FNX INC. (FORMERLY S2 MINERALS INC.)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED AUGUST 31, 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 August 31, 2026	As at May 31, 2026
ASSETS		
Current		
Cash	**$ 51,426**	$ 148,948
Short-term investments	**10,000**	10,000
Amounts receivable (note 3)	**5,674**	2,063
Prepaids	**1,352**	2,914
Total current assets	**68,452**	163,925
Non-Current		
Fixed assets (note 4)	**136,772**	142,397
Total non-current assets	**136,772**	142,397
Total assets	**$ 205,224**	$ 306,322
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 22,831**	$ 36,598
Total current liabilities	**22,831**	36,598
Total liabilities	**22,831**	36,598
SHAREHOLDERS' EQUITY		
Share capital (note 7)	**4,127,671**	4,127,671
Contributed surplus (note 7 (c))	**471,352**	471,352
Deficit	**(4,416,630)**	(4,329,299)
Total shareholders' equity	**182,393**	269,724
Total liabilities and shareholders' equity	**$ 205,224**	$ 306,322

Nature of operations and going concern (note 1)
Subsequent event (note 10)

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

Three Months Ended August 31		**2026**		2025
Operating expenses				
Exploration and evaluation (note 9)	**$**	**12,225**	$	5,805
Professional fees		**42,868**		51,572
Salaries and related costs		**12,936**		12,937
Reporting issuer costs		**8,138**		9,528
Office and administrative		**10,931**		8,372
Travel and accommodation		**82**		-
Foreign exchange loss		**151**		93
Comprehensive loss for the period	**$**	**87,331**	$	88,307
Net loss per share - basic and diluted (note 6)	**$**	**0.00**	$	0.00
Weighted average number of subordinate voting shares outstanding - basic and diluted (note 6)		**23,985,487**		23,377,587

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)

Three Months Ended August 31,	**2026**	2025
Operating activities		
Net loss for the period	**$ (87,331)**	$ (88,307)
Adjustments for non-cash items:		
Depreciation (note 4)	**5,625**	5,625
Changes in non-cash working capital items:		
Amounts receivable	**(3,611)**	(1,483)
Prepaids	**1,562**	1,580
Accounts payable and accrued liabilities	**(13,767)**	(18,173)
Net cash used in operating activities	**(97,522)**	(100,758)
Financing activities		
Private placement (note 7 (b)(i))	**-**	596,000
Share issue costs (note 7 (b)(i))	**-**	(22,621)
Net cash provided by financing activities	**-**	573,379
Net change in cash	**(97,522)**	472,621
Cash, beginning of period	**148,948**	12,758
Cash, end of period	**$ 51,426**	$ 485,379

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

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, 2025	**18,968,821**	**$ 3,788,615**	**$ 227,029**	**$(3,892,155)**	**$ 123,489**
Private placement (net of share issuance costs) (note 7 (b)(i))	4,966,666	326,878	246,501	-	573,379
Net loss for the period	-	-	-	(88,307)	(88,307)
Balance, August 31, 2025	**23,935,487**	**$ 4,115,493**	**$ 473,530**	**$(3,980,462)**	**$ 608,561**
Balance, May 31, 2026	**23,985,487**	**$ 4,127,671**	**$ 471,352**	**$(4,329,299)**	**$ 269,724**
Net loss for the period	-	-	-	(87,331)	(87,331)
Balance, August 31, 2026	**23,985,487**	**$ 4,127,671**	**$ 471,352**	**$(4,416,630)**	**$ 182,393**

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 interim 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 $4,416,630 as at August 31, 2026 (May 31, 2026 - $4,329,299), a working capital of $45,621 (May 31, 2026 - working capital $127,327), and a net loss for three months ended August 31, 2026 of $87,331 (three months ended August 31, 2025 - $88,307). 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 interim 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, 2026, 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, 2026, 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, 2026.

These unaudited condensed interim financial statements were approved by the Board of Directors on October 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, 2026. The impact of adoption was not significant to the Company's unaudited condensed interim financial statements.

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, 2027. 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 on 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 August 31, 2026	As at May 31, 2026
Sales tax recoverable	**$ 5,674**	$ 2,063
Total	**$ 5,674**	$ 2,063

4. FIXED ASSETS

Cost	**Exploration Equipment**
Balance, May 31, 2025, May 31, 2026 and August 31, 2026	**$ 225,000**

Accumulated Depreciation	**Exploration Equipment**
Balance, May 31, 2025	**$ 60,103**
Depreciation	22,500
Balance, May 31, 2026	**$ 82,603**
Depreciation	5,625
Balance, August 31, 2026	**$ 88,228**

Carrying amounts	**Exploration Equipment**
Balance, May 31, 2026	$ 142,397
Balance, August 31, 2026	**$ 136,772**

5. 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.

6. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended August 31, 2026 was based on the loss attributable to subordinate voting shares (previously designated as common shares prior to December 5, 2025, see note 7(a)) of $87,331 (three months ended August 31, 2025 - loss of $88,307) and the weighted average number of subordinate voting shares outstanding of 23,985,487 (three months ended August 31, 2025 - 23,377,587).

7. 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, 2025	**18,968,821**	**$ 3,788,615**
Private placement (i)	4,966,666	596,000
Share issue costs (i)	-	(22,621)
Warrant valuation (i)	-	(246,501)
Balance, August 31, 2025	**23,935,487**	**$ 4,115,493**

	Number of Shares	Share Capital
Balance, May 31, 2026 and August 31, 2026	**23,985,487**	**$ 4,127,671**

(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 7(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 $246,501 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.

7. SHARE CAPITAL (Continued)

c) Share Purchase Warrants

A summary of changes in warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2025	**-**	**$ -**
Granted (note 7 (b)(i))	4,966,666	0.20
Balance, August 31, 2025	**4,966,666**	**$ 0.20**

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2026 and August 31, 2026	**4,916,666**	**$ 0.20**

As at August 31, 2026, the following warrants were outstanding:

Black-Scholes Valuation	Number of Warrants	Exercise Price	Expiry Date
$ 246,501	4,916,666	$0.20	June 11, 2028
$ 246,501	**4,916,666**	**$0.20**	

8. 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 August 31, 2026, there were no balances owed to management (May 31, 2026 - $nil).

The compensation cost for key management personnel is as follows:

Three Months Ended August 31,		2026		2025
Salaries and fees	$	27,000	$	21,000
	$	**27,000**	**$**	**21,000**

During the three months ended August 31, 2026, the Company paid rent of $5,000 (three months ended August 31, 2025 - $7,500) to G2 Goldfields Inc. ("G2"), a company with common directors and management with the Company prior to G2's acquisition by G Mining Ventures Corp. on July 29, 2026. As at August 31, 2026, G2 was owed $nil (May 31, 2026 - $nil).

During the three months ended August 31, 2026, the Company paid rent of $2,500 (three months ended August 31, 2025 - $nil) to G3 Goldfields Inc. ("G3"), a company with common directors and management with the Company. As at August 31, 2026, G3 was owed $nil (May 31, 2026 - $nil).

During the three months ended August 31, 2026, the Company paid professional fees and disbursements totaling $7,635 (three months ended August 31, 2025 - $11,591) 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. As at August 31, 2026, the Marrelli Group was owed $nil (May 31, 2026 - $nil) and these amounts were included in accounts payable and accrued liabilities.

8. RELATED PARTY TRANSACTIONS (Continued)

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.

9. EXPLORATION AND EVALUATION

Three Months Ended August 31, 2026

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	$ 3,500	$ 3,100	$ 6,600
Depreciation of exploration equipment (note 4)	-	5,625	5,625
	$ 3,500	**$ 8,725**	**$ 12,225**

Three Months Ended August 31, 2025

	Sandy Lake Project	Fort Hope Project	Total
Expenditures	$ 180	$ -	$ 180
Depreciation of exploration equipment	-	5,625	5,625
	$ 180	**$ 5,625**	**$ 5,805**

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 subordinate votings 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 subordinate votings shares (issued and valued at $4,750) in the Company is due by December 2022
- $150,000 cash payment (paid) plus 25,000 subordinate votings shares (issued and valued at $3,250) in the Company is due by December 2023
- $200,000 cash payment plus 25,000 subordinate votings shares in the Company is due by December 2024 (*)
- $500,000 cash payment plus 25,000 subordinate votingsshares 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.

9. 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.

10. SUBSEQUENT EVENT

On September 18, 2026, 416,666 warrants with an exercise price of $0.20 were exercised for gross proceeds of $83,333.