

**MABEL VENTURES INC.**

**CONSOLIDATED FINANCIAL STATEMENTS**

**Three Months Ended November 30, 2024 and 2023**

**(Presented in Canadian Dollars)**

**(Unaudited)**

**NOTICE OF NO AUDITOR REVIEW**

The accompanying unaudited condensed interim consolidated financial statements of Mabel Ventures Inc. have been prepared by and are the responsibility of management. In accordance with National Instrument 51-102, the company discloses that its independent auditor has not performed a review of these condensed interim consolidated financial statements.

**Mabel Ventures Inc.****Condensed Interim Consolidated Statements of Financial Position**

(Presented in Canadian Dollars)

(Unaudited)

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|  | November 30,<br>2024 | August 31,<br>2024 |
|--|----------------------|--------------------|
| <b>ASSETS</b>                              |                      |                    |
| <b>Current</b>                             |                      |                    |
| Cash                                       | \$ 54,495            | \$ 74,857          |
| Sales tax recoverable                      | 2,193                | 5,982              |
|  | <b>56,688</b>        | <b>80,839</b>      |
| Exploration and evaluation assets (Note 4) | 268,994              | 268,994            |
|  | <b>\$ 325,682</b>    | <b>\$ 349,833</b>  |
| <b>LIABILITIES</b>                         |                      |                    |
| <b>Current</b>                             |                      |                    |
| Amounts payable and accrued liabilities    | \$ 21,555            | \$ 15,240          |
|  | <b>21,555</b>        | <b>15,240</b>      |
| Amounts payable and accrued liabilities    | 299,957              | 299,957            |
|  | <b>321,512</b>       | <b>315,197</b>     |
| <b>SHAREHOLDERS' EQUITY</b>                |                      |                    |
| Share capital (Note 5)                     | 57,698,350           | 57,698,350         |
| Equity reserve                             | 13,626,234           | 13,571,990         |
| Deficit                                    | (71,320,414)         | (71,235,704)       |
|  | <b>4,170</b>         | <b>34,636</b>      |
|  | <b>\$ 325,682</b>    | <b>\$ 349,833</b>  |

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Nature of operations and going concern (Note 1)

Approved on behalf of the Board of Directors:

/s/ Davis Kelly

Director

/s/ Bernadette D'Silva

Director

*See accompanying notes to these consolidated financial statements.*

**Mabel Ventures Inc.****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Presented in Canadian Dollars)

(Unaudited)

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|   | Three Months Ended November 30, |                    |
|---|---------------------------------|--------------------|
|   | 2024                            | 2023               |
| <b>Expenses</b>   |                                 |                    |
| Consulting  | \$ 30,000                       | \$ 37,918          |
| Professional fees   | 3,125                           | 28,562             |
| Office and administration   | 3,109                           | 3,089              |
| Transfer agent and filing fees  | 9,223                           | 26,768             |
| Share-based compensation (Note 6)   | 54,244                          | -                  |
|   | <b>(99,701)</b>                 | <b>(96,337)</b>    |
| Finance income  | 991                             | 5,881              |
| Exploration tax credits   | 14,000                          | -                  |
| <b>Loss and comprehensive loss</b>  | <b>\$ (84,710)</b>              | <b>\$ (90,456)</b> |
| <b>Basic and diluted loss per share</b>   | <b>\$ (0.00)</b>                | <b>\$ (0.00)</b>   |
| <b>Weighted average number of common shares outstanding -<br/>basic and diluted</b> | <b>42,512,032</b>               | <b>42,512,032</b>  |

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*See accompanying notes to these consolidated financial statements.*

**Mabel Ventures Inc.****Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**

(Presented in Canadian Dollars)

(Unaudited)

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|                                   | Shares<br>issued | Share<br>capital | Equity<br>reserve | Deficit         | Shareholders'<br>equity |
|-----------------------------------|------------------|------------------|-------------------|-----------------|-------------------------|
| Balance, August 31, 2023          | 61,932           | \$ 57,698,350    | \$ 13,571,990     | \$ (71,017,094) | \$ 253,246              |
| Loss and comprehensive loss       | -                | -                | -                 | (90,456)        | (90,456)                |
| <b>Balance, November 30, 2023</b> | 61,932           | \$ 57,698,350    | \$ 13,571,990     | \$ (71,107,550) | \$ 162,790              |
| <hr/>                             |                  |                  |                   |                 |                         |
| Balance, August 31, 2024          | 42,512,032       | \$ 57,698,350    | \$ 13,571,990     | \$ (71,235,704) | \$ 34,636               |
| Share-based compensation (Note 5) | -                | -                | 54,244            | -               | 54,244                  |
| Loss and comprehensive loss       | -                | -                | -                 | (84,710)        | (84,710)                |
| <b>Balance, November 30, 2024</b> | 42,512,032       | \$ 57,698,350    | \$ 13,626,234     | \$ (71,320,414) | \$ 4,170                |

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*See accompanying notes to these consolidated financial statements.*

**Mabel Ventures Inc.****Condensed Interim Consolidated Statements of Cash Flows**

(Presented in Canadian Dollars)

(Unaudited)

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|  | Three Months Ended November 30, |                   |
|--|---------------------------------|-------------------|
|  | 2024                            | 2023              |
| <b>Operating activities</b>                |                                 |                   |
| Loss                                       | \$ (84,710)                     | \$ (90,456)       |
| Items not involving cash:                  |                                 |                   |
| Share-based compensation                   | 54,244                          | -                 |
| Changes in non-cash working capital items: |                                 |                   |
| Sales tax recoverable                      | 3,789                           | (17,626)          |
| Amounts payable and accrued liabilities    | 6,315                           | (8,168)           |
|  | <b>(20,362)</b>                 | <b>(116,250)</b>  |
| <b>Investing activities</b>                |                                 |                   |
| Exploration and evaluation assets (Note 4) | -                               | (50,413)          |
|  | -                               | (50,413)          |
| <b>Change in cash</b>                      | <b>(20,362)</b>                 | <b>(166,663)</b>  |
| <b>Cash, beginning</b>                     | <b>74,857</b>                   | <b>541,965</b>    |
| <b>Cash, ending</b>                        | <b>\$ 54,495</b>                | <b>\$ 375,302</b> |

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*See accompanying notes to these consolidated financial statements.*

# **Mabel Ventures Inc.**

## **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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### **1. Nature of Operations and Going Concern**

Mabel Ventures Inc. (the “Company”) is a resource company which is listed on the Canadian Securities Exchange (“CSE”) under the symbol “MBL”. The Company’s head office is located at Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

The consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis and be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the three months ended November 30, 2024, the Company reported a loss of \$ \$84,710 (2023 - \$90,456) and had an accumulated deficit of \$71,320,414 as of that date (August 31, 2024 - \$71,235,704). The Company had working capital of \$35,133 as of November 30, 2024 (August 31, 2024 - \$65,599). These circumstances lend significant doubt as to the ability of the Company to continue as a going concern.

Continuing operations as a going concern are dependent upon management’s ability to raise adequate financing in the capital markets and to ultimately achieve profitable operations in the future. Although management has been successful in the past; there is no assurance that these initiatives will be successful in the future.

The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

### **2. Basis of Preparation**

The consolidated financial statements of the Company, including comparatives, have been prepared using accounting policies consistent with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The consolidated financial statements are presented in Canadian Dollars, which is also the Company’s functional currency, unless otherwise indicated.

The Board of Directors approved the consolidated financial statements on January 29, 2025.

The preparation of the consolidated financial statements in conformity with IFRS, as issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions 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 circumstances. However, actual outcomes can differ from these estimates.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **2. Basis of Preparation (continued)**

##### a) Significant Judgments

The most significant judgments in applying the Company's accounting policies include the assessment of the Company's ability to continue as a going concern and the classification/allocation of expenditures as exploration and evaluation assets or operating expenses.

##### b) Significant Estimates and Assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and probability of future economic benefits of amounts capitalized as exploration and evaluation assets, and provisions for restoration and environmental obligations.

##### c) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Mabel Holdings Inc. (British Columbia).

The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

#### **3. Material Accounting Policies**

##### a) Exploration and Evaluation Assets

The Company's exploration and evaluation assets consist of mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are at the exploration and evaluation stage.

No amortization charge is recognized in respect of exploration and evaluation assets. These assets are transferred to mine development assets in property, plant and equipment upon the commencement of mine development.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **3. Material Accounting Policies (continued)**

Exploration and evaluation expenditures in the relevant area of interest are comprised of costs which are directly attributable to:

- Acquisition;
- Assays, Staking, and Mapping;
- Consulting & Professional;
- Drilling;
- Field Work;
- Geological & Geophysical; and
- Travel & Accommodation

Exploration and evaluation expenditures also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. Capitalized costs, including general and administrative costs, are only allocated to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Where the Company has entered into option agreements to acquire interests in mineral properties that require periodic share issuances, amounts un-issued are not recorded as liabilities since they are issuable entirely at the Company's option. Option payments are recorded as mineral property costs when the payments are made and share issuances are recorded as mineral property costs using the fair market value of the Company's common shares at the date of the issuance.

All capitalized exploration and evaluation expenditures are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The following circumstances indicate that an entity should test exploration and evaluation assets for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditures on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In circumstances where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the period.

#### **b) Financial Instruments**

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.



## Mabel Ventures Inc.

### Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023

(Presented in Canadian Dollars)

(Unaudited)

#### 3. Material Accounting Policies (continued)

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVTOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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 elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

| <b>Financial Instrument</b>              | <b>IFRS 9<br/>Classification</b> |
|--|----------------------------------|
| Cash                                     | Amortized cost                   |
| Accounts payable and accrued liabilities | Amortized cost                   |
| Due to related parties                   | Amortized cost                   |

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **3. Material Accounting Policies (continued)**

##### Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

##### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

##### **Financial assets at amortized cost**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

##### **Equity investments at FVTOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

##### **Debt investments at FVTOCI**

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

##### Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost the Company applies the expected credit loss impairment model.

##### c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **3. Material Accounting Policies (continued)**

##### d) Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### e) Share Capital

Common shares issued for non-monetary consideration are recorded at their fair market value based upon the date of share issuance. Costs incurred to issue common shares are deducted from share capital.

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Where the flow-through common share is issued as part of a unit, the value is first allocated between the unit and the flow-through premium, and then bifurcated between the common share and the warrant on a residual value basis.

As qualified expenses are incurred the Company relieves the liability and recognizes the premium in profit or loss as other income.

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.

##### f) Share-Based Payments

The Company's Stock Option Plan (Note 5 (d)) allows employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in reserves within equity. 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.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **3. Material Accounting Policies (continued)**

The fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of options that are expected to vest.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

##### **g) Loss Per Share**

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

##### **h) Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

##### **i) Recent Accounting Standards**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB. The Company has identified the following:

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. Management believes that IFRS 18 will likely have a material impact on the Company's present or future financial position, results of operations or cash flows.

There are no other new standards which the Company reasonably expects are applicable to the Company and will significantly impact the Company.

## Mabel Ventures Inc.

### Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023

(Presented in Canadian Dollars)

(Unaudited)

#### 4. Exploration and Evaluation Assets

|  | Bonanza Gold<br>Property |
|--|--------------------------|
|  | \$                       |
| <b>Acquisition Costs:</b>                                |                          |
| Balance, August 31, 2023 and 2024, and November 30, 2024 | 10,000                   |
| <b>Exploration Costs:</b>                                |                          |
| Balance, August 31, 2023                                 | 50,000                   |
| Consulting   | 45,368                   |
| Drilling   | 76,500                   |
| Surveying  | 11,840                   |
| Transport and Logistics                                  | 59,406                   |
| Mapping and Modelling                                    | 3,250                    |
| Sampling and Analysis                                    | 5,000                    |
| Camp Supplies  | 7,630                    |
| Balance, August 31, 2024, and November 30, 2024          | 258,994                  |
| <b>Total Costs:</b>                                      |                          |
| Balance, August 31, 2023                                 | 60,000                   |
| Balance, August 31, 2024, and November 30, 2024          | 268,994                  |

On June 6, 2023, the Company entered into a property option agreement with Abitibi Metals Corp. (formerly Goldseek Resources Inc.) ("Abitibi Metals"), whereby the Company was granted the option to acquire a 51% interest in the Bonanza Gold Property ("Bonanza") located in Northwestern Quebec (the "Property Agreement").

Pursuant to the terms of the Property Agreement:

- The Company will acquire a 25% interest in Bonanza by incurring expenditures of \$100,000 on the property and issuing 500,000 shares to Abitibi Metals on or before December 31, 2023 (Completed); and
- The Company will acquire a further 26% interest in Bonanza, by incurring expenditures of \$150,000 on the property on or before December 31, 2024 (Completed).

As of November 30, 2024, the Company has issued 500,000 shares with a value of \$10,000 to Abitibi Metals and incurred \$258,994 in expenditures on Bonanza, fulfilling the requirements to acquire a 51% interest in Bonanza.

#### 5. Share Capital

##### a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

## Mabel Ventures Inc.

### Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023

(Presented in Canadian Dollars)

(Unaudited)

#### 5. Share Capital (continued)

##### b) Shares Issued

There were no shares issued during the three months ended November 30, 2024 and 2023.

##### c) Escrow Shares

Certain shares are held in escrow pursuant to a November 2023 escrow agreement. As of November 30, 2024, 3,408,000 shares (August 31, 2024 - 4,260,000) remain in escrow and will be released in scheduled tranches until November 2026.

##### d) Options

The Company has established a “rolling” Stock Option Plan (the “Plan”). Under the Plan, the number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding shares and, to any one optionee, may not exceed 5% of the issued shares on a yearly basis. The maximum term of each option shall not be greater than 10 years. The exercise price of each option shall not be less than the market price of the Company’s shares at the date of grant. Options granted to consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period. All other options vest at the discretion of the Board of Directors.

A summary of the changes in options follows:

|                                   | Number of<br>Options | Weighted Average<br>Exercise Price |
|-----------------------------------|----------------------|------------------------------------|
| Balance, August 31, 2023 and 2024 | 2,050,000            | \$ 0.05                            |
| Granted                           | 800,000              | 0.09                               |
| Balance, November 30, 2024        | 2,850,000            | \$ 0.06                            |

As of November 30, 2024, the following options were outstanding:

| Outstanding and<br>Exercisable | Exercise Price | Expiry Date     |
|--------------------------------|----------------|-----------------|
| 2,050,000                      | \$ 0.05        | July 17, 2033   |
| 800,000                        | 0.09           | October 3, 2034 |
| 2,850,000                      |                |                 |

During the three months ended November 30, 2024, the Company granted 800,000 options to certain directors, officers and consultants of the Company, exercisable at a price of \$0.085 per share until October 3, 2034. Using the Black-Scholes valuation model, the grant date fair value was \$54,244, using the following weighted average assumptions: i) exercise price per share of \$0.085; ii) expected share price volatility of 75%; iii) risk-free interest rate of 2.99%; iv) expected life of 10 years; v) no dividend yield.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **6. Related Party Transactions**

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the three months ended November 30, 2024, there was \$33,905 (2023 - \$nil) for vested options granted to directors and officers of the Company

#### **7. Financial Instruments and Risk Management**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

##### *a) Credit risk*

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on its cash and sales tax recoverable. The Company reduces credit risk on its cash by maintaining its bank account with a large international financial institution. The Company's sales tax recoverable is comprised of amounts owing from the Government of Canada for input tax credits. Accordingly, the Company does not believe it is subject to significant credit risk. The carrying value of these financial assets represents the maximum credit exposure.

##### *b) Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accounts payable and accrued liabilities are due within the current operating period.

##### *c) Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

## **Mabel Ventures Inc.**

### **Notes to the Condensed Interim Consolidated Financial Statements**

**Three Months Ended November 30, 2024 and 2023**

(Presented in Canadian Dollars)

(Unaudited)

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#### **7. Financial Instruments and Risk Management (continued)**

##### *d) Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions.

##### *e) Commodity price risk*

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the market price of the primary minerals identified in its mineral properties. Mineral prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in the prices of the primary minerals or in the share prices of junior mineral exploration companies in general, could have a negative impact on the Company's ability to raise additional capital. Sensitivity to commodity price risk is remote since the Company has not established any reserves or production.

#### **8. Capital Risk Management**

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the periods presented.