



Consolidated Financial Statements

For the Years Ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of American Critical Minerals Corp.

Opinion

We have audited the consolidated financial statements of American Critical Minerals Corp. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions, along with other matters that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

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Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Heather McGhie.



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

November 28, 2025

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	July 31, 2025	July 31, 2024
ASSETS		\$	\$
Current			
Cash		400,564	3,348
Prepaid expenses		67,234	27,672
Receivables	4	7,230	3,416
Total current assets		475,028	34,436
Non-current assets			
Deposits	5	477,408	462,287
Exploration and evaluation assets	5	1,248,678	606,503
Total non-current assets		1,726,086	1,068,790
Total assets		2,201,114	1,103,226
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6,8	247,984	298,741
Total liabilities		247,984	298,741
SHAREHOLDERS' EQUITY			
Equity attributable to shareholders			
Share capital	7	14,263,843	12,056,854
Share-based payment reserve	7	2,155,075	1,710,773
Warrant reserve	7	1,192,926	1,096,156
Foreign translation reserve	7	367,692	362,064
Accumulated deficit		(16,026,406)	(14,421,362)
Total shareholders' equity		1,953,130	804,485
Total liabilities and shareholders' equity		2,201,114	1,103,226

Nature of operations and going concern – Note 1
Commitments – Note 9
Subsequent events – Note 14

On behalf of the board:

“Dean Besserer”

Dean Besserer

“Simon Clarke”

Simon Clarke

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	July 31, 2025	July 31, 2024
		\$	\$
General and administrative expenses			
Exploration expenditures	5, 8	-	13,748
Foreign exchange gain		(817)	(17,326)
Interest expense and bank charges		9,774	12,392
Investor relations, website and marketing		377,785	331,505
Management fees	8	246,250	156,250
Office and administration		21,620	862
Professional fees		407,066	80,094
Share-based payments	7, 8	444,302	-
Transfer agent and filing fees		56,246	33,131
Travel and entertainment		62,853	2,319
		(1,625,079)	(612,975)
Other income			
Interest income	5	20,035	13,963
Net loss		(1,605,044)	(599,012)
Other comprehensive income			
Foreign currency translation		5,628	9,082
Total comprehensive loss		(1,599,416)	(589,930)
Loss per share, basic and diluted		(0.03)	(0.02)
Weighted average common shares outstanding			
- basic and diluted		52,103,607	39,458,641

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	July 31, 2025	July 31, 2024
	\$	\$
Cash provided by (used in):		
Operating activities:		
Net loss for the year	(1,605,044)	(599,012)
Non-cash items:		
Share-based payments	444,302	-
Unrealized foreign exchange gain	(1,357)	(20,501)
Changes in non-cash working capital:		
GST receivable and accounts receivable	(3,814)	5,981
Prepaid expenses	(39,562)	234,528
Accounts payable and accrued liabilities	(23,520)	184,052
	(1,228,995)	(194,952)
Investing activities:		
Exploration and evaluation assets	(622,873)	(571,691)
Reclamation deposit	(13,764)	(13,901)
	(636,637)	(585,592)
Financing activities:		
Shares issued for cash (net of share issue costs)	1,955,634	489,300
Warrants exercised	298,125	60,000
	2,253,759	549,300
Effect of exchange rate changes	9,089	(405)
Net change in cash	397,216	(231,649)
Cash, beginning of year	3,348	234,997
Cash, end of year	400,564	3,348
Non-cash transactions		
Mineral property expenditures included in accounts payable	48,083	25,325
Shares issued for debt settlement	50,000	-

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Common Shares		Share-based Payment Reserve	Warrant Reserve	Foreign Translation Reserve	Accumulated Deficit	Total Shareholders' Equity	
	Notes	Number of						Amount
		Shares						\$
Balance on July 31, 2023		36,224,979	11,638,258	1,710,773	965,452	352,982	(13,822,350)	845,115
Exercise of warrants	7	320,000	60,000	-	-	-	-	60,000
Shares issued for private placement	7	4,320,000	432,000	-	108,000	-	-	540,000
Share issue costs	7	-	(73,404)	-	22,704	-	-	(50,700)
Net loss for the year		-	-	-	-	-	(599,012)	(599,012)
Foreign currency translation		-	-	-	-	9,082	-	9,082
Balance on July 31, 2024		40,864,979	12,056,854	1,710,773	1,096,156	362,064	(14,421,362)	804,485
Exercise of warrants	7	1,590,000	298,125	-	-	-	-	298,125
Shares issued for private placement	7	13,566,000	2,065,762	-	33,638	-	-	2,099,400
Share issue costs	7	-	(206,898)	-	63,132	-	-	(143,766)
Shares issued for settlement of debt	7	400,000	50,000	-	-	-	-	50,000
Share-based payments	7	-	-	444,302	-	-	-	444,302
Net loss for the year		-	-	-	-	-	(1,605,044)	(1,605,044)
Foreign currency translation		-	-	-	-	5,628	-	5,628
Balance on July 31, 2025		56,420,979	14,263,843	2,155,075	1,192,926	367,692	(16,026,406)	1,953,130

The shares outstanding presented have been adjusted to reflect the effect of the 2.5 to 1 share consolidation that took place on December 23, 2024. Common shares, stock options, warrants, restricted share units and per share amounts have been adjusted for the share consolidation unless otherwise noted.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

American Critical Minerals Corp. (formerly American Potash Corp.) (the “Company” or “American Critical Minerals”) was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 5, 2006.

The Company’s principal activities include the acquisition and development of potash, lithium and bromine mineral deposits in the United States. American Critical Minerals is a public company which is listed on the Canadian Securities Exchange (“CSE”) under the symbol “KCLI”, on the OTCQB under the symbol “APCOF” and on the Frankfurt Stock Exchange under the symbol “2P3”.

The Company’s head office and registered and records office is Suite 1100 – 1199 West Hastings Street, Vancouver, BC V6E 3T5.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at July 31, 2025, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operational cash flow. The Company’s continuation as a going concern is dependent upon the successful results from its mineral properties exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These conditions indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months through private placements of its common shares.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These consolidated financial statements do not give effect to adjustments that would be necessary to carrying values, and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Effective December 23, 2024, the Company completed a consolidation of the common shares on a basis of 2.5 pre-consolidation common shares for 1 post-consolidation common share (the “Consolidation”). As required by IAS 33, *Earnings per Share*, all references to share capital, common shares outstanding, stock options, warrants, restricted share units and per share amounts in these consolidated financial statements and the accompanying notes for periods prior to the Consolidation have been restated to reflect the Consolidation.

2. BASIS OF PREPARATION

Statement of compliance and functional currency

These consolidated financial statements have been presented in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

2. BASIS OF PREPARATION (continued)

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments classified as at fair value through profit or loss which have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements are presented in Canadian dollars which is the parent company's functional currency. The functional currency of the Company's subsidiaries is the US dollar.

Details of controlled entities are as follows:

	Country of Incorporation	Percentage Owned	Principal Activity
American Potash LLC	United States	100%	Mineral exploration
NTM Minerales SA de CV	Mexico	100%	Mineral exploration
Sweetwater Resources LLC	United States	100%	Prospecting permit applications

The accounts of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions are eliminated.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

These consolidated financial statements were approved by the Board of Directors on November 28, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared using the following accounting policies:

Financial Instruments

a) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Cash and deposits are classified as FVTPL. Accounts payable is classified as amortized cost.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in profit and loss.

b) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expire. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

Foreign currency translation

The functional currency and the presentation currency of the Company is the Canadian dollar. The functional currency of the Company's subsidiaries is the US dollar. The functional currency is the currency of the primary economic environment in which each of the entities operate.

Entities whose functional currency differ from the functional currency of the Company are translated into Canadian dollars as follows: assets and liabilities – at the closing rate as at the reporting date, and income and expenses – at the average rate of the reporting period. All resulting changes are recognized in other comprehensive income and accumulated in foreign translation reserve.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currency translation (continued)

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are recognized in profit and loss.

Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral claims and crediting all revenues received against the cost of the related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. Costs incurred before the Company has obtained the legal right to explore an area are recognized in profit and loss. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of permanent impairment.

The recoverability of amounts shown for exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production of proceeds of disposition.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration costs is not expected to be recovered, it is charged to the results of operations.

Decommissioning and rehabilitation liabilities

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. These changes are recorded directly to the related asset with a corresponding entry to the provision.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Decommissioning and rehabilitation liabilities (continued)

The increase in the restoration provision due to the passage of time is recognized as interest expense. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to the consolidated statement of loss and comprehensive loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets. The Company did not have any decommissioning and restoration obligations at July 31, 2025 and 2024.

Impairment of long-lived assets

The carrying amount of the Company's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the consolidated statement loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Provisions (continued)

Contingent liabilities are not recognized in the consolidated financial statements and are disclosed in the notes to the consolidated financial statements unless their occurrence is remote. Contingent assets are not recognized in the consolidated financial statements, but are disclosed in the notes to the consolidated financial statements when there is a transfer of resources or obligations between related parties.

Share-based payments

The fair value of options granted and equity settled restricted share units is recognized as a share-based payment expense with a corresponding increase in share-based payment reserve over the vesting period. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees, the fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the options granted at the date the Company receives the goods or the services using the Black-Scholes Option Pricing Model.

Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate exploration and evaluation assets. These equity financing transactions may involve issuance of common shares or units. Each unit comprises a certain number of common shares and a certain number of warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated in the transaction. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units.

The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any value attributed to the warrants is recorded in the warrant reserve.

Financing costs

The costs related to equity transactions are accounted for as a deduction from equity. Transaction costs of abandoned equity transactions are expensed in the consolidated statement of comprehensive loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding shares for the period. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In periods where a net loss is reported, all outstanding options and warrants are excluded from the calculation of diluted loss per share, as they are all anti-dilutive.

Income taxes

Income taxes comprises both current and deferred tax. Income tax is recognized in the statement of loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the income tax is also recognized in other comprehensive income or directly in equity.

Current income taxes are the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized. No potential income tax assets of the Company have been recognized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they related to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Critical judgments in applying accounting policies

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies with the most significant effect on the amounts recognized in the Company's consolidated financial statements are as follows:

a) Going concern

In preparing these consolidated financial statements on a going concern basis, as is disclosed in Note 1 of these consolidated financial statements, Management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Critical judgments in applying accounting policies (continued)

b) Impairment of mineral properties

Expenditures on mineral properties are capitalized. The Company makes estimates and applies judgment about future events and circumstances in determining whether the carrying amount of a mineral property exceeds its recoverable amount. The recoverability of amounts shown as mineral properties and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties. Management reviews the carrying values of its mineral properties on an annual basis, or when an impairment indicator exists, to determine whether an impairment should be recognized. In making its assessment, management considers, among other things, exploration results to date and future exploration plans for a particular property. In addition, capitalized costs related to relinquished property rights are written off in the period of relinquishment. Capitalized costs in respect of the Company's mineral properties may not be recoverable and there is a risk that these costs may be written down in future periods.

c) Functional currency

The functional currency for each of the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgments to determine the primary economic environment of an entity and this is re-evaluated for each new entity following an acquisition, or if events and conditions change.

Key sources of estimation uncertainty

The preparation of consolidated financial statements requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's consolidated financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

a) Deferred income taxes

Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates at the reporting date in effect for the period in which the temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized as part of the provision for income taxes in the period that includes the enactment date. The recognition of deferred income tax assets is based on the assumption that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Key sources of estimation uncertainty (continued)

b) Share-based payments

Share-based payments are determined using the Black-Scholes Option Pricing Model based on estimated fair values of all share-based awards at the date of grant and are expensed to the statement of comprehensive loss over each award's vesting period. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility, expected life of the option, risk free interest rates, and forfeiture rates. Changes in these input assumptions can significantly affect the fair value estimate.

Accounting standards issued but not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company is currently in the process of assessing its impact on future consolidated financial statements.

4. RECEIVABLES

	July 31, 2025	July 31, 2024
	\$	\$
Sales tax receivable	6,991	3,188
Interest receivable (Note 5)	239	228
	7,230	3,416

5. EXPLORATION AND EVALUATION ASSETS

Green River Potash and Lithium Project

The Company holds a 100% interest in eleven State of Utah ("SITLA") mineral leases, 1,094 federal lithium brine claims and eleven Federal Potash Prospecting Permits ("FPPP"). The Company's Green River Potash and Lithium Project is made up of the Federal Potash Prospecting Permits and the SITLA Mineral Leases.

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)

Notes to the Consolidated Financial Statements

For the Years Ended July 31, 2025 and 2024

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Federal Potash Prospecting Permits

On January 18, 2023, the Company received tentative approval from the Utah Division of Oil Gas and Mining on applications for permits to drill exploratory wells on three of its eleven 100% owned Potash and Lithium State mineral leases. On October 2, 2023, the Company received final approval from the Utah Division of Oil Gas and Mining for these three exploratory wells.

On October 2, 2024, the Company received approval from the BLM for the Company's Plan of Operations which includes the issuance of eleven federal potash prospecting permits and tentative approval for four additional exploratory wells within the FPPP (pending the completion of bonding).

Federal Potash Prospecting Permit Expenditures

	Year ended July 31, 2025	Year ended July 31, 2024
Exploration and evaluation expenditures:	\$	\$
Balance, beginning	488,279	-
Permitting	433,072	355,144
General administration	55,034	14,278
Staking	-	111,219
Foreign exchange translation	(2,541)	7,638
Balance, ending	973,844	488,279

SITLA Mineral Leases

On November 1, 2021, the Company staked 128 federal placer mining claims totaling 1,036 ha, of which 388 ha were staked over a portion of the federal potash FPPP area. The claims were located according to projected subsurface lithium brine occurrences defined in the Utah Geological and Mineralogical Survey Special Studies 13 (UGMS 1965). The claims were located in 3 separate blocks. In September and November of 2023, the Company staked an additional 966 federal placer mining claims totaling 7,513 ha which were identified as APC001 through APC966.

SITLA Mineral Lease Expenditures

	Year ended July 31, 2025	Year ended July 31, 2024
Exploration and evaluation expenditures:	\$	\$
Balance, beginning	118,224	-
Permitting	157,530	116,375
Foreign exchange translation	(920)	1,849
Balance, ending	274,834	118,224

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Reclamation Deposit

As at July 31, 2025, the Company had an irrevocable letter of credit in the amount of \$477,408 (USD\$344,832) (July 31, 2024 - \$462,287 (USD\$334,788)) for future environmental remediation costs. The reclamation deposit consisted of an interest-bearing guaranteed investment certificate that secures a stand-by letter of credit with State of Utah, Division of Oil, Gas and Mining. The guaranteed investment certificate matures on July 25, 2026, and bears interest at 3%. As at July 31, 2025, interest receivable of \$239 (July 31, 2024 - \$228) was included in receivables (Note 4). During the year ended July 31, 2025, the Company recognized interest income from the reclamation deposit of \$13,764 (2024 - \$13,963).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31, 2025	July 31, 2024
	\$	\$
Accounts payable (Note 8)	143,620	222,991
Accrued liabilities	104,364	75,750
	247,984	298,741

7. SHARE CAPITAL

a) Authorized

Unlimited common shares with no par value.

b) Share consolidation

Effective December 23, 2024, the Company completed a consolidation of the common shares on a basis of 2.5 pre-consolidation common shares for 1 post-consolidation common share. As required by IAS 33, *Earnings per Share*, all references to share capital, common shares outstanding, stock options, warrants, restricted share units and per share amounts in these consolidated financial statements and the accompanying notes for periods prior to the Consolidation have been restated to reflect the Consolidation.

c) Issued and outstanding

As at July 31, 2025, there were 56,420,979 (July 31, 2024 – 40,864,979) issued and fully paid common shares.

7. SHARE CAPITAL (continued)

d) Common shares

Year ended July 31, 2025

On August 23, 2024, the Company closed the first tranche of a non-brokered private placement. The Company issued 6,464,000 units (the "Units") at a price of \$0.125 per Unit for gross proceeds of \$808,000. Each Unit consisted of one common share of the Company (a "Common Share") and one common share purchase warrant exercisable at a price of \$0.25 until August 23, 2026 (a "Warrant"). Within the Unit, a value of \$808,000 was attributed to the Common Shares and \$nil to the Warrants using the residual value method.

The Company paid a finder's fee of 7% consisting of a cash payment of \$50,960 and the issuance of 407,680 broker's warrants with a fair value of \$33,848 having the same terms as the Warrants. The Company incurred \$23,048 in transaction costs in connection with the private placement.

On August 27, 2024, the Company issued 400,000 common shares at a price of \$0.125 per common share to settle outstanding debt in the amount of \$50,000.

On September 16, 2024, the Company closed the second and final tranche of a non-brokered private placement. The Company issued 1,720,000 Units at a price of \$0.125 per Unit for gross proceeds of \$215,000. Each Unit consisted of one Common Share and one Warrant exercisable at a price of \$0.25 until September 16, 2026. Within the Unit, a value of \$215,000 was attributed to the Common Shares and \$nil to the Warrants using the residual value method.

On December 18, 2024, the Company closed a non-brokered private placement. The Company issued 5,382,000 units at a price of \$0.20 per unit for gross proceeds of \$1,076,400. Each Unit consisted of one Common Share and one-half Warrant exercisable at a price of \$0.375 until December 18, 2026. Within the Unit, a value of \$1,042,762 was attributed to the Common Shares and \$33,638 to the Warrants using the residual value method.

The Company paid a finder's fee of 7% consisting of a cash payment of \$57,323 and the issuance of 286,615 broker's warrants with a fair value of \$29,284 having the same terms as the Warrants. The Company incurred \$12,435 in transaction costs in connection with the private placement.

During the year ended July 31, 2025, the Company issued 1,590,000 common shares related to the exercise of 1,590,000 warrants at an exercise price of \$0.1875 per share for gross proceeds of \$298,125.

Year ended July 31, 2024

On November 23, 2023, the Company closed a non-brokered private placement resulting in the issuance of 4,320,000 Units at a price of \$0.125 per Unit for gross proceeds of \$540,000. Each Unit consists of one Common Share and one Warrant exercisable at a price of \$0.1875 until November 23, 2026. Within the Unit, a value of \$432,000 was attributed to the Common Shares and \$108,000 to the Warrants using the residual value method.

7. SHARE CAPITAL (continued)

d) Common shares (continued)

The Company paid a finder's fee of 8% consisting of a cash payment of \$37,600 and the issuance of 300,800 broker's warrants with a fair value of \$22,704 and having the same terms as the Warrants. The Company incurred \$13,100 in transaction costs in connection with the private placement.

During the year ended July 31, 2024, the Company issued 320,000 common shares related to the exercise of 320,000 warrants at an exercise price of \$0.1875 per share. The weighted average share price on the date of exercise was \$0.1125 per share.

e) Basic and diluted loss per share

Diluted loss per share for the year ended July 31, 2025 did not include the effect of 4,275,000 (July 31, 2024 – 1,460,000) stock options, 19,022,495 (July 31, 2024 – 17,660,800) warrants, and 820,000 (July 31, 2024 – nil) restricted share units, as the effect would be anti-dilutive.

f) Stock options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option shall not be lower than the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years.

On August 27, 2024, the Company granted an aggregate of 2,060,000 incentive stock options to certain of its directors, officers and consultants. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.125 for a period of 5 years from the date of grant. The weighted average fair value per option of \$0.12 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.94%, expected dividend yield – 0%, and average expected stock price volatility – 183%.

On October 16, 2024, the Company granted an aggregate of 620,000 incentive stock options to certain of its directors, officers and consultants. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.2125 for a period of 5 years from the date of grant. The weighted average fair value per option of \$0.205 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.88%, expected dividend yield – 0%, and average expected stock price volatility – 186%.

On May 6, 2025, the Company granted 250,000 incentive stock options to a consultant. The options vest six months after the date of issuance and each stock option is exercisable to acquire one common share at \$0.115 for a period of 5 years from the date of grant. The weighted average fair value per option of \$0.11 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.75%, expected dividend yield – 0%, and average expected stock price volatility – 152%.

7. SHARE CAPITAL (continued)**f) Stock options (continued)**

On July 3, 2025, the Company granted 100,000 incentive stock options to a consultant. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.20 for a period of 5 years from the date of grant. The weighted average fair value per option of \$0.18 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.94%, expected dividend yield – 0%, and average expected stock price volatility – 151%.

On July 16, 2025, the Company granted 225,000 incentive stock options to a consultant. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.24 for a period of 5 years from the date of grant. The weighted average fair value per option of \$0.22 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 3.10%, expected dividend yield – 0%, and average expected stock price volatility – 149%.

During the year ended July 31, 2025, share-based payments expense of \$399,621 (2024 - \$nil) was recognized related to the vesting of stock options.

The continuity of exercisable stock options for the years ended July 31, 2025 and 2024 is as follows:

	Number of Options Outstanding	Weighted Average Exercise Price (\$)
Balance, July 31, 2023	2,080,000	0.22
Options forfeited	(100,000)	0.19
Options expired	(520,000)	0.25
Balance, July 31, 2024	1,460,000	0.21
Options issued	3,255,000	0.15
Options expired	(440,000)	0.22
Balance, July 31, 2025	4,275,000	0.17
Unvested	(1,360,000)	0.15
Balance exercisable, July 31, 2025	2,915,000	0.17

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)**Notes to the Consolidated Financial Statements**

For the Years Ended July 31, 2025 and 2024

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7. SHARE CAPITAL (continued)**f) Stock options (continued)**

Details of options outstanding and exercisable at July 31 2025 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Remaining Contractual Life (Years)
100,000 ⁽¹⁾	100,000	0.1875	0.02
320,000	320,000	0.1875	1.16
400,000	400,000	0.25	2.55
200,000	200,000	0.1875	2.78
2,060,000	1,373,334	0.125	4.08
620,000	413,333	0.2125	4.21
250,000	-	0.115	4.77
100,000	33,333	0.20	4.93
225,000	75,000	0.24	4.96
4,275,000	2,915,000		

⁽¹⁾ Expired unexercised subsequent to July 31, 2025

The weighted average life of stock options outstanding at July 31, 2025 was 3.69 years.

g) Share purchase warrants

The continuity of warrants for the years ended July 31, 2025 and 2024 is as follows:

	Number of Warrants Outstanding	Weighted Average Exercise Price (\$)
Balance, July 31, 2023	20,530,666	0.21
Warrants issued	4,620,800	0.19
Warrants exercised	(320,000)	0.19
Warrants expired	(7,170,666)	0.20
Balance, July 31, 2024	17,660,800	0.20
Warrants issued	11,569,295	0.28
Warrants exercised	(1,590,000)	0.19
Warrants expired	(8,617,600)	0.19
Balance, July 31, 2025	19,022,495	0.26

On November 23, 2023, the Company issued 300,800 broker's warrants, with a fair value of \$22,704. Each broker's Warrant entitles the holder to acquire one common share at a price of \$0.1875 per share until November 23, 2026. The weighted average fair value per warrant was \$0.075. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 3 years, average risk-free interest rate – 4.26%, expected dividend yield - 0%, and average expected stock price volatility - 150%, resulting in a charge of \$22,704 as non-cash share issue costs for the year ended July 31, 2024.

7. SHARE CAPITAL (continued)

g) Share purchase warrants (continued)

On August 23, 2024, the Company issued 407,680 broker’s warrants, with a fair value of \$33,848. Each broker’s warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 23, 2026. The weighted average fair value per warrant was \$0.083. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate – 3.23%, expected dividend yield - 0%, and average expected stock price volatility - 163%, resulting in a charge of \$33,848 as non-cash share issue costs for the year ended July 31, 2025.

On December 18, 2024, the Company issued 286,615 broker’s warrants, with a fair value of \$29,284. Each broker’s warrant entitles the holder to acquire one common share at a price of \$0.375 per share until December 18, 2026. The weighted average fair value per warrant was \$0.102. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate – 3.08%, expected dividend yield - 0%, and average expected stock price volatility - 146%, resulting in a charge of \$29,284 as non-cash share issue costs for the year ended July 31, 2025.

On July 22, 2025, the Company implemented a warrant exercise incentive program for 4,620,800 warrants with an exercise price of \$0.1875 that were issued pursuant to a private placement of units of the Company that closed on November 23, 2023. Warrants exercised on or before August 6, 2025 will be entitled to receive one additional warrant exercisable at a price of \$0.28 until August 6, 2027.

Details of warrants outstanding as at July 31, 2025 are as follows:

Number of Warrants Outstanding	Exercise Price (\$)	Remaining Contractual Life (Years)
4,422,400	\$0.25	0.91
6,871,680	\$0.25	1.06
1,720,000	\$0.25	1.14
3,030,800	\$0.1875	1.32
2,977,615	\$0.375	1.38
19,022,495		

The weighted average life of warrants outstanding at July 31, 2025 was 1.12 years.

h) Restricted share units

On October 16, 2024, the Company granted an aggregate of 680,000 restricted share units (“RSUs”) to certain of its directors and officers. The RSUs vest and convert into an equivalent number of common shares after thirty-six months, subject to accelerated vesting in the event the closing price of the common shares of the Company is \$0.875 or greater at any time, or upon the occurrence of a change of control event for the Company. The fair value of the RSUs, which is determined with reference to the trading price of the Company’s common shares on the date of issuance, was determined to be \$144,500.

7. SHARE CAPITAL (continued)

h) Restricted share units (continued)

On November 12, 2024, the Company granted an aggregate of 280,000 restricted share units (“RSUs”) to consultants, 140,000 of which were forfeited on January 20, 2025. The RSUs vest and convert into an equivalent number of common shares after thirty-six months, subject to accelerated vesting in the event the closing price of the common shares of the Company is \$0.875 or greater at any time, or upon the occurrence of a change of control event for the Company. The fair value of the RSUs, which is determined with reference to the trading price of the Company’s common shares on the date of issuance, was determined to be \$28,000.

During the year ended July 31, 2025, \$44,681 was recognized as share-based payment expense (2024 - \$nil)

The continuity of RSUs for the years ended July 31, 2025 and 2024 is as follows:

	Number of RSUs Outstanding
Balance, July 31, 2023 and 2024	-
RSUs issued	960,000
RSUs forfeited	(140,000)
Balance, July 31, 2025	820,000
Unvested	(820,000)
Vested, July 31, 2025	-

i) Share-based payment reserve

The share-based payment reserve records items recognized as share-based payment expense and other share-based payments until such time that the stock options, warrants or RSUs are exercised, at which time the corresponding amount will be transferred to share capital.

j) Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

k) Foreign currency translation reserve

The translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company’s reporting currency.

8. RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with Key Management including companies that are controlled by them:

	Years ended July 31,	
	2025	2024
	\$	\$
Management fees	246,250	156,250
Exploration and evaluation expenditures	-	7,203
Share-based payments	348,312	-
	594,562	163,453

Accounts payable and accrued liabilities as at July 31, 2025 include \$2,641 (July 31, 2024 - \$45,262) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Management fees were paid to companies owned by the President & CEO, and COO for management services.

Exploration and evaluation expenditures were paid to a company owned by the COO of the Company.

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

9. COMMITMENTS

On June 7, 2018, the Company entered into an agreement with the former President and CEO, Jon George, to provide management consulting services to the Company at a rate of \$5,000 per month for a period of six months, automatically renewing at the end of each period. On December 14, 2022, the Company entered a new agreement, at a rate of \$7,500 per month for a period of twelve months, automatically renewing at the end of each period. The agreement had a termination and change of control clause whereby he was entitled to the equivalent of 12 months his monthly management fee within 30 days. On January 26, 2024, the Company entered into a Termination of Management Services Agreement with the former President and CEO which contains termination fees payable upon resignation of \$60,000. During the year ended July 31, 2025, the Company paid the termination fees payable upon resignation of the former President and CEO.

On September 9, 2024, the Company entered into an agreement with a company controlled by the President and CEO, Simon Clarke, to provide management consulting services to the Company at a rate of \$20,000 per month, automatically renewing at the end of each period. However, until such time as the Company completes equity financings, including warrant exercises, generating aggregate net proceeds of \$3,000,000, the fee charged will be \$15,000 per month. The Company may terminate this agreement, at any time, by serving notice, in which event, the agreement will terminate on the date which is 12 months following such notice. The agreement has a change of control clause whereby Mr. Clarke is entitled to the equivalent of 24 months notice at his full monthly management fee.

9. COMMITMENTS (continued)

On October 1, 2024, the Company entered into an agreement with a company controlled by the COO, Dean Besserer, to provide management consulting services to the Company at a rate of \$12,500 per month, automatically renewing at the end of each period. However, until such time as the Company completes equity financings, including warrant exercises, generating aggregate net proceeds of \$3,000,000, the fee charged will be \$7,500 per month. The Company may terminate this agreement, at any time, by serving notice, in which event, the agreement will terminate on the date which is 12 months following such notice. The agreement has a change of control clause whereby Mr. Besserer is entitled to the equivalent of 24 months notice at his full monthly management fee.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The risk is assessed as low.

b) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company operates in Canada, US, and Mexico and a portion of the Company's expenses are incurred in Canadian dollars ("CAD"), US dollars ("USD"), and Mexican Pesos ("MXN"). A significant change in the currency exchange rates between the Canadian, US and Mexican currencies, could have an effect on the Company's results of operations, financial position or cash flows. The Company has not entered into financial instruments to hedge against this risk.

The following is an analysis of Canadian Dollar equivalent of financial assets and liabilities that are denominated in USD and MXN:

	July 31, 2025	July 31, 2024
	\$	\$
Cash	8,169	2,411
Receivables and prepaids	25,748	27,672
Accounts payable and accrued liabilities	(66,574)	(55,972)
	(32,657)	(25,889)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Exchange Rate Risk (continued)

Based on the above net exposures, as at July 31, 2025, a 10% change against the Canadian Dollar would impact the Company's net income by \$3,266 (2024 - \$2,589).

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. All of the Company's financial liabilities have contractual maturities of less than three months. Liquidity risk has been assessed as high.

d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

e) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing assets in relation to cash at banks carried at floating interest rates with reference to the market. The Company does not hold any financial liabilities with variable interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered immaterial.

f) Fair Values

Financial instruments recognized at fair value on the consolidated statement of financial position must be classified in one of the following three fair value hierarchy levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash and deposits are measured using level 1 inputs.

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its operations and business development. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has not generated any significant revenues since its inception; therefore, the Company is dependent on external financing to fund its future intended business plan. The capital structure of the Company currently consists of working capital and shareholders' equity. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period.

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition, exploration and retention of mineral property assets. Geographic segment information of the Company's non-current assets as at July 31, 2025 and 2024 is as follows:

Non-current assets	July 31, 2025	July 31, 2024
	\$	\$
United States	1,726,086	1,068,790
	1,726,086	1,068,790

13. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	Year ended July 31, 2025	Year ended July 31, 2024
	\$	\$
Net loss before tax	(1,605,044)	(599,012)
Statutory tax rate	27%	27%
Expected income tax recovery at the statutory tax rate	(433,362)	(161,733)
Non-deductible items	95,273	(42,865)
Foreign tax rate difference	3,017	(8,644)
Change in deferred tax asset not recognized	335,072	213,242
Income tax expense	-	-

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)**Notes to the Consolidated Financial Statements****For the Years Ended July 31, 2025 and 2024****(Expressed in Canadian Dollars)****13. INCOME TAXES (continued)**

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	July 31, 2025	July 31, 2024
	\$	\$
Non-capital loss carry-forwards – Canada	1,902,617	1,586,603
Net operating loss carry-forwards – US	249,739	252,335
Loss carry-forwards – Mexico	16,638	16,638
Mineral properties	887,870	895,949
Other	82,995	53,262
	3,139,859	2,804,787

The Company has net operating loss carry forwards which may be carried forward to apply against future year income tax for Canadian, US, and Mexican income tax purposes subject to the final determination by taxation authorities, expiring in the following years:

	Canadian non-capital losses	US net operating losses	Mexican losses
	\$	\$	\$
2027	45,358	-	-
2028	2,780	-	-
2029	189,804	-	-
2030	71,222	-	-
2031	68,791	-	14,231
2032	304,089	-	23,022
2033	606,596	-	17,446
2034	635,090	79,833	-
2035	461,410	81,889	-
2036	158,044	44,287	-
2037	238,300	-	-
2038	1,091,536	-	-
2039	430,169	-	-
2040	207,154	-	-
2041	194,140	-	-
2042	202,955	-	-
2043	322,748	-	-
2044	629,167	-	-
2045	1,187,378	-	-
No expiry	-	983,225	-
	7,046,731	1,189,234	54,699

14. SUBSEQUENT EVENTS

- a) On August 5, 2025, the Company extended its deadline for the warrant exercise incentive program for 4,620,800 warrants with an exercise price of \$0.1875 to August 15, 2025. Warrants exercised on or before August 15, 2025 were entitled to receive one additional warrant exercisable at a price of \$0.28 until August 6, 2027. In connection with the program, the Company issued 2,840,000 warrants exercisable at a price of \$0.28 until August 6, 2027.
- b) On September 16, 2025, the Company closed a non-brokered private placement under the Listed Issuer Financing Exemption and issued 5,000,000 units at a price of \$0.20 per unit for gross proceeds of \$1,000,000. Each unit consists of one common share of the Company and one-half-of-one share purchase warrant exercisable at a price of \$0.30 until September 16, 2027. In connection with closing of the private placement, the Company paid \$47,400 and issued 237,000 warrants to certain brokerage firms.
- c) On September 19, 2025, the Company granted 250,000 incentive stock options to a consultant. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.31 for a period of 5 years from the date of grant.
- d) On September 26, 2025, the Company granted an aggregate of 660,000 incentive stock options to certain of its directors, officers and consultants. The options vest over a period of one year and each stock option is exercisable to acquire one common share at \$0.38 for a period of 5 years from the date of grant.
- e) On September 26, 2025, the Company granted an aggregate of 540,000 RSUs to certain of its directors, officers and consultants. The RSUs vest and convert into an equivalent number of common shares after thirty-six months, subject to accelerated vesting in the event the closing price of the common shares of the Company is \$0.875 or greater at any time, or upon the occurrence of a change of control event for the Company.
- f) On November 3, 2025, the Company closed a bought deal offering under the Listed Issuer Financing Exemption and issued 15,574,450 units at a price of \$0.35 per unit for gross proceeds of \$5,451,058. Concurrently, the Company closed a non-brokered private placement under the Listed Issuer Financing Exemption and issued 5,714,286 units at a price of \$0.35 per Unit for gross proceeds of \$2,000,000. Each Unit consists of one common share of the Company and one-half-of-one share purchase warrant exercisable at a price of \$0.45 until November 3, 2028. In connection with closing of the bought deal offering, the Company paid \$381,924 and issued 1,090,211 warrants to a brokerage firm. In connection with closing of the private placement, the Company paid \$140,000 and issued 400,000 warrants to certain brokerage firms.
- g) Subsequent to July 31, 2025, 2,111,375 warrants with a weighted average exercise price of \$0.22 and 220,000 options with a weighted average exercise price of \$0.22 were exercised for gross proceeds of \$516,141.