LAVRAS GOLD

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three months ended March 31, 2026

(Expressed in Canadian dollars)

(Unaudited)

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NOTICE TO READERS

The attached condensed interim consolidated financial statements, as at and for the three months ended March 31, 2026, have been prepared by and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements.

/s/ Hemdat Sawh

Chief Financial Officer

Toronto, Ontario

May 27, 2026

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

		As at	
		March 31, 2026	December 31, 2025
ASSETS	Notes	**$**	$
Current assets			
Cash	3	**10,356,678**	4,202,850
Accounts receivable		**73,439**	40,853
Prepaids and deposits		**237,482**	346,586
		10,667,599	4,590,289
Non-current assets			
Exploration and evaluation properties	5	**35,873,443**	32,697,072
Property and equipment	6	**166,304**	184,056
		36,039,747	32,881,128
Total assets		**46,707,346**	37,471,417
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		**1,563,691**	1,323,633
Current portion of lease liabilities	7	**54,529**	72,042
		1,618,220	1,395,675
Non-current liabilities			
Lease liabilities	7	**44,369**	43,342
Total liabilities		**1,662,589**	1,439,017
Equity			
Capital stock	8(b)	**54,384,685**	44,174,248
Contributed surplus	8(c)	**2,904,739**	3,171,079
Deficit		**(12,244,667)**	(11,312,927)
		45,044,757	36,032,400
Total liabilities and equity		**46,707,346**	37,471,417

Business of Lavras Gold and going concern (Note 1)

Contingencies (Note 13)

Approved by the Board

/s/ Lawrence Lepard — Chair, Audit Committee

/s/ Rowland Uloth — Chair, Board of Directors

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

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

		Three months ended March 31	
		2026	2025
	Notes	**$**	$
Expense (income)			
General and administrative	11	**748,655**	551,197
Share-based payments	8(c)	**141,228**	194,525
Depreciation		**8,461**	7,947
Foreign exchange loss		**57,796**	58,320
		956,140	811,989
Other income (expense)			
Interest income		**34,887**	36,930
Interest and finance charges		**(10,487)**	(11,401)
		24,400	25,529
Loss and comprehensive loss		**(931,740)**	(786,460)
Basic and diluted loss per share	9	**(0.02)**	(0.01)
Weighted average shares outstanding – basic and diluted	9	**61,019,319**	55,459,397

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Notes	Shares #	Capital stock $	Contributed surplus $	Deficit $	Total equity $
Balance December 31, 2024		**51,364,266**	**29,887,759**	**2,416,743**	**(7,637,019)**	**24,667,483**
Prospectus financing, net of cost of issue	**8(b)**	6,819,500	13,932,159	–	–	13,932,159
Share-based payments	**8(c)**	–	–	216,663	–	216,663
Exercise of stock options	**8(b)**	23,750	13,541	(5,829)	–	7,712
Loss and comprehensive loss for the period		–	–	–	(786,460)	(786,460)
Balance March 31, 2025		**58,207,516**	**43,833,459**	**2,627,577**	**(8,423,479)**	**38,037,557**
Exercise of RSUs	**8(b)**	97,242	165,313	(165,313)	–	–
Share-based payments	**8(c)**	–	–	784,435	–	784,435
Exercise of stock options	**8(b)**	256,625	175,476	(75,620)	–	99,856
Loss and comprehensive loss for the period		–	–	–	(2,889,448)	(2,889,448)
Balance December 31, 2025		**58,561,383**	**44,174,248**	**3,171,079**	**(11,312,927)**	**36,032,400**
Prospectus financing, net of cost of issue	**8(b)**	2,942,000	9,211,574	–	–	9,211,574
Share-based payments	**8(c)**	–	–	162,239	–	162,239
Exercise of stock options	**8(b)**	709,500	998,863	(428,579)	–	570,284
Loss and comprehensive loss for the period		–	–	–	(931,740)	(931,740)
Balance March 31, 2026		**62,212,883**	**54,384,685**	**2,904,739**	**(12,244,667)**	**45,044,757**

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Notes	Three months ended March 31 2026 $	2025 $
Operating activities			
Net loss for the period		**(931,740)**	(786,460)
Share-based payments	8(c)	**141,228**	194,525
Depreciation	6	**8,461**	7,947
Interest on lease liabilities	7	**3,408**	5,204
Foreign exchange loss on lease liabilities		**2,246**	12,227
		(776,397)	(566,557)
Accounts receivable		**(32,586)**	(55,357)
Prepaids and deposits		**109,104**	(110,379)
Accounts payable and accrued liabilities		**(16,159)**	87,302
Net cash used in operating activities		**(716,038)**	(644,991)
Investing activities			
Exploration and evaluation properties		**(2,882,382)**	(1,600,886)
Property and equipment		**(7,470)**	(6,208)
Net cash used in investing activities		**(2,889,852)**	(1,607,094)
Financing activities			
Common shares issued	8(b)	**10,002,800**	15,002,900
Common shares issue cost	8(b)	**(791,226)**	(1,070,741)
Exercise of stock options	8(b)	**570,284**	7,712
Repayment of lease liabilities	7	**(22,140)**	(20,010)
Net cash provided by financing activities		**9,759,718**	13,919,861
Change in cash during the period		**6,153,828**	11,667,776
Cash, beginning of period		**4,202,850**	1,649,592
Cash, end of period		**10,356,678**	13,317,368
Supplemental cash flow information			
Cash interest earned		**34,887**	36,930
Non-cash investing activities			
Exploration and evaluation expenses included in accounts payable		**1,288,294**	1,004,792
Capitalized depreciation included in exploration and evaluation properties	5,6	**16,761**	31,951
Capitalized share-based payments included in exploration and evaluation properties	5	**21,011**	22,138
Transfer of reserves to capital stock on exercise of stock options		**428,579**	5,829
Change in estimate of right-of-use assets	7	**—**	—
Additions to right-of-use assets	7	**—**	—

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026
(Expressed in Canadian dollars)

1. Business of Lavras Gold and going concern

Lavras Gold Corp. ("Lavras Gold" or the "Company") was incorporated under the *British Columbia Business Corporations Act* on November 25, 2021. Lavras Gold's business activities include the exploration and evaluation of mineral properties in Brazil.

The Company's head office is located at 82 Richmond Street East, Suite 201, Toronto, Ontario, Canada M5C 1P1.

The registered office is at 1055 Dunsmuir Street, Suite 3000, Vancouver, British Columbia, Canada V7X 1K8.

Lavras Gold is listed on the TSXV under the symbol LGC and on the OTCQX under the symbol LGCFF.

All dollar amounts are in Canadian dollars unless otherwise noted.

The Company's Board of Directors authorized the issue of these condensed interim consolidated financial statements on May 27, 2026.

GOING CONCERN

The Company has not earned any revenue to date from its operations. The Company's business focus is exploring the Lavras do Sul Project (the "LDS Project").

The recoverability of the LDS Project's carrying values and the related deferred exploration and evaluation expenditures depend on:

- discovering economically recoverable reserves.
- maintaining an interest in the underlying mineral claims.
- the Company's ability to obtain necessary financing to complete their development.
- establishing profitable production in the future or selling the properties for sufficient proceeds.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business.

However, Lavras Gold is an exploration-focused company and subject to the risks and challenges of companies in the same sector. These include exploration, development, and operational risks that are standard to the mining industry. Current market conditions also include other uncertainties like the volatility of precious metal prices and the broader global economy.

These risks mean that although additional financing will be required to carry out future exploration activities, there can be no assurance that funding initiatives will be successful or that the Company will have access to adequate funding or funding under favourable terms.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and financial position classifications that would be necessary were the going concern assumption deemed inappropriate. These adjustments could be material.

Lavras Gold has an accumulated deficit of $12,244,667 as at March 31, 2026 (December 31, 2025: $11,312,927) and working capital of $9,049,379 (December 31, 2025: $3,194,614). The Company's ability to continue operating depends on its ability to continue to raise adequate financing, operate profitably in the future, and repay liabilities arising from normal operations as they come due. As such, the material uncertainties listed above may cast significant doubt upon its ability to continue as a going concern.

2. Basis of presentation

These condensed interim consolidated financial statements have been prepared according to IFRS Accounting Standards ("IFRS") 34 – Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These accounting policies are consistent with IFRS as issued by the IASB and the International Financial Reporting Interpretations Committee.

Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2025.

Preparing condensed interim consolidated financial statements that conform with IAS 34 requires management to make judgments, estimates, and assumptions that affect how policies are applied, and the reported amounts of assets, liabilities, income, and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, and the results are used to make judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The accounting policies, critical judgments, and estimates used to prepare these condensed interim consolidated financial statements are consistent with those applied and disclosed in the consolidated financial statements for the year ended December 31, 2025.

The interim results do not necessarily indicate the results for a full year.

These condensed interim consolidated financial statements are presented in Canadian dollars and include the Company's Brazilian subsidiaries as detailed below.

Subsidiary	Ownership
LDS Mineraçâo do Brasil Ltda (LDS)	100%
Lavras do Sul Mineraçâo do Brasil Ltda (LDSM)	49%
Ferwin Royalty Corp.	100%
Ferwin Royalty Brasil Ltda	100%

Although Lavras Gold only has 49% of the voting rights in LDSM, Lavras Gold has determined that it has the full beneficial ownership over LDSM as Lavras Gold is exposed to variable returns from its involvement with LDSM and has the ability to affect those returns through its power to control the activities of LDSM. Accordingly, LDSM is fully consolidated in these condensed interim consolidated financial statements.

3. Financial risk factors and capital risk management

Lavras Gold's activities expose it to three key financial risks:
- credit risk.
- liquidity risk.
- market risk.

The management team is responsible for managing these risks. It receives guidance from the Audit Committee under policies approved by the Board of Directors, which also provides regular guidance on overall risk management.

CREDIT RISK

Credit risk is the risk of loss associated with a counterparty's inability to make its payment obligations.

Lavras Gold's credit risk is primarily attributable to cash of $10,356,678 as at March 31, 2026 (December 31, 2025: $4,202,850). Credit risk on cash is remote, as they are held with reputable financial institutions and closely monitored by management.

The Company believes that the credit risk for financial instruments included in accounts receivable is remote. Most of the receivables are made up of taxes receivable, so no amount was applied for credit losses.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will be unable to meet its short-term financial obligations.

The goal in managing this risk is to make sure the Company can meet its liabilities when they are due. However, there can be no assurance that adequate financing will be obtained in the future or that the terms of the financing will be favourable (Note 1).

On March 31, 2026, the Company had cash balance of $10,356,678 (December 31, 2025: $4,202,850) to settle current liabilities of $1,618,220 (December 31, 2025: $1,395,675).

MARKET RISK

Market risk is the risk of loss from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

a) Interest rate risk

Lavras Gold regularly monitors its cash management policy of investing excess cash in high yield savings accounts. Interest rate risk is remote, as the cash is relatively unaffected by changes in short-term interest rates.

b) Foreign currency risk

The Company's functional currency is the Canadian dollar. Major purchases are transacted in Canadian dollars and Brazilian reais. The Company maintains a Brazilian real-denominated bank account to fund exploration expenses with enough funds to support monthly forecasted cash outflows.

c) Commodity price risk

Commodity price risk, specifically relating to the price of gold, could adversely affect Lavras Gold. In particular, future profitability and viability of development depend on the world market price of gold, which has fluctuated significantly in recent years.

Lavras Gold is not a gold producer as at March 31, 2026. However, gold price risk affects the completion of future equity transactions like equity offerings and the exercise of stock options. This may also affect liquidity and the Company's ability to meet its ongoing obligations.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the following movements are reasonably possible over a 12-month period.

Cash is subject to floating interest rates. Sensitivity to a plus or minus one percentage point change in interest rates would not have a material impact on the reported net loss for the period ended March 31, 2026.

Lavras is exposed to foreign currency risk on fluctuations of financial instruments related to cash, accounts receivable, accounts payable denominated in Brazilian reais, and cash denominated in U.S. dollars.

A plus or minus 5% change in the foreign exchange rate of the Brazilian real against the Canadian dollar would affect net loss for the three months ended March 31, 2026, by approximately $18,300 (March 31, 2025: $12,200).

A plus or minus 5% change in the foreign exchange rate of the U.S. dollar against the Canadian dollar would affect net loss for the three months ended March 31, 2026, by approximately $8,500 (March 31, 2025: $600).

CAPITAL RISK MANAGEMENT

Capital structure is managed and adjusted based on the funds available to support the acquisition, exploration, and development of exploration and evaluation properties. The Board of Directors does not establish quantitative "return on capital" criteria for management but rather relies on the expertise of management to sustain the future development of the business.

The Company considers its capital to be equity, which comprises share capital, other components of equity and accumulated deficit, which on March 31, 2026, was $45,044,757 (December 31, 2025: $36,032,400).

The Company's exploration and evaluation properties are in the exploration stage; as such the Company depends on external financing to fund activities. Lavras Gold will continue to assess new properties and may seek to acquire interests in additional properties if management believes sufficient geologic or economic potential exists and if there are adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of Lavras Gold, is appropriate. There were no changes in its approach during the three months ended March 31, 2026. Neither Lavras Gold nor its subsidiaries are subject to externally imposed capital requirements.

4. Categories of financial instruments

	As at	
	March 31, 2026	December 31, 2025
	$	$
Financial assets		
Amortized cost		
Cash	**10,356,678**	4,202,850
Accounts receivable, excluding HST/GST receivable	**3,232**	4,705
Financial liabilities		
Amortized cost		
Accounts payable and accrued liabilities	**1,563,691**	1,323,633
Lease liabilities	**98,898**	115,384

FINANCIAL INSTRUMENTS RECORDED AT FAIR VALUE

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used to make the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – valuation techniques using either direct observable inputs (i.e., prices) or indirect observable inputs (i.e., derived from prices) for the asset or liability, other than the quoted prices in Level 1
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash, accounts receivable, accounts payable, and accrued liabilities approximate their carrying amounts due to their short-term nature.

5. Exploration and evaluation properties

	Notes	As at March 31, 2026 $	December 31, 2025 $
Acquisition costs			
Balance, beginning of period/year		**8,748,276**	8,430,074
Property payments		**868,171**	318,202
Balance, end of period/year		**9,616,447**	8,748,276
Exploration expenditures			
Balance, beginning of period/year		**23,948,796**	15,453,348
Expenditures during the period/year			
Drilling, assaying and related costs		**1,336,743**	5,560,924
Project management for preliminary license application		**17,658**	45,614
Environmental impact assessment		**147,364**	352,528
Engineering		**197,491**	352,528
Metallurgical testing		**1,366**	80,352
Resource update		**–**	17,997
Consulting		**186,522**	799,662
Supplies		**49,995**	196,058
Salaries		**147,496**	577,807
Transportation		**24,288**	113,927
Travel and accommodation		**15,004**	22,285
Concession taxes		**142**	5,367
Software license renewal		**44,626**	263,444
Depreciation	6	**16,761**	83,957
Share-based payments	8(c)	**21,011**	147,806
Other exploration and evaluation expenses		**101,733**	227,720
Total exploration expenditure for the period/year		**2,308,200**	8,495,448
Balance, end of period/year		**26,256,996**	23,948,796
Total		**35,873,443**	32,697,072

LDS PROJECT

The LDS Project consists of various mineral rights in the state of Rio Grande do Sul, Brazil, which are held either through LDSM. LDSM was set up to meet the legal requirements for operating in a border zone. LDSM is a subsidiary that is controlled by its Brazilian subsidiary, LDS.

RTDM Option Agreement

During the year ended December 31, 2021, Lavras Gold, through its subsidiaries, was assigned the rights and obligations under an option agreement (the RTDM Option Agreement) with Rio Tinto Desenvolvimentos Minerais Ltda. (RTDM).

RTDM acquired options to earn interests in mineral rights through agreements that were signed with two separate landowners: certain mineral rights (the CBC Mineral Rights) optioned by Companhia Brasileira do Cobre (CBC, CBC Option Agreement) and certain mineral rights (the VS Mineral Rights) optioned by the Vidal de Souza family (the Vidal de Souza Option Agreement).

The agreements with the owners of the mineral rights are described below.

Lavras Gold will be required to pay RTDM the following:

- US$1,806,000 when the Installation License covering the LDS Project is received, and
- a 0.5% NSR on production from the mineral rights underlying the RTDM Option Agreement.

CBC Purchase Agreement

On November 16, 2021, the CBC Option Agreement was replaced with an agreement to purchase the CBC Mineral Rights (the CBC Purchase Agreement).

The CBC Purchase Agreement required payments aggregating US$1,000,000 of which US$500,000 was paid as of December 31, 2023. The remaining balance of US$500,000 was paid in April 2024 upon the approved transfer of the CBC Mineral Rights to LDSM.

Lavras Gold must pay US$50,000 each year if mining activities are not initiated within 10 years from the date of execution of the Purchase Agreement on November 16, 2021.

Lavras Gold must pay CBC a royalty equal to 1.5% of the gross revenue related to future mining activity on the CBC Mineral Rights. Lavras Gold has a right of first refusal for any proposed transfer by CBC of the royalty.

Vidal de Souza Purchase Agreements

On October 22, 2004, RTDM entered into an option agreement with Vidal de Souza for the VS Mineral Rights. This option agreement which was assigned to LDSM was subsequently replaced with a series of purchase agreements (collectively, the VS Purchase Agreements) between Vidal de Souza and LDSM.

The VS Purchase Agreements required the following payments aggregating US$1,000,000 by Lavras Gold:

a) US$55,000 paid upon execution.

b) US$121,000 paid in Q3 2024.

c) US$199,000 within ten days of applying for the mineral rights transfer which amount was paid on October 10, 2025, following the date of application for the mineral rights on September 30, 2025

d) US$625,000 within ten days of the date of obtaining title to the mineral rights. This amount was paid on February 23, 2026, after title was obtained.

Lavras Gold must make a single payment of US$120,000 if mining activities are not initiated within six years from the date of obtaining title.

Lavras Gold must make a single payment of US$80,000 if mining activities are not initiated within ten years from the date of obtaining title.

Lavras Gold must pay VS a royalty equal to 1.57% of the net revenue related to future mining activity on the VS Mineral Rights. Lavras Gold has a right of first refusal for any proposed transfer by VS of the royalty. VS has the option to sell the royalty to Lavras Gold for US$5,000,000 during the first 60 days following the payment of the first quarterly instalment of royalty. Advance royalty payments of US$350,000 are required if certain conditions are met.

Summit Purchase Agreement

During the year ended December 31, 2021, Lavras Gold, through its subsidiaries, was assigned the rights and obligations under a purchase agreement (the "IAMGOLD Purchase Agreement") with IAMGOLD Corporation (“IAMGOLD”) to obtain a 100% interest in four mineral rights (the “Summit Mineral Rights”). On May 30, 2025, IAMGOLD sold, assigned, transferred and conveyed to Summit Royalty Corp. (“Summit”) all of IAMGOLD’S rights, titles and interests in the IAMGOLD Purchase Agreement.

The purchase price payable by Lavras Gold for the Summit Mineral Rights is US$700,000 of which US$100,000 was paid. The remaining US$600,000 is payable as follows:

a) US$100,000, within 10 days from the date that Lavras Gold submits an economic exploitation plan that indicates the technical and economic feasibility of the project.

b) US$100,000, within 10 days from the date that Lavras Gold completes a feasibility study.

c) US$400,000, within 12 months from the date that Lavras Gold commences commercial production for any of the titles comprising the Summit Mineral Rights.

In addition, Lavras Gold must pay a 3.0% net smelter return royalty on the Summit Mineral Rights. Lavras Gold may, at any time, elect to purchase 1.0% of the royalty by paying US$1,000,000.

6. Property and equipment

	Right-of-use $	Leasehold improvements $	Furniture and equipment $	Computer software $	Computer hardware $	Total $
Cost						
Balance as at December 31, 2024	**335,205**	**33,688**	**59,147**	**239,576**	**67,924**	**735,540**
Additions for the year	–	–	2,191	–	9,220	11,411
Balance as at December 31, 2025	**335,205**	**33,688**	**61,338**	**239,576**	**77,144**	**746,951**
Additions for the year	–	–	7,032	–	438	7,470
Balance as at March 31, 2026	**335,205**	**33,688**	**68,370**	**239,576**	**77,582**	**754,421**
Accumulated depreciation						
Balance as at December 31, 2024	**165,949**	**18,459**	**11,365**	**220,842**	**30,151**	**446,766**
Depreciation for the year	63,274	6,841	6,205	18,734	21,075	116,129
Balance as at December 31, 2025	**229,223**	**25,300**	**17,570**	**239,576**	**51,226**	**562,895**
Depreciation for the year	19,561	1,783	1,787	–	2,091	25,222
Balance as at March 31, 2026	**248,784**	**27,083**	**19,357**	**239,576**	**53,317**	**588,117**
Carrying amounts						
At December 31, 2025	105,982	8,388	43,768	–	25,918	184,056
At March 31, 2026	**86,421**	**6,605**	**49,013**	**–**	**24,265**	**166,304**

Depreciation for the three months ended March 31, 2026, amounting to $16,761 (December 31, 2025: $83,957) was included in exploration and evaluation properties.

7. Lease liabilities

Lease liabilities are related to the long-term lease contracts for office space and core sheds in Lavras do Sul, with terms of up to 5 years at an incremental borrowing rate of 10%.

	As at	
	March 31, 2026	December 31, 2025
	$	$
Lease liabilities, beginning of the period/year	**115,384**	163,080
Foreign exchange adjustment	**2,246**	16,592
Additions	**–**	–
Repayments	**(22,140)**	(82,376)
Interest portion	**3,408**	18,088
Lease liabilities, end of the period/year	**98,898**	115,384
Less: current portion	**54,529**	72,042
Non-current portion	**44,369**	43,342

As at March 31, 2026, remaining minimum payments are as follows:

	$
2026	60,621
2027	42,816
2028	4,156
	107,593

8. Capital stock

a) AUTHORIZED

Unlimited number of common shares.

b) ISSUED

	Notes	Shares #	Amount $
Balance, December 31, 2024		**51,364,266**	**29,887,759**
Issued under prospectus, net of issue cost	(i)	6,819,500	13,932,159
Exercise of stock options	(ii)	280,375	189,017
Exercise of RSUs	(iii)	97,242	165,313
Balance, December 31, 2025		**58,561,383**	**44,174,248**
Issued under prospectus, net of issue cost	(iv)	2,942,000	9,211,574
Exercise of stock options	(v)	709,500	998,863
Balance, March 31, 2026		**62,212,883**	**54,384,685**

(i) On February 6, 2025, the Company completed a "best efforts" public offering, pursuant to which the Company issued an aggregate of 6,819,500 common shares of the Company (each, a "Share") at a price of $2.20 per Share for gross proceeds of $15,002,900 to the Company, which included the full exercise of the over-allotment option granted in connection therewith (the "Offering"). The Shares were issued and sold pursuant to the terms of an agency agreement dated February 3, 2025, among the Company, Paradigm Capital Inc. and Canaccord Genuity, as co-lead agents, and Raymond James Ltd. and Research Capital Corporation (collectively, the "Agents").

In connection with the Offering, the Agents were paid an aggregate cash commission of $764,610 which included $720,126, representing 6% on $12,002,100 gross proceeds, and $44,484 cash commissions on the remaining $3,000,800 from the President's List. Legal, accounting, filing and other closing costs were $306,131 for total cost of issue of $1,070,741 and net proceeds of $13,932,159 from the Offering.

(ii) In 2025, 280,375 stock options were exercised at a weighted average exercise price of $0.38 for proceeds of $107,568 and previously recorded contributed surplus of $81,449.

(iii) On May 29, 2025, 97,242 RSUs vested resulting in 97,242 common shares issued to the unitholders. The previously recorded contributed surplus of $165,313 ($1.70 per unit) over the vesting period was reallocated to capital stock.

(iv) On January 29, 2026, the Company received gross proceeds of $10,002,800 upon completion of a "bought deal" public offering, pursuant to which the Company issued an aggregate of 2,942,000 common shares of the Company at $3.40 per common share. Net proceeds were $9,211,574 after deducting Issue costs of $791,226.

(v) In 2026, 709,500 stock options were exercised at a weighted average exercise price of $0.80 for proceeds of $570,284 and previously recorded contributed surplus of $428,579.

c) SHARE-BASED PAYMENTS

Lavras Gold has an Omnibus Long-Term Incentive Plan ("Omnibus Plan") pursuant to which Lavras Gold may grant stock options, restricted share units ("RSUs") and deferred share units ("DSUs") to provide additional incentives to directors, senior officers, employees, consultants, and management.

Under the terms of the Company's rolling stock option plan, the Company is authorized to grant up to a maximum of 10% of the issued and outstanding common shares at the time of the grant with an exercise year not to exceed ten years.

Under the terms of the Company's fixed RSU/DSU plans, the Company is authorized to grant up to a combined maximum of 41,103,869 common shares of the Company. Vesting is limited to a minimum of one year for RSU/DSU and a maximum of three years for RSU from the date of grant.

The term, exercise price and vesting conditions of the stock options, RSUs and DSUs are fixed by the Board of Directors at the time of grant.

Stock options

Stock option transactions and the number of stock options outstanding are as follows:

	Options #	Weighted average exercise price $
Balance, December 31, 2024	**5,095,250**	**0.76**
Granted	714,000	2.35
Exercised	(280,375)	(0.38)
Forfeited/Expired	(611,875)	(1.60)
Balance, December 31, 2025	**4,917,000**	**0.91**
Exercised	(709,500)	(0.80)
Forfeited/Expired	(1,092,750)	(0.77)
Balance, March 31, 2026	**3,114,750**	**1.10**

Details of the stock options outstanding and exercisable are as follows:

Number of options	Exercisable at March 31, 2026 #	Exercise price $	Fair value at date of grant $	Remaining contractual life years
800,000	800,000	0.50	266,400	1.05
123,750	123,750	0.35	32,695	1.32
859,750	731,500	0.23	150,456	2.29
75,000	50,000	0.22	12,525	2.30
25,000	18,750	1.15	21,900	2.62
775,500	541,000	1.70	1,003,280	3.16
455,750	257,750	2.35	807,589	4.13
3,114,750	**2,522,750**	**0.99**	**2,294,845**	**2.42**

The grant date fair value of the stock options granted was estimated using the Black-Scholes option pricing model using the following estimates:

	March 31, 2026	December 31, 2025
Weighted average strike price per option ($)	–	2.35
Weighted average fair value per option ($)	–	1.77
Weighted average risk-free interest rate (%)	–	2.73
Expected life (years)	–	5.0
Weighted average expected volatility (%)	–	100
Expected rate of forfeiture (%)	–	nil
Expected dividend yield (%)	–	nil

The fair value compensation and contributed surplus relating to stock options vested for the three months ended March 31, 2026, was $77,239 (March 31, 2025: $174,995); of which $56,228 (March 31, 2025: $152,857) was expensed and the remaining $21,011 (March 31, 2025: $22,138) was capitalized to exploration and evaluation properties.

On April 8, 2026, the Company granted directors, an officer, and employees 470,000 stock options with an exercise price of $2.01 and five years expiry from the date of grant; of which 300,000 vest immediately and the remaining 170,000 vest over three years.

Restricted Share Units (“RSUs”)

The Company’s Omnibus Plan provides for the grant of RSUs based on Lavras Gold’s share price at the date of grant. Unless otherwise stated, the RSUs vest equally or graded over a one-year to three-year period.

RSU transactions and the number of RSUs outstanding are as follows:

	RSUs #	Weighted average fair value $
Balance, December 31, 2024	**97,242**	**1.70**
Exercised (i)	(97,242)	(1.70)
Balance, December 31, 2025, and March 31, 2026	**–**	**–**

(i) On May 29, 2024, the Company granted 97,242 RSUs to three officers of the Company. These RSUs vested on May 29, 2025 and the Company issued 97,242 shares to the unitholders.

During the three months ended March 31, 2026, the total share-based payments expense related to RSUs was $nil (March 31, 2025: $41,668).

Deferred Share Units (“DSUs”)

The Company’s Omnibus Plan provides for the grant of DSUs based on Lavras Gold’s share price at the date of grant. Unless otherwise stated, the DSUs vest equally or graded over a one-year to three-year period.

DSU transactions and the number of DSUs outstanding are as follows:

	DSUs #	Weighted average fair value $
Balance, December 31, 2024	**–**	–
Granted (i)	189,362	2.35
Forfeited (ii)	(44,681)	(2.35)
Balance, December 31, 2025, and March 31, 2026	**144,681**	**2.35**

(i) On June 11, 2025, the Company granted 189,362 DSUs at $2.35 per unit to three officers of the Company. These DSUs vest on June 11, 2026, and expire when the holder ceases to be an officer of the Company. The total value of $445,000 is amortized over the one year vesting period.

(ii) These DSUs were forfeited upon resignation by the grantees.

During the three months ended March 31, 2026, the total share-based payments expense related to DSUs was $85,000 (March 31, 2025: $nil).

On April 8, 2026, the Company granted 14,521 DSUs at $2.01 per unit to an officer of the Company. These DSUs vest on April 8, 2027, and expire when the holder ceases to be an officer of the Company.

9. Net loss per common share

The calculation of basic and diluted loss per share for the three months ended March 31, 2026, was based on the loss attributable to common shareholders of $931,740 (March 31, 2025: $786,460), divided by the weighted average number of common shares outstanding of 61,019,319 (March 31, 2025: 55,459,397).

10. Related party transactions

Lavras Gold incurred charges with directors, officers (Chief Executive Officer, Chief Financial Officer and V.P. Investor Relations who are the key management personnel), and a company with common directors as follows. These transactions were in the normal course of business and are measured at amounts representing normal commercial terms:

	Three months ended March 31	
	2026 **$**	2025 $
Salaries paid to officers	**110,500**	151,250
Directors’ fees	**25,500**	18,000
Share-based payments	**107,167**	156,637
Consulting fees	**24,000**	6,000
	267,167	331,887

11. General and administrative expenses

General and administrative expenses consist of the following:

	Three months ended March 31	
	2026	2025
	$	$
Consulting fees	**101,511**	44,045
Professional fees	**92,409**	41,374
Salaries and benefits	**173,861**	191,131
Directors' fees	**25,500**	18,000
Marketing, promotion and business development	**175,162**	113,992
Filing and transfer agent fees	**98,615**	55,129
Travel	**–**	394
Information technology support	**48,938**	55,482
Other general and administrative	**32,659**	31,650
	748,655	551,197

12. Segmented information

The Company operates in one reportable operating segment – mineral exploration. The Company's resource properties are in Brazil, and its corporate assets are in Canada. Lavras Gold is in the exploration stage and, accordingly, has no reportable segment revenues.

Long term assets by geographic region are as follows:

	Canada	Brazil	Total
	$	$	$
March 31, 2026			
Exploration and evaluation properties	**–**	**35,873,443**	**35,873,443**
Property and equipment	**–**	**166,304**	**166,304**
December 31, 2025			
Exploration and evaluation properties	–	32,697,072	32,697,072
Property and equipment	–	184,056	184,056

13. Contingencies

Due to the nature of the Company's operations, various legal, employment and tax matters arise in the ordinary course of business. The Company accrues for these items when a liability is both probable and the amount can be reasonably estimated.

Subsequent to the period ended March 31, 2026, the Company was served with a Statement of Claim by a former executive officer alleging breach of contract, constructive dismissal, and wrongful dismissal arising from his resignation from the Company. The claim seeks damages, including compensation relating to salary, bonuses, equity-based compensation, stock options, and other relief.

The Company believes the claims are without merit and intends to vigorously defend the action. At this preliminary stage, the outcome of the matter cannot be reasonably predicted, and no provision has been recorded in these interim consolidated financial statements. Management, after consultation with legal counsel, has determined that it is not probable that a liability has been incurred as of the reporting date. Accordingly, the matter has been disclosed as a contingent liability. The ultimate resolution of the litigation may differ from management's current assessment and could have a material effect on the Company's financial position, results of operations, or cash flows in a future reporting period