The Flowery Gold Mines Company of Nevada
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June 30, 2026

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The Flowery Gold Mines Company of Nevada
Consolidated Balance Sheets
June 30, 2026 and September 30, 2025
(Unaudited)

	June 30, 2026	September 30, 2025
ASSETS		
Current assets:		
Cash	$ 516,962	$ 777,750
Prepaid expenses	52,674	-
Total current assets	569,636	777,750
Property, plant and equipment, net	475	884
Other assets:		
Equity investments	525,350	531,030
Investment in gold at cost	5,717	5,717
Deposits	50	50
Total other assets	531,117	536,797
Total assets	$ 1,101,228	$ 1,315,431
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 4,854	$ 27,315
Total current liabilities	4,854	27,315
Non-current liabilities:		
Deferred income taxes	89,102	89,102
Total non-current liabilities	89,102	89,102
Total liabilities	93,956	116,417
STOCKHOLDERS' EQUITY		
Common stock, par value $0.10; 10,000,000 shares authorized, 7,591,433 and 7,591,433 shares issued and outstanding at June 30, 2026 and September 30, 2025	759,253	759,253
Paid-in capital	70,776	70,776
Stock discount	(325,153)	(325,153)
Retained earnings	502,396	694,138
Total stockholders' equity	1,007,272	1,199,014
Total liabilities and stockholders' equity	$ 1,101,228	$ 1,315,431

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

The Flowery Gold Mines Company of Nevada
Consolidated Statements of Income (Loss)
For the three and nine months ended June 30, 2026 and 2025
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Revenue:				
Stock maintenance fees	$ -	$ -	$ -	$ 2,800
Total revenue	-	-	-	2,800
Operating and general expenses:				
Legal and accounting	54,705	11,210	97,908	23,205
Office expenses	7,804	3,369	15,432	10,429
Fees and licenses	1,905	25	3,435	1,525
Director fees	150,000	-	269,750	-
Miscellaneous	400	399	790	1,147
Property taxes	-	-	-	619
Insurance	1,815	62,774	1,815	102,960
Depreciation	76	164	409	496
Utilities	-	393	-	789
Stock maintenance fees	-	-	-	1,000
Total operating and general expenses	216,705	78,334	389,539	142,170
Operating loss	(216,705)	(78,334)	(389,539)	(139,370)
Other income (loss):				
Royalties	3,325	5,081	13,444	17,227
Interest income	3,307	3,137	10,445	9,288
QSF Dixie Fire income	199,960	100,000	199,960	100,000
Unrealized (losses) gains on equity investments	(13,700)	(16,440)	(5,680)	(16,530)
Total other income (loss)	192,892	91,778	218,169	109,985
Income (loss) before taxes	(23,813)	13,444	(171,370)	(29,385)
Income tax benefit (expense)	(2,006)	-	(20,372)	(800)
Net income (loss)	$ (25,819)	$ 13,444	$ (191,742)	$ (30,185)
Earnings (loss) per share	$ (0.003)	$ 0.002	$ (0.025)	$ (0.004)

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

The Flowery Gold Mines Company of Nevada
Consolidated Statements of Stockholders' Equity
For the three and nine months ended June 30, 2026 and 2025
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Capital Stock:				
Balance at Begininng of period	$ 759,253	$ 759,253	$ 759,253	$ 773,352
Retire treasury shares	-	-	-	(14,099)
Balance at end of period	759,253	759,253	759,253	759,253
Paid-in Capital:				
Balance at beginning of period	70,776	70,776	70,776	61,357
Retire treasury shares	-	-	-	9,418
Balance at end of period	70,776	70,776	70,776	70,776
Stock Discount	(325,153)	(325,153)	(325,153)	(325,153)
Treasury Stock	-	-	-	-
Retained Earnings:				
Balance at beginning of period	528,215	345,665	694,138	389,294
Net (loss) income	(25,819)	13,444	(191,742)	(30,185)
Balance at end of period	502,396	359,109	502,396	359,109
Total Stockholders' Equity	$ 1,007,272	$ 863,985	$ 1,007,272	$ 863,985
Total Shares issued and outstanding	7,591,433	7,591,433	7,591,433	7,591,433

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

The Flowery Gold Mines Company of Nevada
Consolidated Statements of Cash Flows
For the nine months ended June 30, 2026 and 2025
(Unaudited)

	2026	2025
Cash flows from operating activities:		
Net (loss) income	$ (191,742)	$ (30,185)
Adjustments to reconcile net (loss) income to net cash (used) provided by operating activities:		
Depreciation	409	496
Unrealized losses (gains) on equity investments	-	16,530
Realized gain on sale of investments	5,680	-
Changes in operating assets and liabilities:		
Prepaid expense	(52,674)	41,402
Deposits	-	50
Accounts payable and accrued expense	(22,461)	(10,288)
Net cash provided by (used in) operating activities	(260,788)	18,005
Net change in cash	(260,788)	18,005
Cash, beginning of period	777,750	409,040
Cash, end of period	$ 516,962	$ 427,045
Supplemental disclosures:		
Cash paid during the period for:		
Income taxes	$ 42,835	$ 800
Supplemental disclosure of non-cash investing activities:		
Retired treasury shares	$ -	$ (4,681)

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

1. Summary of Significant Accounting Policies

This summary of significant accounting policies of The Flowery Gold Mines Company of Nevada (the Company) is presented to assist in understanding the Company's consolidated financial statements. The consolidated financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) and have been consistently applied in the preparation of the consolidated financial statements.

Nature of Activity

The Company was incorporated in the State of Nevada on January 2, 1958, with authorized capital of 10,000,000 shares of common stock with a $0.10 par value. The Company's principal line of business is holding land and mineral assets. The principal revenue source currently consists of royalties and investment income from equity securities. The Company's properties are located in the western United States.

Consolidation Principles

The consolidated financial statements include the accounts of the Company and its subsidiary, Securities Registrar and Transfer Corporation. All material intercompany accounts and transactions have been eliminated.

Estimates

The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property, Plant and Equipment

Property, plant and equipment are capitalized at cost. It is the Company's policy to capitalize expenditures for items in excess of $500 with a useful life greater than one year. Equipment is depreciated using the straight-line method over useful lives of five years.

Fair Value of Financial Instruments

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 — *Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;*

Level 2 — *Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and*

Level 3 — *Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).*

The Company holds equity investments in publicly traded securities. Equity investments with active markets are classified within Level 1 of the fair value hierarchy as their fair value is determined using quoted prices. Equity securities with limited market activities are classified within Level 2 of the fair value hierarchy, and their fair value is determined using the most recent trading price in the open market before the fiscal year end.

Valuation of Placer Gold

The Company holds placer gold as a long-term investment. Placer Gold is carried at lower of cost or market on the consolidated balance sheet.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of state income taxes and deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Treasury Stock

Treasury stock is carried on the books using the cost method. All treasury stock was retired on December 19, 2024 as described in Note 8.

2. Property, Plant and Equipment

The Company has resolved its case for damages resulting from the Dixie Fire of 2021, California - Engels Mining Company et al. v. Pacific Gas and Electric Company, San Francisco Superior Court Case Number CGC-23607817. The case has been fully dismissed to the Company on September 10, 2025. The Company and two other affiliated companies are each entitled to an allocation of settlement trust funds. The Company share of such funds has not yet been determined and may or may not be material.

The following table reflects a summary of property, plant and equipment as of June 30, 2026 and September 30, 2025:

	June 30, 2026	**September 30, 2025**
Equipment	$ 3,291	$ 3,291
Total property, plant and equipment	3,291	3,291
Less: accumulated depreciation	(2,816)	(2,407)
Property, plant and equipment, net	$ 475	$ 884

Depreciation expense for the three months ended June 30, 2026 and 2025 was $76 and $164, respectively. Depreciation expense for the nine months ended June 30, 2026 and 2025 was $409 and $496, respectively.

Mining Claims and Properties Owned

At June 30, 2026, The Flowery Gold Mines Company of Nevada was the owner of the following mining, royalty, and property interests:

- A three percent (3%) royalty interest in net smelter returns up to $50,000 from the Eldorado patented claim, Battle Mountain Mining District, Lander County, Nevada.

- A three percent (3%) gross royalty on placer gold production from placer mining rights formerly owned by Tenabo Gold Placers Limited Partnership from the Tenabo Gold Placers property in the Bullion Mining District, Lander County, Nevada.

- Tenabo real property (Town lot), Lander County, Nevada.

3. Securities Registrar and Transfer Corporation

Effective February 1, 1990, the Company purchased all of the outstanding shares of Securities Registrar and Transfer Corporation and quit-claimed its office building at 117 Crescent Street, Greenville, California to the wholly owned subsidiary. As discussed in Note 2, the office building was destroyed in the Dixie Wildfire on August 4, 2021. The Company has relocated to Roseville, California.

The following tables represent the summary of Securities Registrar and Transfer Corporation's financial position at June 30, 2026, and September 30, 2025 and its results of operations for the three and nine months ended June 30, 2026 and 2025:

Balance Sheets

	June 30, 2026	September 30, 2025
Total Assets	385,369	$ 391,494
Total Liabilities	(4,452)	(4,452)
Net Assets	$ 380,917	$ 387,042

Statements of Income (Loss)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Total Revenue	$ 3,069	$ 3,106	$ 9,492	$ 11,057
Total Expense	(2,570)	(2,083)	(15,617)	(7,855)
Net (Loss) Income	$ 499	$ 1,023	$ (6,125)	$ 3,202

4. Investments

At June 30, 2026, the equity investments portfolio was comprised of securities with readily determinable fair values. In accordance with the provisions of ASC 321, *Investments – Equity Securities Topic*, the equity investments are reported as an asset at their fair value.

The portion of unrealized gains and losses for the three and nine months ended June 30, 2026 and 2025 that relate to equity investments still held at the year-end are as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Net gains and (losses) recognized during the period on equity investments	$ (13,700)	$ (16,440)	(5,680)	(16,530)
Less: Net gains recognized during the period on equity investments sold during the period	-	-	-	-
Unrealized gains and (losses) recognized during the period on equity investments still held at year-end	$ (13,700)	$ (16,440)	$ (5,680)	$ (16,530)

There were no sales of equity investments during the three and nine months ended June 30, 2026 and 2025.

5. Fair Value Measurements

The Company's equity securities are classified according to the fair value hierarchy established by ASC 820, *Fair Value Measurements and Disclosures*. The following tables reflect the estimated fair values of equity securities held at June 30, 2026 and September 30, 2025 according to their classification in the fair value hierarchy and the change in fair values during the respective periods:

June 30, 2026

	Level 1	Level 2	Level 3	Total	Change in Fair Values in Period Earnings
Equity Securities	$ 177,350	$ 348,000	$ -	$ 525,350	$ (5,680)

September 30, 2025

	Level 1	Level 2	Level 3	Total	Change in Fair Values in Period Earnings
Equity Securities	$ 183,030	$ 348,000	$ -	$ 531,030	$ 48,167

No transfers between Level 1 and Level 2 occurred during the nine months ended June 30, 2026 and the year ended September 30, 2025. The Company considers any transfer between fair value hierarchy levels to have occurred at the end of the reporting period.

6. Placer Gold Investment

The Company held 25.66 ounces of placer gold, as of June 30, 2026 and September 30, 2025. The placer gold is carried at historical cost on the consolidated balance sheet at a cost of $5,717. Fair market value of the placer gold based on the spot price was $103,038 at June 30, 2026 and $99,776 at September 30, 2025. Approximately 2 ounces of placer gold was lost in the recovery process from the Dixie Wildfire in Plumas County, California on August 4, 2021.

7. Contingent Liabilities

The Company is not aware of any contingent liabilities, nor is there any litigation in progress, pending or threatened against the Company as of June 30, 2026.

8. Treasury Stock

The Company retired 141,990 shares of treasury stock at a cumulative cost of $4,681 on December 19, 2024.

9. Income Taxes

The income tax (benefit) expense consisted of the following items for the years ended September 30, 2025 and 2024:

	2025	2024
Federal income taxes - deferred	$ 52,915	$ (5,920)
Federal income taxes	25,677	-
State income taxes	1,738	800
Income tax (benefit) expense	$ 80,330	$ (5,120)

The reconciliation between the effective tax rate on net income (loss) and the statutory tax rate is as follows for the years ended September 30, 2025 and 2024:

	2025	2024
Income tax (benefit) expense at federal statutory rate	$ 40,632	$ (11,528)
State tax provision, net of federal benefit	4,395	632
Change in federal net operating loss carryforward	35,303	5,576
Change in valuation allowance	-	-
Other permanent differences	-	200
Income tax (benefit) expense	$ 80,330	$ (5,120)

The components of net deferred income tax liabilities consisted of the following items at September 30, 2025 and 2024:

	2025	2024
Deferred tax assets		
Net operating loss carryforward	$ -	$ 28,119
Net operating loss carryforward - subsidiary	-	-
Valuation allowance	-	-
Total deferred tax asset	-	28,119
Deferred tax liabilities		
Investment in pass-through entities	32,993	31,830
Net unrealized gain on securities	56,109	37,317
Total deferred tax liabilities	89,102	69,147
Net deferred tax liabilities	$ 89,102	$ 41,028

At September 30, 2025, the Company and its subsidiary had a federal net operating loss carryforward of $168,110. The net operating losses generated before 2018 tax year may be used over a twenty-year period and will start to expire in the 2033 tax year. Federal net operating losses generated in the 2018 tax year and thereafter may be carried forward indefinitely.

The Company and its wholly owned subsidiary file separate income tax returns in the United States, and the subsidiary files income tax returns in the state of California. These tax returns are subject to examination by taxation authorities provided the years remain open under the relevant statutes of limitations, which may result in the payment of income taxes and/or a decrease in the net operating losses available for carryforward. The Company is no longer subject to income tax examinations by US federal and state of California tax authorities for tax years prior to 2022. While the Company believes that its tax filings do not include uncertain tax positions, the results of potential examinations or the effect of changes in tax law cannot be ascertained at this time. The Company currently has no tax years under examination.

10. (Loss) Earnings per Share

The (loss) earnings per share, net of tax, for the three and nine months ended June 30, 2026 and 2025, were as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Net (Loss) Income - Numerator	$ (25,819)	$ 13,444	$ (191,742)	$ (30,185)
Shares - Denominator	7,591,433	7,591,433	7,591,433	7,591,433
(Loss) Income per Share	$ (0.003)	$ 0.002	$ (0.025)	$ (0.004)

11. Related Party Transactions

From time to time, the Company's wholly owned subsidiary charges stock maintenance fees to other entities that share key management personnel with the Company. The amount of stock maintenance fees earned from such entities amounted to $0 and $0 for the three months ended June 30, 2026 and 2025, respectively, and $0 and $2,800 for the nine months ended June 30, 2026 and 2025, respectively.

The Company and its subsidiary utilize bookkeeping and other administrative services provided by an employee of an entity that shares key management personnel with the Company. The expenses incurred for such services, included in office expenses on the accompanying consolidated financial statements, amounted to $3,000 and $3,000 for the three months ended June 30, 2026 and 2025, respectively. Amounts for the nine months ended June 30, 2026 and 2025 were $4,500 and $8,200, respectively.

12. Subsequent Events

The Company announced on August 1, 2026 that Kevin Morris was selected as the new CEO.

In preparing these consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through August 7, 2026, the date the consolidated financial statements were available to be issued.