



Condensed Interim Consolidated Financial Statements of

EAST AFRICA METALS INC.

For the six month period ended September 30, 2025

Expressed in Canadian dollars

Notice to Reader: As required by National Instrument 51-102 subsection 4.3(3)(a), readers are advised that an auditor has not performed a review of these interim financial statements.

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Financial Position - Unaudited

Expressed in Canadian dollars

	September 30, 2025	March 31, 2025
Assets		
Current assets		
Cash	\$ 2,315,923	\$ 287,528
Accounts receivable	41,088	37,138
Assets held for sale (note 4)	4,605,257	4,679,794
Prepaid expenses and deposits	28,513	78,356
	6,990,781	5,082,816
Non-current assets		
Investment in Tigray Resources Incorporated PLC (note 5)	16,901	135,296
Mineral property interests (note 6)	18,155,336	18,748,733
Property and equipment	674	1,059
	18,172,911	18,885,088
	\$ 25,163,692	\$ 23,967,904
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 11)	\$ 745,240	\$ 1,764,684
Liabilities held for sale (note 4)	1,207,143	2,127,779
Deposit on sale of Canaco Tanzania Limited (note 4)	2,431,291	2,431,291
Loans payable (note 7)	-	749,256
	4,383,674	7,073,010
Equity		
Share capital (note 8(a),(b) & (c))	64,115,870	58,623,708
Obligation to issue shares - mineral property interests (note 8(d))	143,000	143,000
Reserves (note 8(e))	152,845,956	152,845,956
Accumulated other comprehensive income	5,322,615	5,604,305
Deficit	(205,158,431)	(204,119,844)
Total equity attributable to shareholders of East Africa Metals Inc.	17,269,010	13,097,125
Non-controlling interest (note 9)	3,511,008	3,797,769
	20,780,018	16,894,894
	\$ 25,163,692	\$ 23,967,904
Nature of operations and going concern (note 1)		

Approved on behalf of the Board:

“/s/ David Parsons”
“/s/ Antony Harwood”

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Loss - Unaudited

Expressed in Canadian dollars

	Three month period ended September 30, 2025	Three month period ended September 30, 2024	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Expenses				
Directors fees (note 11)	\$ 16,625	\$ 17,250	\$ 32,313	\$ 34,500
Exploration and evaluation expenditures (note 10)	105,336	103,846	456,483	271,115
Investor/shareholder communications and filing fees	89,941	34,455	181,918	123,369
Legal, audit and audit related fees	36,769	4,012	47,143	7,982
Management and consulting fees and reimbursements (note 11)	118,980	131,562	273,692	296,177
Office and administration	66,654	39,896	161,053	148,507
Rent and occupancy costs	306	303	612	608
Share-based compensation (note 8(e))	-	-	-	77,547
Operating loss	(434,611)	(331,324)	(1,153,214)	(959,805)
Other income (expenses)				
Foreign exchange gain (loss)	(14,090)	(5,293)	(89,790)	(20,790)
Gain on settlement of financial liability	330,000	-	330,000	-
Interest expense	(197)	(19,411)	(22,050)	(48,587)
Share of loss of Tigray Resources Incorporated PLC (note 5)	(71,710)	(19,740)	(118,395)	(39,357)
Net loss for period	\$ (190,608)	\$ (375,768)	\$ (1,053,449)	\$ (1,068,539)
Net loss attributable to:				
Shareholders	\$ (180,585)	\$ (369,724)	\$ (1,038,587)	\$ (1,044,613)
Non-controlling interest	(10,023)	(6,044)	(14,862)	(23,926)
	\$ (190,608)	\$ (375,768)	\$ (1,053,449)	\$ (1,068,539)
Loss per share, basic and fully diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares - basic and fully diluted	268,973,569	215,388,062	247,576,848	211,811,493

Condensed Interim Consolidated Statements of Comprehensive Loss - Unaudited

Expressed in Canadian dollars

	Three month period ended September 30, 2025	Three month period ended September 30, 2024	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Net loss for period	\$ (190,608)	\$ (375,768)	\$ (1,053,449)	\$ (1,068,539)
Items that may be reclassified to statement of loss				
Currency translation adjustment	429,210	(393,320)	(553,589)	(38,110)
Comprehensive loss for period	\$ 238,602	\$ (769,088)	\$ (1,607,038)	(1,106,649)
Comprehensive loss attributable to:				
Shareholders	\$ 139,349	\$ (687,005)	\$ (1,320,277)	\$ (1,058,429)
Non-controlling interest	99,254	(82,083)	(286,761)	(48,220)
	\$ 238,603	(769,088)	\$ (1,607,038)	\$ (1,106,649)

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Changes in Equity - Unaudited
Expressed in Canadian dollars

	Common Shares Without Par Value											
	Shares	Amount	Obligation- mineral property interests	Reserves	Accumulated Other Comprehensive Income	Deficit	Total Equity Attributable to Shareholders	Non-Controlling Interest	Total Equity			
Balance - March 31, 2024	204,280,236	\$ 57,474,373	\$ 143,000	\$ 152,394,897	\$ 4,620,026	\$ (201,817,024)	\$ 12,815,272	\$ 3,526,262	\$ 16,341,534			
Private placement	10,360,000	621,561	-	414,439	-	-	1,036,000	-	1,036,000			
Finder's warrants		-	-	24,670	-	-	24,670	-	24,670			
Issue costs		(55,919)	-	(37,285)	-	-	(93,204)	-	(93,204)			
Stock options exercised		88,312	-	(28,312)	-	-	60,000	-	60,000			
Share-based compensation		-	-	77,547	-	-	77,547	-	77,547			
Currency translation adjustment on foreign operations		-	-	-	(13,816)	-	(13,816)	(24,294)	(38,110)			
Net loss for period		-	-	-	-	(1,044,613)	(1,044,613)	(23,926)	(1,068,539)			
Balance - September 30, 2024	214,640,236	\$ 58,128,327	\$ 143,000	\$ 152,845,956	\$ 4,606,210	\$ (202,861,637)	\$ 12,861,856	\$ 3,478,042	\$ 16,339,898			
Balance - March 31, 2025	218,773,569	\$ 58,623,708	\$ 143,000	\$ 152,845,956	\$ 5,604,305	\$ (204,119,844)	\$ 13,097,125	\$ 3,797,769	\$ 16,894,894			
Private placement	50,200,000	5,522,000	-	-	-	-	5,522,000	-	5,522,000			
Issue costs		(29,838)	-	-	-	-	(29,838)	-	(29,838)			
Currency translation adjustment on foreign operations		-	-	-	(281,690)	-	(281,690)	(271,899)	(553,589)			
Net loss for period		-	-	-	-	(1,038,587)	(1,038,587)	(14,862)	(1,053,449)			
Balance - September 30, 2025	268,973,569	\$ 64,115,870	\$ 143,000	\$ 152,845,956	\$ 5,322,615	\$ (205,158,431)	\$ 17,269,010	\$ 3,511,008	\$ 20,780,018			

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

EAST AFRICA METALS INC.

Interim Condensed Consolidated Statements of Cash Flows - Unaudited

Expressed in Canadian dollars

	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Cash provided by (used for) operating activities		
Loss for period	\$ (1,053,449)	\$ (1,068,539)
Items not involving cash		
Amortization – exploration and evaluation	173	415
Gain on settlement of financial liability	(330,000)	-
Interest expense	22,050	39,357
Provision for (recovery of) taxes	932	2,179
Share-based compensation	-	77,547
Share of loss of Tigray Resources Incorporated PLC (note 6)	118,395	48,587
Unrealized foreign exchange loss (gain)	96,965	24,250
Changes in operating assets and liabilities		
Accounts receivable	(3,949)	(19,928)
Prepaid expenses and deposits	49,842	195,511
Accounts payable and accrued liabilities	(1,603,980)	(325,388)
	(2,703,021)	(1,026,009)
Cash flows provided by (used for) investing activities		
Assets held for sale - rental fees	(11,490)	-
Purchase of equipment	-	(1,836)
	(11,490)	(1,836)
Cash flows provided by (used for) financing activities		
Repayment of loans	(749,256)	-
Proceeds from private placement	5,522,000	1,036,000
Private placement - cash commissions and issue costs	(29,838)	(68,535)
Stock options exercised	-	60,000
	4,742,906	1,027,465
Increase (decrease) in cash	2,028,395	(380)
Cash - beginning of period	287,528	76,870
Cash - end of period	\$ 2,315,923	\$ 76,490
Supplemental cash flow information		
Finder's warrants	\$ -	\$ 24,670
Interest paid (received)	\$ -	\$ -
Income taxes paid (recovered)	\$ -	\$ -

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

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

1. Nature of operations and going concern

East Africa Metals Inc. (“East Africa” or the “Company”) was incorporated on December 7, 2012, under the Canada Business Corporations Act. The address of the Company’s corporate office and principal place of business is 17th Floor, 777 Dunsmuir Street, Vancouver, British Columbia, Canada. On July 11, 2013, the Company commenced trading on the TSX Venture Exchange (the “TSXV”) as a Tier 2 mining issuer under the trading symbol “EAM”.

East Africa is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of base and precious mineral resource properties in the Federal Democratic Republic of Ethiopia (“Ethiopia”) and the United Republic of Tanzania (“Tanzania”). The Company’s major mineral property interest consists of one project in Ethiopia, the Harvest Property. Additionally, the Company has a 30% equity interest in Tigray Resources Incorporated PLC, which has one project in Ethiopia, the Adyabo Property. The Tanzanian mineral property interest consists of two mining licenses, Handeni and Magambazi (the “Magambazi Project”) is currently classified as held for sale (note 4).

The Company has not yet determined whether its mineral resource properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts capitalized for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of East Africa to obtain the necessary financing to complete the exploration and development of such properties and upon future profitable production or proceeds from the disposition of such properties.

These interim condensed consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for at least the next twelve months from September 30, 2025 and will be able to realize its assets and discharge its liabilities in the normal course of business. For the six month period ended September 30, 2025, the Company incurred a net loss attributable to shareholders totaling \$1,038,587 and used cash in operating activities of \$2,703,021. As at September 30, 2025, the Company had an accumulated deficit of \$205,158,431. As at September 30, 2025, the Company had cash of \$2,315,923, accounts payable and accrued liabilities of \$745,240.

Based on the Company’s financial position as at September 30, 2025, the available funds are not considered adequate to meet requirements for the estimated operations and exploration and evaluation costs in the coming twelve-month period. These requirements may be adversely impacted by an absence of normal available financing due to the continued uncertainty in the markets for mineral exploration companies. To address its financing requirements, the Company will seek financing through and not limited to completion of the sale of Canaco Tanzania Limited (note 4), debt financing, strategic alliances, equity financing and optioning of its mineral properties. However, there is no assurance that such financing will be available. There is a material uncertainty related to these conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported income and expenses and the consolidated statement of financial position classifications used. Such adjustments could be material.

2. Statement of compliance and basis of preparation

These condensed interim consolidated financial statements are prepared in accordance with IAS 34 - Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s audited consolidated financial statements for the year ended March 31, 2025. The policies applied in these condensed interim consolidated financial statements are based on IFRS issued as of November 27, 2025, the date the Board of Directors approved the financial statements. These condensed interim consolidated financial statements should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2025.

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

3. Material accounting policy information

Basis of presentation

The financial statements have been prepared on an accrual basis and are on a historical cost basis, except for certain financial instruments, which are measured at fair value. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in note 4 in the Company's annual consolidated financial statements for the year ended March 31, 2025.

These condensed interim consolidated financial statements are prepared in Canadian dollars. The functional currency of the Company is Canadian dollars.

4. Held for sale assets and liabilities

On October 20, 2020, the Company signed a binding Share Purchase Agreement ("SPA") and Gold Purchase Agreement ("GPA") with PMM Mining Company Limited ("PMM" or the "Developer"). Under the SPA PMM was required to pay to East Africa the sum of US\$2,000,000 for the acquisition of 100% shares of CTL with the expectation that East Africa will assume certain liabilities of CTL (approximately US\$500,000). CTL owns the Magambazi Project in Handeni (the "Mining Assets" or "Magambazi Mine") and all other properties owned by East Africa in Tanzania (the "Exploration Assets"). As at June 30, 2025, East Africa had received US\$1,900,000 (CAD\$2,431,291) and US\$100,000 of the sale proceeds were withheld by PMM and remitted to the Tanzanian Revenue Authority. The sale proceeds received are recorded in the consolidated financial statements as a deposit on sale of CTL. As result of removal of PMM as the developer, East Africa is now mandated and required to appoint a third-party developer to manage and operate the Magambazi Project pursuant to the terms of an agreement setting out the definitive terms for the arrangement. The liability on the deposit on sale will be derecognized and recognized in profit or loss if, as and when East Africa is assured PMM has no legal recourse to demand repayment.

On August 14, 2025, the Company entered into a binding Memorandum of Understanding ("MOU") with Ubora Minerals Company Limited ("Ubora") to acquire and develop the Company's Magambazi Project in Tanzania through the acquisition of 100% of the shares of CTL. Ubora is a subsidiary company of Anchises Capital Precious Metal Fund LLC ("Anchises"), which holds 50,200,000 common shares of the Company, representing approximately 18.66% of the Company's issued and outstanding shares. Accordingly, Ubora is a "Non-Arm's Length Party" of the Company, as defined under the policies of the TSX Venture Exchange.

Terms of the MOU to acquire 100% of the shares of CTL include:

- Cash payment of US\$1.0 million upon signing of a definitive agreement that replaces the MOU (a "Definitive Agreement"), in lieu of US\$1.7 million owed to the Company by PMM Mining Company Limited ("PMM");
- 4% Net Smelter Returns royalty, subject to annual minimum royalty, advanced royalties, and cumulative 10-year guarantee payment terms;
- Buyout of PMM's interest in the Magambazi Project;
- Project development within 48 months after obtaining all necessary approvals and acquiring control of the project, as required by applicable regulatory authorities; and,
- A minimum annual production rate of 40,000 ounces of gold within 48 months of commercial production.

The MOU and the transaction represented thereunder is subject to a number of conditions, including approval by the Tanzanian Mining Commission and other relevant government authorities, the entering of a Definitive Agreement, and approval of the TSX Venture Exchange.

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

4. Held for sale assets and liabilities - continued

As a result of the Company undertaking to enter into an agreement to sell 100% of CTL, the assets and liabilities of CTL and Denwill are presented as assets and liabilities held for sale, details are as follows:

	September 30, 2025	March 31, 2025
Assets held for sale		
Cash	\$ 679	\$ 624
Accounts receivable	97,793	-
Mineral property interests	4,358,158	4,163,626
Property & equipment	148,627	143,660
	\$ 4,605,257	\$ 4,307,910
Liabilities held for sale		
Accounts payable and accrued liabilities	\$ 1,207,143	\$ 2,127,779

5. Investment in Tigray Resources Incorporated PLC (“TRI PLC”)

East Africa holds a 30% equity interest in TRI PLC.

	September 30, 2025	March 31, 2025
Balance - opening	\$ 135,296	\$ 319,915
Share of loss	(118,395)	(184,619)
Balance - closing	\$ 16,901	\$ 135,296

Summary of statements of financial position

	September 30, 2025	March 31, 2025
NCI percentage	30%	30%
Current assets	\$ 66,658	\$ 35,724
Less -current liabilities	(23,155)	(20,409)
	43,503	15,315
Non-current assets	18,156,010	18,749,793
Less -non-current liabilities	(15,975,564)	(15,918,753)
	2,180,446	2,831,040
Net assets	\$ 2,223,949	\$ 2,846,355
Accumulated NCI	\$ 3,511,008	\$ 3,797,769

Summary of Tigray Resources Incorporated PLC statements of loss and comprehensive loss

	Three month period ended September 30,		Six month period ended September 30,	
	2025	2024	2025	2024
Revenues	\$ -	\$ -	\$ -	\$ -
Expenses	239,034	64,702	394,651	161,955
Net loss	(239,034)	(64,702)	(394,651)	(161,955)
Other comprehensive income	41,439	17,200	44,213	15,841
Comprehensive loss	\$ (197,595)	\$ (47,502)	\$ (350,438)	\$ (146,114)

6. Mineral property interests

Details of the Company’s mineral property interests are as follows:

Balance - March 31, 2025	\$ 18,748,733
Foreign exchange	(593,397)
Balance - September 30, 2025	\$ 18,155,336

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

6. Mineral property interests - continued

Harvest Property

In December 2017, the Company received a mining license for the Terakimti HL Project, which includes the requirement to complete construction of the mine within 2 years. The Company applied for an extension of the mine development period, which was granted in December 2019 extending the term to December 5, 2020. The mining license has a term of 6 years with the ability for renewal of up to 10 years on the approval of the Ministry of Mines and Petroleum (“MoMP”) and is due to expire in December 2023. On May 15, 2024, the mining license was renewed effective January 1, 2024 and is due to expire on December 5, 2028. The Company has a 70% interest in the Harvest Property in Ethiopia with the remaining 30% interest held by Ezana Mining Development PLC (“Ezana”).

The Company submitted an application for the exploration rights on the remaining prospective targets not included in the Terakimti HL Project (East Africa Mineral Resources), which has been approved.

Tanzania (Assets held for sale (note 4))

The properties are located in the Handeni district, Tanga Region of Tanzania. East Africa’s Magambazi Project is comprised of two mining licenses with CTL holding one mining license and Denwill holding the second mining license. The Company has an option agreement to acquire a 100% interest in Denwill, a structured entity controlled by East Africa, upon payment of US\$40,000. As at June 30, 2025, the option has not yet been exercised. The other properties consists of two main claims and are located in the Handeni district, Tanga Region of Tanzania. The mineral property interests held by CTL and Denwill have been reclassified, as assets held for sale (note 4).

7. Loans payable

	September 30, 2025		March 31, 2024	
Demand loan (a)(note 11)				
Principal	\$	-	\$	300,000
Interest		-		406,879
		-		706,879
Canadian Emergency Business Account (“CEBA”) loan (b)		-		42,377
	\$	-	\$	749,256

- a) On August 31, 2017, SinoTech (Hong Kong) Corporation Limited (“SinoTech”) provided an unsecured loan to the Company for \$600,000 with an interest rate of 12% per annum. During the year ended December 31, 2018, the Company repaid \$324,000 of the principal and interest. On August 6, 2025, the Company repaid the demand loan principal and accrued interest thereon (\$728,733).

Sino Tech is a significant shareholder as it owns 18.5% of the issued and outstanding shares of East Africa and has common officers and directors.

- b) On May 7, 2020, as part of the Canadian government funded COVID-19 financial assistance programs, the Company received a loan in the amount of \$40,000 from the Bank of Montreal (CEBA loan). The CEBA loan is unsecured and due on December 31, 2026. The CEBA loan was interest free up to January 18, 2024 and bears interest at the rate of 5% per annum thereafter, which is being accrued monthly. On August 4, 2025, the Company repaid the CEBA loan principal and accrued interest thereon (\$43,063).

8. Share capital

- a) Authorized

Unlimited number of common shares without par value.

- b) Issued shares

- i. On June 17, 2025, the Company completed a non-brokered private placement at \$0.11 per share for gross proceeds of \$5,522,000 and issued 50,200,000 shares.

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

8. Share capital - continued

c) Escrowed shares

As at September 30, 2025, 675,045 (March 31, 2025 - 675,045) common shares are held in escrow. The release of these shares is based on the future exploration expenditure, discovery of an ore deposit and achieving commercial mineral production.

d) Obligation to issue shares

The Company held a 100% interest in the Adyabo Property (note 5) with the option to buy back 1.0% of the Net Smelter Return for a cash payment of \$5,000,000 to the previous owner, TIBA Resource Inc. ("TIBA"). Upon receipt of government approval on a positive feasibility study (May 23, 2019), the Company was obligated to issue 550,000 common shares (\$143,000) to TIBA and on commencement of commercial production, the Company will be obligated to issue an additional 275,000 common shares to TIBA.

e) Reserves

Stock options

The Company has established a stock option plan whereby the Board of Directors may grant stock options to directors, officers, employees or consultants. Pursuant to the 2022 stock option plan, the Company has been authorized by its shareholders to grant stock options to acquire up to 40,856,047 common shares. Stock options granted are subject to a maximum term of ten years from the date of grant. The exercise price of a stock option must be determined in accordance with the share purchase option plan. Stock options vest at the time the stock options are granted unless determined otherwise by the Board of Directors, other than stock options granted to consultants performing investor relations activities, which vest in stages over twelve months with no more than one quarter vesting in any three-month period.

During the three month period ended June 30, 2024, the Company granted 1,200,000 stock options to a director, which vested on the grant date, with a fair value of \$77,547, which was recorded as share-based compensation. The stock options were valued using Black-Scholes option pricing model based on the following assumptions:

Expected life	Annual volatility	Dividend yield	Risk-free interest rate	Options issued	Fair value
5 years	103.99%	0%	3.58%	1,200,000	\$ 77,547

Details of stock options activity during the six month period ended September 30, 2025 and the year ended March 31, 2025 are as follows:

	September 30, 2025		March 31, 2025	
	Number of options outstanding and exercisable	Weighted average exercise price	Number of options outstanding and exercisable	Weighted average exercise price
Opening balance	17,700,000	\$ 0.20	22,400,000	\$ 0.22
Granted	-	-	1,200,000	\$ 0.20
Exercised	-	-	(300,000)	\$ 0.20
Expired	-	-	(5,600,000)	\$ 0.22
Closing balance	17,700,000	\$ 0.20	17,700,000	\$ 0.20

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

8. Share capital - continued

The following table summarizes information about the stock options outstanding and exercisable at September 30, 2025:

Number of options outstanding and exercisable	Exercise prices of options outstanding and exercisable	Weighted average remaining contractual life
3,150,000	\$ 0.30	0.08
2,800,000	\$ 0.20	0.41
10,550,000	\$ 0.20	1.76
1,200,000	\$ 0.20	0.24
17,700,000		2.26

Warrants

Details of warrants activity during the six month period ended September 30, 2025 and year ended March 31, 2024 are as follows:

	September 30, 2025		March 31, 2024	
	Number of warrants outstanding	Weighted average exercise price	Number of warrants outstanding	Weighted average exercise price
Opening balance	11,476,700	\$ 0.20	500,000	\$ 0.20
Issued	-	\$ -	10,976,700	\$ 0.20
Closing balance	11,476,700	\$ 0.20	11,476,700	\$ 0.20

The relative fair value of the 10,976,700 warrants issued in connection with the closing of the second tranche of the non-brokered unit private placement completed May 31, 2024 totaled \$401,824. The finders' warrants were valued using the Black-Scholes valuation model, using the following assumptions:

Expected life	Annual volatility	Dividend yield	Risk-free interest rate	Warrants issued	Estimated fair value	Warrant issue costs	Net
3 years	105.26%	0%	3.80%	10,360,000	\$ 414,439	\$ (37,285)	\$ 377,154
3 years	105.26%	0%	3.80%	616,700	24,670	-	24,670
				10,976,700	\$ 439,109	\$ (37,285)	\$ 401,824

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

September 30, 2025

Expressed in Canadian dollars

8. Share capital - continued

The following table summarizes information about the warrants outstanding at September 30, 2025:

Number of warrants outstanding	Weighted average exercise price	Weighted average remaining contractual life	Expiry date
500,000	\$ 0.20	0.06	March 4, 2027
10,360,000	\$ 0.20	1.50	May 31, 2027
616,700	\$ 0.20	0.09	May 31, 2027
11,476,700	\$ 0.20	1.66	

9. Non-controlling interest

East Africa holds a 70% equity interest in Harvest Mining PLC with the remaining 30% held by Ezana, an Ethiopian company. The non-controlling interest is carried at 30% until the completion of a feasibility study. The Company is responsible for all exploration costs until completion of a feasibility study. Subsequent to the completion of a feasibility study, any approved contributions by the Company for which Ezana elects not to contribute or elects to contribute less than its equity interest could increase the Company's interest. The below summarized financial information of Harvest is before inter-company eliminations:

Summary of statements of financial position

	September 30, 2025	March 31, 2025
NCI percentage	30%	30%
Current assets	\$ 66,658	\$ 35,724
Less -current liabilities	(23,155)	(20,409)
	43,504	15,315
Non-current assets	18,156,010	18,749,793
Less -non-current liabilities	(15,975,564)	(15,918,753)
	2,180,446	2,831,040
Net assets	\$ 2,223,949	\$ 2,846,355
Accumulated NCI	\$ 3,511,008	\$ 3,797,769

Summary of statements of loss and comprehensive loss

	Three month period ended September 30, 2025	Three month period ended September 30, 2024	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Net loss for period	\$ (33,410)	\$ (20,147)	\$ (49,539)	\$ (79,753)
Comprehensive loss for period	\$ 330,848	\$ (273,610)	\$ (933,695)	\$ (160,735)

Summary of statements of cash flows

	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Net cash used in operating activities	\$ (82,760)	\$ (85,937)
Net cash used in investing activities	\$ -	\$ (1,836)
Net cash provided by financing activities	\$ 75,353	\$ 89,340

EAST AFRICA METALS INC.

Notes to the Interim Condensed Consolidated Financial Statements – Unaudited

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9. Non-controlling interest - continued**Changes to non-controlling interest**

Balance - March 31, 2025	\$	3,797,769
Non-controlling interest's share of loss		(14,862)
Non-controlling interest's share of other comprehensive income		(271,899)
Balance - September 30, 2025	\$	3,511,008

10. Exploration and evaluation expenses

	Magambazi Project	Harvest Property	Total
Exploration and evaluation expenditures			
Amortization	\$ -	\$ 349	\$ 349
Camp and administration	227,904	116,793	344,696
Provision for taxes	-	932	932
Travel and incidentals	110,505		110,505
Six month period ended September 30, 2024	\$ 338,409	\$ 118,074	\$ 456,483

11. Related party transactions

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel include the Company's directors and the Chief Executive Officer, Chief Financial Officer and Corporate Secretary.

Details of key management personnel compensation are as follows:

	Three month period ended September 30, 2025	Three month period ended September 30, 2024	Six month period ended September 30, 2025	Six month period ended September 30, 2024
Services provided:				
Directors fees	\$ 16,625	\$ 17,250	\$ 32,313	\$ 34,500
Management and consulting fees and reimbursements	103,980	152,557	258,692	266,177
Share-based compensation	-	-	-	77,547
Key management personnel compensation	\$ 120,605	\$ 169,807	\$ 291,005	\$ 378,224

	September 30, 2025	March 31, 2025
Balances payable to key management personnel for compensation	523,419	\$ 1,332,763

The balances payable are included in accounts payable and accrued liabilities and the amounts are unsecured, non-interest bearing and due on demand.

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11. Related party transactions - continued

Other amounts included in the interim condensed consolidated financial statements due to or from related parties, as disclosed in note 7, are as follows:

	September 30, 2025	March 31, 2025
Loan payable (note 7)	\$ -	\$ 706,879

Interest of \$21,354 (2024 - \$39,357) has been expensed the interim consolidated statements of loss. On August 6, 2025, the Company repaid the principal and accrued interest thereon (\$728,733).

12. Geographical segment information

The Company's operations comprise one reportable segment, exploration and development of mineral properties. The Company carries on business in Canada, Ethiopia and Tanzania. The carrying value of the Company's non-current assets on a geographical basis is as follows:

September 30, 2025	Canada	Ethiopia	Tanzania	Total
Investment in Tigray Resources Incorporated PLC	\$ -	\$ 16,901	\$ -	\$ 16,901
Mineral property interests	-	18,155,336	-	18,155,336
Property and equipment	-	674	-	674
Total non-current assets	\$ -	\$ 18,172,911	\$ -	\$ 18,172,911

13. Financial instruments

a) Fair values

The Company's financial assets and liabilities consist of cash, accounts receivable, accounts payable and accrued liabilities and deposit on sale of Canaco Tanzania Limited.

The fair value of accounts payable and accrued liabilities and deposit on sale of Canaco Tanzania Limited may be less than the carrying value as a result of the Company's credit and liquidity risk.

b) Management of financial risk

The Company's financial instruments are exposed to certain financial risks, including currency risk, interest rate risk, credit risk and liquidity risk. There have been no changes in the Company's management of risks associated with financial instruments during the six month period ended September 30, 2025 as compared with the year ended March 31, 2025.

Currency risk

Currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Company is exposed to the fluctuation of foreign exchange rates. The Company operates in Canada, Ethiopia and Tanzania, the Company's functional currency is the Canadian dollar and for its foreign operations, the functional currency is the USD. The Company's expenses are incurred in the European Union's euros ("EURO"), Australian dollars ("AUD"), United States of America dollars ("USD"), Tanzanian shillings ("TSH") and Ethiopian birr ("ETB"). A significant change in the currency exchange rates between the functional currencies relative to these currencies would have an effect on the Company's profit or loss and equity. The Company has not hedged its exposure to currency fluctuations.

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13. Financial instruments - continued

As at September 30, 2025, the Company is exposed to currency risk through the following assets and liabilities denominated in Canadian dollars:

	EURO		AUD		USD		TSH		ETB	
Cash	\$	-	\$	-	\$	1,771.23	\$	18.95	\$	32,172.57
Accounts receivable		-		-		(12,894)		-		6,528
Accounts payable and accrued liabilities		-		4,696		(66,147)		(5,155)		(16,971)
Net asset (liability)	\$	-	\$	4,696	\$	(77,269)	\$	(5,136)	\$	21,730

Based on the above net exposure as at September 30, 2025 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Euro, Australian dollar, US dollar, Tanzanian shilling and Ethiopian birr would result in an increase/decrease of approximately \$5,598 (March 31, 2025 - \$18,487) in the Company's profit or loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from the interest rate impact on cash and its borrowings. The Company did not earn interest on its cash for the six month period ended September 30, 2025 and year ended March 31, 2025. The Company has borrowings of \$Nil (March 31, 2025 - \$300,000) with an interest rate of 12% per annum that has compounded monthly since the principal was advanced \$Nil (March 31, 2025 accrued interest - \$406,879) and \$Nil (March 31, 2025 - \$40,000) with an interest rate of 5% per annum (March 31, 2025 - 5%).

Based on the amount of cash and borrowings as at September 30, 2025 and assuming that all other variables remain constant, a 0.5% change in the applicable interest rate would result in an insignificant increase/ decrease to the interest expense in the Company's profit or loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk is the carrying amount of cash. The Company limits its exposure to credit risk on cash as these financial instruments are held primarily with a major Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company has a planning and budget process in place by which it anticipates and determines the funds necessary to support normal operation requirements and development of its mineral property interests. The Company's investment policy is to invest its cash in highly liquid short-term interest bearing investments with maturities greater than 90 days from the original date of acquisition, selected concerning the expected timing of expenditures from continuing operations. The Company ensures that sufficient funds are raised from private placements or other sources to meet its operating requirements, after taking into account existing cash.

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13. Financial instruments - continued

The Company manages liquidity risk through the management of its capital structure as described in note 14. As at September 30, 2025, the Company had cash of \$2,315,923 (March 31, 2025 – \$287,528) to settle current liabilities of \$4,704,234 (March 31, 2025 – \$7,073,010). The Company determined that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations, exploration and development of its mineral property interests (note 1).

14. Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk.

In the management of capital, the Company includes the components of equity attributable to common shareholders September 30, 2025 - \$16,948,285 (March 31, 2025 - \$13,097,125). The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors reviews the annual and updated budgets. The Company's investment policy is to limit investments to guaranteed investment certificates, banker's acceptance notes, investment savings accounts or money market funds with high quality financial institutions in Canada, selected concerning the expected timing of expenditures from continuing operations. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.