TORRENT CAPITAL LTD.

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(expressed in Canadian dollars)

August 11, 2026

Management's Responsibility for Financial Reporting

The accompanying unaudited condensed interim consolidated financial statements of Torrent Capital Ltd. (the "Company") are the responsibility of the Management and Board of Directors of the Company.

The unaudited condensed interim consolidated financial statements have been prepared by Management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, Management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of Management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with IFRS® Accounting Standards ("IFRS").

Management has established processes which are in place to provide them sufficient knowledge to support Management representations that they have exercised reasonable diligence that: (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that Management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with Management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

These unaudited condensed interim consolidated financial statements have not been reviewed by the external auditors of the Company.

Halifax, Canada

(signed) "*Wade Dawe*"
President and Chief Executive Officer
Halifax, Nova Scotia

(signed) *"Eric Thompson"*
Chief Financial Officer
Halifax, Nova Scotia

Torrent Capital Ltd.

Unaudited Condensed Interim Statements of Consolidated Financial Position
As at June 30, 2026 and December 31, 2025
(Expressed in Canadian dollars unless otherwise indicated)

	June 30, 2026 $	December 31, 2025 $
ASSETS		
Current assets		
Cash and cash equivalents	**6,872,778**	1,659,313
Amounts receivable	**132,352**	62,786
Prepaid expenses	**15,274**	1,470
Other asset – investment in progress (note 3)	**-**	2,000,000
Investments in securities at fair value (note 4)	**27,176,704**	30,097,267
	34,197,108	33,820,836
Investment in Joint Venture (note 6)	**210,817**	252,817
Total Assets	**34,407,925**	34,073,653
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	**337,167**	600,038
Current income tax (note 8)	**334,000**	-
	671,167	600,038
Non-current liabilities		
Deferred income tax (note 8)	**643,000**	880,000
	1,314,167	1,480,038
EQUITY		
Share capital (note 9)	**17,435,776**	17,375,476
Warrants (note 11)	**1,555,866**	1,555,866
Contributed surplus (note 10)	**342,069**	383,327
Retained earnings	**13,760,047**	13,278,946
	33,093,758	32,593,615
Total Liabilities and Equity	**34,407,925**	34,073,653

Nature of Operations (note 1)

Approved on Behalf of the Board on August 11, 2026:

"Wade Dawe"
Director

"Jim Megann"
Director

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

Torrent Capital Ltd.

Unaudited Condensed Interim Statements of Consolidated Income and Comprehensive Income
For the three and six months ended June 30, 2026 and 2025
(Expressed in Canadian dollars unless otherwise indicated)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	$	$	$	$
NET INVESTMENT GAIN (LOSS) AND OTHER INCOME (EXPENSES)				
Realized gain (loss) on investments in securities (note 4)	**4,051,662**	(3,473)	**4,509,370**	402,226
Realized gain on investments in digital assets (note 5)	**-**	11,848	**-**	2,043
Unrealized gain (loss) on investments in securities (note 4)	**1,917,617**	1,515,648	**(3,278,244)**	1,725,167
Staking rewards income (note 5)	**-**	149,869	**-**	214,725
Share of loss from joint venture (note 6)	**(56,250)**	(185,050)	**(112,500)**	(201,550)
Interest income (note 6)	**18,000**	16,148	**35,537**	31,697
Dividend income	**490**	-	**11,082**	-
	5,931,519	1,504,990	**1,165,245**	2,174,308
EXPENSES				
Consulting (note 7)	**137,630**	135,350	**290,823**	262,477
Stock-based compensation (notes 7 and 10)	**-**	84,096	**19,042**	126,145
Directors' fees (note 7)	**29,625**	29,625	**59,250**	59,250
Office and administration	**12,244**	24,596	**32,841**	61,205
Professional fees	**44,307**	30,424	**66,807**	58,763
Insurance	**4,224**	4,410	**7,102**	8,850
Travel	**5,114**	6,641	**5,114**	6,641
Stock exchange and maintenance fees	**14,694**	11,728	**24,873**	18,010
Rent and related costs (note 7)	**7,650**	7,650	**15,300**	15,300
Foreign exchange loss (gain)	**(47,239)**	35,476	**65,992**	28,268
	(208,249)	(369,996)	**(587,144)**	(644,909)
NET INCOME BEFORE INCOME TAXES	**5,723,270**	1,134,994	**578,101**	1,529,399
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized gain (loss) on investments in digital assets	**-**	1,290,223	**-**	(1,552,902)
INCOME TAXES				
Provision for tax (expense) recovery (note 8)	**(977,000)**	-	**(97,000)**	45,000
	(977,000)	1,290,223	**(97,000)**	(1,507,902)
NET COMPREHENSIVE INCOME	**4,746,270**	2,425,217	**481,101**	21,497
Net Comprehensive income (loss) per share				
Basic	**0.12**	0.06	**0.01**	-
Diluted	**0.12**	0.06	**0.01**	-
Weighted average number of shares outstanding	**38,180,224**	37,892,422	**38,144,920**	35,039,437

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

Torrent Capital Ltd.

Unaudited Condensed Interim Statements of Consolidated Changes in Shareholders' Equity
For the six months ended June 30, 2026 and 2025
(Expressed in Canadian dollars unless otherwise indicated)

	Common Shares #	Share Capital $	Warrants #	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income (Loss) $	Retained Earnings $	Total $
Balance – December 31, 2024	**25,204,167**	**10,556,600**	**-**	**-**	**339,445**	**-**	**9,381,466**	**20,277,511**
Net income for the period	-	-	-	-	-	-	1,529,399	1,529,399
Unrealized loss on digital assets (note 5)	-	-	-	-	-	(1,507,902)	-	(1,507,902)
Units issued upon financing (notes 9 and 11)	12,511,057	7,344,006	9,383,287	1,413,734	-	-	-	8,757,740
Unit issuance costs (notes 9 and 11)	-	(503,144)	-	(96,856)	-	-	-	(600,000)
Finder compensation units (notes 9 and 11)	-	(240,603)	535,761	240,603	-	-	-	-
Shares issued on the exercise of stock options (note 9)	375,000	227,002	-	-	(77,002)	-	-	150,000
Stock-based compensation (note 10)	-	-	-	-	126,145	-	-	126,145
Balance – June 30, 2025	**38,090,224**	**17,383,861**	**9,919,048**	**1,557,481**	**388,588**	**(1,507,902)**	**10,910,865**	**28,732,893**
Net income and comprehensive income for the period	-	-	-	-	-	-	2,263,649	2,263,649
Unrealized gain on digital assets (note 5)	-	-	-	-	-	1,507,902	-	1,507,902
Unit issuance costs (notes 9 and 11)	-	(8,385)	-	(1,615)	-	-	-	(10,000)
Stock-based compensation (note 10)	-	-	-	-	99,171	-	-	99,171
Stock option expiry (note 9)	-	-	-	-	(104,432)	-	104,432	-
Balance – December 31, 2025	**38,090,224**	**17,375,476**	**9,919,048**	**1,555,866**	**383,327**	**-**	**13,278,946**	**32,593,615**
Net income and comprehensive income for the period	-	-	-	-	-		481,101	481,101
Shares issued upon RSU vesting (note 10)	90,000	60,300	-	-	(60,300)	-	-	-
Stock-based compensation (note 10)	-	-	-	-	19,042	-	-	19,042
Balance – June 30, 2026	**38,180,224**	**17,435,776**	**9,919,048**	**1,555,866**	**342,069**	**-**	**13,760,047**	**33,093,758**

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

Torrent Capital Ltd.

Unaudited Condensed Interim Statements of Consolidated Cash Flow
For the six months ended June 30, 2026 and 2025
(Expressed in Canadian dollars unless otherwise indicated)

	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
CASH PROVIDED BY:		
OPERATING ACTIVITIES		
Net Comprehensive income (loss) for the period	**481,101**	21,497
Items not affecting cash:		
Realized (gain) loss on investments in securities	**(4,509,370)**	(402,226)
Realized gain on investments in digital assets	**-**	(2,043)
Unrealized (gain) loss on investments in securities	**3,278,244**	(1,725,167)
Unrealized loss on investments in digital assets	**-**	1,552,902
Provision for income tax expense (recovery)	**97,000**	(45,000)
Interest on loan to joint venture	**(35,500)**	(31,600)
Equity pick-up	**112,500**	201,550
Staking rewards income	**-**	(214,725)
Stock-based compensation	**19,042**	126,145
	(556,983)	(518,667)
Adjustments for:		
Acquisition of investments in securities	**(8,600,134)**	(1,607,319)
Proceeds on sale of investments in securities	**14,751,822**	4,397,992
Acquisitions of investments in digital assets	**-**	(11,872,519)
Proceeds on sale of investments in digital assets	**-**	1,564,318
Increase in amounts receivable	**(69,566)**	13,599
Increase prepaid expenses	**(13,804)**	(11,811)
Increase (decrease) in accounts payable and accrued liabilities	**(262,870)**	(23,863)
	5,805,448	(8,058,270)
Financing Activities		
Proceeds from financings, net	**-**	8,157,741
Proceeds from exercise of options	**-**	150,000
	-	8,307,741
Investing activities		
Loan to joint venture	**(35,000)**	(50,000)
	(35,000)	(50,000)
CHANGE IN CASH AND CASH EQUIVALENTS	**5,213,465**	199,471
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**1,659,313**	1,669,034
CASH AND CASH EQUIVALENTS, END OF PERIOD	**6,872,778**	1,868,505
Supplemental information:		
Income taxes paid	**-**	-

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

(expressed in Canadian dollars unless otherwise noted)

1. NATURE OF OPERATIONS

Torrent Capital Ltd. ("Torrent", or the "Company") is an Investment Issuer with its shares traded on the TSX Venture Exchange under the symbol "TORR". The Company's focus is on strategic investments in public and private company securities and certain digital assets. The Company's corporate office is located at Suite 2001 – 1969 Upper Water Street, Purdy's Wharf II, Halifax, Nova Scotia, Canada, B3J 3R7.

As at June 30, 2026, the Company had cash and cash equivalents of $6,872,778 (December 31, 2025 - $1,659,313) and working capital of $33,525,941 (December 31, 2025 - $33,220,798). Management believes that it has sufficient resources to fund its ongoing working capital requirements for the ensuing twelve months as they normally fall due.

2. ACCOUNTING POLICIES

Statement of Compliance

These unaudited condensed interim consolidated Financial Statements have been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board ("IASB") and IFRIC® Interpretations of the IFRS Interpretations Committee. These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on August 11, 2026.

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"), as issued by the IASB. Accordingly, certain information normally included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, has been omitted or condensed. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's annual audited financial statements for the year ended December 31, 2025.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS as of August 11, 2026, the date the Board of Directors approved the unaudited condensed interim consolidated financial statements. Any subsequent changes to IFRS, that are given effect in the Company's annual consolidated financial statements for the year ended December 31, 2026, could result in the restatement of these unaudited condensed interim consolidated financial statements.

Basis of Consolidation

These consolidated financial statements include assets, liabilities and results of operations of the Company, including the following subsidiary:

Subsidiary	Principal Activity	Country of incorporation
Torrent Capital (BVI) Ltd.	Digital asset investments	British Virgin Islands

The Company consolidates the wholly owned subsidiary on the basis that it controls the subsidiary through its ability to govern their financial and operating policies. All intercompany transactions and balances have been eliminated on consolidation of the accounts.

2. ACCOUNTING POLICIES (Continued)

Accounting Policies

These unaudited condensed interim consolidated financial statements have been prepared using the same accounting policies and method of computation as the annual financial statements of the Company for the year ended December 31, 2025. Refer to note 2, *Accounting Policies,* of the Company's annual financial statements for information regarding the accounting policies, including critical accounting estimates, as well as new accounting standards not yet effective. Also, refer to note 3, *Capital Management* and note 4, *Financial Risk Factors*, of the Company's annual financial statements for the Company's capital management objectives and its financial risk factors.

Adoption of New Accounting Standards

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
Effective January 1, 2026, the Company adopted amendments to IFRS 9 and IFRS 7. The adoption of these amendments did not have a material impact on the Company's consolidated financial statements or related disclosures.

New accounting standards and interpretations not yet adopted

IFRS 18 – Presentation and Disclosure in Financial Statements
In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces certain requirements of IAS 1 Presentation of Financial Statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted.

IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including defined categories and subtotals, including the introduction of new defined subtotals within the statement of profit or loss, enhanced guidance on aggregation and disaggregation of information, and new disclosure requirements for management-defined performance measures. The Company expects that the adoption of IFRS 18 will result in changes to the presentation of the statement of profit or loss and related note disclosures, particularly with respect to the classification of income and expenses between operating, investing and financing categories, but it is not expected to affect the Company's financial position. The Company is continuing to evaluate the full impact of IFRS 18 on its consolidated financial statements, including the extent of any additional presentation and disclosure changes which may be required.

3. OTHER ASSET – INVESTMENT IN PROGRESS

As at December 31, 2025, other assets included $2,000,000 relating to a funded equity subscription in a private investee that had not legally settled, as the funds had not yet been received by the investee and the shares had not been issued to the Company. During the period ended June 30, 2026, the transaction closed and the Company received the shares of the investee in full satisfaction of the subscription agreement. Upon closing of the transaction, the balance has been reclassified to investments in securities, measured and classified as a Level 3 financial instrument within the fair value hierarchy.

(expressed in Canadian dollars unless otherwise noted)

4. INVESTMENTS IN SECURITIES

	As at June 30, 2026			As at December 31, 2025		
Investments by Industry	**Cost of Investment(s) $**	**Market Value $**	**Unrealized Gain (Loss) $**	**Cost of Investment(s) $**	**Market Value $**	**Unrealized Gain (Loss) $**
Medical Research	77,196	132,900	55,704	232,199	599,625	367,426
Financial Technology	5,845,876	7,530,823	1,684,947	5,850,901	8,221,446	2,370,545
Media & Publishing	1,125,329	404,938	(720,391)	1,333,139	696,392	(636,747)
Metals & Mining	1,925,559	1,917,505	(8,054)	4,573,229	5,749,442	1,176,213
Software & IT Services	8,914,883	11,670,287	2,755,404	7,276,433	12,682,608	5,406,175
Technology Hardware & Equipment	175,249	168,524	(6,725)	-	-	-
Energy & Power Systems	894,902	888,821	(6,081)	-	-	-
Robotics, Sensors & Autonomous Systems	2,162,531	3,748,211	1,585,680	-	-	-
Other	606,914	714,695	107,781	2,104,857	2,147,754	42,897
	21,728,439	**27,176,704**	**5,448,265**	**21,370,758**	**30,097,267**	**8,726,509**

The following table presents the Company's Net investment gains (losses) for the period ended June 30, 2026:

	Three months ended June 30, 2026			Six months ended June 30, 2026		
Investments by Industry	**Net Realized Gain (Loss) $**	**Net Unrealized Gain (Loss) $**	**Total Gain (Loss) $**	**Net Realized Gain (Loss) $**	**Net Unrealized Gain (Loss) $**	**Total Gain (Loss) $**
Medical Research	107,931	(112,752)	(4,821)	133,944	(311,723)	(177,779)
Financial Technology	121,009	357,277	478,286	348,263	(622,214)	(273,951)
Media & Publishing	(8,925)	9,910	985	(16,918)	(87,406)	(104,324)
Metals & Mining	(48,581)	(823,895)	(872,476)	(13,501)	(1,184,268)	(1,197,769)
Software & IT Services	3,571,685	835,986	4,407,671	3,734,078	(2,714,155)	1,019,923
Technology Hardware & Equipment	20,332	(6,725)	13,607	20,332	(6,725)	13,607
Energy & Power Systems	76,395	(6,081)	70,314	76,395	(6,081)	70,314
Robotics, Sensors & Autonomous Systems	239,854	1,585,679	1,825,533	239,854	1,585,679	1,825,533
Other	(28,038)	78,218	50,180	(13,077)	68,649	55,572
	4,051,662	**1,917,617**	**5,969,279**	**4,509,370**	**(3,278,244)**	**1,231,126**

IFRS 9, Financial Instruments ("IFRS 9")

Financial Instruments Recorded at Fair Value
Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

(expressed in Canadian dollars unless otherwise noted)

4. INVESTMENTS IN SECURITIES (Continued)

Investments consisted of the following at June 30, 2026:

Investments	Cost $	Level 1 Quoted Market Price $	Level 2 Observable Market Inputs $	Level 3 Non-Observable Market Inputs $	Fair Market Value $
Equities	21,728,439	21,435,238	-	5,427,841	**26,863,079**
Warrants	-	-	313,625	-	**313,625**
Total investments	**21,728,439**	**21,435,238**	**313,625**	**5,427,841**	**27,176,704**

Investments consisted of the following at December 31, 2025:

Investments	Cost $	Level 1 Quoted Market Price $	Level 2 Observable Market Inputs $	Level 3 Non-Observable Market Inputs $	Fair Market Value $
Equities	21,370,758	26,619,996	-	2,948,344	**29,568,340**
Warrants	-	-	528,927	-	**528,927**
Total investments	**21,370,758**	**26,619,996**	**528,927**	**2,948,344**	**30,097,267**

During the period ended June 30, 2026 and the year ended December 31, 2025, the reconciliation of investments measured at fair market value using unobservable inputs (Level 3) is presented as follows:

	$
Balance – December 31, 2024	**2,879,539**
Purchases	150,000
Change in net unrealized loss	(81,195)
Balance – December 31, 2025	**2,948,344**
Purchases	2,451,759
Change in net unrealized gain	27,738
Balance – June 30, 2026	**5,427,841**

The table below presents the valuation technique(s) and the nature of significant inputs used to determine the fair values of the Level 3 investments as at June 30, 2026:

Investment	Method	Inputs	Fair value change + / - 10%
Equity instruments	Private placement financing technique	Price per share of last capital raise	$542,784

(expressed in Canadian dollars unless otherwise noted)

5. INVESTMENTS IN DIGITAL ASSETS

The Company did not hold any digital assets as at June 30, 2026 (December 31, 2025 – $nil). During the year ended December 31, 2025, the Company fully disposed of its digital asset intangibles. As a result during the six months ended June 30, 2026, there were no acquisitions, disposals, or fair value changes recognized in respect of digital assets.

During the period ended June 30, 2025, the Company acquired various digital asset intangibles presented as follows:

	As at June 30, 2025		
	Cost $	Market Value $	Unrealized Gain (Loss) $
Solana	10,674,934	9,122,032	(1,552,902)
Bitcoin	-	-	-
	10,674,934	9,122,032	(1,552,902)

During the period ended June 30, 2025, the Company earned income from staking rewards from its Solana digital assets which it had staked. The Company earned 1,023 Solana tokens as staking rewards valued at $214,725 which have been recorded as staking rewards income.

The following table presents the Company's net gains (losses) from digital asset for the period ended June 30, 2025:

	Three months ended June 30, 2025			Six months ended June 30, 2025		
	Net Realized Gain (Loss) $	Net Unrealized Gain (Loss) $	Total Gain (Loss) $	Net Realized Gain (Loss) $	Net Unrealized Gain (Loss) $	Total Gain (Loss) $
Solana	-	1,145,996	1,145,996	-	(1,552,902)	(1,552,902)
Bitcoin	11,848	144,227	156,075	2,043	-	2,043
	11,848	1,290,223	1,302,071	2,043	(1,552,902)	(1,550,859)

6. INVESTMENT IN JOINT VENTURE

In September 2022, the Company and the Port of Argentia Inc. (the "Port") established a 50/50 joint venture company, Argentia Capital Inc. ("ACI"). ACI is focused on the construction of Port infrastructure, the provision of services and equity ownership in businesses that support aquaculture, renewable energy, and oil and gas sectors, as well as other Port developments. The Company's ownership interest in ACI is accounted for using the equity method.

On October 31, 2022, the Company and ACI entered a loan arrangement. The loan arrangement has an annual interest rate of 12% and is repayable in full, including all interest, on demand. As of June 30, 2026, the Company has provided $610,000 to ACI and has recognized a loan receivable of $790,700, including accrued interest, relating to the loan.

(expressed in Canadian dollars unless otherwise noted)

6. INVESTMENT IN JOINT VENTURE (Continued)

Loan receivable continuity

	June 30, 2026 $	**December 31, 2025 $**
Balance – beginning of period	720,200	565,200
Advances to ACI	35,000	90,000
Accrued interest	35,500	65,000
Balance – end of period	790,700	720,200
Interest in joint venture (*see below*)	(579,883)	(467,383)
Balance, net – end of period	210,817	252,817

For the period ended June 30, 2026, Torrent recognized an equity loss from joint venture of $112,500 (year ended December 31, 2025 - $324,300). Equity losses in excess of Torrent's incremental investment have been applied to other components of the Company's net interest in the ACI joint venture.

The following table presents the change in carrying values of the Company's investment in joint venture during the period ended June 30, 2026 and the year ended December 31, 2025:

	Amount $
Balance – December 31, 2024	(143,083)
Share of loss from joint venture	(324,300)
Balance – December 31, 2025	(467,383)
Share of loss from joint venture	(112,500)
Balance – June 30, 2026	(579,883)

For the period ended June 30, 2026, and year ended December 31, 2025, the Company recognized additions to the joint venture of $nil and received $nil in non-repayable government assistance relating to joint venture expenses.

(expressed in Canadian dollars unless otherwise noted)

7. RELATED PARTY TRANSACTIONS AND BALANCES

Remuneration of Directors and key management personnel of the Company was as follows:

	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
CEO remuneration – W. Dawe	**90,000**	90,000
President & COO remuneration – C. Sheppard	**60,000**	60,000
CFO remuneration – R. Randall[(1)]	**-**	70,350
CFO remuneration – E. Thompson[(1)]	**50,000**	-
Consulting fees – Brigus Capital	**50,866**	20,566
Director remuneration	**59,250**	59,250
Service fees and rent	**46,200**	48,300
	356,316	348,466

(1) Mr. Randall served as CFO until July 31, 2025 at which time Mr. Thompson assumed the role of CFO effective August 1, 2025.

During the period ended June 30, 2026, the Company incurred costs for Financial Controller services provided by Numus Financial Inc. ("Numus"), a company controlled by two Directors (one being the CEO), of $18,000 (2025 - $18,000), digital media services of $12,900 (2025 - $15,000) and rent and office services from Numus in the amount of $15,300 (2025 – $15,300). The Company also incurred costs for consulting services of $50,866 (2025 - $20,566) from Brigus Capital Inc., a company controlled by the CEO.

As at June 30, 2026, related parties were owed $179,274 (December 31, 2025 - $163,726). These amounts are included in accounts payable and accrued liabilities.

If the Financial Controller services are cancelled without cause by the Company, a break fee of six months of remuneration, being $18,000, will be payable to Numus, in addition to the Controller service fees applicable for the 90 day notice period. If the rental option is cancelled by the Company without six months' notice to Numus, a break fee of six months of remuneration, being $15,300, will be payable to Numus.

In the year ended December 31, 2025, the Company issued 295,000 stock options to Directors and Officers. The options have an exercise price of $0.75 and expire on February 19, 2030. The estimated fair value of these stock options was $119,334, of which stock-based compensation of $6,826 was recognized during the period ended June 30, 2026.

On May 19, 2025, the Company issued 375,000 shares to Directors and Officers upon the exercise of expiring options, for a fair value of $227,002, including cash proceeds of $150,000.

In the year ended December 31, 2025, the Board approved the issuance of 70,000 restricted share units to Officers with a one-year vesting period. The restricted share units have an estimated fair value of $46,900 of which stock-based compensation of $4,188 was recognized during the period ended June 30, 2026 (year ended December 31, 2025 - $35,454).

During the period ended June 30, 2026, 50,000 restricted share units ("RSUs") held by an Officer of the Company vested, resulting in the issuance of 50,000 common shares. The RSUs had estimated fair value of $33,500.

(expressed in Canadian dollars unless otherwise noted)

7. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Numus Capital Corp. (the “Finder”) acted as exclusive Finder for the concurrent private placement (note 9). The Finder is registered as an Exempt Market Dealer and deals with Torrent on a non-arm's length basis, insiders of Torrent being indirectly principal shareholders as well as directors and officers of the Finder. In connection with the private placement, Torrent paid the Finder cash commissions of $149,568 and issued 213,669 non-transferable share purchase units (the “Compensation Units”). Each Compensation Unit entitles the holder to acquire one Common Share at an exercise price of $0.70 until February 10, 2027, and grants three-quarters of one non-transferable Common Share purchase warrant (each full warrant, a “Warrant” and collectively the “Warrants”). Each Warrant will be exercisable at a price of $1.10 per share until February 10, 2027.

The above noted transactions are in the normal course of business, as agreed to by the parties and approved by the Board of Directors in strict adherence to conflict of interest regulations.

8. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 29% (2025 – 29%) to the effective tax rate is as follows:

	Period ended June 30, 2026 $	Year ended December 31, 2025 $
Income before income taxes	**578,101**	4,628,048
Expected income tax expense	**168,000**	1,342,000
Stock based compensation and other non-deductible items	**(536,470)**	(752,390)
Foreign subsidiary loss	**190**	77,750
Share of loss from joint venture	**32,630**	94,050
Share issuance costs	**(24,460)**	(49,330)
Utilization of capital loss carry forwards	**-**	(221,110)
Utilization of non-capital loss carry forwards	**(170,640)**	(74,970)
Change in tax benefits not recognized	**627,750**	419,000
Income tax expense (recovery)	**97,000**	835,000
Current income tax	**334,000**	-
Deferred income tax (recovery)	**(237,000)**	835,000
Income tax expense (recovery)	**97,000**	835,000

(expressed in Canadian dollars unless otherwise noted)

8. INCOME TAXES (Continued)

Deferred Tax

The following table summarizes the components of deferred tax:

	June 30, 2026 $	December 31, 2025 $
Deferred Tax Assets		
Exploration and evaluation assets	**38,000**	39,000
Investment in joint venture	**88,000**	72,000
Intangible assets	**38,000**	39,000
Charitable donations	**-**	15,000
Losses carried forward	**-**	170,000
Share Issuance costs	**173,000**	195,000
Deferred Tax Liability		
Unrealized gains on investments	**(980,000)**	(1,410,000)
Net deferred tax liability	**643,000**	880,000

As at June 30, 2026, the Company had approximately $268,000 (December 31, 2025 - $268,000) in foreign subsidiary losses available to reduce future taxable income for Canadian income tax purposes. The benefit of these losses has not been recorded in the deferred tax assets as realization is not considered probable.

9. SHARE CAPITAL

(a) AUTHORIZED

Authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) SHARES ISSUED

	Number of Shares	**Amount $**
Balance –December 31, 2024	25,204,167	10,556,600
Shares issued pursuant to financings, net of issuance costs	12,511,057	6,591,874
Shares issued pursuant to options exercise	375,000	227,002
Balance – December 31, 2025	38,090,224	17,375,476
Shares issued pursuant to RSU vesting	90,000	60,300
Balance – June 30, 2026	38,180,224	17,435,776

During the period ended June 30, 2026, 90,000 restricted share units vested, including 50,000 held by an Officer, resulting in the issuance of the equivalent number of common shares. The estimated fair value of the RSUs was $60,300.

On February 10, 2025, the Company completed financings to raise gross proceeds of $8,757,740 (the "Financings") by the issuance of 12,511,057 units of Torrent (each, a "Unit") at $0.70 per Unit (the "Offering Price"). Each Unit consists of one Common Share of Torrent (a "Common Share") and three-quarters of one non-transferable Common Share purchase warrant (each full warrant, a "Warrant" and collectively the "Warrants").

9. SHARE CAPITAL (continued)

Each Warrant will be exercisable at a price of $1.10 per share until February 10, 2027, provided that if the volume weighted average trading price of the Company's Common Shares on the TSX Venture Exchange is at least $2.20 per Common Share for a period of ten consecutive trading days, the expiry date of the Warrants may be accelerated by the Company to a date that is not less than 30 days after the date that notice of such acceleration is provided to the Warrant holders by way of a press release and concurrent written notice is provided to the warrant agent.

With respect to the Financings, the Company relied on the "Listed Issuer Financing Exemption" provided for in Part 5A of National Instrument 45-106 – Prospectus Exemptions for the issuance of 5,368,200 Units ("LIFE Offering"). The concurrent non-brokered prospectus exempt offering of 7,142,857 Units was conducted by way of private placement.

The LIFE Offering was made through a syndicate of agents including Canaccord Genuity and Ventum Financial Corp. Numus Capital Corp. (the "Finder") acted as exclusive Finder for the concurrent private placement. In connection with the Financings, Torrent paid the cash commissions and issued non-transferable share purchase units (the "Compensation Units"). Each Compensation Unit entitles the holder to acquire one Common Share at an exercise price of $0.70 until February 10, 2027 and grants three-quarters of one non-transferable Common Share purchase warrant (each full warrant, a "Compensation Warrant" and collectively the "Compensation Warrants"). Each Compensation Warrant will be exercisable at a price of $1.10 per share until February 10, 2027. In connection with the Financings, Torrent paid cash commissions of $459,415 and issued 535,761 Compensation Units.

On May 19, 2025, the Company issued 375,000 shares to Directors and Officers upon the exercise of expiring options, for a fair value of $227,002, including cash proceeds of $150,000.

10. STOCK OPTIONS AND RESTRICTED SHARE UNITS

The Company has a stock option plan (the "Option Plan") for Directors, Officers, employees and consultants of the Company. The Company also has a restricted share plan ("RSU Plan"), under which the Company can issue up to 800,000 shares. The total share rights available under the RSU Plan together with the Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company. The options can have up to a ten-year life and the vesting period is set by the Board of Directors. Options are granted at a price not lower than the market price of the common shares. The performance criteria and performance period of the stock options and restricted shares units are determined by the Board of Directors.

During the year ended December 31, 2025, the Company granted 90,000 restricted share units to Officers and a consultant under the Company's RSU plan. These units will vest in one year from the date of grant. The fair value of units granted is amortized over the vesting period of the respective units with $7,538 recorded as stock-based compensation for the period ended June 30, 2026 (year ended December 31, 2025 - $52,763).

During the period ended June 30, 2026, 90,000 restricted share units vested, including 50,000 held by an Officer, resulting in the issuance of the equivalent number of common shares. The estimated fair value of the RSUs was $60,300.

During the year ended December 31, 2025, the Company granted 455,000 stock options to Directors, Officers and consultants of the Company. The options are exercisable at a price of $0.75 per share and expire on February 19, 2030. These options vest at the rate of 50% on each of the six and twelve-month anniversary of the grant date.

(expressed in Canadian dollars unless otherwise noted)

10. STOCK OPTIONS AND RESTRICTED SHARE UNITS (continued)

The following are the weighted-average assumptions used in the Black-Scholes pricing model:

	Year ended December 31, 2025
Risk free interest rate	2.81%
Expected volatility	75%
Expected dividend yield	-
Expected life	5 years
Exercise price	$0.75

Based on the Black-Scholes pricing model and the assumptions outlined above, the estimated fair value of the options granted during the year ended December 31, 2025 is $184,057. The fair value of options granted is amortized over the vesting period of the respective options with $11,504 expensed during the period ended June 30, 2026.

The following table reflects the stock options continuity for the period ended June 30, 2026 and year ended December 31, 2025:

	Number of Stock Options Outstanding	Weighted Average Exercise Price $
Balance – December 31, 2024	725,000	0.63
Options exercised	(375,000)	0.40
Issued	455,000	0.75
Options expired	(25,000)	0.80
Balance – December 31, 2025 and June 30, 2026	780,000	0.81

During the year ended December 31, 2025, 25,000 options expired unexercised. As a result of the expiry, the Company reclassified $104,432 of fair value for the expired and other previously cancelled options, which was previously recorded as contributed surplus, to retained earnings.

The following table reflects the stock options outstanding as at June 30, 2026:

Expiry Date	Exercise Price $	Weighted Average Life Remaining	Options Outstanding	Options Vested	Black-Scholes Value $
May 13, 2027	0.95	0.9 years	125,000	125,000	62,769
October 27, 2027	0.85	1.3 years	200,000	200,000	83,113
February 19, 2030	0.75	3.6 years	455,000	455,000	184,057
			780,000	780,000	

The weighted average exercise price of vested options as at June 30, 2026 is $0.81.

(expressed in Canadian dollars unless otherwise noted)

11. WARRANTS

The following table reconciles the warrant activity during the period ended June 30, 2026 and year ended December 31, 2025:

	Number of warrants	Weighted Average Exercise price
	#	$
Balance, December 31, 2024	**-**	**-**
Financing unit warrants issued	9,383,287	1.10
Finder compensation units issued	535,761	0.70
Balance, December 31, 2025 and June 30, 2026	**9,919,048**	**1.08**

During the year ended December 31, 2025, the Company issued 9,383,287 share warrants and 535,761 finder compensation units pursuant to the financings completed. The unit warrants are exercisable at $1.10 and expire on February 10, 2027. The finder compensation units have an exercise price of $0.70 and expire on February 10, 2027. Each finder's compensation unit consists of one common share and three quarters of one share purchase warrant. Each whole warrant issuable upon exercise of the compensation unit entitles the holder to acquire one common share at an exercise price of $1.10 for a period of 24 months from the date of issuance of the compensation unit. As at December 31, 2025, a total of 401,819 additional share warrants may be issued upon exercise of the finder's compensation units. If the volume weighted average trading price of the Company's common shares equals or exceeds $2.20 for ten consecutive trading days, the Company may accelerate the expiry date of the unit warrants to a date that is not less than 30 days following the issuance of a press release announcing such acceleration.

Warrant pricing models require the input of highly subjective assumptions, including the expected volatility. Changes in the assumptions can materially affect the fair value estimate and, therefore, the existing models may not necessarily provide a reliable estimate of the fair value of the Company's warrants.

The fair value of the warrants issued has been estimated at the grant date using the Black-Scholes pricing model. The weighted-average assumptions used in the pricing are as follows:

	Year ended December 31, 2025
Risk-free interest rate	2.67%
Expected life	2 years
Expected volatility	65%
Expected dividend per share	0.0%
Weighted-average exercise price	$1.08