AMERICAN CRITICAL MINERALS

Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standards and reviewed by the Audit Committee and Board of Directors of the Company.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	January 31, 2025	July 31, 2024
ASSETS		**$**	**$**
Current			
Cash		729,915	3,348
Prepaid expenses		347,442	27,672
Receivables	**4**	41,876	3,416
Total current assets		1,119,233	34,436
Non-current assets			
Deposits	**5**	484,919	462,287
Exploration and evaluation assets	**5**	1,024,303	606,503
Total non-current assets		1,509,222	1,068,790
Total assets		2,628,455	1,103,226
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	**6,8**	233,414	298,741
Total liabilities		233,414	298,741
SHAREHOLDERS' EQUITY			
Equity attributable to shareholders			
Share capital	**7**	13,999,356	12,056,854
Share-based payment reserve	**7**	1,995,254	1,710,773
Warrant reserve	**7**	1,159,288	1,096,156
Foreign translation reserve		418,828	362,064
Accumulated deficit		(15,177,685)	(14,421,362)
Total equity		2,395,041	804,485
Total liabilities and equity		2,628,455	1,103,226

Nature of operations and going concern – Note 1
Commitments – Note 9

On behalf of the board:

"Dean Besserer"	*"Simon Clarke"*
Dean Besserer	Simon Clarke

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Condensed Interim Consolidated Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

		Three months ended January 31,		Six months ended January 31,	
	Note	**2025**	**2024**	**2025**	**2024**
		$	$	$	$
General and administrative expenses					
Exploration expenditures	**5**	-	573	-	9,830
Foreign exchange loss (gain)		(18,342)	9,768	(22,161)	(5,030)
Interest expense and bank charges		1,953	5,435	5,428	8,575
Investor relations, website and marketing		150,249	45,907	210,475	93,903
Management fees	**8**	57,500	82,500	111,250	105,000
Office and administration		7,452	276	7,452	805
Professional fees		55,365	29,575	102,230	48,048
Share-based payments	**7,8**	108,407	-	284,481	-
Transfer agent and filing fees		21,956	9,894	30,384	16,288
Travel and entertainment		21,733	2,265	34,525	3,062
		(406,273)	(186,193)	(764,064)	(280,481)
Other income					
Interest income	**5**	4,216	6,806	7,741	6,806
Net loss		(402,057)	(179,387)	(756,323)	(273,675)
Other comprehensive income (loss)					
Foreign currency translation		42,219	(19,521)	56,764	(9,503)
Total comprehensive loss		(359,838)	(198,908)	(699,559)	(283,178)
Loss per share, basic and diluted		(0.01)	(0.00)	(0.02)	(0.01)
Weighted average common shares outstanding - basic and diluted		52,022,979	39,784,980	49,429,935	38,067,588

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Six months ended January 31,	
	2025	**2024**
	$	$
Cash provided by (used in):		
Operating activities:		
Net loss for the period	(756,323)	(273,675)
Non-cash items:		
Share-based payments	284,481	-
Unrealized foreign exchange gain	(22,632)	(7,166)
Changes in non-cash working capital:		
Receivables	(38,460)	(6,905)
Prepaid expenses	(319,770)	(69,406)
Accounts payable and accrued liabilities	(19,093)	102,968
	(871,797)	(254,184)
Investing activities:		
Exploration and evaluation assets	(369,595)	(522,765)
	(369,595)	(522,765)
Financing activities:		
Shares issued for cash (net of share issue costs)	1,955,634	489,300
Warrants exercised	-	60,000
	1,955,634	549,300
Effect of exchange rate changes	12,325	(4,568)
Net change in cash	726,567	(232,217)
Cash, beginning of period	3,348	234,997
Cash, end of period	729,915	2,780
Non-cash transactions		
Mineral property expenditures included in accounts payable	3,766	6,882
Shares issued for debt settlement	50,000	-

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

AMERICAN CRITICAL MINERALS CORP. (Formerly American Potash Corp.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Notes	Common Shares		Share-based Payment Reserve	Warrant Reserve	Foreign Translation Reserve	Accumulated Deficit	Total Equity
		Number of Shares	Amount					
			$	$	$	$	$	$
Balance on July 31, 2023		**36,224,979**	**11,638,258**	**1,710,773**	**965,452**	**352,982**	**(13,822,350)**	**845,115**
Exercise of warrants	**7**	320,000	60,000	-	-	-	-	60,000
Shares issued for private placement	**7**	4,320,000	432,000	-	108,000	-	-	540,000
Share issue costs	**7**	-	(73,404)	-	22,704	-	-	(50,700)
Net loss for the period		-	-	-	-	-	(273,675)	(273,675)
Foreign currency translation		-	-	-	-	(9,503)	-	(9,503)
Balance on January 31, 2024		**40,864,979**	**12,056,854**	**1,710,773**	**1,096,156**	**343,479**	**(14,096,025)**	**1,111,237**
Net loss for the period		-	-	-	-	-	(325,337)	(325,337)
Foreign currency translation		-	-	-	-	18,585	-	18,585
Balance on July 31, 2024		**40,864,979**	**12,056,854**	**1,710,773**	**1,096,156**	**362,064**	**(14,421,362)**	**804,485**
Shares issued for private placement	**7**	13,566,000	2,099,400	-	-	-	-	2,099,400
Share issue costs	**7**	-	(206,898)	-	63,132	-	-	(143,766)
Shares issued for settlement of debt	**7**	400,000	50,000	-	-	-	-	50,000
Share-based payments	**7**	-	-	284,481	-	-	-	284,481
Net loss for the period		-	-	-	-	-	(756,323)	(756,323)
Foreign currency translation		-	-	-	-	56,764	-	56,764
Balance on January 31, 2025		**54,830,979**	**13,999,356**	**1,995,254**	**1,159,288**	**418,828**	**(15,177,685)**	**2,395,041**

The shares outstanding presented have been adjusted to reflect the effect of the 2.5 to 1 share consolidation that took place on December 23, 2024. Common shares, stock options, warrants, restricted share units and per share amounts have been adjusted for the share consolidation unless otherwise noted.

1. NATURE OF OPERATIONS AND GOING CONCERN

American Critical Minerals Corp. (formerly American Potash Corp.) (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 5, 2006.

The Company's principal activities include the acquisition and development of potash, lithium and bromine mineral deposits in the United States. American Critical Minerals is a public company which is listed on the Canadian Securities Exchange ("CSE") under the symbol "KCLI", on the OTCQB under the symbol "APCOF" and on the Frankfurt Stock Exchange under the symbol "2P3".

The Company's head office and registered and records office is Suite 1100 – 1199 West Hastings Street, Vancouver, BC V6E 3T5.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at January 31, 2025, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operational cash flow. The Company's continuation as a going concern is dependent upon the successful results from its mineral properties exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months through private placements of its common shares.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These consolidated financial statements do not give effect to adjustments that would be necessary to carrying values, and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Effective December 23, 2024, the Company completed a consolidation of the common shares on a basis of 2.5 pre-consolidation common shares for 1 post-consolidation common share (the "Consolidation"). As required by IAS 33, *Earnings per Share*, all references to share capital, common shares outstanding, stock options, warrants, restricted share units and per share amounts in these condensed interim consolidated financial statements and the accompanying notes for periods prior to the Consolidation have been restated to reflect the Consolidation.

2. BASIS OF PREPARATION

Statement of compliance and functional currency

These condensed interim consolidated financial statements have been presented in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB'), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting.*

2. BASIS OF PREPARATION (continued)

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments classified as at fair value through profit or loss have been 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. These condensed interim consolidated financial statements are presented in Canadian dollars which is the parent company's functional currency. The functional currency of the Company's subsidiaries is US dollar.

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

These condensed interim consolidated financial statements were approved by the Board of Directors on March 31, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These condensed interim consolidated financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the annual consolidated financial statements for the year ended July 31, 2024. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended July 31, 2024.

4. RECEIVABLES

	January 31, 2025	July 31, 2024
	$	$
Sales tax receivable	34,303	3,188
Interest receivable (Note 5)	7,573	228
	41,876	3,416

5. EXPLORATION AND EVALUATION ASSETS

Green River Potash and Lithium Project

The Company's Green River Potash and Lithium Project is made up of the Paradox Basin Potash Permit Project and the Paradox Basin Brine and Potash Project. The Company holds a 100% interest in eleven Potash and Lithium State of Utah mineral leases, 1,094 federal lithium brine claims and eleven Federal Potash Prospecting Permits.

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Paradox Basin Potash Permit Project

On January 18, 2023, the Company received tentative approval from the Utah Division of Oil Gas and Mining on applications for permits to drill exploratory wells on three of its eleven 100% owned Potash and Lithium State mineral leases. On October 2, 2023, the Company received final approval from the Utah Division of Oil Gas and Mining for these three exploratory wells.

On October 2, 2024, the Company received approval from the BLM for the Company's Plan of Operations which includes the issuance of eleven prospecting permits and tentative approval for four additional exploratory wells.

Paradox Basin Potash Permit Project Expenditures

	Six months ended January 31, 2025	Year ended July 31, 2024
Exploration and evaluation expenditures:	$	$
Balance, beginning	488,279	-
Federal permit	273,070	355,144
General administration	19,527	14,278
Staking	-	111,219
Foreign exchange translation	35,460	7,638
Balance, ending	816,336	488,279

Paradox Basin Brine and Potash Project

On August 23, 2016, 157 placer claims on BLM land covering 3,140 acres, were acquired in Grand County Utah, which overlay a large portion of the Federal Potash Permit Applications area.

Paradox Basin Brine and Potash Project

	Six months ended January 31, 2025	Year ended July 31, 2024
Exploration and evaluation expenditures:	$	$
Balance, beginning	118,224	-
Federal permit	80,764	116,375
Foreign exchange translation	8,979	1,849
Balance, ending	207,967	118,224

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Reclamation Deposit

As at January 31, 2025, the Company had an irrevocable letter of credit in the amount of $484,919 (USD$334,788) (July 31, 2024 - $462,287 (USD$334,788)) for future environmental remediation costs. The reclamation deposit consisted of an interest-bearing guaranteed investment certificate that secures a stand-by letter of credit with State of Utah, Division of Oil, Gas and Mining. The guaranteed investment certificate matures on July 25, 2025, and bears interest at 3%. As at January 31, 2025, interest receivable of $7,573 (July 31, 2024 - $228) was included in receivables (Note 4). During the three and six months ended January 31, 2025, the Company recognized interest income from the reclamation deposit of $4,216 and $7,741 (2024 - $6,806 and $6,806).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2025	July 31, 2024
	$	$
Accounts payable (Note 8)	217,414	222,991
Accrued liabilities	16,000	75,750
	233,414	298,741

7. SHARE CAPITAL

a) Authorized

Unlimited common shares with no par value.

b) Share consolidation

Effective December 23, 2024, the Company completed a consolidation of the common shares on a basis of 2.5 pre-consolidation common shares for 1 post-consolidation common share. As required by IAS 33, *Earnings per Share*, all references to share capital, common shares outstanding, stock options, warrants, restricted share units and per share amounts in these condensed interim consolidated financial statements and the accompanying notes for periods prior to the Consolidation have been restated to reflect the Consolidation.

c) Issued and outstanding

As at January 31, 2025, there were 54,830,979 (July 31, 2024 – 40,864,979) issued and fully paid common shares.

7. SHARE CAPITAL (continued)

d) Common shares

Period ended January 31, 2025

On August 23, 2024, the Company closed the first tranche of a non-brokered private placement. The Company issued 6,464,000 units (the "Units") at a price of $0.125 per Unit for gross proceeds of $808,000. Each Unit consisted of one common share of the Company (a "Common Share") and one common share purchase warrant exercisable at a price of $0.25 until August 23, 2026 (a "Warrant"). Within the Unit, a value of $808,000 was attributed to the Common Shares and $nil to the Warrants using the residual value method.

The Company paid a finder's fee of 7% consisting of a cash payment of $50,960 and the issuance of 407,680 broker's warrants with a fair value of $33,848 having the same terms as the Warrants. The Company incurred $23,048 in transaction costs in connection with the private placement.

On August 27, 2024, the Company issued 400,000 common shares at a price of $0.125 per common share to settle outstanding debt in the amount of $50,000.

On September 16, 2024, the Company closed the second and final tranche of a non-brokered private placement. The Company issued 1,720,000 Units at a price of $0.125 per Unit for gross proceeds of $215,000. Each Unit consisted of one Common Share and one Warrant exercisable at a price of $0.25 until September 16, 2026. Within the Unit, a value of $215,000 was attributed to the Common Shares and $nil to the Warrants using the residual value method.

On December 18, 2024, the Company closed a non-brokered private placement. The Company issued 5,382,000 units at a price of $0.20 per unit for gross proceeds of $1,076,400. Each Unit consisted of one Common Share and one-half Warrant exercisable at a price of $0.375 until December 18, 2026. Within the Unit, a value of $1,076,400 was attributed to the Common Shares and $nil to the Warrants using the residual value method.

The Company paid a finder's fee of 7% consisting of a cash payment of $57,323 and the issuance of 286,615 broker's warrants with a fair value of $29,284 having the same terms as the Warrants. The Company incurred $12,435 in transaction costs in connection with the private placement.

Year ended July 31, 2024

On November 23, 2023, the Company closed a non-brokered private placement resulting in the issuance of 4,320,000 Units at a price of $0.125 per Unit for gross proceeds of $540,000. Each Unit consists of one Common Share and one Warrant exercisable at a price of $0.1875 until November 23, 2026. Within the Unit, a value of $432,000 was attributed to the Common Shares and $108,000 to the Warrants using the residual value method.

7. SHARE CAPITAL (continued)

d) Common shares (continued)

The Company paid a finder's fee of 8% consisting of a cash payment of $37,600 and the issuance of 300,800 broker's warrants with a fair value of $22,704 and having the same terms as the Warrants. The Company incurred $13,100 in transaction costs in connection with the private placement.

During the year ended July 31, 2024, the Company issued 320,000 common shares related to the exercise of 320,000 warrants at an exercise price of $0.1875 per share. The weighted average share price on the date of exercise was $0.1125 per share.

e) Basic and diluted loss per share

Diluted loss per share for the six months ended January 31, 2025 did not include the effect of 3,700,000 (2024 – 1,460,000) stock options, 20,612,495 (2024 – 17,660,800) warrants, and 820,000 restricted share units (2024 – nil), as the effect would be anti-dilutive.

f) Stock options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option shall not be lower than the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years.

On August 27, 2024, the Company granted an aggregate of 2,240,000 incentive stock options to certain of its directors, officers and consultants. The options vest over a period of one year and each stock option is exercisable to acquire one common share at $0.125 for a period of 5 years from the date of grant. On September 9, 2024, 180,000 of these options were cancelled. The weighted average fair value per option of $0.12 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.94%, expected dividend yield – 0%, and average expected stock price volatility – 183%.

On October 16, 2024, the Company granted an aggregate of 620,000 incentive stock options to certain of its directors, officers and consultants. The options vest over a period of one year and each stock option is exercisable to acquire one common share at $0.2125 for a period of 5 years from the date of grant. The weighted average fair value per option of $0.205 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate – 2.88%, expected dividend yield – 0%, and average expected stock price volatility – 186%.

During the three and six months ended January 31, 2025, share-based payments expense of $94,220 and $268,315 (2024 - $nil and $nil) was recognized related to the vesting of stock options.

(Unaudited - Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

f) Stock options (continued)

The continuity of stock options for the six months ended January 31, 2025 and the year ended July 31, 2024 is as follows:

	Number of Options Outstanding	Weighted Average Exercise Price ($)
Balance, July 31, 2023	2,080,000	0.22
Options forfeited	(100,000)	0.19
Options expired	(520,000)	0.25
Balance, July 31, 2024	1,460,000	0.21
Options issued	2,860,000	0.14
Options cancelled	(180,000)	0.13
Options expired	(440,000)	0.22
Balance, January 31, 2025	3,700,000	0.16
Unvested	(1,786,668)	0.15
Balance exercisable, January 31, 2025	1,913,332	0.18

Details of options outstanding and exercisable at January 31, 2025 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price ($)	Remaining Contractual Life (Years)
320,000	320,000	0.1875	1.66
100,000	100,000	0.1875	2.94
400,000	400,000	0.25	3.04
200,000	200,000	0.1875	3.27
2,060,000	686,666	0.125	4.57
620,000	206,666	0.2125	4.71
3,700,000	1,913,332		

The weighted average life of stock options outstanding at January 31, 2025 was 4.06 years.

(Unaudited - Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

g) Share purchase warrants

The continuity of warrants for the six months ended January 31, 2025 and the year ended July 31, 2024 is as follows:

	Number of Warrants Outstanding	Weighted Average Exercise Price ($)
Balance, July 31, 2023	20,530,666	0.21
Warrants issued	4,620,800	0.19
Warrants exercised	(320,000)	0.19
Warrants expired	(7,170,666)	0.47
Balance, July 31, 2024	17,660,800	0.20
Warrants issued	11,569,295	0.28
Warrants expired	(8,617,600)	0.19
Balance, January 31, 2025	20,612,495	0.25

On November 23, 2023, the Company issued 300,800 broker's warrants, with a fair value of $22,704. Each broker's Warrant entitles the holder to acquire one common share at a price of $0.1875 per share until November 23, 2026. The weighted average fair value per warrant was $0.075. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 3 years, average risk-free interest rate – 4.26%, expected dividend yield - 0%, and average expected stock price volatility - 150%, resulting in a charge of $22,704 as non-cash share issue costs for the year ended July 31, 2024.

On August 23, 2024, the Company issued 407,680 broker's warrants, with a fair value of $33,848. Each broker's warrant entitles the holder to acquire one common share at a price of $0.25 per share until August 23, 2026. The weighted average fair value per warrant was $0.075. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate – 3.23%, expected dividend yield - 0%, and average expected stock price volatility - 163%, resulting in a charge of $33,848 as non-cash share issue costs for the six months ended January 31, 2025.

On December 18, 2024, the Company issued 286,615 broker's warrants, with a fair value of $29,284. Each broker's warrant entitles the holder to acquire one common share at a price of $0.375 per share until December 18, 2026. The weighted average fair value per warrant was $0.1025. The fair value was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate – 3.05%, expected dividend yield - 0%, and average expected stock price volatility - 146%, resulting in a charge of $29,284 as non-cash share issue costs for the six months ended January 31, 2025.

Details of warrants outstanding as at January 31, 2025 are as follows:

(Unaudited - Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

g) Share purchase warrants (continued)

Number of Warrants Outstanding	Exercise Price ($)	Remaining Contractual Life (Years)
4,422,400	$0.25	1.41
6,871,680	$0.25	1.56
1,720,000	$0.25	1.63
4,620,800	$0.1875	1.81
2,977,615	$0.375	1.88
20,612,495		

The weighted average life of warrants outstanding at January 31, 2025 was 1.63 years.

h) Restricted share units

On October 16, 2024, the Company granted an aggregate of 680,000 restricted share units (“RSUs”) to certain of its directors and officers. The RSUs vest and convert into an equivalent number of common shares after thirty-six months, subject to accelerated vesting in the event the closing price of the common shares of the Company is $0.875 or greater at any time, or upon the occurrence of a change of control event for the Company. The fair value of the RSUs, which is determined with reference to the trading price of the Company’s common shares on the date of issuance, was determined to be $144,500.

On November 12, 2024, the Company granted an aggregate of 280,000 restricted share units (“RSUs”) to consultants, 140,000 of which were forfeited on January 20, 2025. The RSUs vest and convert into an equivalent number of common shares after thirty-six months, subject to accelerated vesting in the event the closing price of the common shares of the Company is $0.875 or greater at any time, or upon the occurrence of a change of control event for the Company. The fair value of the RSUs, which is determined with reference to the trading price of the Company’s common shares on the date of issuance, was determined to be $28,000.

During the three and six months ended January 31, 2025, $14,187 and $16,166 was recognized as share-based payment expense (2024 - $nil and $nil)

The continuity of RSUs for the six months ended January 31, 2025 and the year ended July 31, 2024 is as follows:

	Number of RSUs Outstanding
Balance, July 31, 2023 and 2024	-
RSUs issued	960,000
RSUs forfeited	(140,000)
Balance, January 31, 2025	820,000
Unvested	(820,000)
Vested, January 31, 2025	-

(Unaudited - Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

i) Share-based payment reserve

The share-based payment reserve records items recognized as share-based payment expense and other share-based payments until such time that the stock options, warrants or RSUs are exercised, at which time the corresponding amount will be transferred to share capital.

j) Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

k) Foreign currency translation reserve

The translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

8. RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with Key Management including companies that are controlled by them:

	Three months ended January 31,		Six months ended January 31,	
	2025	**2024**	**2025**	**2024**
	$	$	$	$
Management fees	57,500	82,500	111,250	105,000
Exploration and evaluation expenditures	-	-	-	7,166
Share-based payments	94,877	-	249,005	-
	152,377	82,500	360,255	112,166

Accounts payable and accrued liabilities as at January 31, 2025 include $30,479 (July 31, 2024 - $45,262) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Management fees were paid to companies owned by the President & CEO, and COO for management services.

Exploration and evaluation expenditures were paid to a company owned by a director of the Company.

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

9. COMMITMENTS

On June 7, 2018, the Company entered into an agreement with the former President and CEO, Jon George, to provide management/consulting services to the Company at a rate of $5,000 per month for a period of six months, automatically renewing at the end of each period. On December 14, 2022, the Company entered a new agreement, at a rate of $7,500 per month for a period of twelve months, automatically renewing at the end of each period. The agreement had a termination and change of control clause whereby he was entitled to the equivalent of 12 months his monthly management fee within 30 days. On January 26, 2024, the Company entered into a Termination of Management Services Agreement with the former President and CEO which contains termination fees payable upon resignation of $60,000. During the six months ended January 31, 2025, the Company paid the termination fees payable upon resignation of the former President and CEO.

On September 9, 2024, the Company entered into an agreement with a company controlled by the President and CEO, Simon Clarke, to provide management/consulting services to the Company at a rate of $20,000 per month, automatically renewing at the end of each period. However, until such time as the Company completes equity financings, including warrant exercises, generating aggregate net proceeds of $3,000,000, the fee charged will be $15,000 per month. The Company may terminate this agreement, at any time, by serving notice, in which event, the agreement will terminate on the date which is 12 months following such notice. The agreement has a change of control clause whereby Mr. Clarke is entitled to the equivalent of 24 months notice at his full monthly management fee.

On October 1, 2014, the Company entered into an agreement with a company controlled by the COO, Dean Besserer, to provide management/consulting services to the Company at a rate of $12,500 per month, automatically renewing at the end of each period. However, until such time as the Company completes equity financings, including warrant exercises, generating aggregate net proceeds of $3,000,000, the fee charged will be $7,500 per month. The Company may terminate this agreement, at any time, by serving notice, in which event, the agreement will terminate on the date which is 12 months following such notice. The agreement has a change of control clause whereby Mr. Besserer is entitled to the equivalent of 24 months notice at his full monthly management fee.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

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 documented investment policies, 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 is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The risk is assessed as low.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company operates in Canada, US, and Mexico and a portion of the Company's expenses are incurred in Canadian dollars ("CAD"), US dollars ("USD"), and Mexican Pesos ("MXN"). A significant change in the currency exchange rates between the Canadian, US and Mexican currencies, could have an effect on the Company's results of operations, financial position or cash flows. The Company has not entered into financial instruments to hedge against this risk.

The following is an analysis of Canadian Dollar equivalent of financial assets and liabilities that are denominated in USD and MXN:

	January 31, 2025	July 31, 2024
	$	$
Cash	60,574	2,411
Receivables and prepaids	69,433	27,672
Accounts payable and accrued liabilities	(32,534)	(55,972)
	97,473	(25,889)

Based on the above net exposures, as at January 31, 2025, a 10% change against the Canadian Dollar would impact the Company's net income by $9,747 (July 31, 2024 - $2,589).

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. All of the Company's financial liabilities have contractual maturities of less than three months.

d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

e) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing assets in relation to cash at banks carried at floating interest rates with reference to the market. The Company does not hold any financial liabilities with variable interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered immaterial.

(Unaudited - Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Fair Values

Financial instruments recognized at fair value on the condensed interim consolidated statement of financial position must be classified in one of the following three fair value hierarchy levels:

- 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.

Cash and deposits are measured using level 1 inputs.

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its operations and business development. 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 has not generated any significant revenues since its inception; therefore, the Company is dependent on external financing to fund its future intended business plan. The capital structure of the Company currently consists of working capital and shareholders' equity. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period.

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition, exploration and retention of mineral property assets. Geographic segment information of the Company's non-current assets as at January 31, 2025 and July 31, 2024 is as follows:

Non-current assets	January 31, 2025	July 31, 2024
	$	$
United States	1,509,222	1,068,790
	1,509,222	1,068,790