
FNX INC. (FORMERLY S2 MINERALS INC.)
FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED FEBRUARY 28, 2026 AND 2025
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of FNX Inc. (formerly S2 Minerals Inc.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

FNX Inc. (formerly S2 Minerals Inc.)
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at February 28, 2026	As at May 31, 2025
ASSETS		
<i>Current</i>		
Cash	\$ 197,196	\$ 12,758
Short-term investments	10,000	10,000
Amounts receivable (note 3)	6,993	5,226
Prepays	4,882	2,749
Total current assets	219,071	30,733
<i>Non-Current</i>		
Fixed assets (note 4)	148,022	164,897
Total non-current assets	148,022	164,897
Total assets	\$ 367,093	\$ 195,630
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities	\$ 10,402	\$ 72,141
Total current liabilities	10,402	72,141
Total liabilities	10,402	72,141
SHAREHOLDERS' EQUITY		
Share capital (note 9)	4,145,604	3,788,615
Contributed surplus (note 9(c)(d))	443,419	227,029
Deficit	(4,232,332)	(3,892,155)
Total shareholders' equity	356,691	123,489
Total liabilities and shareholders' equity	\$ 367,093	\$ 195,630

Nature of operations and going concern (note 1)

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

FNX Inc. (formerly S2 Minerals Inc.)
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	February 28,		February 28,	
	2026	2025	2026	2025
Operating expenses				
Exploration and evaluation (note 11)	\$ 9,625	\$ 15,551	\$ 48,701	\$ 48,880
Professional fees	45,630	42,106	181,138	143,445
Salaries and related costs	12,937	12,938	38,811	38,820
Reporting issuer costs	11,832	11,698	33,444	28,239
Office and administrative	9,114	11,344	31,489	27,230
Travel and accommodation	924	9,828	6,128	23,780
Foreign exchange loss	254	17	466	446
Comprehensive loss for the period	\$ 90,316	\$ 103,482	\$ 340,177	\$ 310,840
Net loss per share				
- basic and diluted (note 7)	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.02
Weighted average number of subordinate voting shares outstanding - basic and diluted (note 7)				
	23,935,487	18,968,821	23,722,305	18,968,821

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

FNX Inc. (formerly S2 Minerals Inc.)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Nine Months Ended February 28,	2026	2025
Operating activities		
Net loss for the period	\$ (340,177)	\$ (310,840)
<i>Adjustments for non-cash items:</i>		
Depreciation (note 4)	16,875	16,875
<i>Changes in non-cash working capital items:</i>		
Amounts receivable	(1,767)	(3,558)
Prepays	(2,133)	(28,591)
Accounts payable and accrued liabilities	(61,739)	(20,291)
Net cash used in operating activities	(388,941)	(346,405)
Financing activities		
Private placement (note 9(b)(i))	596,000	-
Share issue costs (note 9(b)(i))	(22,621)	-
Net cash provided by financing activities	573,379	-
Net change in cash	184,438	(346,405)
Cash, beginning of period	12,758	367,791
Cash, end of period	\$ 197,196	\$ 21,386

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FNX Inc. (formerly S2 Minerals Inc.)
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance May 31, 2024	18,968,821	\$ 3,788,615	\$ 243,999	\$(3,493,461)	\$ 539,153
Expired options	-	-	(16,970)	16,970	-
Net loss for the period	-	-	-	(310,840)	(310,840)
Balance, February 28, 2025	18,968,821	\$ 3,788,615	\$ 227,029	\$(3,787,331)	\$ 228,313
Balance May 31, 2025	18,968,821	\$ 3,788,615	\$ 227,029	\$(3,892,155)	\$ 123,489
Private placement (net of issuance costs) (note 9(b)(i))	4,966,666	356,989	216,390	-	573,379
Net loss for the period	-	-	-	(340,177)	(340,177)
Balance, February 28, 2026	23,935,487	\$ 4,145,604	\$ 443,419	\$(4,232,332)	\$ 356,691

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

FNX Inc. (formerly S2 Minerals Inc.)
Notes to Condensed Interim Financial Statements
Three and Nine Months Ended February 28, 2026 and 2025
(Expressed in Canadian Dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

FNX Inc. (formerly S2 Minerals Inc.) ("FNX" or the "Company") was incorporated on November 30, 2020 under the laws of the Province of Ontario, Canada, and its head office is located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, M5H 3L5.

On December 5, 2025, the Company changed its name from "S2 Minerals Inc." to "FNX Inc.", and amended the articles of the Company to (a) amend the rights and restrictions of the previously existing class of common shares and re-designate such class as "subordinate voting shares" and (b) create a new class of shares designated as "multiple voting shares" (the "Articles Amendments"). As a result of the Articles Amendments, all previously outstanding common shares of the Company have been re-designated as subordinate voting shares. The subordinate voting shares began trading on the Canadian Securities Exchange under the symbol "FNX".

These unaudited condensed financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has an accumulated deficit of \$4,232,332 as February 28, 2026 (May 31, 2025 - \$3,892,155), a working capital of \$208,669 (May 31, 2025 - working capital deficit \$41,408), and a net loss for three and nine months ended February 28, 2026 of \$90,316 and \$340,177, respectively (three and nine months ended February 28, 2025 - \$103,482 and \$310,840, respectively). The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and the attainment of profitable operations. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern. These unaudited condensed financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the Company's annual financial statements prepared in accordance with IFRS® Accounting Standards ("IFRS") have been condensed or omitted. These unaudited condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended May 31, 2025, which include information necessary or useful to understanding the Company's business and financial statement presentation.

The accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended May 31, 2025, except for the adoption of new IFRS standards as set out below.

In preparing these unaudited condensed interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The critical judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied and disclosed in the Company's financial statements for the year ended May 31, 2025.

These unaudited condensed interim financial statements were approved by the Board of Directors on April 20, 2026.

Other Narrow Scope Amendments to IFRSs and IFRS Interpretations

The Company adopted various amendments to IFRSs, which were effective for accounting periods beginning on or after June 1, 2025. The impact of adoption was not significant to the Company's unaudited condensed interim financial statements.

FNX Inc. (formerly S2 Minerals Inc.)
Notes to Condensed Interim Financial Statements
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2. BASIS OF PREPARATION (Continued)

New and Revised IFRSs, Narrow Scope Amendments to IFRSs and IFRS Interpretations not yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after May 31, 2025. Management is still evaluating and does not expect any such pronouncements to have a significant impact on the Company's unaudited condensed interim financial statements upon adoption.

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18, Presentation and Disclosure in Financial Statements, will be applicable for annual periods beginning or after January 1, 2027, with early adoption permitted. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. The Company's financial statements are expected to include changes related to categorization and subtotals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Company is in the process of determining the impact of the above changes.

3. AMOUNTS RECEIVABLE

	As at February 28, 2026	As at May 31, 2025
Sales tax recoverable	\$ 6,993	\$ 5,226
Total	\$ 6,993	\$ 5,226

4. FIXED ASSETS

Cost	Exploration Equipment
Balance, May 31, 2024, May 31, 2025 and February 28, 2026	\$ 225,000
Accumulated Depreciation	Exploration Equipment
Balance, May 31, 2024	\$ 37,603
Depreciation	22,500
Balance, May 31, 2025	\$ 60,103
Depreciation	16,875
Balance, February 28, 2026	\$ 76,978
Carrying amounts	Exploration Equipment
Balance, May 31, 2025	\$ 164,897
Balance, February 28, 2026	\$ 148,022

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company manages its exposure to a number of different financial risks arising from operations as well as from the use of financial instruments, including market risks (foreign currency exchange rate and interest rate), credit risk and liquidity risk, through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility. Financial risks are primarily managed and monitored through operating and financing activities. The Company does not use derivative financial instruments. The financial risks are evaluated regularly with due consideration to changes in key economic indicators and to up-to-date market information. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash and short-term investments. The Company reduces its credit risk by maintaining its cash and short-term investments with reputable financial institutions.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they come due. The Company's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. The Company monitors its liquidity position and budgets future expenditures, in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

As at February 28, 2026, the Company had current liabilities of \$10,402 and has cash of \$197,196 to meet its current obligations. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

(c) Market Risk

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has no significant risk to future cash flows from interest rate risk. The Company does not use derivative instruments to reduce its exposure to interest rate risk.

6. SEGMENTED INFORMATION

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts.

7. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine months ended February 28, 2026 was based on the loss attributable to subordinate voting shares (previously designated as common shares prior to December 5, 2025, see note 9(a)) of \$90,316 and \$340,177, respectively (three and nine months ended February 28, 2025 - loss of \$103,482 and \$310,840), respectively and the weighted average number of subordinate voting shares outstanding of 23,935,487 and 23,722,305, respectively (three and nine months ended February 28, 2025 - 18,968,821 and 18,968,821), respectively.

FNX Inc. (formerly S2 Minerals Inc.)
Notes to Condensed Interim Financial Statements
Three and Nine Months Ended February 28, 2026 and 2025
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8. CAPITAL MANAGEMENT

The Company considers its capital to consist of its shareholders' equity balance, which as at February 28, 2026, totaled equity of \$356,691 (May 31, 2025 - \$123,489).

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions necessary to support operational activities.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in the future.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term guaranteed deposits, and all are held in major financial institutions.

The Company is not subject to any externally imposed capital requirements.

9. SHARE CAPITAL

a) Authorized share capital

The authorized share capital consisted of an unlimited number of subordinate voting shares. The subordinate voting shares do not have a par value. All issued shares are fully paid.

On December 5, 2025, the Company changed its name from "S2 Minerals Inc." to "FNX Inc.", and amended the articles of the Company to (a) amend the rights and restrictions of the previously existing class of common shares and re-designate such class as "subordinate voting shares" and (b) create a new class of shares designated as "multiple voting shares" (the "Articles Amendments"). As a result of the Articles Amendments, all previously outstanding common shares of the Company have been re-designated as subordinate voting shares. The subordinate voting shares began trading on the Canadian Securities Exchange under the symbol "FNX".

b) Subordinate voting shares issued

	Number of Shares	Share Capital
Balance, May 31, 2024 and February 28, 2025	18,968,821	\$ 3,788,615
	Number of Shares	Share Capital
Balance, May 31, 2025	18,968,821	\$ 3,788,615
Private Placement (i)	4,966,666	596,000
Warrant valuation (i)	-	(216,390)
Share issue costs (i)	-	(22,621)
Balance, February 28, 2026	23,935,487	\$ 4,145,604

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9. SHARE CAPITAL (Continued)

b) Subordinate voting shares issued (continued)

(i) On June 11, 2025, the Company closed a non-brokered private placement (the "Offering"). In connection with the closing of the Offering (the "Closing"), the Company sold 4,966,666 units (the "Units") at a price of \$0.12 per Unit, for gross proceeds of \$596,000. Each Unit consisted of one subordinate voting share (previously designated as common shares prior to December 5, 2025, see note 9(a)) and one share purchase warrant ("Warrant"). Each Warrant entitles the holder, on exercise, to purchase one subordinate voting share until June 11, 2028 at an exercise price of \$0.20 per share. A fair value of \$216,390 was estimated for the Warrants using the Black-Scholes pricing model based on the following weighted average assumptions: expected dividend yield of 0%; risk free interest rate of 2.71%; expected life of 3 years; share price of \$0.16; and an expected volatility of 125.2% based on the Company's historical trading data. The Company paid \$22,621 as legal expense recorded as share issuance costs.

c) Stock Options

A summary of changes in stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, May 31, 2024	150,000	\$ 0.50
Expired	(150,000)	0.50
Balance, February 28, 2025, May 31, 2025 and February 28, 2026	-	\$ -

On November 23, 2021, the Company granted 150,000 stock options to a director of the Company. Each stock option allows the holder to acquire one subordinate voting share (previously designated as common shares prior to December 5, 2025, see note 9(a)) at an exercise price of \$0.50 for a period of 3 years. The options shall vest as to one-quarter upon the date of grant, one-quarter upon 6 months, 12 months, and 18 months from the grant date, respectively. A grant date fair value of \$16,970 was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: expected dividend yield of 0%; risk free interest rate of 1.17%; expected life of 3 years; share price of \$0.29; and an expected volatility of 80% based on the Company's historical trading data. On November 23, 2024, 150,000 options expired and were not exercised.

d) Share Purchase Warrants

A summary of changes in warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2024, February 28, 2025 and May 31, 2025	-	\$ -
Granted (note 9(b)(i))	4,966,666	0.20
Balance, February 28, 2026	4,966,666	\$ 0.20

As at February 28, 2026, the following warrants were outstanding:

Black-Scholes Valuation	Number of Warrants	Exercise Price	Expiry Date
\$ 216,390	4,966,666	\$0.20	June 11, 2028
\$ 216,390	4,966,666	\$0.20	

FNX Inc. (formerly S2 Minerals Inc.)
Notes to Condensed Interim Financial Statements
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10. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, excluding the Chief Financial Officer ("CFO") and the Corporate Secretary. As at February 28, 2026, there were no balances owed to management (May 31, 2025 - \$nil).

The compensation cost for key management personnel is as follows:

Nine Months Ended February 28,	2026	2025
Salaries and fees	\$ 63,000	\$ 81,000
	\$ 63,000	\$ 81,000

Three Months Ended February 28,	2026	2025
Salaries and fees	\$ 21,000	\$ 27,000
	\$ 21,000	\$ 27,000

During the three and nine months ended February 28, 2026, the Company paid rent of \$7,500 and \$22,500, respectively (three and nine months ended February 28, 2025 - \$7,500 and \$22,500, respectively) to G2 Goldfields Inc. ("G2"), a company with common directors and management with the Company. As at February 28, 2026, G2 was owed \$nil (May 31, 2025 - \$9,313).

During the three and nine months ended February 28, 2026, the Company paid professional fees and disbursements totaling \$8,135 and \$27,881, respectively (three and nine months ended February 28, 2025 - \$8,317 and \$24,255, respectively) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, and (ii) regulatory filing services. The Marrelli Group was owed \$nil (May 31, 2025 - \$2,876) and these amounts were included in accounts payable and accrued liabilities.

As at February 28, 2026, the Company owed \$nil (May 31, 2025 - \$18,400) to a director of the Company which was included in accounts payable and accrued liabilities.

In connection with the Offering, Patrick Sheridan, The Company's Executive Chairman, entered into a subscription agreement pursuant to which he purchased 3,500,000 Units for an aggregate subscription price of \$420,000 and a company beneficially controlled by Daniel Noone, The Company's Chief Executive Officer, entered into a subscription agreement pursuant to which it purchased 416,666 Units for an aggregate subscription price of \$50,000.

11. EXPLORATION AND EVALUATION

Nine Months Ended February 28, 2026

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	\$ 10,177	\$ 21,649	\$ 31,826
Depreciation of exploration equipment (note 4)	-	16,875	16,875
	\$ 10,177	\$ 38,524	\$ 48,701

FNX Inc. (formerly S2 Minerals Inc.)
Notes to Condensed Interim Financial Statements
Three and Nine Months Ended February 28, 2026 and 2025
(Expressed in Canadian Dollars)
(Unaudited)

11. EXPLORATION AND EVALUATION (Continued)

Three Months Ended February 28, 2026

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	\$ 2,500	\$ 1,500	\$ 4,000
Depreciation of exploration equipment	-	5,625	5,625
	\$ 2,500	\$ 7,125	\$ 9,625

Nine Months Ended February 28, 2025

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	\$ 8,726	\$ 23,279	\$ 32,005
Depreciation of exploration equipment	-	16,875	16,875
	\$ 8,726	\$ 40,154	\$ 48,880

Three Months Ended February 28, 2025

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	\$ 7,601	\$ 2,325	\$ 9,926
Depreciation of exploration equipment	-	5,625	5,625
	\$ 7,601	\$ 7,950	\$ 15,551

The Company is party to an option agreement whereby the Company may acquire up to a 100% interest in certain claims in the Fort Hope Project by making cash payments totaling \$1,000,000 and issuing a total of 100,000 common shares in the Company before December 2025. In order for the Company to exercise the option the consideration is due as follows to Slam Exploration Ltd.:

- \$50,000 cash payment (paid) on execution
- \$100,000 cash payment (paid) plus 25,000 common shares (issued and valued at \$4,750) in the Company is due by December 2022
- \$150,000 cash payment (paid) plus 25,000 common shares (issued and valued at \$3,250) in the Company is due by December 2023
- \$200,000 cash payment plus 25,000 common shares in the Company is due by December 2024 (*)
- \$500,000 cash payment plus 25,000 common shares in the Company is due by December 2025 (*)

The Company is also party to various agreements whereby certain mineral claims are subject to a 2% Net Smelter Royalty (NSR).

(*) On December 6, 2024, the Company declared an event of force majeure on its option agreement due to aboriginal rights issues. During the period that the event of force majeure remains in effect, all work and payments on the Fort Hope Project are suspended. The Company does not have any information at this time with respect to the anticipated duration of the event of force majeure.

On April 17, 2023, the Company announced that it has acquired 880 mining claims (the "Property") in the Veekay Lake, Gifford Lake, Opikeigan Lake, Frond Lake, Rich Lake and Reserve Lake areas in Ontario.

11. EXPLORATION AND EVALUATION (Continued)

The Property was acquired from a director of the Company pursuant to an assignment agreement dated as of April 14, 2023. The director had acquired the Property from an arm's length third party for a cash payment of \$300,000 and a 2% net smelter returns royalty (the "Royalty") and agreed that if the Property was assigned to a public company before March 2024, such public company would issue \$50,000 of common shares. The Company can purchase 1% of the Royalty for \$1,000,000. The Company assumed the obligations under the Royalty and issued 263,158 shares valued at a price of \$0.30 per share to Windfall Geotek Inc., an arm's length third party.