Balance as at May 1, 2026	**209,488,853**	**109,897,331**	**4,815,614**	**2,762,858**	**(157,830)**	**(16,057,512)**	**101,260,461**
Net loss and comprehensive income (loss)	–	–	–	–	462,443	(4,669,307)	(4,206,864)
Share-based compensation:							
- Options	–	–	–	279,318	–	–	279,318
- RSUs and DSUs	–	–	–	31,043	–	–	31,043
Balance as at July 31, 2026	**209,488,853**	**109,897,331**	**4,815,614**	**3,073,219**	**304,613**	**(20,726,819)**	**97,363,958**

	Number of common shares outstanding $	Common shares $	Warrants $	Contributed surplus $	Accumulated other comprehensive income (loss) $	Deficit $	Total $
Balance as at May 1, 2025	**18,333,331**	**1,093,977**	**–**	**–**	**–**	**(39,413)**	**1,054,564**
Net loss and comprehensive loss	–	–	–	–	–	(3,944,556)	(3,944,556)
Issuance of common shares	6,666,669	2,000,000	–	–	–	–	2,000,000
Issuance of warrants	–	–	2,214,191	–	–	–	2,214,191
Share-based compensation	–	–	–	1,476,297	–	–	1,476,297
Shares and warrants issuance costs	–	(24,779)	(8,610)	–	–	–	(33,389)
Balance as at July 31, 2025	**25,000,000**	**3,069,198**	**2,205,581**	**1,476,297**	**–**	**(3,983,969)**	**2,767,107**

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

Note 1 – Description of business and liquidity risk

Pecoy Copper Corp. ("Pecoy" or the "Corporation") was incorporated on October 16, 2014. Pecoy is domiciled in Canada and is incorporated under the *Business Corporations Act* (British Columbia). The address of the Corporation's registered office is 666 Burrard Street, Suite 2700, Vancouver, British Columbia, Canada.

The Corporation, an exploration stage company, is primarily focused on advancing exploration of the Pecoy Copper-Gold-Molybdenum-Silver Project (the "Pecoy Project"), comprising the Pecoy and Minandex properties, located in Condesuyos Province, Arequipa, Peru. The Corporation also owns the Tororume property.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which covers at least, but is not limited to, twelve months from the end of the reporting period. As at July 31, 2026, the Corporation has a working capital of $27,811,067 which includes a cash and cash equivalents balance of $28,795,808. The Corporation has an accumulated deficit of $20,726,819 and a net loss of $4,669,307 for the three months ended July 31, 2026.

Management of the Corporation believes that it has sufficient funds to pay its ongoing general and administrative expenses and exploration expenses and to meet its liabilities, obligations and existing commitments for the ensuing 12 months as they fall due. The Corporation's ability to continue future operations beyond twelve months and fund its exploration expenses is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways, including, but not limited to, the issuance of debt or equity instruments. Management will pursue such additional sources of financing when required, and while management has been successful in securing financing in the last 12 months, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Corporation or that they will be available on terms which are acceptable to the Corporation. Failure to secure future financing may impact and/or curtail the planned activities for the Corporation, which may include, but are not limited to, the suspension of certain exploration activities.

Management is aware of material uncertainties related to events and conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Note 2 – Basis of presentation and statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements under IAS 34 *Interim Financial Reporting*. Accordingly, certain disclosures included in the audited annual consolidated financial statements prepared in accordance with the IFRS Accounting Standards have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Corporation's audited consolidated financial statements for the year ended April 30, 2026 and the 38-day period ended April 30, 2025. The accounting policies, methods of computation and presentation used in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those of the previous financial year except for the new material accounting policies described in Note 3 and the reclassification of the line-item Professional fees within the line-item General and administrative expenses. The comparative figures have been reclassified to conform to the current period's presentation.

The unaudited condensed interim consolidated financial statements included herein reflect all adjustments, consisting only of normal recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the interim periods presented. The results of operations for the three months ended July 31, 2026 are not necessarily indicative of the results to be expected for the full year.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors of the Corporation on September 25, 2026.

Note 3 – Material accounting policies information

Amendments – IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosure

On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7, which respond to recent questions arising in practice. The amendments were issued to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows; and
- update disclosures for equity instruments designated at fair value through other comprehensive income.

These amendments are effective for periods beginning on May 1, 2026 and are applied retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, with no restatement of comparatives per the initial transition requirements of these amendments. The Corporation has not elected the optional exception to derecognize financial liabilities settled through an electronic payment system prior to the settlement date. The Corporation's existing accounting policy is to derecognize financial liabilities when settlement is confirmed at the bank, which is consistent with the settlement-date derecognition requirements clarified by these amendments. The adoption of these amendments had no material impact on the Corporation's unaudited condensed interim consolidated financial statements for the three months ended July 31, 2026.

Note 4 – Critical accounting estimates, assumptions and judgements

The preparation of these unaudited condensed interim consolidated financial statements requires management to make judgements, 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. The critical accounting estimates, assumptions and judgements applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied in the Corporation's audited consolidated financial statements for the year ended April 30, 2026 and the 38-day period ended April 30, 2025. These unaudited condensed interim consolidated financial statements should be read in conjunction with those annual audited consolidated financial statements.

Note 5 – Cash and cash equivalents and short-term investments

As at July 31, 2026, cash and cash equivalents include $10,000,000 held in guaranteed investment certificates bearing an annual interest rate of prime rate minus 2% with maturity dates in October 2026 (April 30, 2026 – $10,000,000). These guaranteed investment certificates are redeemable on demand. The accrued interest receivable as at July 31, 2026 is $189,959 (April 30, 2026 – $150,944) and is included as Other receivables on the Consolidated statement of financial position.

As at July 31, 2026, short-term investments include $6,313,050 (US$4,500,000) held in guaranteed investment certificates bearing annual interest rates between 3.75% and 3.87% with maturity dates between October and December 2026 (April 30, 2026 – $19,073,600 (US$14,000,000)). The accrued interest receivable as at July 31, 2026 is $168,352 (April 30, 2026 – $327,041) and is included as Other receivables on the Consolidated statement of financial position.

Note 6 – Exploration and evaluation assets

	For the three months ended July 31, 2026 $	For the year ended April 30, 2026 $
Opening balance	**69,102,700**	**–**
Acquisition of exploration and evaluation assets	49,000	57,162,262
Second instalment on Minandex paid in cash	–	3,802,062
Third instalment on Minandex settled in shares	–	4,156,200
Minandex acquisition payable	–	4,156,200
Additions	–	21,658
Currency translation impact	498,889	(195,682)
Ending balance	**69,650,589**	**69,102,700**

Note 7 – Share-based compensation

Share options

Issuance of share options on May 11, 2026

On May 11, 2026, the Corporation granted 40,000 incentive share options to one director of the Corporation. The options have an exercise price of $1.66 per common share and expire five years from the date of grant. The options vest in three equal tranches on each of the first, second and third anniversaries of the date of grant.

Issuance of share options on June 26, 2026

On June 26, 2026, the Corporation granted 1,823,100 incentive share options to officers and directors of the Corporation. The options have an exercise price of $1.78 per common share and expire five years from the date of grant. The options vest in three equal tranches on each of the first, second and third anniversaries of the date of grant.

Additionally, on June 26, 2026, the Corporation granted 148,500 incentive share options to one director of the Corporation. The options have an exercise price of $1.78 per common share and expire five years from the date of grant. These options vested immediately.

The fair value of share options granted on May 11, 2026 and June 26, 2026 and principal assumptions used in applying the Black-Scholes option pricing model are as follows:

	May 11, 2026 grant	June 26, 2026 grant
Black-Scholes assumptions		
Share price	$1.66	$1.78
Exercise price	$1.66	$1.78
Expected volatility	65%	65%
Risk-free interest rate	3.15%	2.99%
Expected dividend	Nil	Nil
Expected option life, in years	5.0	5.0
Fair value per option granted	**$0.94**	**$1.00**

Restricted and deferred share units

Issuance of restricted share units ("RSU") and deferred share units ("DSU")

On June 26, 2026, the Corporation granted 230,400 RSUs to officers of the Corporation, vesting in three equal tranches on each of the first, second and third anniversaries of the date of grant; and 50,000 DSUs to directors of the Corporation, vesting on the date of the shareholders' annual meeting for the year ending April 30, 2027. The weighted average intrinsic value of the RSUs and DSUs granted, at issuance, was $1.43.

Note 8 – Net loss per share

The calculation of basic and diluted net loss per share for the three months ended July 31, 2026 was based on the net loss attributable to shareholders of $4,669,307 (2025 – $3,944,556) and the weighted average number of common shares outstanding of 209,488,853 (2025 – 23,776,426).

Excluded from the calculation of the diluted loss per share for the three months ended July 31, 2026 are 16,166,667 warrants (2025 – 6,000,000), 9,616,600 share options (2025 – 3,750,000), 230,400 RSUs (2025 – nil) and 50,000 DSUs (2025 – nil), as their effect would be anti-dilutive given the net loss incurred in the period.