Condensed Interim Consolidated Financial Statements of

TGX ENERGY & RESOURCES INC.

As at and for the three month period ended March 31, 2026

Expressed in Canadian dollars

(Unaudited – prepared by management)

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.

TGX ENERGY & RESOURCES INC.
Condensed Interim Consolidated Statements of Financial Position – Unaudited

Expressed in Canadian dollars

	March 31, 2026	December 31, 2026
Current assets		
Cash	$ 1,025	$ 47,355
Marketable securities (note 5)	71,500	58,500
Amounts receivable	2,517	2,838
Deposits and prepaid expenses	2,024	-
Total assets	**$ 77,066**	**$ 108,693**
Current liabilities		
Accounts payable and accrued liabilities	$ 62,735	$ 102,164
Loans payable - continuing operations (note 8)	199,902	199,902
Promissory notes payable (note 7)	14,914	14,606
Total current liabilities	277,551	316,672
Non-current liabilities		
Loans payable - continuing operations (note 8)	1,542,206	1,498,860
Loans payable - discontinued operations (note 8)	5,469,213	5,436,018
Total non-current liabilities	7,011,419	6,934,878
Total liabilities	7,288,970	7,251,550
Shareholders' deficit		
Share capital (note 9)	50,780,589	50,780,589
Share subscriptions received (note 9)	95,000	60,000
Reserves (note 9)	16,719,642	16,719,642
Accumulated other comprehensive income	17,235	4,235
Deficit	(74,824,370)	(74,707,323)
Total shareholders' deficit	(7,211,904)	(7,142,857)
Total liabilities and shareholders' deficit	**$ 77,066**	**$ 108,693**

Nature of operations and going concern (note 1)
Subsequent events (note 13)

Approved on behalf of the Board:

"/s/ *M. Bilal Bhamji*" Director "*/s/ George Mendez*" Director

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

TGX ENERGY & RESOURCES INC.
Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit - Unaudited

Expressed in Canadian dollars

	Share capital		Share subscriptions received	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Total shareholders' deficit
	Number of Shares	Amount					
Balance - December 31, 2024	11,192,450	$ 50,780,589	$ -	$ 16,719,642	$ 13,985	$ (74,380,966)	$ (6,866,750)
Net loss for period	-	-	-	-	-	(82,161)	(82,161)
Balance - March 31, 2025	11,192,450	50,780,589	-	16,719,642	13,985	(74,463,127)	(6,948,911)
Balance December 31, 2025	11,192,450	$ 50,780,589	$ 60,000	$ 16,719,642	$ 4,235	$ (74,707,323)	$ (7,142,857)
Share subscriptions received (note 9)	-	-	35,000	-	-	-	35,000
Net loss for period	-	-	-	-	-	(117,047)	(117,047)
Unrealized gain on marketable securities	-	-	-	-	13,000	-	13,000
Balance - March 31, 2026	11,192,450	$ 50,780,589	$ 95,000	$ 16,719,642	$ 17,235	$ (74,824,370)	$ (7,211,904)

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

TGX ENERGY & RESOURCES INC.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss - Unaudited

Expressed in Canadian dollars

	For the three months ended March 31, 2026	2025
Operating expenses		
Consulting fees (note 10)	$ 34,400	$ 33,600
General and administrative	2,557	2,310
Professional fees	456	776
Shareholder relations	4,311	509
Transfer agent and filing fees	9,974	11,794
Loss before other expense	(51,698)	(48,989)
Other income (expense)		
Interest income	-	370
Interest expense (notes 7 and 8)	(32,154)	(16,945)
Total other income (expense)	(32,154)	(16,575)
Net loss from continuing operations	(83,852)	(65,564)
Net loss from discontinued operations (note 4)	(33,195)	(16,597)
Net loss	(117,047)	(82,161)
Other comprehensive loss		
Unrealized gain on marketable securities (note 5)	13,000	-
Comprehensive loss for the period	$ (104,047)	$ (82,161)
Loss per share from continuing operations - basic and fully diluted	$ (0.01)	$ (0.01)
Loss per share from discontinued operations - basic and fully diluted	$ (0.00)	$ (0.00)
Weighted average number of common shares - basic and fully diluted	11,192,450	11,192,450

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

TGX ENERGY & RESOURCES INC.
Condensed Interim Consolidated Statements of Cash Flows - Unaudited

Expressed in Canadian dollars

	For the three months ended March 31, 2026	2025
Operating activities		
Net loss from continuing operations	$ (83,852)	$ (65,564)
Adjustments for:		
Interest expense	32,154	16,945
Interest income	-	(370)
Changes in non-cash working capital items		
Amounts receivable	321	15,439
Deposits and prepaid expenses	(2,024)	260
Accounts payable and accrued liabilities	(7,929)	33,305
Cash provided by (used for) operating activities	(61,330)	15
Financing activities		
Loan repayments	(20,000)	-
Share subscriptions received	35,000	-
Cash flows provided by financing activities	15,000	-
Increase (decrease) in cash	(46,330)	15
Cash - beginning of period	47,355	1,346
Cash - end of period	**$ 1,025**	**$ 1,361**
Non cash investing and financing activities		
Unrealized gain on sale of marketable securities	$ 13,000	$ -

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

1. Nature of operations and going concern

TGX Energy & Resources Inc. (formerly True North Gems Inc.) (the "Company") was incorporated in British Columbia under the Business Corporations Act on February 8, 2019. The Company's corporate office is located at Suite 1000, 409 Granville Street, Vancouver, British Columbia, V6C 1T2. Its principal business activities include the exploration and evaluation of natural resource properties in Canada.

These consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for at least twelve months from December 31, 2026 and will be able to realize its assets and discharge its liabilities in the normal course of business. During the three months ended March 31, 2026, the Company had no revenues, used $61,330 of cash for operating activities and incurred a net loss of $117,047. As at March 31, 2026, the Company has a working capital deficit of $200,485 and an accumulated deficit of $74,824,370.

The Company will require additional financing through debt or equity issuances or other available means in order to continue operations and for working capital purposes. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be obtained on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. If the going concern basis is not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of the assets and liabilities, the reported amount of expenses and the classifications used on the statement of financial position. The effects of such adjustments could be material.

2. Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements were authorized for issuance by the Board of Directors on May 26, 2026.

3. Material accounting policies

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair value. The preparation of these condensed interim consolidated 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 material accounting policies.

4. Bankruptcy of TNGG and discontinued operations

Loss on bankruptcy of subsidiary

On September 5, 2016, TNGG, the Company's then 75.39% subsidiary, which owned the Aappaluttoq Ruby and Pink Sapphire Deposit located in SW Greenland, initiated voluntary bankruptcy proceedings under the Bankruptcy Act in Greenland. Since late 2015, the Company had been engaged in a comprehensive search for mine financing. Two parallel strategies were pursued; financing at the project level ("TNGG") and at the corporate level ("True North"). Neither strategy concluded in the mine being financed. As a result, the Company was unable to fund the Greenlandic operations. Under Greenlandic labor laws TNGG was required to have sufficient working capital for employee wages and office expenses in order to be considered a going concern. Accordingly, TNGG was in breach of the Greenlandic interpretation of "going concern" and would be ruled technically insolvent. As such, the Board of Directors of TNGG had to place it into voluntary bankruptcy to protect its shareholders (True North, LNS Group and Greenland Ventures S/A). True North was TNGG's largest creditor when it filed for voluntary bankruptcy. Concurrently, the court appointed two Trustees to assume all accounting and administrative duties of TNGG establishing loss of control. Having lost control, TNGG was deconsolidated from the financial statements of True North.

(Expressed in Canadian dollars)

4. Bankruptcy of TNGG and discontinued operations - continued

The Trustees fully documented all assets and invited bids from interested parties. The Company prepared and submitted a bid; however, LNS Greenland A/S was the highest bidder and was granted the Aappaluttoq Mine Licence by the Greenland government. In September 2018, the Trustee notified the Company that they were to receive a dividend distribution of DKK 3,158,108 (CAD $638,254) on the closure of the Estate. The redistribution of the remaining value was on a pro-rata basis determined by debt ownership at the time of the TNGG bankruptcy.

Discontinued operations

Statement of Loss and ***Comprehensive Loss***

	For the three months ended March 31, 2026		2025
"TGX's" operating expenses			
Other expenses			
Loan guarantee - accrued interest	$	(33,195) $	(16,597)
Net loss and comprehensive loss for period from discontinued	$	(33,195) $	(16,597)

Statement of Cash Flows

There was no impact on cash flow for discontinued operations during the three months ended March 31, 2026 and 2025.

5. Marketable securities

	Shares		Amount
Balance December 31, 2025	650,000	$	58,500
Unrealized gain	-		13,000
Balance March 31, 2026	650,000	$	71,500

During the three month period ended March 31, 2026, the Company recorded an unrealized gain of $13,000 (2025 – $Nil) in other comprehensive income with respect to the change in fair value of the marketable securities.

6. Exploration and evaluation assets

True Blue Property

The property comprises 301 claims located 55 kilometers south of Ross River, Yukon.

During the year ended December 31, 2019, the Company signed an option agreement with American Critical Elements Inc. (formerly Razore Rock Resources Inc.) ("ACE") whereby ACE can earn up to a 70% working interest in the True Blue Rare Earth Element Property ("REE") in the Yukon Territory. The REE Property consists of 68 mining claims in the Ketza-Seagull district of the Southern Yukon in the Watson Lake Mining District comprising 13.3 square kilometers. The property is located approximately 166 km northeast of Whitehorse and represents one of four adjacent project areas held by the Company in the region.

ACE can earn a 70% interest by incurring expenditures in aggregate of $300,000 over three years and issuing an aggregate of 600,000 common shares with 200,000 shares to be issued on closing (issued October 10, 2019); a further 200,000 shares to be issued on or before November 30, 2020 (issued November 30, 2020); and a further 200,000 to be issued on or before November 30, 2021 (issued November 30, 2021).

(Expressed in Canadian dollars)

6. Exploration and evaluation assets – continued

On August 30, 2022, a further 50,000 common shares with a fair value of $3,750 were issued upon an extension being granted by the Company for the date for the completion of expenditures. ACE is to incur expenditures in the aggregate amount of $250,000, $100,000 prior to the fourth Anniversary Date; and, an aggregate of $250,000 prior to the fifth Anniversary Date.

Once ACE earns its 70% interest, the parties will form a joint venture and contribute pro-rata (ACE 70%, True North 30%) to the further exploration and development of the Property. If a party is reduced to a 10% or less interest in the Property that party's interest will be reduced to a 2% net smelter returns royalty with the right of the remaining party to acquire a 1% net smelter returns royalty at any time for the payment of $1,000,000.

7. Promissory note payable

On April 25, 2024, the Company issued a promissory note for $12,500 to the optionor of the Nabikok Property to satisfy the initial payment terms for the acquisition of the property. The promissory note is unsecured, bears interest at 10% per annum, and due on demand. During the three month period ended March 31, 2026, interest of $308 (2025 - $308) was accrued on the promissory note payable.

8. Loans payable

		March 31, 2026		December 31, 2025
Continuing operations				
Demand loans (a)	$	86,646	$	85,019
Other (b) and (c)		1,655,462		1,613,743
		1,742,108		1,698,762
Less current portion		(199,902)		(199,902)
		1,542,206		1,498,860
Discontinued operations				
Loan guarantee (d)		5,469,213		5,436,018
	$	7,011,419	$	6,934,878

a. The demand loans are unsecured, bear interest at the rate of 10% per annum and are due by December 31, 2027. During the three months ended March 31, 2026, interest expense of $1,627 (2025 - $814) was accrued on the demand loans.
b. As at March 31, 2026, the Company owed $199,902 (2025 - $193,523) to two creditors. The loans are unsecured, bear interest at the rate of 5% per annum, and due on December 31, 2026. During the three months ended March 31, 2026, interest of $Nil (2025 - $2,088) was accrued on these loans.
c. As at March 31, 2026, the Company owed $1,455,560 (2025 - $1,290,897) to three creditors. The loans are unsecured, bear interest at the rate of 10% per annum and are due on December 31, 2027. During the three months ended March 31 ,2026, interest of $30,218 (2025 - $13,735) was accrued on these loans, creditors agreed to postpone an additional $31,500 (2025 - $33,000) in debt, and the Company repaid $20,000 (2025 - $nil) of loan principal to a creditor.
d. As at March 31, 2026, the Company owed $5,469,213 (2025 - $5,385,304) to a non-related party, which is unsecured, bears interest at 10% per annum, and is due on December 31, 2027. During the three months ended March 31, 2026, interest of $33,195 (2025 - $16,597) was accrued on the loan guarantee, which is recorded as discontinued operations.

(Expressed in Canadian dollars)

9. Share capital

a) Authorized

An unlimited number of common shares without par value are authorized for issue.

b) Transactions

During the three month period ended March 31, 2026, the Company received share subscriptions of $35,000 relating to a private placement that closed April 6, 2026

c) Reserves

Reserves consist of the fair value of warrants outstanding, the accumulated fair value of expired warrants and the accumulated fair value of common share stock options recognized as share-based compensation.

Stock options

On August 20, 2025, the shareholders approved the Stock Option Plan (the "Plan"), for which up to 10% of the issued share capital can be reserved for issuance to executive officers, directors, employees, and consultants. The exercise price of the options is set at the Company's closing share price on the day before the grant date less the applicable discount permitted under the TSX Venture Exchange policies. The options have a maximum term of five years and vest at the date of grant. There were no stock options outstanding as at March 31, 2026

10. 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 members of the senior management group.

Details of key management personnel compensation are as follows:

	For the three months ended March 31,			
		2026		2025
Services provided:				
Consulting fees	$	30,000	$	30,000
Key management personnel compensation	$	30,000	$	30,000

As at March 31, 2026, the Company has a loan agreement with current management personnel whereby they have agreed to postpone repayment of the principal and interest totaling $1,276,526 (2025- $1,086,812), which is unsecured and bears interest at 10% per annum and due on December 31, 2027. During the three months ended March 31, 2026, interest expense of $26,142 (2025 - $11,518) was accrued on the loan and the creditor agreed to postpone an additional $31,500 (2025 - $31,500) in debt.

11. Management of capital risk

The Company's objectives when managing its capital is to maintain the ability to continue as a going concern in order to pursue a business development opportunity in the resource sector for the benefits of its stakeholders and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk level.

In the management of capital, the Company includes the components of debt and shareholders' deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt and acquire or dispose of assets. In order to maximize ongoing development efforts, the Company does not currently pay out dividends.

The Company's investment policy is generally to invest its cash in highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. Periodically, the Company will invest in interest bearing investments with maturities exceeding 90 days, if it is for a specific purpose.

The Company will be required to access financial resources through the issuance of securities via equity placements in the junior resource market or obtaining debt financing in the current year to sustain operations of the Company, complete restructuring and pursue business development opportunities in the resource sector. Further information related to management of capital risk and liquidity is set out in note 1.

12. Financial instruments and risk management

a) Fair values

The following provides a description of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

The carrying values of the Company's cash, loan receivable, accounts payable and accrued liabilities, loans payable and promissory note payable are representative of their respective fair values at December 31, 2025, due to their short-term nature. The Company's marketable securities of $71,500 (2025 - $58,500) are comprised of common shares of publicly-listed companies and are classified as Level 1 financial instruments.

b) Currency risk

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 is exposed to the financial risk related to the fluctuation of foreign exchange rates. Foreign exchange risk is assessed as low.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed circumstances. The Company manages liquidity risk through the management of its capital structure and financial leverage.

(Expressed in Canadian dollars)

12. Financial instruments and risk management

The Company's contractual obligations at March 31, 2026 are as follows:

	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Accounts payable and accrued liabilities	$ 62,735	$ -	$ -	$ 62,735
Promissory note payable	14,914	-	-	14,914
Loans payable	199,902	7,011,419	-	7,211,321
	$ 277,551	$ 7,011,419	$ -	$ 7,288,970

d) Interest risk

Interest risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any material interest rate risk as all interest rates on debt are fixed.

e) Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, which is held with high-credit quality financial institutions in Canada. 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.

f) Price risk

The Company is exposed to price risk with respect to its marketable securities, which consists of common shares of a publicly listed company. The market price, or the fair value, of the common shares of this company can fluctuate significantly and there is no assurance that the future market price or the fair value of the company will not decrease significantly.

13. Subsequent events

Subsequent to March 31, 2026, the following transactions occurred:

i. On April 6, 2026, the Company completed a non-brokered private placement of 1,200,000 units at a price of $0.10 per unit for proceeds of $120,000, of which $95,000 was received as at March 31, 2026. Each unit is comprised of one common share and one warrant exercisable at $0.13 until April 6, 2027.

ii. On May 21, 2026, the Company issued 1,904,612 common shares and 952,256 warrants to settle debts amounting to $190,451.