



Consolidated Financial Statements of

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

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

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Financial Position
Stated in Canadian dollars

	As at	
	March 31, 2026	December 31, 2025
Assets		
Current Assets:		
Cash	875,729	431,406
GST receivable	32,792	79,864
Prepaid and deposits	219,449	217,961
	1,127,90	729,231
Restricted deposits (Note 3)	1,124,468	1,085,068
Property and equipment (Note 4)	8,629	11,034
Exploration and evaluation assets (Note 5)	1,546,823	1,508,364
Total Assets	3,807,890	3,333,697
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	1,744,882	1,822,967
Flow-through premium liabilities (Note 13)	450,000	450,000
Due to related parties (Note 8)	7,532,899	7,163,879
Total Liabilities	9,727,781	9,436,846
Shareholders' Deficiency		
Common shares (Note 7(b))	28,560,786	27,308,925
Warrants (Note 7(c))	514,726	590,725
Contributed surplus	11,084,845	10,953,144
Deficit	(46,069,833)	(44,945,539)
Deficiency attributable to equity holders	(5,909,476)	(6,092,745)
Non-controlling interest	(10,415)	(10,404)
Total Shareholders' Deficiency	(5,919,891)	(6,103,149)
Total Liabilities and Shareholders' Deficiency	3,807,890	3,333,697

Going concern (Note 1)

Subsequent events (Note 15)

Approved on behalf of the Board of Directors

Frank Marasco Jr., CEO and Director

Barry Baim, Corporate Secretary and Director

See accompanying notes to the consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
Stated in Canadian dollars

	For three months ended	
	March 31, 2026	March 31, 2025
Expenses (income)		
Office salaries and benefits	98,161	92,275
Legal, audit, and accounting	68,189	155,942
Promotion and investor relations	52,820	56,321
Other office costs	73,745	38,674
Exploration expense (Note 6)	459,737	85,307
Interest and bank charges (Note 8)	117,655	108,329
Accretion (Note 8)	251,592	203,439
Depreciation (Note 4)	2,405	2,445
Net loss and comprehensive loss	(1,124,304)	(742,732)
Net loss attributable to:		
Equity holders of the Company	(1,124,294)	(742,708)
Non-controlling interest	(10)	(24)
	(1,124,304)	(742,732)
Loss per share		
Basic and diluted	(0.01)	(0.01)
Weighted average number of shares outstanding (Note 7(e))		
Basic and diluted	118,161,561	102,039,483

See accompanying notes to the consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Shareholders' Deficiency
Stated in Canadian dollars

	Three months ended	
	March 31, 2026	March 31, 2025
Common shares (Note 7(b))		
Balance, beginning of year	27,308,925	22,736,295
Private placement	914,911	916,345
Warrants exercised	307,563	-
Reallocation of warrant fair value on exercise	29,387	-
Balance, end of year	28,560,786	23,652,640
Warrants (Note 7(c))		
Balance, beginning of year	590,725	1,819,736
Issued on private placement	85,089	157,596
Reallocation of warrant fair value on exercise	(29,387)	-
Warrants expired unexercised	(131,701)	(584,938)
Balance, end of year	514,726	1,392,394
Contributed surplus		
Balance, beginning of year	10,953,144	9,627,455
Warrants expired unexercised	131,701	584,938
Balance, end of year	11,084,845	10,212,393
Deficit		
Balance, beginning of year	(44,945,539)	(40,415,568)
Net loss and comprehensive loss	(1,124,294)	(742,708)
Balance, end of year	(46,069,833)	(41,158,276)
Total Shareholder's deficiency	(5,909,476)	(5,900,849)

See accompanying notes to the consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Cash Flow
Stated in Canadian Dollars

	Three months ended	
	March 31, 2026	March 31, 2025
Cash provided by (used in)		
Operating		
Net loss	(1,124,304)	(742,732)
Add (deduct) non-cash items:		
Interest accrued - related party loan (Note 8)	117,428	107,678
Accretion (Note 8)	251,592	203,439
Depreciation (Note 4)	2,405	2,445
	(752,879)	(429,170)
Net change in non-cash working capital (Note 14)	(32,502)	(87,323)
Cash Flow used in operating activities	(785,381)	(516,493)
Financing		
Issue of shares and warrants (Note 7)	1,307,563	1,073,937
Cash Flow from financing activities	1,307,563	1,073,937
Investing		
Mineral Property Bond (Note 3)	(39,400)	-
Exploration costs (Note 5)	(38,459)	-
Cash flow used in investing activities	(77,859)	-
Increase in cash	444,323	557,444
Cash, beginning of year	431,406	245,393
Cash, end of year	\$ 875,729	\$ 802,837
Supplemental information		
Interest paid	\$ 227	\$ 611

See accompanying notes to the consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the years ended March 31, 2026 and 2025

1. Nature of operations and going concern

West High Yield (W.H.Y.) Resources Ltd. (the "Company") was incorporated on August 29, 2003 under the laws of the Province of Alberta and its principal business activities are the acquisition, exploration and development of mineral properties in British Columbia, Canada. The Company's shares trade on the TSX Venture Exchange under the trading symbol WHY as well as the Frankfurt exchange under the symbol WOH. The Company's registered head office is P.O. Box 68121, Calgary, AB, T3G 3N8.

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

The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The ability of the Company to continue as a going concern is dependent on continued forbearance of the amounts due to related parties and the Company's ability to obtain financing to continue exploration and development of its mineral properties. There is no certainty that the Company will be able to obtain the financing required to continue exploration and development activities or of the ongoing forbearance of related parties and other creditors. In addition, there is no certainty that the Company's mineral properties will contain economically recoverable reserves. For the three months ended March 31, 2026, the Company had incurred a net loss of \$1,124,304 and used cash in operations of \$785,381. As at March 31, 2026, the Company had a working capital deficiency of \$8,599,809. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying amount and classification of assets and liabilities and the amount of reported expenses. Such adjustments could be material.

2. Material accounting policy information

(a) Basis of presentation and measurement

Statement of compliance:

These condensed interim consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The financial statements were prepared using the same accounting policies, critical judgements and key estimates which the Company applied in its annual financial statements for the year ended December 31, 2025 and do not include certain disclosures that are normally required to be included in annual financial statements which have been condensed or omitted. Accordingly, these financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2025.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 22, 2026.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the years ended March 31, 2026 and 2025

Basis of measurement

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

These condensed interim consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

(b) Use of judgments and estimates

Management is required to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. Management reviews these judgments, estimates and assumptions on an ongoing basis, including those related to fair values of financial instruments, recoverability of assets and income taxes. Actual results may differ from these estimates.

The key estimates and judgments concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

(c) Adopted Accounting Pronouncements

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

On January 1, 2026 the Company adopted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures relating to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets. There was no material impact on Company's financial statements from its adoption.

(d) Future Accounting Pronouncements

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1 and includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in the financial statements. IFRS 18 will introduce new totals, subtotals, and categories for income and expenses in the statement of income, as well as requiring disclosure about management-defined performance measures and additional requirements regarding the aggregation and disaggregation of certain information. It will be effective on January 1, 2027, with earlier adoption permitted, and it must be adopted on a retrospective basis. The Company is currently evaluating the impact on its financial statements.

3. Restricted deposits

As at March 31, 2026, the Company has \$1,124,468 (2025 - \$1,085,068) in deposits in restricted accounts as required by the British Columbia Ministry of Mining.

The Company has provided reclamation security deposits in the form of a letter of credit in favour of the Government of British Columbia in the amount of \$1,124,468.

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Reclamation security deposits consist of the following:

	March 31, 2026 \$	December 31, 2025 \$
Record Ridge project	1,124,468	1,085,068
Total net book value	1,124,468	1,085,068

The security held for the Record Ridge reclamation security deposits consist of highly liquid money market funds in investment accounts with a large Canadian financial institution.

4. Property and equipment

March 31, 2026	Cost	Accumulated amortization	Net book value
Buildings	29,692	29,692	-
Office equipment	89,912	88,650	1,262
Automotive equipment	181,435	174,068	7,367
Field equipment	82,449	82,449	-
	383,488	374,859	8,629

December 31, 2025	Cost	Accumulated amortization	Net book value
Buildings	29,692	29,692	-
Office equipment	89,912	88,486	1,426
Automotive equipment	181,435	171,827	9,608
Field equipment	82,449	82,449	-
	383,488	372,454	11,034

5. Exploration and evaluation assets

In September 2003, the Company acquired a mineral property for a total cost of \$1,258,509. The property consists of eight crown granted mineral claims, three modified grid claims and six staked claims in the Rossland Mining Camp located in the Trail Creek Mining district in southeastern British Columbia, Canada.

The Company submitted its initial *Mines Act* (British Columbia) and *Environmental Management Act* (British Columbia) permit application for its Record Ridge Industrial Mineral Mine project (the "RRIMM Project") in February 2019, followed by an amended application in February 2022 responding to British Columbia Ministry of Energy, Mines, and Low carbon Innovation feedback. Subsequent meetings and technical assessments in 2022–2023 led to the completion of the screening process in May 2023, advancing the RRIMM Project into the final review phase.

On October 21, 2025, the Company received its final *Mines Act* (British Columbia) permit from the British Columbia Ministry of Mining and Critical Minerals (the "Final Permit"), authorizing the development and operation of the RRIMM Project. The Final Permit represents a major milestone for the Company and marks the transition of RRIMM Project from a multi-year regulatory and technical evaluation phase into an executable development and mining project. With this approval, the Company has substantially de-risked the path to near-

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term production and advanced its strategic alignment with federal and provincial priorities for domestic critical mineral supply and onshore refining capacity.

Following issuance of the Final Permit, the Company has initiated the standard post-permit compliance steps required before construction. These include submitting final engineering drawings for permitted site infrastructure, updating select environmental and operational management plans to reflect permit conditions, completing required environmental field studies and monitoring programs, and coordinating construction planning with the Osoyoos Indian Band and RRIMM Project contractors.

During the three months ended March 31, 2026, the Company incurred \$38,459 related to mine design and development activities.

A reconciliation of exploration and evaluation assets is as follows:

	RRIMM	Acquisition costs	Total
Balance, December 31, 2025	\$ -	\$ 1,508,364	\$1,508,364
Exploration costs	38,459	-	38,459
Balance, March 31, 2026	\$ 38,459	\$ 1,508,364	\$ 1,546,823

There were no impairment indicators for the exploration and evaluation assets as of March 31, 2026 or 2025.

On October 1, 2023, the Company entered into a lease agreement (the "Lease") with Big Mountain Development Corp. Ltd. ("Big Mountain"), a related party of the Company (Note 8), whereby the Company agreed to lease lands from Big Mountain located in Rossland, British Columbia that are adjacent to its Record Ridge magnesium deposit and Midnight gold claim for the purposes of asset storage and a staging location for its Record Ridge claims. The Lease is for a term of five (5) years, with an option to renew said lease term for an additional five (5) years after the expiration of the initial term. The rent payable by the Company to Big Mountain under the Lease is CAD\$65,000 per annum. The Company shall, during the initial term and any renewal term, have the option to purchase from Big Mountain the lands it is leasing under the Lease for the purchase price of CAD\$745,000 (if such option is exercised in the first year of the initial term) and the purchase price shall increase by fifteen (15%) percent for every year after the first (1st) year of the initial term and any renewal term should the option to purchase not be exercised by the Company during the first (1st) year of the initial term.

6. Exploration and evaluation costs

Exploration costs expensed by the Company on its Record Ridge property are as follows:

	Three months ended	
	March 31, 2026	December 31, 2025
Consulting and labor	357,607	560,865
Indigenous and First Nations	-	14,596
Legal	43,316	38,624

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Assay	-	7,947
Drilling	-	4,196
Permitting	-	12,371
Reporting	8,059	43,772
Environmental	7,500	-
Geophysical surveys	-	29,046
Geochemical sampling surveys	10,925	31,678
Field equipment and supplies	-	3,338
Miscellaneous field office	-	2,152
Project management	30,000	-
Other Exploration costs	47	-
Freight and equipment transport	539	122
Utilities	1,744	2,307
Property and mineral taxes	-	4,222
Total	459,737	755,236

During the three months ended March 31, 2026, the Company continued to work on the environmental study, stakeholder engagement, and mine plan development as required by the Environmental Assessment Certification and permit processes set out by the British Columbia Ministry of Mines.

7. Equity instruments

(a) Share capital:

The Company's authorized share capital consists of an unlimited number of common shares without par value.

(b) Common shares issued and outstanding:

The continuity of the Company's issued common share capital is as follows:

	Number of Shares	Amount
<i>Balance as at December 31, 2024</i>	101,239,632	22,736,295
Options exercised	2,400,000	896,000
Warrants exercised	8,001,117	2,542,133
Fair value reclass pursuant to warrant exercises	-	370,704
Private placements ((i)-(xvii))	4,669,290	763,793
<i>Balance as at December 31, 2025</i>	116,310,039	27,308,925
Warrants exercised ((xx)-(xxi))	878,750	307,563
Fair value reclass pursuant to warrant exercises	-	29,387
Private placements ((xviii)-(xix))	2,000,000	914,911
Balance as at March 31, 2026	119,188,789	28,560,786

Notes:

- (i) On March 10, 2025, the Company completed the first tranche closing of a new non-brokered private placement offering of units ("PP #4") by issuing 2,931,391 units at a price of \$0.23 per unit for total gross proceeds of \$674,220. Each unit issued consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per common share until March 10, 2026.

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Notes to the Condensed Interim Consolidated Financial Statements
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- (ii) On March 25, 2025, the Company completed the final tranche closing of PP #4 by issuing 1,737,899 units at a price of \$0.23 per unit for total gross proceeds of \$399,717. Each unit issued consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per common share until March 25, 2026.
- (iii) On June 2, 2025, the Company issued 50,000 common shares from the exercise of 50,000 share purchase warrants at \$0.30 per share purchase warrant for total gross proceeds of \$15,000.
- (iv) On June 9, 2025, the Company issued 280,000 common shares from the exercise of 280,000 share purchase warrants at \$0.30 per share purchase warrant for total gross proceeds of \$84,000.
- (v) On August 21, 2025, the Company issued 2,400,000 common shares from the exercise of 2,400,000 options at \$0.12 per share for total gross proceeds of \$288,000 and issued 100,000 common shares from exercise of 100,000 share purchase warrants at \$0.30 per share purchase warrant for total gross proceeds of \$30,000. A loss of \$608,000 was recognized on the settlement of \$228,000 of debt relating to 1,900,000 of the options exercised.
- (vi) On September 5, 2025, the Company issued 50,000 common shares from the exercise of 50,000 share purchase warrants at \$0.30 per share purchase warrant and 112,000 common shares from the exercise of 112,000 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$54,200.
- (vii) On September 19, 2025, the Company issued 73,478 common shares from the exercise of 73,478 share purchase warrants at \$0.35 per warrant and 525,000 common shares from the exercise of 525,000 share purchase warrants at \$0.30 per share purchase warrant for total gross proceeds of \$183,217.
- (viii) On September 26, 2025, the Company issued 570,000 common shares from the exercise of 570,000 share purchase warrants at \$0.30 per share purchase warrant and 43,478 common shares from the exercise of 43,478 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$186,222.
- (ix) On October 3, 2025, the Company issued 225,000 common shares from the exercise of 225,000 share purchase warrants at \$0.30 per share purchase warrant for the total gross proceeds of \$67,500.
- (x) On October 9, 2025, the Company issued 725,000 common shares from the exercise of 725,000 share purchase warrants at \$0.30 per share purchase warrant and 583,304 common shares from the exercise of 583,304 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$421,656.
- (xi) On October 15, 2025, the Company issued 415,435 common shares from the exercise of 415,435 share purchase warrants at \$0.35 per share purchase warrant for the total proceeds of \$145,402.
- (xii) On October 24, 2025, the Company issued 134,000 common shares from the exercise of 134,000 share purchase warrants at \$0.35 per share purchase warrant and 660,935 common shares from the exercise of 583,304 share purchase warrants at \$0.30 per share purchase warrant for total gross proceeds of \$245,181.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the years ended March 31, 2026 and 2025

- (xiii) On October 29, 2025, the Company issued 525,000 common shares from the exercise of 525,000 share purchase warrants at \$0.30 per share purchase warrant and 1,080,000 common shares from the exercise of 1,080,000 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$535,500.
- (xiv) On October 31, 2025, the Company issued 75,000 common shares from the exercise of 75,000 share purchase warrants at \$0.30 per share purchase warrant and 143,487 common shares from the exercise of 143,487 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$72,720.
- (xv) On November 7, 2025, the Company issued 1,200,000 common shares from the exercise of 1,200,000 share purchase warrants at \$0.30 per share purchase warrant for the total gross proceeds of \$360,000.
- (xvi) On November 14, 2025, the Company issued 180,000 common shares from the exercise of 180,000 share purchase warrants at \$0.30 per share purchase warrant for the total gross proceeds of \$54,000.
- (xvii) On November 28, 2025, the Company issued 250,000 common shares from the exercise of 250,000 share purchase warrants at \$0.35 per share purchase warrant for the total gross proceeds of \$87,500.
- (xviii) On January 7, 2026, the Company completed a new non-brokered private placement offering of units by issuing 1,000,000 units at a price of \$0.50 per unit for total gross proceeds of \$500,000. Each unit issued consisted of one common share and one half of one share purchase warrant exercisable into one additional common share at a price of \$0.65 per common share for twelve months from the date of the closing.
- (xix) On January 26, 2026, the Company completed a new non-brokered private placement offering of units by issuing 1,000,000 units at a price of \$0.50 per unit for total gross proceeds of \$500,000. Each unit issued consisted of one common share and one-half of one share purchase warrant exercisable into one additional common share at a price of \$0.65 per common share for twelve months from the date of the closing.
- (xx) On March 11, 2026, the Company issued 785,750 common shares from the exercise of 785,750 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$275,012.50.
- (xxi) On March 26, 2026, the Company issued 93,000 common shares from the exercise of 93,000 share purchase warrants at \$0.35 per share purchase warrant for total gross proceeds of \$32,550.

(c) Share Purchase Warrants

The number of share purchase warrants in the table below have been adjusted to reflect the number of common shares that would be issued upon exercise of the share purchase warrants based on their conversion factor.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the years ended March 31, 2026 and 2025

	Number of Warrants	Amount
Balance at December 31, 2024	18,860,914	1,819,736
Private placement	4,669,290	310,145
Share purchase warrants expired unexercised	(9,785,745)	(1,168,452)
Share purchase warrants exercised	(8,001,118)	(370,704)
Balance at December 31, 2025	5,743,341	590,725
Private placement	1,000,000	85,089
Share purchase warrants expired unexercised	(3,864,591)	(131,701)
Share purchase warrants exercised	(878,750)	(29,387)
Balance at March 31, 2026	2,000,000	514,726

The value assigned to the share purchase warrants included in the unit offerings is based on the Black-Scholes option pricing model using the following assumptions:

	2026	2025
Risk free rate	2.53% - 2.56%	2.54% - 2.57%
Share price	\$0.43-\$0.46	\$0.26
Expected life	1 Year	1 Year
Volatility	74% - 82%	88% - 91%

(d) Stock Options:

The Company has a stock option plan (the "Plan") for its officers, directors, employees and consultants. The maximum number of common shares issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares. Under the Plan, all options expire no later than five (5) years from the grant date and vest immediately upon the grant.

The following table summarizes the status of the options issued pursuant to the plan.

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Balance, December 31, 2024	9,058,000	0.32	2.50
Options granted, June 3, 2025	50,000	0.48	9.43
Options exercised, August 21, 2025	(2,400,000)	0.12	-
Options expired, September 4, 2025	(150,000)	0.12	-
Options granted, October 25, 2025	385,000	0.40	9.77
Balance, December 31, 2025	6,943,000	\$ 0.32	2.94
Balance, March 31, 2026	6,943,000	\$ 0.38	2.71
Exercisable options as at March 31, 2026	6,943,000	\$ 0.38	2.71

The fair value of the stock options granted were calculated at the grant date using the Black-Scholes option pricing model using the following assumptions:

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	2026	2025
Risk free rate	-	3.12%
Share price	-	\$0.40 to \$0.43
Expected life	-	5 Years
Volatility	-	142% - 145%

The range of exercise prices for stock options outstanding and exercisable under the plan at March 31, 2026 is as follows:

Exercise Price	Awards Outstanding and Exercisable	Remaining contractual life (years)	Weighted Average Exercise Price(\$)
\$0.12-\$0.35	3,953,000	2.00	0.24
\$0.43-\$0.45	2,263,000	5.48	0.44
\$1.05	727,000	0.64	1.05
	6,943,000	2.71	0.38

(e) Loss per share

Basic per share amounts are calculated using the weighted average number of shares outstanding during the year ended March 31, 2026 and 2025. The calculation of diluted loss per share equals basic loss per share as the effect of outstanding options are anti-dilutive.

8. Related party transactions

The Company received loans from Big Mountain, a related party by nature of being a significant shareholder of the Company, as detailed in the table below. The loans are due on demand, bear annual interest at the below noted rates and secured by promissory notes and a general security agreement over all the assets of the Company.

	8% loan	10% loan	Total
Balance, December 31, 2023	\$3,013,495	\$950,136	\$3,963,631
Debt extinguishment	(3,013,495)	(950,136)	(3,963,631)
Re-issuance	3,239,466	1,358,099	4,597,565
Accrued Interest	245,640	129,811	375,451
Accretion	582,533	271,048	853,581
Balance, December 31, 2024	4,067,639	1,758,958	5,826,597
Accrued interest	289,262	155,804	445,066
Accretion	605,187	287,029	892,216
Balance, December 31, 2025	4,962,088	2,201,791	7,163,879
Accrued interest	75,992	41,436	117,428
Accretion	169,956	81,636	252,592
Balance, March 31, 2026	\$5,208,036	\$2,324,863	\$7,532,899

During the year ended December 31, 2024, the maturity date of the 8% and 10% loans were amended to extend the maturity date to December 31, 2024. The amendment was assessed under IFRS 9 and was

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accounted for as an extinguishment of the original loans and recognition of the amended loans at their respective fair values resulting in a loss on extinguishment of \$633,933 which is recorded to contributed surplus as a capital transaction with the related party. During the year ended December 31, 2025, the maturity dates were further amended to extend the date to December 31, 2026. The amendment was assessed under IFRS 9 and was accounted for as a modification.

Transactions with related parties are incurred in the normal course of operations and initially recorded at fair value.

9. Financial risk exposure, risk management and financial instruments

(a) Fair value:

Financial instruments of the Company consist primarily of cash, restricted deposits, accounts payable and accrued liabilities, flow-through liability, and due to related party. As at March 31, 2026, and 2025, there were no significant differences between the carrying amounts reported on the consolidated statement of financial position and their estimated fair values as the amounts are short term in nature, or bear interest at market rates.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the effective management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity at all times to settle obligations and liabilities when due.

Cash forecasts are done to match spending on general and administration costs and exploration costs to available cash resources. Spending is increased or decreased to match available funds. Alternatively, the Company seeks capital through the offering of common shares or loans from related parties to fund general and administrative costs and exploration activities. As discussed in note 1, the Company will have to raise additional capital through the issue of shares or other means to discharge its current liabilities and the amount due to the related party or seek forbearance of the related party and other creditors. All financial liabilities are due within one year.

(c) Interest rate risk:

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The related party loans payable for a fixed annual interest rate and therefore exposes the Company to the risk of fair value variation due to interest rate variation because this financial asset is recognized at amortized cost. The other financial assets and liabilities of the Company do not represent interest risk because they do not bear interest. The Company does not use financial derivatives to decrease its exposure to interest risk.

Related party loans are at fixed rates therefore the Company is not exposed to interest rate fluctuations thereon except if the loans are refinanced at maturity versus settled.

(d) Credit risk:

Credit risk is the risk of a potential loss to the Company if one party of a financial instrument fails to meet its contractual obligations. The maximum credit exposure as at March 31, 2026, and 2025, relates to the carrying

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amount of cash. To reduce credit risk, all significant cash balances are placed with major financial institutions, therefore credit risk is low.

(e) Commodity price risk:

The Company is not currently exposed to commodity price risk, as the Company is in the pre-production phase. The overall development of the Company's properties is exposed to mineral price risks as a significant decrease in relevant prices would affect the economic returns of the mineral property.

12. Capital disclosures

The Company's capital historically has been derived from the issuance of equity and more recently from advances from a related party. Management monitors its financial position on an ongoing basis. Equity is issued or debt from related parties is obtained to finance drilling programs and Company's operations. Significant capital will be required for full development of commercial mining production if the properties are proven to be economic.

13. Commitments

During the year ended December 31, 2022, the Company completed a brokered flow-through private placement offering (the "2022 FT Private Placement") for gross proceeds of \$785,000. The terms underlying the 2022 FT Private Placement require the Company to incur \$785,000 of qualifying Canadian exploration expenses (the "CEEs") and Canadian Development Expenses ("CDEs") and to renounce the CEEs and CDEs to the Company's shareholders who subscribed for securities under the 2022 FT Private Placement, on or before December 31, 2024. As at December 31, 2024, the Company had unfilled CDE and CEE expenditures of approximately \$650,000. During the year ended December 31, 2025, the Company recorded an estimated provision for the Part XII.6 taxes and related penalties to the Canada Revenue Agency of \$122,000 (2024 - \$122,000) and for the estimated indemnification to the subscribers of the flow-through shares of \$328,000 (2024 - \$170,000) for the additional taxes payable related to the renunciation shortfall.

14. Supplemental cash flow information

	Years ended	
	March 31, 2026	December 31, 2025
GST receivable	47,069	(32,960)
Prepaid and deposits	(1,488)	(169,500)
Accounts payable and accrued liabilities	(78,083)	(243,657)
Net change in non-cash working capital	(32,502)	(446,117)

15. Subsequent events

On April 15, 2026, Company issued 500,000 common shares from the exercise of 500,000 options at \$0.18 per option for total gross proceeds of \$90,000.

On May 7, 2026, Company issued 1,150,000 common shares from the exercise of 1,150,000 options at \$0.20 per option for total gross proceeds of \$230,000.

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On May 21, 20226, the Company authorized a private placement offering for the sale of up to 6,000,000 units of the Company at a price of CAD\$0.30 per units for aggregate gross proceeds of up to CAD\$1,800,000.00. Each units issued under the Offering will consist of one (1) common share of the Company and one half (1/2) of one (1) common share purchase warrant. Each full share purchase warrant, together with CAD\$0.45, will entitle the holder thereof to acquire one (1) additional common share for a period of twelve (12) months from its date of issuance. The Company may pay a finder's fee in connection with the private placement offering to eligible finders in accordance with the policies of the TSXV and applicable Canadian securities laws consisting of: (i) a cash commission of up to 6% of the gross proceeds of the private placement offering; and (ii) common share purchase warrants of up to 6% of the number of full share purchase warrants issued under the Offering.