

AXCAP VENTURES INC.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2024 AND 2023**

**(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

AXCAP VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

		September 30, 2024 (Restated, Note 21)	December 31, 2023
ASSETS			
Current Assets			
Cash	\$	2,012,737	\$ 110,063
GST receivable		9,484	-
Loans receivable (Note 8)		1,069,209	411,018
Prepaid expenses (Notes 9, 19)		1,784,140	-
		4,875,570	521,081
Equity investments (Note 10)		134,391	713,379
Exploration and evaluation assets (Note 7)		647,884	-
Total Assets	\$	5,657,845	\$ 1,234,460
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables (Notes 11, 19)	\$	984,077	\$ 479,648
Loans payable (Note 12, 19)		250,000	-
		1,234,077	479,648
EQUITY			
Share capital (Note 13)		28,780,129	23,834,296
Contributed surplus		760,511	760,511
Reserves (Notes 14 and 15)		5,162,969	5,162,969
Deficit		(30,279,841)	(29,002,964)
		4,423,768	754,812
Total Liabilities and Equity	\$	5,657,845	\$ 1,234,460

Going Concern (Note 2)

Commitments (Note 20)

Subsequent Events (Note 21)

Approved on behalf of the Board of Directors

<u>"Ken Cotiamco"</u>	Director	<u>"Desmond Balakrishnan"</u>	Director
Ken Cotiamco		Desmond Balakrishnan	

The accompanying notes are integral to these condensed consolidated interim financial statements

AXCAP VENTURES INC.**Amended and Restated****INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(Expressed in Canadian Dollars)*

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2024 (Restated, Note 21)	September 30, 2023	September 30, 2024 (Restated, Note 21)	September 30, 2023
OPERATING EXPENSES				
Consulting fees (Note 19)	\$ 373,651	\$ 7,875	\$ 652,584	\$ 40,405
Legal and professional fees (Note 19)	82,924	7,600	193,508	74,590
Marketing and advertising	-	-	-	118
Office and administrative (Note 19)	162,343	9,303	268,959	19,603
Transfer agent and regulatory fees	65,103	9,291	89,081	23,351
Travel	11,448	148	14,222	15,148
Operating Expenses	695,469	34,217	1,218,354	173,215
OTHER INCOME (EXPENSES)				
Foreign exchange gain (loss)	6,540	1,946	2,443	(3,109)
Interest income (Note 8)	11,987	344	27,444	1,402
Interest expense	(20)	-	(440)	(1,606)
Write off of GST refundable	(32,444)	(1,410)	(51,822)	(7,818)
Gain (loss) on sale of equity investments (Note 10)	48,159	(60,302)	(62,587)	(170,868)
Gain (loss) on change in fair value of equity investments (Note 10)	(65,909)	(1,087,201)	81,283	(742,882)
Write off of equity investments (Note 10)	(54,844)	-	(54,844)	-
Write down on loan receivables	-	(424,000)	-	(424,000)
	(86,531)	(1,570,623)	(58,523)	(1,348,881)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ (782,000)	\$ (1,604,840)	\$ (1,276,877)	\$ (1,522,096)
Basic and diluted earnings (loss) per share (Note 18)	\$ (0.01)	\$ (0.31)	\$ (0.02)	\$ (0.29)
Weighted average number of common shares outstanding – basic and diluted (Note 18)	57,103,308	5,234,656	53,943,993	5,234,656

The accompanying notes are integral to these condensed interim consolidated financial statements

AXCAP VENTURES INC.**Amended and Restated****INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(Expressed in Canadian Dollars)*

	Nine Months Ended		Nine Months Ended
	September 30,		September 30,
	2024		2023
	(Restated, Note 21)		
Cash Flows from (used in) in Operating Activities			
Net loss	\$ (1,276,877)	\$	(1,522,096)
Adjustments for items not affecting cash			
Loss (gain) on sale of equity investments (Note 10)	62,587		170,868
Loss (gain) on change in fair value of equity investments (Note 10)	(81,283)		742,882
Interest income (Note 8)	(27,208)		-
Write off of equity investments (Note 10)	54,844		-
Write down of loan receivables	-		424,000
	(1,267,937)		(184,346)
Changes in non-cash working capital:			
GST receivables	(5,991)		-
Other receivables	-		720,000
Prepaid expenses	(1,430,150)		-
Trade and other payables	413,072		(10,587)
	(2,291,006)		525,067
Cash Flows from (used in) Investing Activities			
Acquisition of mineral properties and exploration and evaluation expenditures (Note 7)	291,823		-
Purchase of equity investments (Note 10)	(171,233)		(2,322,945)
Sale of equity investments (Note 10)	714,073		1,720,545
Loans advanced (Note 8)	(990,983)		-
Repayment of loan to unrelated party	-		110,437
	(156,320)		(491,963)
Cash Flows from (used in) Financing Activities			
Issuance of shares (Note 13)	4,350,000		-
Changes in cash during the period	1,902,674		33,104
Cash – Beginning of period	110,063		208,264
Cash – End of period	\$ 2,012,737	\$	241,368

Significant non-cash transactions included:

- 10,999,999 common shares issued to acquire PGV Patriot Gold Vault Ltd.

The accompanying notes are integral to these condensed interim consolidated financial statements

AXCAP VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars, except number of shares)

	Common Shares				Contributed Surplus		Reserves		Deficit		Total
	Number of Shares*	Amount									
Balance – December 31, 2022	5,234,661	\$ 23,834,296	\$		760,511	\$	5,162,969	\$	(27,285,799)	\$	2,471,977
Net and comprehensive loss for the period	-	-			-		-		(1,522,096)		(1,522,096)
Balance – September 30, 2023	5,234,661	23,834,296			760,511		5,162,969		(28,837,895)		949,881
Net and comprehensive loss for the period	-	-			-		-		(195,069)		(195,069)
Balance – December 31, 2023	5,234,661	23,834,296			760,511		5,162,969		(29,002,964)		754,812
Shares issued for cash	172,799,998	4,350,000			-		-		-		4,350,000
Shares issued for asset acquisition	10,999,999	595,833			-		-		-		595,833
Net and comprehensive loss for the period (Restated, Note 21)	-	-			-		-		(1,276,877)		(1,276,877)
Balance – September 30, 2024 (Restated, Note 21)	189,034,658	\$ 28,780,129	\$		760,511	\$	5,162,969	\$	(30,279,841)	\$	4,423,768

*On May 21, 2024, the Company consolidated its issued and outstanding shares on a 10 to 1 basis which resulted in 2,181,124 shares outstanding post-consolidation. All references to common shares and warrants in these condensed interim consolidated financial statements have been adjusted to reflect this change.

*Effective October 24, 2024, the Company split its issued and outstanding common shares on a 1 to 2.4 basis which resulted in 189,034,658 shares outstanding post-split. All references to common shares and warrants in these condensed interim consolidated financial statements have been adjusted to reflect this change.

The accompanying notes are integral to these condensed interim consolidated financial statements

1. General Information

Axcap Ventures Inc. ("AVI" or "Axcap" or the "Company") was incorporated on February 20, 1987 under the Business Corporation Act (Ontario). The objective of the Company is to provide investors with long-term capital growth by investing in a portfolio of early stage or undervalued companies or natural resource projects ("Projects"). It is planned that the Company will "unlock" value or "accelerate" growth of investee companies or Projects as a provider of capital and strategic guidance. The Company will strive to complement management as an active participant generally assisting in every aspect of the business or project development, including providing board of director and capital market advisory services. In addition, the Company is currently conducting exploration programs on its Rattlesnake Hill project and Converse project.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

Axcap is a public company which is listed on the Canadian Securities Exchange ("CSE") under the symbol "AXCP". The Company's head office is 1030 West Georgia Street, Suite 1507, Vancouver, BC, V6E 2Y3, and registered and records office is located 1055 W. Georgia Street, Suite 1500, PO Box 11117, Vancouver, BC, V6E 4N7.

2. Going Concern

These condensed interim consolidated financial statements have been prepared by management on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

As at September 30, 2024, the Company had an accumulated deficit of \$30,279,841 (December 31, 2023 - \$29,002,964). The Company's ability to continue as a going concern is dependent upon its ability to achieve and maintain profitable operations and to generate funds therefrom or obtain additional financing. There is a risk that additional financing may not be available on a timely basis or on terms acceptable to the Company. These matters constitute material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

3. Basis of Preparation

a. Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Issues Committed ("IFRIC"). Accordingly, these condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process.

The policies applied in these condensed interim consolidated financial statements are based on IFRS issued as of April 15, 2025, the date the Board of Directors approved the financial statements. These condensed interim consolidated financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2023.

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except

for cash flow information.

3. Basis of Preparation (Continued)

b. Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its controlled entities. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Inter-company transactions and balances are eliminated upon consolidation.

Subsidiary	Ownership	Location
PGV Patriot Gold Vault Ltd. ("PGV")	100%	BC, Canada

c. Functional and Presentation Currency

These condensed interim consolidated financial statements are presented in Canadian dollars. The functional currency of the Company and its subsidiary is measured using the principal currency of the primary economic environment in which each entity operates. The functional currency of the Company and its subsidiary is the Canadian dollar.

4. Material Accounting Policies

(i) Financial Instruments

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

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. An expected credit loss (ECL) allowance is recognized for financial assets measured at amortized cost and for investments in debt instruments measured at FVOCI. The Company does not have any financial assets that require an expected credit loss ("ECL") allowance.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gain and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the condensed interim consolidated statements of loss and comprehensive loss in the period in which they arise.

4. Material Accounting Policies (continued)

(i) *Financial Instruments (continued)*

Impairment of financial assets at amortized cost

An ECL impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the condensed interim consolidated statements of loss and comprehensive loss.

(ii) *Impairment of Non-Financial Assets*

The Company performs impairment tests on its long-lived assets, including property, plant and equipment when new events or circumstances occur, or when new information becomes available relating to their recoverability. When the recoverable amount of each separately identifiable asset or cash generating unit ("CGU") is less than its carrying value, the asset or CGU's assets are written down to their recoverable amount with the impairment loss charged against profit or loss. A reversal of the impairment loss in a subsequent period will be charged against profit or loss. A reversal of the impairment loss in a subsequent period will be charged against profit or loss if there is a significant reversal of the circumstances that caused the original impairment. The impairment will be reversed up to the amount of the depreciated carrying value that would have otherwise occurred if the impairment loss had not occurred.

The CGU's recoverable amount is evaluated using fair value less costs of disposal calculations. In calculating the recoverable amount, the Company utilizes discounted cash flow techniques to determine fair value when it is not possible to determine fair value when active markets or a written offer to purchase. Management calculates the discounted cash flows based upon its best estimate of a number of economic, operating, engineering, environmental, political and social assumptions. Any changes in the assumptions due to changing circumstances may affect the calculation of the recoverable amount.

(iii) *Fair Value Measurement*

Where fair value is used to measure assets and liabilities in preparing these condensed interim consolidated financial statements, it is estimated at the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair values are determined from inputs that are classified within the fair value hierarchy defined under IFRS as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs for the asset or liability that are unobservable

4. Material Accounting Policies (continued)

(iii) *Fair Value Measurement* (continued)

Financial instruments classified as Level 2 investments are valued based on the most recent financings and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

Financial instrument classified as Level 3 investments are valued based on information provided by management about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants acts in their economic best interest.

The Company holds equity investments consisting of common shares and warrants held in public and non-public companies. At the end of each financial reporting period, the Company's management estimates the fair value of its investments based on the criteria below and records such valuations in the financial statements. Warrants of non-public companies are valued using option pricing models when there are sufficient and reliable observable market inputs.

Equity investments are initially recorded at fair value at the time of acquisition. At each reporting period thereafter, the fair value of an investment may, depending on circumstances, be adjusted by taking into account the following circumstances:

- There has been a significant subsequent equity financing provided by outside investors at a valuation above or below the current fair value of the investee, in which case the fair value of the investment is adjusted to reflect the value at which the financing took place;
- Based on financial information received from the investee it is apparent to the Company that the investee is unlikely to be able to continue as a going concern, in which case the fair value of the investment is adjusted downward;
- The investee is placed into receivership or bankruptcy;
- There have been significant corporate, political, operating or economic events affecting the investee that, in the Company's opinion, have a positive or negative impact on the investee's prospects and, therefore, its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be ultimately realized or realizable. Such events include, without limitation:
 - receipt or denial of necessary approvals that allow or prevent the investee to proceed with its project(s);
 - release by the investee of positive or negative operating results, which either proves or disproves its business plan; and
 - management personnel changes at the investee level that the Company's management believes will have a very positive or negative impact on the investee's ability to achieve its objectives and build value for shareholders.

4. Material Accounting Policies (continued)

(iii) Fair Value Measurement (continued)

In addition to the circumstances described above, the Company will take into account general market conditions when determining if an adjustment to the fair value of an investment is warranted at the end of each reporting period.

Application of the valuation techniques described above may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized. Estimating the fair value for non-public companies involves a significant amount of judgement using Level 2 and Level 3 inputs. The amount at which an investment could be disposed of may differ from its carrying value due to the availability and/or reliability of information available to, and determinations reached by, the Company. Any fair value estimated by the application of these techniques may not ultimately be realized. Transaction costs incurred in the purchase and sale of investments are recorded as an expense in the condensed interim consolidated statement of loss and comprehensive loss.

(iv) Business Combinations

Acquisitions of businesses, or of assets when the definition of a business is not met, are accounted for using principles applicable to the acquisition method as described in IFRS 3, *Business Combinations*. The consideration of each such combination is measured, at the date of the exchange, as the aggregate of the fair value of assets given up, liabilities incurred or assumed, and equity instruments issued by the Company to the former owners of the acquiree in exchange for control of the acquired. Acquisition-related costs are expensed. The acquiree's identifiable assets, liabilities and contingent liabilities are recognized at their fair value at the acquisition date.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the consideration of the acquisition over the Company's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities recognized. If the Company's interest in the fair value of the acquiree's net identifiable assets, liabilities and contingent liabilities exceeds the costs of the acquisition, the excess is recognized in profit or loss immediately. Goodwill may also arise as a result of the requirement under IFRS to record a deferred tax liability on the excess of the fair value of the acquired assets over their correspondence tax bases, with the corresponding offset recorded as goodwill.

(v) Foreign Currency Translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates.

Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in the consolidated statement of loss and comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income to the extent that gains or losses arising on those non-monetary items are also recognized in other comprehensive income. Where the on-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income and recorded in the Company's foreign currency translation reserve is equity. These differences are recognized in profit or loss in the period in which the operation is disposed.

4. Material Accounting Policies (continued)

(vi) *Exploration and Evaluation Assets*

The Company is in the exploration state with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of its mineral claims and crediting all proceeds received against the cost of related claims. Cost includes any cash consideration and advance royalties paid, and the fair market value of shares issued, if any, on the acquisition of exploration and evaluation assets.

At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to exploration and evaluation assets is subsequently reversed when new exploration results or actual or potential proceeds on sale result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition. These amounts are reflective of costs incurred and are not intended to represent current or future values.

(vii) *Share Capital*

The Company records the proceeds received net of direct issuance costs from the issuance of its common shares as equity. Proceeds received on the issuance of units, consisting of common shares and warrants are allocated between the common shares and warrant component. The Company has adopted the residual method with respect to the measurement of shares and warrants issued as private placement units. The residual method first allocates fair value to the component with the best evidence of fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued is determined to be the component with the best evidence of fair value. The balance, if any, is allocated to the attached warrants.

(viii) *Earnings (Loss) per Share*

Basic earnings (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

The number of additional shares is calculated by assuming that outstanding stock options and share purchase warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

5. Critical Accounting Estimates and Judgements

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Company has made in the preparation of its condensed interim consolidated financial statements.

Areas of judgement

(i) *Exception to Consolidation*

Prior to August 23, 2024, the Company applied the exception to consolidation of subsidiaries available to investment entities. Management had determined that the Company qualified for the exemption as per IFRS 10, *Consolidated Financial Statements* from consolidation given that the Company had the following typical characteristics of an investment entity prior to August 30, 2024:

- a. Obtained funds from one or more investors for the purpose of providing those investors with investment management services;
- b. Committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- c. Measured and evaluated the performance of substantially all of its investments on a fair value basis.

As at August 23, 2024, the Company no longer applied the exception to consolidation of certain subsidiaries as the Company acquired 100% of a private mineral resource exploration company and did not meet the exception requirements. See Note 21 for consolidation restatements.

(ii) *Assessment of Impairment Indicators*

The Company assesses at each reporting period whether there is an indication of impairment. Material judgment is applied in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as (1) a significant decline in the market value of the Company's share price; (2) changes in the quantity of the recoverable resources and reserves; (3) changes in precious metal prices; and (4) changes in inflation, interest, and exchange rates, are evaluated in determining whether there are any indicators of impairment.

(iii) *Going Concern*

Determining if the Company has the ability to continue as a going concern is dependent on its ability to achieve profitable operations. Certain judgments are made when determining if the Company will be able to continue as a going concern. Further disclosure is included in Note 2.

(iv) *Deferred Tax Assets*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Management applies judgment in determining the likelihood of future taxable profits.

(v) *Determination of Fair Values*

Certain of the Company's assets and liabilities are measured at fair value. In estimating fair value, the Company uses market-observable data to the extent it is available. For equity investments not quoted in an active market, where Level 1 inputs are not available the Company estimates the fair value based on the criteria described under Note 4(iii). Significant judgement is required for the Company's investment in non-public companies as well as the Company's loans receivable using Level 2 and Level 3 inputs.

5. Critical Accounting Estimates and Judgements (continued)

Assumptions and critical estimates

(i) *Reclamation Liability*

The valuation of any reclamation liability is subject to significant judgement and estimates. Assumptions, based on the current economic environment, are made to estimate the future liability. These estimates consider any material changes to the assumptions that occur when reviewed regularly by management and are based on current regulatory requirements. Significant changes in estimates of discount rate, contamination, restoration standards and techniques will result in changes to the liability form period to period. Actual reclamation and closure costs will ultimately depend on future market prices for the costs which will reflect the market condition at the time the expenditures are actually incurred. The final cost of the reclamation liability currently recognized may be higher or lower than currently provided for.

(ii) *Share-Based Payments*

The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, officers and consultants. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the share-based compensation calculation value, however, the most significant estimate is the volatility.

Equity-settled share-based payment transactions with parties other than employees and those providing similar services are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably. If fair value cannot be estimated reliably, the goods or services received are measured at the fair value of the equity instruments granted, measured at the date the goods or services are received.

(iii) *Tax Assets and Liabilities*

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rate as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

**NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

(Expressed in Canadian Dollars)

6. Acquisition of PGV Patriot Gold Vault Ltd.

On August 30, 2024, pursuant to the Share Exchange Agreement (the "Agreement"), between the Company and PGV Patriot Gold Vault Ltd. ("PGV"), the Company acquired all the issued and outstanding PGV common shares by issuing 4,583,333 common shares (pre-October share split) of the Company.

The acquisition was accounted for as an asset acquisition as PGV did not meet the definition of a business as defined in IFRS 3 *Business Combinations*.

The allocation of the consideration transferred is summarized as follows:

Consideration:		
Number of Axcap common shares issued		4,583,333
Fair value of Axcap shares on August 30, 2024	\$	0.13
	\$	595,833
Fair values of the net assets of PGV:		
Cash	\$	830
GST receivable		3,493
Deposits		644,983
Mineral properties		647,884
Accounts payables		(91,357)
Loans payable		(610,000)
	\$	595,833

PGV's loans payable were from the Company and Commodity Partners, a related party to the Company. After the acquisition of PGV, the loan from Axcap is considered an intercompany loan and will be eliminated upon consolidation. The loan from Commodity Partners was repaid in February 2025, see Note 19.

7. Exploration and Evaluation Assets

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous historical title conveyance characteristics of many mineral claims. The Company has investigated title to all of its exploration and evaluation asset interests and, to the best of its knowledge, titles to all of its interests are in good standing. The mineral properties were part of the acquisition of PGV, see Note 6.

	Gulliver River
Acquisition Costs	\$
Balance, December 31, 2023	-
Additions	647,884
Balance, September 30, 2024	647,884

Rattlesnake Hills Gold Project (Wyoming, USA)

On September 24, 2024, the Company, through its wholly-owned subsidiary PGV, signed a definitive agreement with GFG Resources Inc. ("GFG"), pursuant to a mineral property purchase agreement (the "Agreement") dated August 15, 2024, to acquire a 100% interest in the Rattlesnake Hills Gold Property (the "Rattlesnake Hills"), located in the County of Natrona, State of Wyoming, United States.

Pursuant to the terms of the agreement, PGV will pay GFG aggregate consideration of approximately \$3.3 million to acquire the project in addition to certain milestone and resource bonus payments.

7. Exploration and Evaluation Assets (continued)

Pursuant to the terms of the agreement, PGV shall make the following payments to GFG to acquire the project:

- Cash payment of \$250,000 to GFG on signing of the letter of intent ("LOI") (the LOI deposit was paid on May 8, 2024); and
- Cash payment of \$250,000 to GFG upon the execution and delivery of the Agreement (paid on August 23, 2024).

On closing of the transaction, PGV will:

- Make a cash payment of \$1.2 million to GFG (paid on December 12, 2024);
- Issue to GFG the greater of 3 million common shares or \$600,000 in value of consideration shares based on the volume-weighted average trading price of the consideration shares for the 20 trading days immediately preceding the closing date or, in the event that PGV is not listed, the value of the consideration shares shall be determined by the last financing price of common shares of PGV sold to arm's length investors. Subsequent to September 30, 2024, the Company issued 30,61,224 common shares on closing of the transaction with GFG (see Note 21);
- On the date that is 12 months following the closing date of the transaction, PGV will pay GFG a cash payment of \$1 million. On closing of the transaction, PGV will replace the US\$219,000 reclamation bond for the project. If a National Instrument 43-101, *Standards for Disclosure for Mineral Projects*, resource estimate in the project reveals a mineral resource of greater than 3 million ounces of gold in a measured and indicated or inferred category, PGV will pay GFG a further \$1 per total mineral resource ounce in cash or consideration shares at the election of PGV.
- PGV shall reimburse GFG and cover all costs and expense relating to the project incurred from the date of the signed LOI to the closing date, up to a maximum of US\$228,000. Subsequent to September 30, 2024, the Company has reimbursed GFG of all costs and expenses to the project from the date of the LOI to closing date.

Gulliver River Project (Ontario, Canada)

Gulliver River, comprised of 20 claims, is a grassroots gold exploration project located in Ontario, Canada, on the boundary of Kenora and Rainy River Districts.

8. Loans Receivable

(a) *Current Loans Receivable*

On August 16, 2023, the Company entered into an agreement with an unrelated party ("Issuer") for convertible debentures of \$400,000 in principal with interest bearing at 6% per annum. The Issuer is expected to become a public company ("Resulting Issuer") through a reverse takeover transaction (the "Transaction"). The convertible debentures are to automatically convert to common shares of the Issuer at \$0.90 per share upon the closing the Transaction. The maturity date of the convertible debentures is the earlier of (i) October 30, 2023 or such other date as may be agreed to by the Company and the Issuer provided that no maturity shall occur on such date if the Transaction occurs at such time; (ii) the date of the Transaction closing; and (iii) the date of termination of the Transaction.

The Company is to receive \$200,000 from the Issuer if on the maturity date these debentures have not automatically converted into common shares of the Resulting Issuer, and the remaining balance of the principal amount plus all accrued and unpaid interest shall automatically converted into common shares of the Issuer at \$2.14 per share. As at September 30, 2024, these convertible debentures did not automatically convert into common shares of the Resulting Issuer, and the Company did not receive any cash nor common shares of the Issuer. The balance of the convertible debentures is \$429,793 with \$29,793 being the accrued interest.

8. Loans Receivable (continued)

During the nine months ended September 30, 2024, the Company agreed to extend the maturity date of the convertible debentures to the date of the Issuer's Transaction. The extension removes the partial conversion requirements noted in the original convertible debt agreement. The Issuer closed its Transaction on December 16, 2024; in addition, the Issuer also closed a financing on December 30, 2024 for gross proceeds in excess of \$16 million. Upon closing of the Transaction, the convertible debentures were automatically converted into 1,840,394 common shares of the Issuer.

On July 12, 2024, the Company entered into a promissory note with Converse Acquisitions Company, Limited ("Converse Acquisitions") for a loan of \$380,000 in principal with interest bearing at 10% per annum. The loan is unsecured and due on demand. As at September 30, 2024, the balance of the loan was \$388,433 which included \$8,433 in accrued interest.

In addition, the Company advanced \$250,983 to Converse Resources, LLC, the subsidiary of Converse Acquisitions during the nine months ended September 30, 2024. This advance is due on demand.

(b) Long-Term Loans Receivable

In March 2021, the Company participated in an unsecured debenture financing of an unrelated third party (the "Borrower") in the amount of \$500,000 and due on April 30, 2024. Instead of interest payments, the Company is entitled to receive a participation right payments equal to five percent of the Borrower's realized net monthly revenues within 30 days of each month-end. Such participation right payments shall be calculated from the Borrower's realized net revenues reported in the monthly financial report, which is submitted to the Borrower's regulators adjusted for non-realized inventory gains or losses. In addition, the Company shall receive annually, a net profit interest participation right payment within 90 days of each fiscal years of from 2021, 2022, and 2023, equal to five percent of the Corporation's net realized profits.

In January 2022, the Company and the Borrower signed an amending agreement to the original debenture agreement whereby effective January 1, 2022, the participation right payment shall equal to 0.05% of the Borrower's realized net operating income, instead of five percent in the original agreement. Furthermore, the Company shall receive annually a net profit participation right payment equal to 0.05% of the Borrower's net realizable profit instead of five percent in the original agreement.

During the three and nine months ended September 30, 2024, the Company received \$nil and \$nil (September 30, 2023 - \$nil and \$nil) in participation right payments from the Borrower as interest income. In November 2023, the Company obtained financial reports of the Borrower and has determined that it is unlikely that the Borrower will be able to repay the loan at the maturity date of the loan; as a result, the Company wrote off the entire loan receivable as at December 31, 2023. The fair value of the loan receivable was \$nil as at September 30, 2024 and December 31, 2023.

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)
(Expressed in Canadian Dollars)

Amended and Restated

9. Prepaid Expenses

		September 30, 2024	December 31, 2023
Prepays	\$	359,554	\$ -
Deposits		1,424,586	-
	\$	1,784,140	-

On May 15, 2024, the Company's wholly-owned subsidiary, PGV, signed a letter of intent with an arms' length third party and paid \$353,990 (US\$260,000) a deposit towards the acquisition of the Cracker Creek Gold Property, located in Bourne, Oregon, USA. The terms of the potential acquisition are not yet finalized. During the nine months ended September 30, 2024, PGV entered into an agreement to acquire Rattlesnake Hills gold project, located in Wyoming, USA, and paid 2 deposits (\$500,000) towards the acquisition; as well as reimbursed the vendor \$570,596 for costs and expenses relating to the project.

During the nine months ended September 30, 2024, the Company paid \$250,000 to a director as prepayment for his services from April 2024 to March 2025, \$250,000 to another director as prepayment for his services from April 2024 to September 2025, and \$75,000 to a third director for 7.5 months of his services. As at September 30, 2024, the balances in prepaids for these 3 directors were \$125,000, \$187,500 and \$45,000 respectively.

10. Equity Investments

The Company's equity investments are comprised of investments in common shares of Canadian publicly traded and non-public companies. The Company measures its equity investments at fair value through profit or loss ("FVTPL"). The cost and fair values of the equity investments at September 30, 2024 and December 31, 2023 are as follows:

		September 30, 2024	December 31, 2023
Opening Balance	\$	713,379	\$ 1,250,169
Additions		171,233	1,780,193
Disposals		(714,073)	(1,521,832)
Realized loss on disposals		(62,587)	(389,685)
Write off of investments		(54,844)	-
Change in unrealized fair value loss		81,283	(405,466)
Ending Balance	\$	134,391	\$ 713,379

11. Trade and Other Payables

		September 30, 2024	December 31, 2023
Taxes payable	\$	48,262	\$ 48,262
Trade payables		935,815	431,386
	\$	984,077	\$ 479,648

Trade and other payables are comprised primarily of trade payables incurred in the normal course of business. Included in trade payables are amounts totalling \$323,379 (December 31, 2023 - \$203,206) due to related parties (see Note 19).

12. Loans Payable

During the nine months ended September 30, 2024, PGV borrowed \$250,000 from a related party. The loan is non-interest bearing, unsecured and due on demand. Subsequent to the nine months ended September 30, 2024, PGV repaid the loan fully to the related party.

13. Share Capital

(a) Authorized Share Capital

The Company is authorized to issue unlimited number of common shares without par value.

(b) Issued Share Capital

In August 2024, the Company issued 84,067,214 units in the first tranche of a non-brokered private placement for \$0.025 per unit. In September 2024, the Company issued another 83,932,784 units in the second and final tranche for \$0.025 per unit. Each unit consists of one common share and one warrant with an exercise price of \$0.30 for a period of 5 years. The fair value of the warrants is \$nil, valued using the residual amount method.

In August 2024, the Company issued 10,999,999 common shares at a fair market share price of \$0.05 per common share to acquire PGV.

In June 2024, the Company closed its non-brokered private placement comprising of 4,800,000 common shares with a price of \$0.031 per share for gross proceeds of \$150,000.

In May 2024, the Company consolidated its common shares on the basis of ten pre-consolidation shares for every one post-consolidation share, which resulted in 2,181,124 shares outstanding post consolidation. All references to common shares, stock options and warrants in these condensed interim consolidated financial statements have been adjusted to reflect this change.

The Company did not issue any shares during the year ended December 31, 2023.

As at December 31, 2023, the Company had 1,612,159 (2022 – 2,686,931) shares held in escrow, and it is expected that escrowed shares will be released by May 17, 2025.

14. Warrants

As at September 30, 2024 and December 31, 2023, the Company have the following warrants issued and outstanding.

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding*
February 7, 2022	February 7, 2027	\$ 0.48	4,132,898
March 31, 2022	March 31, 2027	\$ 0.48	340,318
August 19, 2024	August 19, 2029	\$ 0.30	84,067,214
September 3, 2024	September 3, 2029	\$ 0.30	83,932,783
			172,473,213

*On post-split basis as announced on October 24, 2024, see Note 21.

The following is a summary of the Company's warrant activities:

	Number of Warrants*
Outstanding at December 31, 2023 and 2022	4,473,216
Issued	167,999,997
Outstanding at September 30, 2024	172,473,213

*On post-split basis as announced on October 24, 2024, see Note 21.

The weighted average exercise price and weighted average life are \$0.30 and 4.84 years, respectively.

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

15. Stock Options

The Company adopted a stock option plan (the "Plan") whereby it can grant stock options to directors, officers, employees, and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time.

The changes in stock options outstanding are summarized as follows:

	Weighted Average Exercise Price	Number of Shares Issued or Issuable on Exercise
Balance – December 31, 2023 and 2022	\$ 36.46	13,049
Expired	\$ 36.46	(13,049)
Balance – September 30, 2024	-	-

16. Capital Management

The Company manages its capital structure, consisting of share capital, and will make adjustments to it depending on the funds available to the Company for its future operations. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is dependent on external financing to fund its activities. In order to carry out its planned operations and pay for future general and administrative expenses, the Company expects to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the three and nine months ended September 30, 2024 and the year ended December 31, 2023.

17. Financial Instruments

The Company's financial assets and liabilities by category and information about financial assets and liabilities measured at fair value on a recurring basis in the statement of financial position are classified and measured as follows:

	Category		September 30, 2024		December 31, 2023
Financial Assets					
Cash	FVTPL	\$	2,012,737	\$	110,063
Equity investments	FVTPL	\$	134,391	\$	713,379
Loans receivable	FVTPL	\$	429,793	\$	411,018
Loans receivable	Amortized cost	\$	639,416	\$	-
Financial Liabilities					
Trade and other payables	Amortized cost	\$	984,077	\$	479,648
Loans payable	Amortized cost	\$	250,000	\$	-

Due to the short-term nature of trade and other payables, the Company determined that the carrying amounts of these financial instruments approximate their fair value.

17. Financial Instruments (continued)

The following table presents the Company's financial instruments, measured at fair value, and categorized into levels of the fair value hierarchy:

	Balance at September 30, 2024	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 2,012,737	\$ 2,012,737	\$ -	\$ -
Equity investments				
Public companies	\$ 114,391	\$ 110,333	\$ -	\$ 4,058
Private companies	\$ 20,000	\$ -	\$ -	\$ 20,000
Loans receivable	\$ 429,793	\$ -	\$ -	\$ 429,793
	\$ 2,576,921	\$ 2,123,070	\$ -	\$ 453,851

	Balance at December 31, 2023	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 110,063	\$ 110,063	\$ -	\$ -
Equity investments				
Public companies	\$ 638,535	\$ 594,820	\$ -	\$ 43,715
Private companies	\$ 74,844	\$ -	\$ -	\$ 74,844
Loans receivable	\$ 411,018	\$ -	\$ -	\$ 411,018
	\$ 1,234,460	\$ 704,883	\$ -	\$ 529,577

The following table presents the fair value of the Company's level 3 financial instruments:

	September 30, 2024	December 31, 2023
Opening balance	\$ 529,577	\$ 424,000
Additions	49,775	411,018
Disposals	(53,715)	(424,000)
Impairment	(54,844)	-
Change in fair value	(16,942)	118,559
Ending balance	\$ 453,851	\$ 529,577

The Company's risk management policies are established to identify, analyze and manage the risks faced by the Company and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Company's activities and to ensure applicability. In the normal course of business, the main risks arising from the Company's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's primary exposure to credit risk is in its cash, loans receivable and due from related parties. Credit risk arises from cash held with banks, loans receivable and due from related parties. The Company minimizes credit risk associated with its cash balance substantially by dealing with financial institutions deemed to be reliable due to their history of operations. The Company performs credit evaluation of its borrowers and does not require collateral to support loans receivable.

17. Financial Instruments (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. The Company expects to repay its financial liabilities in the normal course of operations and to fund future operational and capital requirements through operating cash flows, as well as future equity and debt financing. See Note 2 for going concern disclosure.

(c) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company is exposed to foreign currency risk through cash held in bank and investment accounts which are denominated in United States dollars (USD).

The Company has approximately \$62 cash that are denominated in US dollars. Based on the above net exposure at September 30, 2024, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in approximately \$6 increase or decrease in profit or loss. The Company has not employed any currency hedging programs during the current period.

(d) Price risk

The Company's net income or loss, and financial condition were subject to price risk due to fluctuations of the following:

Equity Price Risk

The Company is exposed to equity price risk through its equity investments and unfavourable market conditions could result in dispositions of equity investments at less than favourable prices, especially during periods of overall market instability. The Company manages its equity price risk by having a portfolio of equity investments not singularly exposed to any one issuer.

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

18. Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted loss per share for the three and nine months ended September 30, 2024 and 2023:

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Numerator				
Net loss for the period	\$ (782,000)	\$ (1,604,840)	\$ (1,276,877)	\$ (1,522,096)
Denominator				
Basic – weighted average number of common shares outstanding	57,103,308	5,234,656	53,943,993	5,234,661
Effect of dilutive securities	-	-	-	-
Diluted – adjusted weighted average number of shares outstanding	57,103,308	5,234,656	53,943,993	5,234,661
Earnings (loss) per share – basic	\$ (0.01)	\$ (0.31)	\$ (0.02)	\$ (0.29)
Earnings (loss) per share - diluted	\$ (0.01)	\$ (0.31)	\$ (0.02)	\$ (0.29)

The basic earnings (loss) per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period.

The diluted earnings (loss) per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

Stock options were excluded from the calculation of diluted weighted average number of common shares outstanding during the period ended September 30, 2024 and 2023 as the stock options expired during the nine months ended September 30, 2024 while the stock options were anti-dilutive during the three and nine months ended September 30, 2023.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

(Expressed in Canadian Dollars)

19. Related Party Transactions

Key management personnel include the Company's Board of Directors and members of senior management. The Company's related parties include key management personnel, and companies related by way of management and directors in common, such as:

- Lannister Mining – an investee of the Company whereby a director and former interim CEO of Lannister Mining is a director of the Company and he holds, directly and indirectly, a total of 6.44% of Lannister Mining.
- Purpose ESG – an investee of the Company whereby the CFO of Purpose ESG was the former CFO of the Company.
- Commodity Partners Inc. – a company sharing common directors with Axcap.

During the three and nine months ended September 30, 2024 and 2023, the Company paid and/or accrued salaries, commissions, consulting and professional fees to management personnel and directors:

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Management (current and former)	\$ 237,666	\$ 7,500	\$ 278,166	\$ 17,371
Directors (current and former)	274,917	-	397,417	-
	\$ 512,583	\$ 7,500	\$ 675,583	\$ 17,371

These fees paid to management and directors are recorded in consulting fees as well as in office and administrative fees in the statements of loss and comprehensive loss.

During the year ended December 31, 2023, the Company purchased 1,000,000 shares of Rua Gold Inc. (formerly First Uranium Resources Ltd.) at a price of \$0.10 per share, which was the trading price at the time of the purchase, from a director of the Company; the value of those shares was \$100,000 at December 31, 2023.

During the three and nine months ended September 30, 2024, the Company also incurred legal expenses of \$68,129 and \$69,869 (September 30, 2023 - \$nil and \$nil) to a law firm, a partner of which is a director of the Company.

During the nine months ended September 30, 2024, the Company prepaid 3 directors for their services. See Note 9.

During the nine months ended September 30, 2024, PGV, the Company subsidiary, borrowed \$250,000 from Commodity Partners Inc., see Note 12.

As at September 30, 2024 and December 31, 2023, the Company has the following amounts due to related parties:

	September 30, 2024	December 31, 2023
Accounts payable and accrued liabilities	\$ 323,379	\$ 203,206

The amounts due to related parties are unsecured, non-interest bearing and due on demand.

20. Commitments

On September 27, 2024, the Company entered into a binding letter of intent (the "LOI") to acquire from Carlyle Commodities Corp. ("Carlyle"), a gold project located in British Columbia (the "Newton Project"). Pursuant to the terms of the LOI, the Company will pay Carlyle aggregate consideration of approximately \$2.8 million in cash and common shares of the Company to acquire the Newton Project in addition to certain milestone payments (the "Proposed Transaction").

In consideration for the acquisition of the Newton Project, the Company shall make the following payments to Carlyle:

- On the effective date of the LOI, the Company shall make a cash payment of \$100,000 to Carlyle;
- Upon the execution and delivery of a definitive agreement, the Company shall make a cash payment of \$150,000 to Carlyle;
- Upon closing of a financing of securities of the Company of not less than \$4 million (the "Axcap financing"), the Company shall make a cash payment of \$250,000 (the "financing deposit") to Carlyle.

On the closing of the proposed transaction, the Company will:

- Issue to Carlyle 500,000 common share purchase warrants entitling the holder thereof to acquire one additional common share at \$0.20 per common share for a period of 3 years from the date of issuance;
- Issue to Carlyle 3.75 million common shares (the "closing shares"); and pay to Carlyle 50% of the financing deposit with the balance to be paid within 90 days following closing of the Proposed Transaction in the event that the Company does not complete the Axcap financing.

On the date that is 12 months following the closing date of the Proposed Transaction, the Company will issue to Carlyle \$1.25 million common shares at a deemed price equal to the volume-weighted average trading price of the common shares on the CSE, or such other exchange the common shares are then listed, for the 20 trading days immediately prior to the issuance of the anniversary shares.

The consideration shares will be subject to any applicable statutory hold period along with contractual resale restrictions. Carlyle is entitled to receive additional cash payments of up to \$1 million and issuance of up to 22.5 million common shares upon achieving certain milestones.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

(Expressed in Canadian Dollars)

21. Restatement of Financial Results

As a result of the Company's acquisition of PGV on August 23, 2024, the Company has determined that a consolidation of the parent company and PGV is required for accounting purposes, and as such has restated its previously reported financial statements as at and for the nine months ended September 30, 2024, and all related disclosures. The impact of the consolidation is as follows:

- (a) To consolidate the losses of Axcap and PGV;
- (b) To consolidate the assets and liabilities of Axcap and PGV

Consolidated Statement of Loss & Comprehensive Loss

	For the Three Months ended September 30, 2024		
	As Previously Reported (\$)	Effect of Restatement (\$)	As Restated (\$)
Operating Expenses			
Consulting and management fees	207,683	165,968	373,651
Exploration expenses	155,162	(155,162)	-
Legal and professional fees	82,924	-	82,924
Office and administrative	317,859	(155,516)	162,343
Transfer agent and regulatory fees	64,698	405	65,103
Travel	3,424	8,024	11,448
	831,750	(136,281)	695,469
Other Income (Expenses)			
Foreign exchange gain (loss)	4,462	2,078	6,540
Interest income	11,801	186	11,987
Interest expense	(20)	-	(20)
Write off of GST refundable	(32,444)	-	(32,444)
Gain (loss) on sale of equity investments	48,159	-	48,159
Gain (loss) on change in fair value of equity investments	(65,909)	-	(65,909)
Write off of equity investments	-	(54,844)	(54,844)
	(33,951)	(52,580)	(86,531)
Net loss and comprehensive loss	(865,701)	83,701	(782,000)
Basic and diluted loss per share	(0.03)	(0.00)	(0.01)

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

21. Restatement of Financial Results (continued)

Consolidated Statement of Loss & Comprehensive Loss

	For the Nine Months ended September 30, 2024		
	As Previously Reported (\$)	Effect of Restatement (\$)	As Restated (\$)
Operating Expenses			
Consulting and management fees	486,616	165,968	652,584
Exploration Expenses	155,162	(155,162)	-
Legal and professional fees	193,508	-	193,508
Marketing and advertising	424,475	(424,475)	-
Office and administrative	88,676	180,283	268,959
Transfer agent and regulatory fees	6,198	82,883	89,081
Travel	-	14,222	14,222
	1,354,635	(136,281)	1,218,354
Other Income (Expenses)			
Foreign exchange gain (loss)	365	2,078	2,443
Interest income	27,258	186	27,444
Interest expense	(440)	-	(440)
Write off of GST refundable	(51,822)	-	(51,822)
Gain (loss) on sale of equity investments	(62,587)	-	(62,587)
Gain (loss) on change in fair value of equity investments	81,283	-	81,283
Write off of equity investments	-	(54,844)	(54,844)
	(5,943)	(52,580)	(58,523)
Net loss and comprehensive loss	(1,360,578)	83,701	(1,276,877)
Basic and diluted loss per share	(0.11)	0.00	(0.02)

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

21. Restatement of Financial Results (continued)

Consolidated Statement of Financial Position

	As at September 30, 2024		
	As Previously Reported (\$)	Effect of Restatement (\$)	As Restated (\$)
ASSETS			
Current Assets			
Cash	1,773,011	239,726	2,012,737
GST receivable	-	9,484	9,484
Loans receivable	798,137	271,072	1,069,209
Prepaid expenses	7396,554	1,044,586	1,784,140
	3,310,702	1,564,868	4,875,570
Due from related parties	1,093,206	(1,093,206)	-
Equity investments	785,068	(650,677)	134,391
Exploration & evaluation assets	-	647,844	647,884
Total Assets	5,188,976	468,869	5,657,845
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	848,909	135,168	984,077
Loans payable	-	250,000	250,000
	848,909	385,168	1,234,077
Equity			
Share capital	28,780,129	-	28,780,129
Contributed surplus	760,511	-	760,511
Reserves	5,162,969	-	5,162,969
Deficit	(30,363,542)	83,701	(30,279,841)
	4,340,067	83,701	4,423,768
Total Liabilities and Equity	5,188,976	468,869	5,657,845

AXCAP VENTURES INC.
NOTES TO THE CONDENSED INTERIM CONDOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

Amended and Restated

(Expressed in Canadian Dollars)

21. Restatement of Financial Results (continued)

Consolidated Statement of Cash Flows

	As at September 30, 2024		
	As Previously Reported (\$)	Effect of Restatement (\$)	As Restated (\$)
Cash Flows from (used in) Operating Activities			
Net loss	(1,360,578)	83,701	(1,276,877)
Adjusting for items not affecting cash:			
Loss (gain) on sale of equity investments	62,587	-	62,587
Loss (gain) on change in fair value of equity investments	(81,283)	-	(81,283)
Interest income	(27,119)	(89)	(27,208)
Write off of equity investments	-	54,844	54,844
	(1,406,393)	138,456	(1,267,937)
Changes in non-cash working capital:			
GST receivables	-	(5,991)	(5,991)
Prepaid expenses	(739,554)	(690,596)	(1,430,150)
Due from related parties	(1,093,206)	1,093,206	-
Trade and other payables	369,261	43,811	413,072
	(2,869,892)	578,886	(2,291,006)
Cash Flows from (used in) Investing Activities			
Acquisition of mineral properties and exploration and evaluation expenditures	-	291,823	291,823
Purchase of equity investments	(170,800)	(433)	(171,233)
Sale of equity investments	713,640	433	714,073
Loans advanced	-	(990,983)	(990,983)
Repayment of loan to unrelated party	(360,000)	360,000	-
	182,8540	(339,160)	(156,320)
Cash Flows from (used in) Financing Activities			
Issuance of shares	4,350,000	-	4,350,000
Changes in cash during the period	1,662,948	239,726	1,902,674
Cash – Beginning of period	110,063	-	110,063
Cash – End of period	1,773,011	239,726	2,012,737

(Expressed in Canadian Dollars)

22. Subsequent Events

- (a) On October 18, 2024, the Company entered into a share purchase agreement dated October 7, 2024, among the Company, Converse Acquisition Company Ltd. ("Converse"), and the sole shareholder of Converse, pursuant to which the Company will purchase all the issued and outstanding common shares in the capital of Converse from the shareholder. Converse indirectly owns a 100% interest in an advanced stage gold project located in Nevada ("Converse Project").

Pursuant to the terms of the definitive agreement, as consideration for 100% of the issued and outstanding common shares of Converse, the Company shall make the following payments:

- On the effective date of the letter of intent, the Company shall make a cash payment of \$500,000 to the shareholder, which the Company paid on July 11, 2024;
- On closing of the proposed transaction, the Company shall make a cash payment of \$1 million to the shareholder; On the closing of the offering (as defined below), issue to the shareholder an aggregate of 20 million common shares of the Company, on a post-split basis.

The Company is at arm's length from Converse. Completion of the proposed transaction remains subject to a number of conditions, including the completion of the Company's offering of securities for gross proceeds of not less than \$4 million and the receipt of any required regulatory approvals, including the Canadian Securities Exchange. The proposed transaction cannot be completed until these conditions have been satisfied. There can be no guarantees that the proposed transaction will be completed as contemplated or at all.

Converse acquired the Converse property in July 2024 pursuant to membership purchase agreement. Converse is required to make the following milestone payments:

- On the closing of the proposed transaction, Converse shall make a cash payment of \$1.5 million.
- On or before July 15, 2025, Converse shall make a cash payment of \$2 million.
- On or before July 15, 2026, Converse shall make a cash payment of \$2 million.
- On or before July 15, 2027, Converse shall make a cash payment of \$2 million. On or before July 15, 2028, Converse shall make a cash payment of \$3.5 million.

The obligations to make the milestone payments are secured against the Converse Property pursuant to a deed of trust and security agreement. If Converse defaults on these obligations, the vendor has a right to seize the collateral, being the Converse Property.

Converse shall have a right to elect to pay each milestone payment, in whole or in part, in shares of the Company. The payment shares shall be subject to voluntary hold periods as outlined in the definitive agreement 2.5 per cent of the payment shares will be released and become freely tradeable six months after the closing of the offering, with the additional 2.5% released seven months and eight months following the closing of the offering, another 5% of the payment shares will be released every month for the next 11 months, and another 7.5% of the payment shares will be released 20 months following the closing of the offering, with an additional 7.5% of the payment shares becoming freely tradeable every month thereafter.

Converse's lease term for its 250 claims is until August 31, 2032, and that the lease can be extended for another 10-year term as long as the Company ensures there is development, mining, processing, reclamation or closure activities occurring on the leased claims.

Subsequent to the nine months ended September 30, 2024, the Company completed the acquisition of Converse on February 25, 2025.

- (b) On October 24, 2024, the Company completed its 1 for 2.4 share split of the issued and outstanding common shares of the Company. After the share split, the Company had 189,034,658 shares issued and outstanding.

22. Subsequent Events (continued)

- (c) On November 12, 2024, the Company granted a total of 11,525,184 stock options (post-split) and 5,234,692 (post-split) restricted share units ("RSUs") to certain directors, officers and consultants of the Company, on a post-share split basis. Each stock option vests 50% in 12 months and 50% in 24 months and is exercisable for one common share of the Company at an exercise price of \$0.21 per share for a period of five years from the grant date. Each RSU vests 50% in 12 months and 50% in 24 months and expires on November 12, 2029.
- (d) On December 12, 2024, the Company closed the first tranche of its non-brokered private placement financing (the "Offering"). Pursuant to the first tranche, the Company issued 71,153,500 special warrants at a price of \$0.20 per special warrant for the gross proceeds of \$14,230,700. Each special warrant will automatically convert into one unit of the Company, as described below. Each unit shall consist of one common share of the Company and one common share purchase warrant. Each warrant shall entitle the holder thereof to acquire one share at a price of \$0.20 per share for a period of five years following the closing date. Each special warrant will automatically convert, for no additional consideration, into one unit on the date that is the earlier of: (i) the third business day after (a) a receipt for a final prospectus or (b) the date of filing a prospectus supplement to a short form base shelf prospectus qualifying the distribution of the shares and warrants issuable upon the conversion of the special warrants; or (ii) four months and one day after the issue date of the special warrants. In connection with the first tranche of the Offering, the Company paid finders' fees to eligible finders, consisting of \$724,534 in cash and 3,622,670 finders' warrants. Each finder's warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.20 per common share for a period of five years.
- (e) On December 16, 2024, the Company closed the transaction closed pursuant to a mineral property purchase agreement dated August 15, 2024 with GFG Resources Inc., GFG Resources (U.S.) Inc. (GFG U.S.) and JMO Exploration (U.S.) Inc. (JMO U.S.), and the Company's wholly owned subsidiaries, directly or indirectly, PGV Patriot Gold Vault Ltd. and PGV U.S. Corp., pursuant to which the Company, through PGV U.S., is to purchase from the vendor and its subsidiaries, GFG U.S. and JMO U.S., certain mineral claims and leasehold interests in certain mineral leases comprising the Rattlesnake Hills gold project. As partial consideration for transaction, PGV has paid the vendor an aggregate purchase price of \$1.7-million and the Company has issued to the vendor 3,061,224 common shares of the Company at a price of 19.6 cents per consideration share. On December 16, 2025, the company will pay the vendor an additional payment of \$1-million, which is evidenced by a promissory note.
- (f) On December 27, 2024, the Company closed the second tranche of its non-brokered private placement financing (the "Offering"). Pursuant to the second tranche, the Company issued 2,450,000 special warrants at a price of \$0.20 per special warrant for the gross proceeds of \$490,000.00. In connection with the second tranche of the offering, the Company paid finders' fees to eligible finders consisting of \$250 in cash.
- (g) On February 3, 2025, the Company closed the third and final tranche private placement financing (the "Offering"). Pursuant to the third tranche, the Company issued 5,540,000 special warrants at a price of \$0.20 per special warrant for the gross proceeds of \$1,108,000. Including the first, second and third tranches, the Company has issued an aggregate of 79,143,500 special warrants for total gross proceeds of \$15,828,700 in connection with the Offering. In connection with the third tranche of the offering, the Company paid finders' fees to eligible finders consisting of \$7,000 in cash and issued an aggregate of 91,000 finders' warrants. Each finder's warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.20 per common share for a period of five years. The Company intends to use the net proceeds from the offering to advance its portfolio of investments in the mineral exploration space, as well as for working capital and general corporate purposes, including further investments in technology, industrial and natural resource projects.

22. Subsequent Events (continued)

(h) On February 25, 2025, the Company closed its acquisition of Converse Acquisitions Company Ltd. ("Converse") pursuant to the terms of the share purchase agreement dated October 7, 2024, as amended, among the Company, Converse and the sole shareholder of Converse. Converse indirectly owns a 100-per-cent interest in an advanced-stage gold project located in Nevada, United States (the "Converse Project"). The acquisition of Converse is made in accordance with the Company's investment policy, pursuant to which the Company is committed to providing investors with long-term capital growth by investing in a portfolio of early-stage or undervalued companies or natural resource projects. Pursuant to the terms of the share purchase agreement, as consideration for 100 per cent of the issued and outstanding common shares of Converse, the company made the following payments:

- On the effective date of the letter of intent, the company paid \$500,000 to the shareholder;
- On closing of the transaction, the Company paid to the shareholder \$1,000,000 and issued to the shareholder an aggregate of 20,000,000 common shares of the company at a deemed price of \$0.22 per payment share.

The Converse project is a large, advanced-stage gold deposit located in Nevada, known for its significant gold and silver mineralization. It has been subject to extensive exploration and drilling. The project is strategically located in the Battle Mountain trend, near the Marigold and Lone Tree mines, placing it in a prime area within one of the world's most prolific gold mining regions.