MUSTANG ENERGY CORP. *(Formerly Glorious Creation Limited)*

Financial Statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Mustang Energy Corp. (formerly Glorious Creation Limited)

Opinion

We have audited the accompanying financial statements of Mustang Energy Corp. (formerly Glorious Creation Limited) (the "Company"), which comprise the statements of financial position as at December 31, 2024 and 2023 and the statements of income (loss) and comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial statements, which indicates that the Company does not have any proven economically recoverable reserves, and has incurred continuous losses. As stated in Note 2, these events and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year ended. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 5 to the financial statements, the carrying amount of the Company's E&E Assets was $6,498,554 as of December 31, 2024. As more fully described in Note 4 to the financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Assessing compliance with agreements including reviewing option agreements and vouching cash payments and share issuances.
- Assessing the Company's rights to explore E&E Assets including sending confirmation requests to optionors to ensure good standing of agreements.
- Evaluating on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Michael MacLaren.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 24, 2025

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Statements of Financial Position
Expressed in Canadian dollars

As at	Note	December 31, 2024 $	December 31, 2023 $
Assets			
Current assets			
Cash		3,368,699	1,598,575
Prepaids	8	344,269	17,675
		3,712,968	1,616,250
Non-current assets			
Exploration and evaluation assets	5	6,498,554	-
Total assets		**10,211,522**	1,616,250
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		247,028	31,584
Flow-through premium liability	7	396,234	-
Total current liabilities		643,262	31,584
Shareholders' equity			
Share capital	6	14,090,670	4,861,202
Commitment to issue shares	5	410,000	-
Reserve	6	1,070,115	535,701
Deficit		(6,002,525)	(3,812,237)
Total shareholders' equity		**9,568,260**	**1,584,666**
Total liabilities and shareholders' equity		**10,211,522**	**1,616,250**

Nature of operations (Note 1)
Basis of preparation and going concern (Note 2)
Contingency (Note 13)
Subsequent events (Note 15)

On behalf of the Board:

"Constantine Carmichel" Director

"Nicholas Luksha" CEO, Director

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Statements of Income (Loss) and Comprehensive Income (Loss)

Expressed in Canadian dollars

For the years ended December 31,

	Notes	2024 $	2023 $
General and administrative expenses			
Accounting and auditing		42,130	38,445
Consulting		22,279	42,000
Legal and related		279,176	230,385
Management fees	8	218,250	280,350
Marketing fees		865,658	-
Travel and related		10,283	21,321
Office and miscellaneous		9,987	3,222
Foreign exchange		4,488	(4,341)
Project investigation		-	32,764
Registration and filing		122,189	20,593
Rent		10,500	22,574
Share-based compensation	6, 8	586,429	-
Transfer agent and shareholder costs		46,703	4,441
Operating loss for the year		(2,218,072)	(691,754)
Interest income		27,784	-
Recovery of expenses	1	-	188,990
Gain on termination of transaction	1	-	1,321,370
Net income (loss) and comprehensive income (loss) for the year		**(2,190,288)**	**818,606**
Weighted average number of common shares outstanding – basic		**33,204,778**	25,209,207
Weighted average number of common shares outstanding – diluted		**33,204,778**	39,218,149
Basic income (loss) per common share		(0.07)	0.03
Diluted income (loss) per common share		(0.07)	0.02

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

Mustang Energy Corp. (Formerly Glorious Creation Limited)

Statements of Changes in Shareholders' Equity

Expressed in Canadian dollars

		Share Capital					
		Number of common shares	Amount	Reserve	Commitment to issue shares	Deficit	Total
			$	$	$	$	$
Balance December 31, 2022		**25,209,207**	**4,861,202**	**535,701**	**-**	**(4,630,843)**	**766,060**
Income for the year	**Note**	-	-	-	-	818,606	818,606
Balance, December 31, 2023		**25,209,207**	**4,861,202**	**535,701**	**-**	**(3,812,237)**	**1,584,666**
Share issued for cash	6	12,626,862	3,552,950	-	-	-	3,552,950
Share issue costs		-	(310,948)	-	-	-	(310,948)
Flow-through share premium liability		-	(396,234)	-	-	-	(396,234)
Shares issued on acquisition of exploration and evaluation asset	6	13,003,750	5,529,088	-	-	-	5,529,088
Share issued on exercise of warrants	6	9,958,738	697,112	-	-	-	697,112
Shares issued for restricted share units	6	500,000	157,500	(157,500)	-	-	-
Share-based compensation on option issuance	6	-	-	586,429	-	-	586,429
Fair value of finder warrants	6	-	-	105,485	-	-	105,485
Commitment to issue shares	5	-	-	-	410,000	-	410,000
Loss for the year		-	-	-	-	(2,190,288)	(2,190,288)
Balance, December 31, 2024		**61,298,557**	**14,090,670**	**1,070,115**	**410,000**	**(6,002,525)**	**9,568,260**

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

Mustang Energy Corp. (Formerly Glorious Creation Limited)

Statements of Cash Flows

Expressed in Canadian dollars

	December 31, 2024	December 31, 2023
	$	$
Operating activities		
Income (loss) for the year	(2,190,288)	818,606
Items not involving cash:		
Foreign exchange	-	(1,902)
Share-based compensation expense	586,429	-
Changes in non-cash working capital items:		
Account payable and accrued liabilities	90,551	2,050
Prepaids	(326,594)	12,497
Total cash provided by (used in) operating activities	(1,839,902)	831,251
Investing activities		
Note receivable	-	118,923
Exploration and evaluation assets	(525,026)	-
Total cash (used in) provided by investing activities	(525,026)	118,923
Financing activities		
Shares issued for private placement financing	3,552,950	-
Share issue costs	(115,010)	-
Share issued on warrant exercise	697,112	-
Total cash provided by financing activities	4,135,052	-
Change in cash	1,770,124	950,174
Cash, beginning of the year	1,598,575	648,401
Cash, end of the year	3,368,699	1,598,575

Supplement disclosure with respect to cash flows (Note 11)

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

1. NATURE OF OPERATIONS

Mustang Energy Corp. (Formerly Glorious Creation Limited) (the "Company" or "GCIT") was incorporated under the Canada Business Corporations Act on December 24, 2015 and was registered as an extra-provincial company in British Columbia on January 28, 2016. On September 5, 2017, the Company completed its initial public offering ("IPO") and trading of the Company's common shares commenced on the Canadian Securities Exchange ("CSE").

During fiscal 2024, the Company completed a name change to Mustang Energy Corp., completed the re-listing of its common shares on the CSE, and changed its business to mineral exploration and development on the closing of an acquisition of uranium assets in Eastern Athabasca Basin of Saskatchewan as further described in Note 5.

During the year ended December 31, 2023, the Company was a party to a definitive business combination agreement with Aeroponics Integrated Systems Inc. "Aerobloom", which was terminated. Pursuant to the termination, the Company received a termination fee of US$1,000,000 dollars, repayment of outstanding notes receivable in connection to the agreement, and reimbursement of certain business expenses paid for on behalf of Aerobloom recorded as termination fee and recovery of business expenses. The agreement as previously contemplated was to acquire all of the issued and outstanding common shares of Aerobloom in exchange for securities of the Company.

The Company's head office and principal address is 401 - 750 West Pender Street, Vancouver, BC, Canada and the registered and records office of the Company is located at 900 – 885 West Georgia Street, Vancouver, BC, Canada.

2. BASIS OF PREPARATION AND GOING CONCERN

Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue by the Board of Directors on April 24, 2025.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Going concern

These financial statements have been prepared in accordance with IFRS Accounting Standards on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company does not have any proven economically recoverable reserves, and has incurred continuous losses. As at December 31, 2024, the Company had cash of $3,368,699 (December 31, 2023 - $1,598,575), a working capital of $3,069,706 (December 31, 2023 –$1,584,666) and accumulated deficit of $6,002,525 (December 31, 2023 - $3,812,237). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In the past, operating and development capital requirements have been funded primarily from equity financing and the Company will need to arrange equity or other financing in the near future in order to continue in operation. While the Company has been successful in raising capital in the past, there can be no assurance that such financing will be available to the Company in the amount required or that it can be obtained on terms satisfactory to the Company.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 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.

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

(i) Going concern evaluation
As discussed in Note 2, these financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such adjustments could be material.

The Company reviews the going concern assessment at the end of each reporting period.

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

(iii) Valuation of Exploration and Evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to commence and complete development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

(iv) Share based compensation

The Company grants stock options to directors, officers and consultants. All share-based awards are measured and recognized using a fair value-based method. The fair value of options and other share-based awards to employees or consultants, issued or altered in the period, are determined using the Black-Scholes option pricing model. 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 fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received. The vesting of share-based payments is subject to estimation uncertainty.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can significantly change the fair value estimate and the Company's earnings and equity reserves.

Restricted share units are calculated based on the fair value of the equity instruments effected for estimated forfeiture rates.

4. MATERIAL ACCOUNTING POLICIES

New standards, interpretations and amendments

Classification of liabilities as current or non-current - amendments to IAS 1
The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments have not had an impact on the classification of the Company's liabilities.

Cash
Cash includes cash held at major financial institutions and highly liquid guaranteed investment certificates that are readily available to the Company on demand or with maturity dates of three months or less.

Share-based payment transactions
The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in 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. For employees, the fair value is measured at grant date and each tranche is recognized separately over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

4. MATERIAL ACCOUNTING POLICIES (continued)

Share capital
Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable and the Company considers the market value of the common shares issued as fair value. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

Loss per share
Basic loss per share is calculated by dividing the loss for the year attributable to the ordinary shareholders by the weighted average number of common shares issued and outstanding during the year. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. In years in which a loss is incurred, the effect of potential issuances of shares under options and warrants would be antidilutive and therefore basic and diluted loss per share are the same.

Exploration and evaluation assets
Upon acquiring the legal right to explore, all costs related to the acquisition, exploration and development of exploration and evaluation assets are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of an exploration and evaluation asset is impaired, that property is written down to its estimated net realizable value. An exploration and evaluation asset are reviewed for indicators of impairment at each reporting date or whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Recoveries on mineral properties are recorded against the related property cost as amounts are received, with any net excess recorded to profit or loss.

Provision for environmental rehabilitation
The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of its exploration and evaluation assets, when those obligations result from the acquisition, construction, development, or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the decommission liability in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as related assets.

4. MATERIAL ACCOUNTING POLICIES (continued)

The Company's estimates of decommissioning costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed at the end of each reporting period for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of decommissioning costs, are charged to profit or loss.

Estimated future removal and site restoration costs will be provided for on the unit-of-production method. Costs will be based on estimates in accordance with current legislation and industry practices. Actual removal and site restoration expenditures will be charged to the accumulated provision account as incurred.

The Company is not aware of any existing material obligations associated with the retirement of its exploration and evaluation assets as at December 31, 2024 and the year ended December 31, 2023.

Provisions
Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Financial instruments
(i) 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 if the Company has opted to measure them at FVTPL.

At December 31, 2024 and 2023, the Company measured cash, and accounts payable and accrued liabilities at amortized cost.

(ii) 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.

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 the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments *(continued)*
Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest 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 ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to 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 OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment reversal or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iii) 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 statements of loss and comprehensive loss.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit and loss.

Income Taxes
Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

4. MATERIAL ACCOUNTING POLICIES (continued)

Deferred income tax
Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Flow-Through Shares
The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. When eligible expenditures are incurred, the premium is reduced and recognized through the statement of loss and comprehensive loss.

New, amended and future accounting pronouncements
Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

5. EXPLORATION AND EVALUATION ASSETS

Ford Lake, Roughrider South, and Cigar Lake East Projects
On May 29, 2024, the Company acquired mineral claims located in Eastern Athabasca Basin of Saskatchewan, Canada, the Ford Lake Project, by way of definitive purchase and sale agreement with Stallion Uranium Corp. ("Stallion").

Pursuant to the definitive agreement, the Company acquired the Ford Lake Project for the following consideration:

- an initial cash payment of $100,000 (paid) on signing the definitive agreement;
- a cash payment of $300,000 on the date of the closing (paid);
- an aggregate of 2,500,000 common shares to be issued by the Company to Stallion as follows:
    - 500,000 common shares on the date which is six (6) months following the closing date, (issued) (Note 6)
    - 500,000 common shares on+ the date which is twelve (12) months following the closing date,
    - 500,000 common shares on the date which is eighteen (18) months following the closing date, and
- 1,000,000 common shares on the date which is twenty-four (24) months following the closing date; and

5. EXPLORATION AND EVALUATION ASSETS (continued)

- a 3.0% net smelter return royalty on the claims in favour of Stallion.

The royalty agreement includes a 1.5% buy-back right in favour of the Company which can be exercised at any point prior to commercial production as follows: (a) $500,000 for 0.5%; (b) $750,000 for a second 0.5%; and (c) $1,000,000 for a third 0.5%. In connection with the transaction, the Company issued 350,000 common shares valued at market value of $71,750, recorded to acquisition costs, issued to an eligible arm's length finder as a finder's fee in consideration for the finder's services.

During the year ended December 31, 2024, in connection to the acquisition of the Ford Lake Project, the Company issued 500,000 common shares valued at $120,000 to Stallion as per terms of agreement, and a commitment to issue 2,000,000 shares valued at $410,000 in connection to the future issuances as described above (Note 6). The purchase consideration has been allocated amongst the acquired properties using a market approach considering the land package attributes.

Brown Lake Project
On October 10, 2024, the Company closed on a mineral property acquisition agreement with Standard Uranium Ltd., pursuant to the acquisition agreement, the Company acquired a 90% interest in the Brown Lake Project located in the Province of Saskatchewan for consideration of 60,000 common shares with a fair value of $26,400 (Note 6).

Dutton, Yellowstone, and Yellowstone East Projects
On October 10, 2024, the Company closed a binding purchase and sale agreement with Proton Uranium Ltd. and Electron Uranium Ltd. (together, the "Vendors"). Pursuant to the purchase agreement, the Company acquired a 100% undivided interest in mineral claims, the Yellow Stone Project, located in the Cluff Lake region of the Athabasca Basin of Saskatchewan. Pursuant to the purchase agreement, the Company acquired the claims in exchange for 12,000,000 common shares with a fair value of $5,280,000 (Note 6). During the year ended December 31, 2024, the Company staked additional claims in the Dutton Project for $2,870 and Yellowstone Project for $4,269. The purchase consideration has been allocated amongst the acquired properties using a market approach considering the land package attributes.

914W Uranium Project
On November 12, 2024, entered into a strategic option agreement with Skyharbour Resources Ltd. to acquire an undivided 75% interest in Skyharbour's 914W Uranium Project, located in the Athabasca Basin of Northern Saskatchewan. Pursuant to the terms of the option agreement, the Company can acquire a 75% interest in the 914W Uranium Project, by satisfying the following conditions over three years:

- Share Issuance: The Company will issue common shares with a total value of $480,000.
- Cash Payments: The Company will make aggregate cash payments of $275,000.
- Exploration Expenditures: The Company will incur $800,000 towards exploration on the 914W Uranium Project.

The Company completed the first milestone on November 27, 2024 (the "Closing Date") by making a cash payment of $15,000 and issuing 93,750 common shares with fair value of $30,938 to Skyharbour.

The remaining cash payment, share issuance and exploration expenditures required to exercise the option in full are as follows:

Expressed in Canadian dollars

5. EXPLORATION AND EVALUATION ASSETS (continued)

Date	Cash payments	Exploration expenditures	Value of shares issued
	$	$	$
On or before the first anniversary of closing date	20,000	100,000	100,000 (1)
On or before the second anniversary of closing date	40,000	200,000	150,000 (1)
On or before the third anniversary of closing date	200,000	500,000	200,000 (1)
TOTAL:	**260,000**	**800,000**	**450,000**

(1) Share values will be based on a five-day volume-weighted average price on the Canadian Securities Exchange ("CSE") prior to issuance, or such other price as required by the policies of the CSE.

Staked Claims

During the year ended December 31, 2024, the Company acquired by way of staking certain mineral claims in the Athabasca Basin in Saskatchewan as further detailed below:

- **Spur** – staked for $5,613
- **Spur North** - staked for $5,613
- **Konigsstuhl** - staked for $6,939

As at December 31, 2024, the Company incurred a total of $6,498,554 (December 31, 2023 - $Nil) in expenditures on the properties as detailed below:

	Ford Lake	Roughrider South	Cigar Lake East	Brown Lake	Dutton	Yellowstone	Yellowstone East	914W	Spur	Spur North	Konigsstuhl	Total
	$	$	$	$	$	$	$	$	$	$	$	$
Acquisition costs:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Additions:	685,000	104,750	212,000	26,400	1,240,000	3,545,000	495,000	45,938	-	-	-	6,354,088
Additions: staking	-	-	-	-	2,870	4,269	-	-	5,613	5,613	6,939	25,304
Balance, December 31, 2024	685,000	104,750	212,000	26,400	1,242,870	3,549,269	495,000	45,938	5,613	5,613	6,939	6,379,392
Exploration costs:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Permits and fees	3,784	-	-	-	-	-	-	-	-	-	-	3,784
Consulting	8,055	8,055	8,055	604	13,082	9,830	604	604	3,845	3,845	604	57,183
Geological	36,899	5,664	5,664	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	58,195
Balance, December 31, 2024	48,738	13,719	13,719	1,850	14,328	11,076	1,850	1,850	5,091	5,091	1,850	119,162
Carrying amounts:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Balance, December 31, 2024	**733,738**	**118,469**	**225,719**	**28,250**	**1,257,198**	**3,560,345**	**496,850**	**47,788**	**10,704**	**10,704**	**8,789**	**6,498,554**

6. SHAREHOLDERS' EQUITY

Share capital

Authorized:

Unlimited common shares without par value

As at December 31, 2024, the Company has 61,298,557 (December 31, 2023 – 25,209,207) common shares outstanding.

6. SHAREHOLDERS' EQUITY (continued)

On December 31, 2024, in connection to the acquisition of the Ford Lake Project, the Company issued 500,000 common shares valued at $120,000 to Stallion as per terms of agreement (Note 5).

In December 2024, the Company completed non-brokered private placements and issued an aggregate 2,721,000 non-flow-through common shares at a price of $0.25 per share for proceeds of $680,250.

In December 2024, the Company completed non-brokered private placements and issued an aggregate 9,905,862 flow-through common shares at a price of $0.29 per share for proceeds of $2,872,700. The flow-through share premium liability value was $396,234 (Note 7).

On November 27, 2024, in connection to the acquisition of the 914W Uranium Project, the Company issued 93,750 common shares valued at $30,938 (Note 5).

On October 10, 2024, in connection to the acquisition of the Yellowstone Project, the Company issued 12,000,000 common shares valued at $5,280,000 (Note 5).

On October 10, 2024, in connection to the acquisition of the Brown Lake Project, the Company issued 60,000 common shares valued at $26,400 (Note 5).

On October 4, 2024, the Company issued 500,000 common shares pursuant to the settlement of restricted share units. The fair value of $157,500 for the restricted share units vested was reallocated from reserve to share capital.

In July 2024, the Company issued 9,958,738 common shares pursuant to exercise of warrants priced at $0.07 for proceeds of $697,112.

On May 29, 2024, in connection to the acquisition of the Ford Lake Project, the Company issued 350,000 common shares valued at $71,750, to an eligible arm's length finder as a finder's fee in consideration for the Finder's services (Note 5).

During the year ended December 31, 2024, in connection to the acquisition of the Ford Lake Project, recorded commitment to issue shares of $410,000 in connection to the future share issuances as further described in (Note 5).

During the year ended December 31, 2023, there were no share capital issuances.

Omnibus Equity Incentive Plan

On May 9, 2024, the Board adopted the Omnibus Equity Incentive Plan (the "2024 Plan"). The 2024 Plan provides flexibility to the Company to grant equity‐based incentive awards in the form of options ("Options"), restricted share units ("RSUs"), performance share units ("PSUs") and deferred share units ("DSUs"). The 2024 Plan is a rolling plan which, subject to the adjustment provisions provided for therein, provides that the aggregate maximum number of shares that may be issued upon the exercise or settlement of awards granted under the 2024 Plan shall not exceed 10% of the Company's issued and outstanding shares from time to time. The 2024 Plan is considered an "evergreen" plan, since the shares covered by awards that have been exercised, settled or terminated shall be available for subsequent grants under the 2024 Plan and the number of awards available to grant increases as the number of issued and outstanding shares increases.

Expressed in Canadian dollars

6. SHAREHOLDERS' EQUITY (continued)

Restricted Share Units (RSU)

The following table summarizes the continuity of RSU:

	Number of RSUs	Weighted average price $
Balance, December 31, 2023 and 2022	-	-
Issued	2,000,000	0.315
Settled	(500,000)	0.315
Balance, December 31, 2024	**1,500,000**	**0.315**

During the year ended December 31, 2024, the Company issued 2,000,000 RSUs with a fair value of $630,000 (2023 - $Nil). The Company will issue one common share for each RSU upon vesting. As at December 31, 2024, the Company had 1,500,000 shares issuable for Nil RSUs vested with a fair value of $472,500.

Restricted Share Units (RSU)

Number of RSU Outstanding	Number of RSU vested	Stock price at grant date	Expiry Date
1,500,000	-	0.315	September 23, 2025

Stock options (continued)

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price $
Outstanding and exercisable, December 31, 2022 and 2023	-	-
Issued	1,600,000	0.30
Balance, December 31, 2024	1,600,000	0.30

Additional information regarding stock options outstanding as at December 31, 2024 is as follows:

Number of Options Outstanding and exercisable	Exercise Price ($)	Expiry Date
1,200,000	0.30	April 5, 2027
100,000	0.30	April 5, 2028
300,000	0.305	December 23, 2026
1,600,000		

The average remaining life of the stock options is 2.27 years as at December 31, 2024.

The fair value of the stock options granted was determined using the Black-Scholes option pricing model, assuming no expected dividends or forfeitures, with the following weighted average assumptions:

Expressed in Canadian dollars

6. SHAREHOLDERS' EQUITY (continued)

	December 31, 2024	December 31, 2023
Risk-free interest rate	3.79%	N/A
Expected life	2.72 years	N/A
Estimated volatility	100.00%	N/A
Dividend rate	N/A	N/A

The Company used the Black-Scholes Option Pricing model under the following weighted average assumptions and recorded total share-based payments expense for the period ended December 31, 2024 of $586,429 for the vested portion of options granted.

Warrants

The following table summarizes the continuity of warrants:

	Number of warrants	Exercise price $
Balance, December 31, 2023 and 2022	18,181,818	0.07
Issued	710,910	0.33
Expired	(8,223,080)	0.07
Exercised	(9,958,738)	0.07
Balance, December 31, 2024	710,910	0.33

During the year ended December 31, 2024, the company issued 710,910 finder warrants with fair value of $105,485 to an eligible arm's length finder as a finder's fee in consideration for the finder's services.

The fair value of the warrants issued was determined using the Black-Scholes pricing model, assuming no expected dividends or forfeitures, with the following weighted average assumptions:

	December 31, 2024	December 31, 2023
Risk-free interest rate	3.00%	N/A
Expected life	2 years	N/A
Estimated volatility	100.00%	N/A
Dividend rate	N/A	N/A

As at December 31, 2024, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price $	Date of expiry
381,500	0.33	December 16, 2026
329,410	0.33	December 27, 2026
710,910		

The average remaining life of the warrants is 1.97 years as at December 31, 2024.

Expressed in Canadian dollars

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

For the purpose of calculating any premium related to the issuance of flow-through shares, the Company compares the fair value of its shares to the subscription price of the flow-through shares to determine if there was a premium paid on the flow-through shares. As a result, the Company's flow-through liability on issuance of flow-through shares in connection with private placement is as follows:

		December 31, 2024
		$
Balance, beginning	$	-
Liability incurred on flow-through shares issued		396,234
Balance, ending	**$**	396,234

As at December 31, 2024, the Company is committed to spending approximately $2,872,700 of qualifying expenditures in connection with its flow-through offerings (2023 - $Nil).

8. RELATED PARTY DISCLOSURES

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes directors, executive officers, and entities controlled by such persons.

Transactions

The Company incurred the following compensation with companies controlled by members of management and with directors.

	Year ended December 31,	
	2024	2023
	$	$
Management fees to companies controlled by the CEO	110,250	126,000
Management fees to a company controlled by the CFO	44,100	49,350
Management fees to a company controlled by the former CEO	-	105,000
Management fees to companies controlled by directors	63,900	-
Share-based compensation - stock options	149,684	-
Total	**367,934**	**280,350**

During the year ended December 31, 2024, the Company granted incentive stock options to purchase a total of 1,300,000 common shares priced at $0.30, expiring April 5, 2027 to directors and officers of the Company. Pursuant to the option grant, the Company recorded total share-based compensation of $586,429 (related party $149,684).

As of December 31, 2024, the Company prepaid $Nil (December 31, 2023 - $3,675 prepaid) to a company controlled by the CFO for January 2024 services.

As of December 31, 2024, the Company prepaid $Nil (December 31, 2023 - $10,500 prepaid) to a company controlled by the CEO for January 2024.

8. RELATED PARTY DISCLOSURES (continued)

Balances

As at December 31, 2024, there are no outstanding balances due to directors and officers of the Company (2023 - $Nil).

9. CAPITAL RISK MANAGEMENT

The Company defines capital as the items included in shareholders' equity. The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern, ensure sufficient capital and liquidity to complete its technology developments, establish commercial markets and pursue its growth strategy.

To support these objectives, the Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize the development efforts, the Company does not pay out dividends during its development stage.

The Company is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the reporting year.

10. FAIR VALUE AND RISK MANAGEMENT

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company measured its cash, and accounts payable and accrued liabilities at amortized cost. The carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

Credit risk

Credit risk arises from cash held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash is held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash on its statement of financial position.

Currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no significant assets or liabilities and has no revenue or expenses denominated in a foreign currency; accordingly, it is not exposed to foreign currency risk.

Expressed in Canadian dollars

10. FAIR VALUE AND RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at December 31, 2024, the Company had a cash balance of $3,368,699 (December 31, 2023 -$1,598,575) to settle current liabilities of $643,262 (December 31, 2023 - $31,584). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	December 31, 2024	December 31, 2023
	$	$
Non-cash investing and financing activities:		
Shares issued for restricted share units transferred from reserves (Note 6)	157,500	-
Share issue cost in accounts payable and accrued liabilities	90,454	-
Exploration and evaluation assets in accounts payable and accrued liabilities	34,440	-
Flow-through share premium deducted from share capital (Note 7)	396,234	-
Commitment to issue shares	410,000	-
Issued finder's fee warrants	105,485	-
Shares issued pursuant to agreements related to exploration and evaluation assets	5,529,088	-

12. INCOME TAXES

A reconciliation of income taxes at statutory rates (2024 – 27%; 2023 – 27%) with the reported taxes is as follows:

	2024	2023
Income (loss) for the year	$ (2,190,288)	$ 818,606
Expected income tax recovery	(591,000)	221,000
Change in statutory, foreign tax, foreign exchange rates and other	(1,000)	1,000
Permanent difference	158,000	3,000
Share issue cost	(55,000)	-
Change in unrecognized deductible temporary differences	489,000	(225,000)
Total income tax expenses (recovery)	$ -	$ -

Expressed in Canadian dollars

12. INCOME TAXES (continued)

The significant components of the Company's net unrecognized deferred tax assets are as follows:

	2024	2023
Deferred tax assets		
Share issue costs	$ 47,000	$ 3,000
Allowable capital losses	308,000	308,000
Non-capital losses available for future periods	801,000	356,000
	1,156,000	667,000
Unrecognized deferred tax assets	(1,156,000)	(667,000)
Net deferred tax assets	$ -	$ -

The significant components of the Company's temporary differences and unused tax losses are as follows:

	2024	Expiry date range	2023	Expiry date range
Temporary Differences				
Share issue costs	$ 172,000	2025 to 2028	$ 12,000	2024 to 2027
Allowable capital losses	$ 1,142,000	No expiry date	$ 1,142,000	No expiry date
Non-capital losses available for future periods	$ 2,967,000	2038 to 2044	$ 1,318,000	2038 to 2043

Tax attributes are subject to review, and potential adjustment, by tax authorities.

13. CONTINGENCY

During the year ended December 31, 2023, the Company was a party to a terminated definitive business combination agreement with Aerobloom. During the year ended December 31, 2024, the Company received notice that Aerobloom commenced a lawsuit naming the Company and is seeking an accounting of the monies which represented the termination fee, return of the termination fee, damages, litigation costs, other relief as the court deems proper, punitive damages, reasonable attorney's fees and pre-judgement interest. The Company intends to defend against the claim and as such, no amounts have been accrued in these financial statements.

14. SEGMENTED INFORMATION

The Company currently conducts its operations in the Canada, in one business segment, being the exploration of resource properties. The value of the Company's Canadian exploration and evaluation assets as at December 31, 2024 was $6,498,554 (2023 - $nil).

15. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2024, the Company had the following transactions:

- On January 28, 2025, the Company issued 500,000 on vesting of RSU's (Note 6).

- On February 21, 2025, the Company closed a non-brokered private placement financing, for gross proceeds of $1,255,000, by issuing 6,275,000 units at $0.20 per unit, comprised of one common share and one share purchase warrant. Each warrant is exercisable into one common share at a price of $0.27 per warrant, expiring October 21, 2025.

  In connection to the financing, the Company issued 56,000 finder's warrants. Each warrant is exercisable into one common share at a price of $0.27 per warrant, expiring October 21, 2025.

- On February 24, 2025, the Company entered into an amendment agreement with a corporate advisor. As consideration, the Company has agreed to pay a cash fee of $150,000 on or before March 1, 2025 (paid), and issue an aggregate of 600,000 common shares as follows: (i) 300,000 shares on March 5, 2025 (issued); (ii) 100,000 shares on March 23, 2025 (issued); (iii) 100,000 shares on April 23, 2025 (issued); and (iv) 100,000 shares on May 23, 2025.

- Subsequent to the year ended December 31, 2024, the Company entered the following agreements:

  - Pursuant to an independent marketing service contract, with MCS Market Communication Service GmbH ("MCS"), dated September 12, 2024, the Company paid for budget increases for certain services related to its promotional campaign
    - January 9, 2025, EUR250,000,
    - February 18, 2025, EUR125,000,
    - March 10, 2025, EUR125,000,
  - February 4, 2025, pursuant to an agreement with Gold Standard Media for providing financial publishing and digital marketing services, the Company paid US$400,000, subsequently, the Company received a refund of $280,425.
  - March 11, 2025, entered an agreement for public relations services, with Think Ink for consideration of US$24,500.
  - April 1, 2025:
    - Entered an independent marketing service contract with MCS for EUR220,000.
    - Entered an agreement to provide investor relations services, with 9466-5908 Quebec Inc. for consideration of $17,400 per month till May 31, 2025.

- On March 12, 2025, the Company granted 500,000 incentive stock options to purchase a total of 500,000 common shares, priced at $0.26 per share, expiring on September 30, 2026. The options were issued to an officer and a consultant of the Company.