MINES D'OR ORBEC INC.

(Formerly Blue Thunder Mining Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

(EXPRESSED IN CANADIAN DOLLARS)

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Mines D'Or Orbec Inc. (Formerly Blue Thunder Mining Inc.)

Opinion

We have audited the consolidated financial statements of Mines D'Or Orbec Inc. (Formerly Blue Thunder Mining Inc.) and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in cash flows and consolidated statements of changes in equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 consolidated 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 consolidated financial statements in Canada. 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 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2024 and, as of that date, the Company had an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

McGovern Hurley

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 were no additional key audit matters to communicate in our report.

Other information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated financial statements

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

In preparing the consolidated 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 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.

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Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 risks 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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 of the audit resulting in this independent auditor’s report is Nicole Louli.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
April 30, 2025

MINES D'OR ORBEC INC. (Formerly Blue Thunder Mining Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

		As at December 31, 2024		As at December 31, 2023
Assets				
Current assets				
Cash and cash equivalents	**$**	**598,595**	$	1,123,569
Other receivables (note 5)		**342,236**		38,130
Prepaid expenses (note 13)		**96,189**		7,718
Total current assets		**1,037,020**		1,169,417
Total assets	**$**	**1,037,020**	$	1,169,417
Liabilities and Equity				
Current liabilities				
Trade accounts payable and other liabilities (notes 6 and 13)	**$**	**566,468**	$	676,723
Flow-through share premium liability (note 7)		**329,511**		30,250
Total current liabilities		**895,979**		706,973
Total liabilities		**895,979**		706,973
Equity				
Share capital (note 8)		**9,517,731**		8,810,308
Warrants (note 9)		**577,776**		553,940
Contributed surplus (note 10)		**1,541,811**		1,299,874
Deficit		**(11,496,277)**		(10,201,678)
Total equity		**141,041**		462,444
Total liabilities and equity	**$**	**1,037,020**	$	1,169,417

Nature of operations and going concern (note 1)
Commitments and contingencies (notes 12 and 17)
Subsequent events (note 18)

Approved on behalf of the Board:

"Chad Williams", Director

"David Christie", Director

MINES D'OR ORBEC INC. (Formerly Blue Thunder Mining Inc.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
Operating expenses		
Exploration and evaluation (notes 12 and 13)	**$ 487,136**	$ 106,926
Management and consulting services (note 13)	**425,708**	616,996
Business development and investor relations (note 13)	**261,181**	111,207
Office and other expenses (note 13)	**78,254**	23,886
Registration, listing fees and shareholders information	**69,244**	50,002
Professional fees	**309,730**	141,793
Share-based compensation (notes 10 and 13)	**241,937**	7,129
Loss before the undernoted	**(1,873,190)**	(1,057,939)
Other income (loss)		
Tax credits related to resources receivable and mining tax credits (note 12)	**139,030**	371,388
Flow-through share premium (note 7)	**30,250**	-
Gain from settlement of debt (note 13)	**35,439**	-
Part XII.6 tax	**(13,628)**	(20,458)
Write-off of sales tax receivable (note 5)	**-**	(60,596)
Interest income	**953**	9,668
Total net other income	**192,044**	300,002
Net and comprehensive loss for the year	**$ (1,681,146)**	$ (757,937)
Basic and diluted loss per share	**$ (0.03)**	$ (0.02)
Weighted average number of common shares outstanding - Basic and diluted	**61,262,521**	38,117,111

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

MINES D'OR ORBEC INC. (Formerly Blue Thunder Mining Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
OPERATING ACTIVITIES		
Net loss for the year	**$ (1,681,146)**	$ (757,937)
Adjustment for:		
Share-based compensation	**241,937**	7,129
Write-off of sales tax receivable	**-**	60,596
Flow-through share premium	**(30,250)**	-
Changes in non-cash working capital items:		
Other receivables	**(304,106)**	360,427
Prepaid expenses	**(88,471)**	19,764
Trade accounts payable and other liabilities	**(110,255)**	7,120
	(1,972,291)	(302,901)
FINANCING ACTIVITIES		
Proceeds from private placement	**847,000**	950,700
Proceeds from flow-through placements	**653,000**	453,750
Share issuance costs	**(52,683)**	(16,304)
	1,447,317	1,388,146
Net change in cash and cash equivalents	**(524,974)**	1,085,245
Cash and cash equivalents, beginning of year	**1,123,569**	38,324
Cash and cash equivalents, end of year	**$ 598,595**	$ 1,123,569

Cash and cash equivalents		
Cash	**$ 583,595**	$ 1,123,569
Guarantee investment certificate	**15,000**	-
	$ 598,595	$ 1,123,569

Supplemental cash flow information		
Share issued as finder's fee	**$ -**	$ 52,500
Broker warrants	**$ 12,293**	$ 48,071
Share issuance costs in trade accounts payable and other liabilities	**$ -**	$ 27,187

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

MINES D'OR ORBEC INC. (Formerly Blue Thunder Mining Inc.)
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital					
	Number	Amount	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2022	**36,995,635**	**$ 7,527,670**	**$ 505,869**	**$ 1,292,745**	**$ (9,443,741)**	**$ (117,457)**
Private placements (note 8(i)(ii))	13,581,428	950,700	-	-	-	950,700
Flow-through private placements (note 8(iii))	6,050,000	453,750	-	-	-	453,750
Shares issued as finder's fees (note 8(i))	750,000	52,500	-	-	-	52,500
Flow-through premium (note 8(iii))	-	(30,250)	-	-	-	(30,250)
Share issuance costs	-	(144,062)	-	-	-	(144,062)
Broker warrants issued	-	-	48,071	-	-	48,071
Share-based compensation	-	-	-	7,129	-	7,129
Net loss and comprehensive loss for the year	-	-	-	-	(757,937)	(757,937)
Balance, December 31, 2023	**57,377,063**	**8,810,308**	**553,940**	**1,299,874**	**(10,201,678)**	**462,444**
Private placement (note 8(iv)(v))	16,940,000	448,910	398,090	-	-	847,000
Flow-through private placements (note 8(iv)(v))	11,872,725	653,000	-	-	-	653,000
Share issuance costs	-	(64,976)	-	-	-	(64,976)
Broker warrants issued	-	-	12,293	-	-	12,293
Flow-through premium(note 8(iv)(v))	-	(329,511)	-	-	-	(329,511)
Expired warrants	-	-	(386,547)	-	386,547	-
Share-based compensation	-	-	-	241,937	-	241,937
Net loss and comprehensive loss for the year	-	-	-	-	(1,681,146)	(1,681,146)
Balance, December 31, 2024	**86,189,788**	**$ 9,517,731**	**$ 577,776**	**$ 1,541,811**	**$ (11,496,277)**	**$ 141,041**

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

1. Nature of operations and going concern

Mines D'Or Orbec Inc. (formerly "Blue Thunder Mining Inc.") (the "Company" or "Orbec") was incorporated as Blue Thunder Mining Inc. pursuant to the Business Corporations Act (Ontario) on April 28, 2017. On July 5, 2024, the Company changed its name to Mines D'Or Orbec Inc. Its corporate office is located at 2000 Éclipse Street, Suite 500, Brossard, Québec, Canada, J4Z 0S2 and its shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol “BLUE” and on the OTCQB Venture Market (“OTCQB”) under the symbol “BLTMF”. In February 2023, the Company’s shares were moved from the OTCQB Market to the OTC Pink Market where the shares are still trading under the symbol "BLTMF".

Orbec is an exploration company engaged in the identification, evaluation, acquisition and exploration of gold properties in Québec. The Company holds a 100% interest in many mineral exploration properties near Chibougamau, Québec.

Going concern

The accompanying consolidated financial statements have been prepared on the basis of the going concern assumption meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period.

Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt on the Company’s ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

For the year ended December 31, 2024, the Company recorded a net loss of $1,681,146 (year ended December 31, 2023 - $757,937) and had negative cash flows from operations of $1,972,291 (year ended December 31, 2023 - $302,901). In addition, the Company had accumulated deficit of $11,496,277 as at December 31, 2024 (December 31, 2023 - $10,201,678). Besides the usual needs for working capital, the Company must obtain funds to enable it to meet the timelines of its exploration programs and to pay its overhead and administrative costs. As at December 31, 2024, the Company had a working capital (total current assets less total current liabilities) of $141,041 (December 31, 2023 - $462,444) including cash of $598,595 (December 31, 2023 - $1,123,569). Management believes that these funds will not be sufficient to meet the obligations and liabilities of the Company. These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the issuance of new equity instruments. Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income nor cash flows from its operations. During the year ended December 31, 2024, the Company has raised $1,500,000 (year ended December 31, 2023 - $1,404,450) from private placements consisting of common shares and flow-through shares to fund exploration works and working capital. There is no assurance that it will succeed in obtaining additional financing in the future.

2. Title risk

Although the Company has taken steps to verify title to exploration and evaluation properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, expropriation of properties, and political uncertainty.

The Company has not yet determined whether its exploration and evaluation properties contain economically recoverable reserves. The recovery of amounts comprising the exploration and evaluation properties is dependent upon the establishment and confirmation of recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of any such reserves, the potential future profitability of any such reserves or alternatively, the disposition, on an advantageous basis, of the Company's interests in the exploration and evaluation properties.

3. Basis of Presentation

Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies applied in these consolidated financial statements are based on IFRS issued and in effect as at year end.

These consolidated financial statements were approved by the Board of Directors for issue on April 30, 2025.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for where IFRS requires recognition at fair value. In addition, the consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow disclosure.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's and its subsidiary's functional currency.

Basis of consolidation

A subsidiary is an entity over which the Company has control. The Company controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is acquired and de-consolidated from the date that control ceases.

The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. The subsidiary has a reporting date of December 31. All intercompany transactions and balances are eliminated in full on consolidation.

Subsidiary	Status	Jurisdiction of Incorporation	% of Ownership
BTM Corporation	Active	Canada	100%

3. Basis of Presentation (Continued)

Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(a) Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effects on the financial statements.

Going concern
The assessment of the Company’s ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenses, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See note 1 for more information.

Recognition of deferred income tax assets and measurement of income tax expense
Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company’s provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded. Such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

(b) Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities and expenses is provided below. Actual results may be substantially different.

Share-based compensation
The estimation of share-based compensation costs requires the selection of an appropriate valuation model and data and consideration as to the volatility of the Company's own share, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. The model used by the Company is the Black-Scholes valuation model (see note 10).

3. Basis of Presentation (Continued)

Provisions and contingent liabilities
Judgments are made as to whether a past event has led to a liability that should be recognized in the financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, previous experience and the probability of a loss being realized. Several of these factors are source of estimation uncertainty.

Tax credits receivable
Tax calculation of the Company’s refundable tax credit on qualified exploration and evaluation expenses incurred and refundable tax credit involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessment has been issued by the relevant taxation authority and payment has been received. Difference arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit, exploration and evaluation expenses, and income tax expense in future periods.

4. Material accounting policies

The financial statements have been prepared using accounting policies set out by IFRS effective at the end of the year for submission of financial information. The material accounting policies used in preparing these financial statements are summarized below.

(a) Cash and cash equivalents

Cash and csh equivalents consist of cash and other short-term highly liquid investments, easily convertible in a known amount of cash which may be settled on demand or an original maturity of less than 90 days and subject to negligible risk of value impairment.

(b) Tax credit relating to resources and mining tax credits

The Company is entitled to refundable tax credits on eligible exploration expenses incurred and to refundable mining rights tax credits as duties under the law on the mining tax. These tax credits are recorded based on management's estimates and provided that the Company is reasonably certain that they will be collected. Tax credits are recorded as a reduction of the exploration and evaluation expenses.

(c) Share capital, warrants and contributed surplus

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. If shares are issued when options and warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus for the options and warrants for the warrants.

Broker warrants and shares issued as finder's fees, in respect of an equity financing are recognized as issuance cost of the equity instruments with a corresponding credit to contributed surplus, in equity.

The Company uses the relative fair value method with respect to the measurement of common shares and share purchase warrants issued as placement units. This method allocates value on a relative basis between the estimated fair value of each of the components.

In addition, if the shares are issued in an acquisition of a project, shares are measured at fair value based on stock price on the day of the conclusion of the agreement.

4. Material accounting policies (Continued)

(c) Share capital, warrants and contributed surplus (Continued)

Contributed surplus includes charges related to share options granted until such equity instruments are exercised, and contributions made by the shareholders. The Company transfers to deficit the value of expired, forfeited or cancelled warrants and retains the value of expired, forfeited or cancelled share options within contributed surplus.

(d) Flow-through shares

The Federal and Provincial tax legislation permits an entity to issue securities to investors whereby the deductions for tax purposes relating to resource expenses may be claimed by the investors and not by the entity. These securities are referred to as flow- through shares. The Company finances a portion of its exploration programs with flow-through shares.

At the time of the issuance of flow-through shares, the Company allocates the proceeds between share capital and an obligation to deliver the tax deductions, which is recorded as a liability related to flow-through shares. The Company estimates the fair value of the liabilities related to flow-through shares using the relative fair value method, deducting the estimated price of a regular common share from the price of the flow-through shares at the date of the financing. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a recovery on the flow-through premium in the statement of loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look back rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid. The Company indemnifies subscribers of flow-through shares for certain tax related amounts that may become payable if the Company fails to meet its forethought expenditure requirements.

(e) Share-based compensation

The Company accounts for share-based compensation over the vesting period of the share options. Share purchase options granted to officers, employees, directors and consultants, and the cost of services received are evaluated and recognized on fair value basis using the Black-Scholes option pricing model. 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, including directors of the Company.

For transactions with parties other than employees, the Company measures the goods or services received and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received, it measures their fair value and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

Share-based compensation are ultimately recognized as an expense in the statement of loss with a corresponding credit to contributed surplus, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if the number of share options ultimately exercised is different from that estimated on vesting. The Company transfers to deficit the value of expired, forfeited or cancelled warrants and retains the value of expired, forfeited or cancelled share options within contributed surplus.

4. Material accounting policies (Continued)

(f) Exploration and evaluation expenses

The Company expenses exploration and evaluation expenditures as incurred. Expenses charged to exploration properties include acquisition costs of mineral property rights, property option payments and certain exploration and evaluation activities.

Exploration and evaluation expenses are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation expenses and costs incurred before the legal right to undertake exploration and evaluation activities are recognized in the statement of loss when they are incurred.

Once a project has been established as commercially viable, technically feasible, and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

(g) Basic and diluted loss per share

The basic loss per share is calculated using the weighted average number of shares outstanding during the year. The diluted loss per share, which is calculated with the treasury method, is equal to the basic loss per share due to the anti-dilutive effect of share purchase options and warrants.

(h) Financial instruments

(i) Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to cash flows from a financial asset expire, or when a financial asset and substantially all risks and rewards are transferred. A financial liability is derecognized in the event of termination, extinction, cancellation or expiration.

The classification of financial instruments under IFRS 9 is based on the entity's business model and the characteristics of the contractual cash flows of the financial asset or liability.

(ii) Classification and initial valuation of financial assets and financial liabilities

Financial assets and financial liabilities are classified into one of the following categories:

Category	**Financial instrument**
Financial assets at amortized cost	• Cash and cash equivalents
Financial liabilities at amortized cost	• Trade accounts payable and other liabilities

4. Material accounting policies (Continued)

(h) Financial instruments (Continued)

(iii) Subsequent valuation of financial assets:

Financial assets at amortized cost.
Financial assets are measured at amortized cost if they meet the following conditions:

- They are held according to an economic model whose objective is to hold financial assets in order to collect the contractual cash flows;
- The contractual terms of the financial assets give rise to cash flows that correspond solely to repayments of principal and interest payments on the principal outstanding.

After initial recognition, they are measured at amortized cost using the effective interest rate method. The update is omitted if its effect is not significant. Cash and cash equivalents falls into this category of financial instruments.

(i) Classification and measurement of financial liabilities

The Company's financial liabilities include trade accounts payable and other liabilities. Financial liabilities are measured at amortized cost using the effective interest method.

Interest expense and, as the case may be, changes in the fair value of an instrument recognized in profit or loss are presented in financial expenses or interest income.

(j) Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in the statement of loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

4. Material accounting policies (Continued)

(k) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

(l) Provisions and contingent liabilities

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenses expected to be required to settle the obligation.

(m) Segmented information

The Company's operations consist of a single operating segment being the sector of exploration and evaluation of mineral resources and all operations are located in Canada.

(n) Recent Accounting Pronouncements

During the year ended December 31, 2024, the Company adopted the IASB amendments to IAS 1 "Presentation of financial statements" re: classification of liabilities as current or non-current which is effective for annual periods beginning on or after January 1, 2024. The amendment clarifies that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period.

These amendments to IAS 1 did not have a material impact on the Company's financial statements.

Recently announced accounting pronouncements

IFRS 18 "Presentation and disclosure in financial statements" has been issued which will replace IAS 1 "Presentation of financial statements". The new standard establishes a revised structure for the statements of comprehensive profit with the intention to improve comparability across entities. IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and will be applied retroactively. The Company is currently evaluating the impact of adopting IFRS 18 on the financial statements.

Amendments to IFRS 9 "Financial instruments and IFRS 7 Financial instruments: disclosures" have been issued with the intention to clarify the date of recognition and derecognition of some financial assets and liabilities. The amendments are effective January 1, 2026, with early adoption permitted. The Company is currently evaluating the impact of these amendments on the financial statements.

(Expressed in Canadian Dollars)

5. Other receivables

	As at December 31, 2024	As at December 31, 2023
Sales tax receivable[(1)]	**$ 187,156**	$ 22,080
Mining tax credits receivable	**1,802**	1,802
Tax credits related to resources receivable	**153,278**	14,248
	$ 342,236	$ 38,130

[(1)] During the year ended December 31, 2023, the Company received QST refunds for claims corresponding to the quarters ending during the years ended December 31, 2022 and before. A total of $60,596 of QST on inputs was not refunded because it was deemed ineligible. The Company therefore recorded a write-off of $60,956 in the statements of loss and comprehensive loss.

6. Trade accounts payable and other liabilities

	As at December 31, 2024	As at December 31, 2023
Trade accounts payable	**$ 442,405**	$ 480,592
Accrued liabilities	**124,063**	196,131
	$ 566,468	$ 676,723

	As at December 31, 2024	As at December 31, 2023
Trade accounts payable and accrued liabilities:		
To a company controlled by the Non-Executive Chairman for management fees	**$ 70,625**	$ 96,900
To a company controlled by the Non-Executive Chairman for office and other expenses	**34,465**	17,125
To a company controlled by the Non-Executive Chairman for share issuance costs	**-**	14,175
To a company controlled by the Non-Executive Chairman for corporate development	**-**	23,000
To a company controlled by the Non-Executive Chairman for office expenses	**-**	12,000
To a company for the services provided by the CFO	**5,926**	-
To a company controlled by the former CFO for management fees	**-**	8,000
To a former CEO	**32,684**	30,000
Part XIII.12 tax and Part III.14 tax	**34,086**	20,458
Other	**388,682**	455,065
	$ 566,468	$ 676,723

(Expressed in Canadian Dollars)

7. Flow-through share premium liability

Balance as at December 31, 2022	$ -
Liability incurred on flow-through shares issued	30,250
Balance as at December 31, 2023	**30,250**
Liability incurred on flow-through shares issued	329,511
Settlement of flow-through share liability on incurring expenditure	(30,250)
Balance as at December 31, 2024	**$ 329,511**

For the year ended December 31, 2024, the flow-through common shares issued in the non-brokered private placement completed in November 2024 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $329,511 (year ended December 31, 2023 - $30,250).

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For the year ended December 31, 2024, the Company satisfied $30,250 (year ended December 31, 2023 - $nil) of the premium liability by incurring eligible expenditures of approximately $453,750 (year ended December 31, 2023 - $nil).

8. Share Capital

Authorized

Unlimited number of common shares with no par value, voting.

Issued and outstanding

As at December 31, 2024, 86,189,788 common shares were issued and outstanding.

For the year ended December 31, 2023

(i) On December 5, 2023, the Company closed a private placement by issuing 12,342,856 common shares at a price of $0.07 per share for net proceeds of $848,632 after deducting cash share issuance costs of $15,367. As part of this private placement, the Company issued a total of 750,000 shares as consideration of finder's fee valued at $52,500 and issued on December 20, 2023, a total of 750,000 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.07 per share until December 20, 2025. The fair value of these 750,000 broker warrants was estimated as $34,603 using the Black-Scholes option pricing model using the assumptions described in note 9. A director of the Company subscribed for 1,628,572 common shares of this financing.

(ii) On December 20, 2023, the Company closed a private placement by issuing 1,238,571 common shares at a price of $0.07 per share for net proceeds of $83,529 after deducting cash share issuance costs of $3,171 including a finder's fee of $2,205. As part of this private placement, the Company issued a total of 31,500 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.07 per share until December 20, 2025. The fair value of these 31,500 broker warrants was estimated as $1,453 based on the Black-Scholes option pricing model using the assumptions described in note 9. A director of the Company subscribed for 357,143 common shares of this financing.

8. Share Capital (Continued)

For the year ended December 31, 2023 (continued)
(iii) On December 20, 2023, the Company closed a private placement by issuing 6,050,000 flow-through shares at a price of $0.075 per share for net proceeds of $428,797 after deducting share issuance costs of $24,953, including finder's fee of $19,898. As part of this private placement, the Company issued a total of 265,300 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.075 per share until December 20, 2025. The fair value of these 265,300 broker warrants was estimated as $12,015 based on the Black-Scholes option pricing model using the assumptions described in note 9. An amount of $30,250 representing the premium paid by the investors was recorded in flow-through share premium liability based on the relative fair value method. A director of the Company subscribed for 2,000,000 flow-through shares of this financing.

For the year ended December 31, 2024

(iv) On November 4, 2024, the Company closed the first tranche of a private placement consisting of 6,820,000 units at a price of $0.05 (the "HD Units") and 7,309,544 flow-through shares ("FT Shares") at a price of $0.055 for gross proceeds of $743,025. Each HD Unit consists of one common share and one purchase warrant, entitling the holder to purchase one common share for every warrant at a price of $0.055 for a period of 3 years from the date of issuance. As part of this private placement, the Company paid finders fees of $1,500 and issued 28,000 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.055 per share for a period of 3 years from the date of issuance. The fair value of these 28,000 broker warrants was estimated as $1,372 based on the Black-Scholes option pricing model using the assumptions described in note 9. An amount of $202,855 representing the premium paid by the investors was recorded in flow-through share premium liability based on the relative fair value method.

(v) On November 19, 2024, the Company the second and final tranche of a private placement consisting of 10,120,000 units at a price of $0.05 (the "HD Units") and 4,563,181 flow-through shares ("FT Shares") at a price of $0.055 for gross proceeds of $756,975. Each HD Unit consists of one common share and one purchase warrant, entitling the holder to purchase one common share for every warrant at a price of $0.055 for a period of 3 years from the date of issuance. As part of this private placement, the Company paid finders fees of $51,183 and issued 248,200 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.055 per share for a period of 3 years from the date of issuance. The fair value of these 248,200 broker warrants was estimated as $10,921 based on the Black-Scholes option pricing model using the assumptions described in note 9. An amount of $126,655 representing the premium paid by the investors was recorded in flow-through share premium liability based on the relative fair value method. Directors and officers of the Company subscribed for 6,163,636 common shares of this financing.

(Expressed in Canadian Dollars)

9. Warrants

The following tables reflect the continuity of warrants for the years ended December 31, 2024 and 2023:

	Number of Warrants	Weighted average exercise price
Balance, December 31, 2022	15,064,752	$ 0.288
Issued (note 8(i)(ii)(iii))	1,046,800	0.071
Balance, December 31, 2023	**16,111,552**	**0.274**
Issued (note 8(iv)(v))	17,216,200	0.055
Expired	(7,972,553)	0.330
Balance as at December 31, 2024	**25,355,199**	**$ 0.107**

Warrants outstanding as at December 31, 2024 are as follows:

Expiry date	Number of Warrants	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price
September 19, 2025	7,092,199	0.72	$ 0.240
December 20, 2025	781,500	0.97	0.070
December 20, 2025	265,300	0.97	0.075
November 4, 2027	6,848,000	2.84	0.055
November 19, 2027	10,368,200	2.88	0.055
	25,355,199	**2.19**	**$ 0.107**

The warrants outstanding at December 31, 2023 had an weighted average exercise price of $0.274 and a weighted average contractual life of 1.4 years.

The fair value of each warrant granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	December 31, 2024	December 31, 2023
Weighted average share price at grant date	$ 0.027	$ 0.070
Weighted average exercise price at grant date	$ 0.055	$ 0.071
Weighted average risk-free interest rate	3.10 %	3.91 %
Weighted average expected life (years)	3.00	2.00
Weighted average expected volatility	178 %	131 %
Weighted average expected dividends	nil	nil

The underlying expected volatility was determined by reference to historical data of the Company’s shares over the expected average life of the options.

(Expressed in Canadian Dollars)

10. Stock options

On December 20, 2024, the Board of Directors of the Company approved the establishment of an incentive stock option plan (the “Plan”), subject to ratification by shareholders at the Company’s next annual general meeting and acceptance by the TSX-V.

The Plan is a rolling 10% plan, under which the Company may grant incentive stock options to directors, officers, employees, and consultants of the Company and its subsidiaries. The maximum number of common shares reserved for issuance under the Plan is limited to 10% of the issued and outstanding common shares of the Company at the time of the grant.

The exercise price of each option must not be less than the closing price of the Company’s common shares on the trading day immediately preceding the date of grant, less any discount permitted under applicable Exchange policies. The term of each option may not exceed five years from the date of grant, and vesting conditions, if any, are determined by the Board of Directors at the time of grant.

The following tables reflect the continuity of stock options for the years ended December 31, 2024 and 2023:

	Number of Options	Weighted average exercise price
Balance, December 31, 2022	**3,434,518**	**$ 0.26**
Options expired	(85,106)	0.19
Options forfeited	(1,094,772)	0.27
Balance, December 31, 2023	**2,254,640**	**0.26**
Options granted	6,114,000	0.07
Options cancelled	(372,127)	0.27
Options forfeited	(1,400,000)	0.08
Balance, December 31, 2024	**6,596,513**	**$ 0.12**

Stock options outstanding as at December 31, 2024 are as follows:

	Options Outstanding			Options Exercisable		
Expiry Date	**Number of Options**	**Weighted Average Remaining Contractual Life (years)**	**Weighted Average Exercise Price ($)**	**Number of Options**	**Weighted Average Remaining Contractual Life (years)**	**Weighted Average Exercise Price ($)**
August 6, 2025	148,936	0.60	0.66	148,936	0.60	0.66
January 7, 2027	319,148	2.02	0.24	319,148	2.02	0.24
August 23, 2027	106,383	2.64	0.24	106,383	2.64	0.24
October 18, 2027	851,065	2.80	0.24	851,065	2.80	0.24
June 11, 2028	456,981	3.45	0.19	456,981	3.45	0.19
January 9, 2029	2,000,000	4.03	0.08	2,000,000	4.03	0.08
December 24, 2029 (i)	2,714,000	4.98	0.05	1,357,000	4.98	0.05
	6,596,513	4.02	0.12	5,239,513	3.78	0.14

(i) The remaining stock options will vest on June 24, 2025.

The stock options outstanding at December 31, 2023 had an weighted average exercise price of $0.26 and a weighted average contractual life of 3.6 years.

(Expressed in Canadian Dollars)

10. Stock options (Continued)

During the year ended December 31, 2024, 6,114,000 stock options (year ended December 31, 2023 - nil options) were granted to officers, directors and consultants at a fair value of $0.057 (year ended December 31, 2023 - $nil). These were calculated using the Black-Scholes option pricing model, using the following assumptions:

	December 31, 2024	December 31, 2023
Weighted average share price at grant date	$ 0.062	$ -
Weighted average exercise price at grant date	$ 0.067	$ -
Weighted average risk-free interest rate	3.20 %	- %
Weighted average expected life (years)	5.00	-
Weighted average expected volatility	156 %	0 %
Weighted average expected dividends	-	-

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the options.

11. Loss per share

The warrants and stock options were excluded from the diluted weighted average number of common shares calculation since the Company is operating at a loss and that their effect would have been anti-dilutive. Details of warrants and share options issued that could potentially dilute earnings per share in the future are given in Note 9 and Note 10. Both the basic and diluted loss per share have been calculated using the net loss as the numerator with no adjustment to the net loss for the years ended December 31, 2024 and 2023.

12. Exploration and Evaluation Expenditures

Muus (Gold):

The Muus project is wholly-owned (100%) by the Company, consists of a number of claims located in the eastern part of the Abitibi Greenstone Belt in the Province of Québec. The various claims grouping in blocks are detailed as follows:

	Date of acquisition	Cash payments	Fair value shares issued	Finder's fees	Exploration expenses	NSR Royalty
Muus - Principal	August 2017	$ 255,000	$ 100,000	$ 30,000	$ -	2%
Muus - Tectonic claims	February 2019	570,000	-	-	250,000	2%
Muus Extension	May 2019	30,000	50,000	-	-	1%
Muus and Muus East Properties	February 2020	-	150,000	-	-	-
Fancamp and Embry gold properties	May 2020	-	428,776	-	-	1%
Contiguous to Muss & Nisk properties	November 2020	10,265	10,000	-	-	-
Las Des Ventis	February 2021	12,500	-	-	-	-
Muus Southwest property	April 2021	5,000	10,000	-	-	2%
		$ 882,765	**$ 748,776**	**$ 30,000**	**$ 250,000**	

(Expressed in Canadian Dollars)

12. Exploration and Evaluation Expenditures (Continued)

Exploration and Evaluation Activities	Year Ended December 31, 2024	Year Ended December 31, 2023
Assays	**$ 10,138**	$ 21,620
Consulting (contract geologists and other technical specialists)	**127,394**	42,915
Camp, field expenses (including geochemistry and geophysics)	**218,856**	(22,653)
Other evaluation and exploration expenses	**15,500**	2,586
Claim maintenance (including acquisition costs)	**115,248**	62,458
Total before tax credit related to resources and mining tax credits	**487,136**	106,926
Tax credit related to resources and mining tax credits(1)	**(139,030)**	(371,388)
Exploration and evaluation expenses net of tax credit related to resources and mining tax credits	**$ 348,106**	$ (264,462)

(1) During the year ended December 31, 2023, the Company received refunds for tax credit related to resources and mining tax credits amounted to $28,521 for the year ended December 31, 2022, $178,447 for 2020 and $148,370 for 2019. In addition, the Company recorded an amount of $139,030 for tax credit related to resources and mining tax credits for the year ended December 31, 2024 (year ended December 31, 2023 - $16,050).

13. Related party transactions

The following table reflects the remuneration of key management, which consists of the Company's directors and executive officers:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Management and consulting fees	**$ 372,733**	$ 485,600
Exploration and evaluation expenses	**43,500**	-
Share-based compensation	**240,842**	7,413
Business development and investor relations	**-**	23,000
Office and general	**3,000**	12,000
	$ 660,075	$ 528,013

(Expressed in Canadian Dollars)

13. Related party transactions (Continued)

In addition to the related party transactions presented elsewhere in these financial statements, the following is a summary of other transactions:

Sharechest Inc., a company of which the Non-Executive Chairman of the Company is a shareholder. The following table provides a summary of the expenses incurred from Sharechest Inc.:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Office and general	**$ 21,000**	$ 15,500
	$ 21,000	$ 15,500

Red Cloud Securities Inc., a company of which the Non-Executive Chairman of the Company is a shareholder. The following table provides a summary of the expenses incurred from Red Cloud Securities Inc.:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Share issued as finder's fees	**$ -**	$ 52,500
Share issuance costs	**-**	14,175
Broker warrants	**-**	43,162
Business development and investor relations	**2,000**	-
	$ 2,000	$ 109,837

In March 2023, the Company entered into a convertible promissory note agreement with a director of the Company for $250,000, no interest, convertible into common shares of the Company on completion of a RTO at a price of $0.28 per share. On April 26, 2023, the Company repaid $136,000 of the convertible promissory and the remaining $114,000 was repaid on August 23, 2023. In September 2024, the Company entered into a convertible promissory note agreement with the non-executive Chairman of the Company for $100,000, no interest and convertible into common shares of the Company. The Company repaid this promissory note in November 2024.

In August 2023, the Company paid a $50,000 advance to the non-executive Chairman of the Company as part of the Yukon Critical Metals Transaction, which was terminated. This transaction was related to the non-executive Chairman of the Company. The $50,000 advance has been repaid to the Company on December 15, 2023.

As at December 31, 2024, $45,200 was advanced the to the non-executive Chairman of the Company and is included in prepaid expenses on the statement of financial position.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. See Note 6 for amounts owing to related parties. These amounts are unsecured, non interest-bearing, and with no fixed terms of repayment.

(Expressed in Canadian Dollars)

14. Capital management

The Company considers the items included in equity as capital components. The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to increase the value of the assets of the business; and
- to provide an adequate return to shareholders of the Company.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company monitors capital on the basis of the carrying amount of equity. Capital for the reporting periods are presented in the statement of changes in equity.

	As at December 31, 2024	As at December 31, 2023
Share capital	**$ 9,517,731**	$ 8,810,308
Warrants	**577,776**	553,940
Contributed surplus	**1,541,811**	1,299,874
Deficit	**(11,496,277)**	(10,201,678)
Total equity	**$ 141,041**	$ 462,444

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body other than the TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2024, the Company believes it is compliant with the policies of the TSX-V.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. 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. The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve. No changes were made in the objectives, policies and processes for managing capital during the reporting periods.

The Company is subject to tax requirements related to the use of funds obtained by flow-through share financing. These funds must be incurred for eligible exploration expenses. However, there is no guarantee that the Company's exploration expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities could have a negative tax impact for investors.

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 years ended December 31, 2024 and 2023.

(Expressed in Canadian Dollars)

15. Financial Risk Factors

The Company is exposed to various risks in relation to financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk.

The Company manages risks in close cooperation with the board of directors. The Company focuses on actively securing short-term to medium-term cash flows by minimizing the exposure to financial markets.

(a) Credit risk:
Credit risk is the risk that another party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation.

The Company is exposed to credit risk with respect to its cash and cash equivalents for an amount of $598,595 as at December 31, 2024 (December 31, 2023 - $1,123,569). The credit risk associated with cash and cash equivalents is minimal, as cash is placed with major Canadian financial institutions with strong investment-grade ratings by a primary ratings agency.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations associated with financial liabilities as they come due. The Company’s liquidity and operating results may be adversely affected if the Company’s access to capital or other alternative forms of financing is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. As at December 31, 2024, the Company had cash and cash equivalents of $598,595 to settle current financial liabilities of $895,979. As at December 31, 2024, management estimates that funds available will not be sufficient to meet the Company’s obligations, exploration programs and other expected expenditures for the next 12 months (note 1).

The following table summarizes the expected maturity of the Company's significant financial liabilities based on the remaining period from the balance sheet date to the contractual maturity date:

As at December 31, 2024	Payments by period				
	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Value
Trade accounts payable and other liabilities	$ 566,468	$ -	$ -	$ 566,468	$ 566,468

Fair value risk
The carrying values of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their fair values due to their relatively short periods to maturity.

(Expressed in Canadian Dollars)

16. Income taxes

The effective income tax rate of the Company differs from the combined federal and provincial income tax rate in Canada. This difference results from the following items:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Loss before income taxes	**$ (1,681,146)**	$ (757,937)
Statutory tax rate	**26.5%**	26.5%
Expected income tax recovery	**(446,000)**	(201,000)
Share-based compensation	**74,000**	2,000
Other non-deductible expenses	**115,000**	93,000
Change in benefit of tax assets not recognized	**257,000**	106,000
Income tax expense (recovery)	**$ -**	$ -

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

As at December 31,	2024	2023
Non-capital loss carryforwards	**$ 5,973,000**	$ 4,762,000
Share issue costs	**226,000**	340,000
Mineral property interest	**1,479,000**	1,602,000
Other temporary differences	**118,000**	118,000
	7,796,000	6,822,000

(c) Non-capital losses

Non-capital losses will expire between 2037 - 2044. The other temporary differences do not expire under current legislation.

Deferred tax assets have not been recognized in respect of those items because it is not possible that future taxable profit will be available against which the company can use the benefits.

17. Commitments and contingencies

The Company is obligated to spend approximately $653,000 on qualifying Canadian exploration expenditures by December 31, 2025. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for certain tax-related amounts that may become payable by the subscribers if the Company does not meet its expenditure commitments.

There is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. The disallowance of certain expenses by tax authorities may have negative tax consequences for investors. In the case the Company does not incur the required qualifying Canadian mineral exploration expenses as originally contemplated in its flow-through private placements, the Company has contractually agreed to indemnify the purchasers of such flow-through securities to compensate for adverse tax consequences they might incur.

The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are difficult to identify, in terms of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in compliance with the laws and regulations. Any additional payment to liability already recorded that results from restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at that time.

The Company is also committed to minimum payments upon termination of certain consulting and management contracts and change of control of approximately $75,000 pursuant to the terms of these contracts as at December 31, 2024. In the event of a "change of control" of the Company, any unvested options will vest immediately as of the effective time of such termination. Minimum commitments under these contracts due within one year are $75,000.

18. Subsequent events

On January 27, 2025, the Company granted two directors an aggregate of 450,000 stock options with an exercise price of $0.05. The options vest 50% immediately upon grant and 50% six month from the grant date.

On March 17, 2025 the Company granted an officer and a consultant 571,000 stock options with an exercise price of $0.05. The options vest 50% immediately upon grant and 50% six months from the grant date.

On April 24, 2025, the Company completed a non-brokered private placement consisting of 714,284 flow-through common shares of the Company at a price of $0.07 per flow-through common share and 10,500,000 units of the Company at a price of $0.05 per unit, for gross proceeds of $575,000. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to acquire an additional share at a price of $0.075 per share for a period of 18 months from the date of closing. As at the date of these financial statements, proceeds totaling $175,000 are pending final settlement.