SLAVE LAKE ZINC CORP.

Condensed Consolidated Financial Statements

Three Months Ended December 31, 2024

(Expressed in Canadian dollars)

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The Company's external auditors, SHIM & Associates LLP, have not performed a review of these condensed consolidated financial statements.

SLAVE LAKE ZINC CORP.
Condensed Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	December 31, 2024 $	September 30, 2024 $
Assets		
Current assets		
Cash	18,414	21,063
GST receivable	4,328	5,927
Prepaid expenses	2,385	2,385
Total current assets	25,127	29,375
Non-current assets		
Exploration and evaluation assets (Note 3)	650,837	650,687
Total assets	675,964	680,062
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	67,817	65,063
Convertible debt (Note 5)	150,000	150,000
Due to related parties (Note 4)	184,261	145,183
Total liabilities	402,078	360,246
Shareholders' equity		
Share capital	3,446,440	3,446,440
Share-based payment reserve	921,198	921,198
Warrants reserve	20,000	20,000
Equity portion of convertible debt (Note 5)	27,225	27,225
Deficit	(4,140,977)	(4,095,047)
Total shareholders' equity	273,886	319,816
Total liabilities and shareholders' equity	675,964	680,062

Nature of operations and continuance of business (Note 1)
Contingency (Note 9)

Approved and authorized for issuance by the Board of Directors on March 3, 2025:

/s/ "Ritchie Wigham" — Ritchie Wigham, Director

/s/ "Jaskarn Rai" — Jaskarn Rai, Director

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SLAVE LAKE ZINC CORP.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)
(unaudited)

	Three months ended December 31, 2024 $	Three months ended December 31, 2023 $
Expenses		
Investor relations	–	27,455
Management fees (Note 4)	38,000	41,000
Office and miscellaneous	1,190	1,682
Professional fees	1,701	5,816
Transfer agent and filing fees	3,164	3,572
Total expenses	44,055	79,525
Loss before other expense	(44,055)	(79,525)
Other expense		
Interest expense	(1,875)	(1,875)
Net loss and comprehensive loss	(45,930)	(81,400)
Loss per share, basic and diluted	–	–
Weighted average common shares outstanding	56,127,210	56,127,210

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SLAVE LAKE ZINC CORP.
Condensed Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(unaudited)

	Share capital		Share-based payment reserve	Warrants reserve	Equity portion of convertible debt	Deficit	Total shareholders' equity
	Number of shares	Amount $	$	$	$	$	$
Balance, September 30, 2024	56,127,210	3,446,440	921,198	20,000	27,225	(4,095,047)	319,816
Net loss for the period	–	–	–		–	(45,930)	(45,930)
Balance, December 31, 2024	56,127,210	3,446,440	921,198	20,000	27,225	(4,140,977)	273,886

	Share capital		Share-based payment reserve	Warrants reserve	Equity portion of convertible debt	Deficit	Total shareholders' equity
	Number of shares	Amount $	$	$	$	$	$
Balance, September 30, 2023	56,127,210	3,446,440	921,198	20,000	27,225	(3,820,158)	594,705
Net loss for the period	–	–	–		–	(81,400)	(81,400)
Balance, December 31, 2023	56,127,210	3,446,440	921,198	20,000	27,225	(3,901,558)	513,305

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SLAVE LAKE ZINC CORP.
Condensed Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(unaudited)

	Three months ended December 31, 2024 $	Three months ended December 31, 2023 $
Operating activities:		
Net loss	(45,930)	(81,400)
Items not involving cash:		
Changes in non-cash operating working capital:		
GST receivable	1,599	48,143
Prepaid expenses	–	28,866
Accounts payable and accrued liabilities	14,754	(3,517)
Due to related parties	27,078	11,000
Net cash provided by (used in) operating activities	(2,499)	3,092
Investing activities		
Exploration and evaluation asset expenditures	(150)	(13,195)
Net cash used in investing activities	(150)	(13,195)
Change in cash	(2,649)	(10,103)
Cash, beginning of period	21,063	84,671
Cash, end of period	18,414	74,568

(The accompanying notes are an integral part of these condensed financial statements)

1. Nature of Operations and Continuance of Business

Slave Lake Zinc Corp. (the “Company”) was incorporated in the province of the British Columbia on September 14, 2016. The Company’s principal business activities include the acquisition and exploration of mineral property assets located in the Northwest Territories, Canada. The Company’s head office is located at 6284 Reid Road, Chilliwack, BC, V2R 2M4.

On November 7, 2018, the Company completed its Initial Public Offering and the Company’s common shares are listed on the Canadian Securities Exchange (“CSE”) under the trading symbol “SLZ”.

These condensed consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. During the period ended December 31, 2024, the Company has not generated any revenues and incurred negative cash flow from operating activities. As at December 31, 2024, the Company has a working capital deficit of $376,951 and accumulated deficit of $4,140,977. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. 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 condensed consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. Material Accounting Policy Information

(a) Basis of Presentation

These condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to interim financial information, as outlined in International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” and using the accounting policies consistent with those in the audited consolidated financial statements as at and for the year ended September 30, 2024.

These condensed consolidated financial statements do not include all disclosures normally provided in annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended September 30, 2024. Interim results are not necessarily indicative of the results expected for the fiscal year.

(b) Reclassifications

Certain of the prior period figures have been reclassified to conform to the current period’s presentation.

(c) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended December 31, 2024, and have not been early adopted in preparing these condensed consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company’s consolidated financial statements.

(Expressed in Canadian dollars)

3. Exploration and Evaluation Assets

O'Connor Lake Property

The Company acquired the Property, a mineral claim ("MWK"), tag # F97540 in the South Slave region of the Northwest Territories, NTS Map 75E05, pursuant to a mineral property acquisition agreement (the "Acquisition Agreement") dated for reference February 7, 2017 among the Company as purchaser, Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald and Max Braden as vendors (the "Vendors") and 1089621 B.C. Ltd. as royalty holder (the "Royalty Holder"). Each of the Vendors is a founder and director of the Company and was a director of the Company at the time of entering into the Acquisition Agreement. Pursuant to the Acquisition, the Company acquired a 100% right, title, and interest in and to the Property, subject to a 3.5% net smelter returns royalty, by making a cash payment of $1 to each of the Vendors. The acquisition of the Property by the Company was formalized by the Acquisition Agreement. The Property is subject to a 3.5% net smelter returns royalty (the "Royalty") to the Royalty Holder. The company has the right to purchase 2/7th of the Royalty from the Royalty Holder at any time for $1,000,000 after which the Royalty will be reduced to 2.5% of net smelter returns. After payment of $1,000,000 the Company has the right to purchase 2/5th of the remaining Royalty for $2,000,000 at any time after which the Royalty rate will be reduced to 1.5% of net smelter returns. The Property has a 10 kilometer area of interest, and any mineral claims or properties interest within this area that any of the Vendors and/or associated parties acquires, through staking or otherwise, will become part of the Acquisition Agreement and be subject to the Royalty.

On June 28, 2018, the Company entered into a 21-year lease commencing on August 30, 2016 with the Minister of Department of Indian Affairs and Northern Development. The claim is 188.12 hectares and has an annual rental fee of $470 payable to the Minister of Department of Indian Affairs and Northern Development and there is no other capital commitment required to maintain the lease.

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Balance, September 30, 2024	650,687
Claims maintenance	150
Balance, December 31, 2024	650,837

4. Related Party Transactions

(a) As at December 31, 2024, the Company owed $87,221 (September 30, 2024 - $68,143) to the President of the Company which is non-interest bearing, unsecured, and due on demand. During the three months ended December 31, 2024, the Company incurred management fees of $18,000 (2023 - $18,000) to the President of the Company.

(b) As at December 31, 2024, the Company owed $81,040 (September 30, 2024 - $63,040) to the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand. During the three months ended December 31, 2024, the Company incurred management fees of $18,000 (2023 - $18,000) to the Chief Executive Officer of the Company.

(c) As at December 31, 2024, the Company owed $16,000 (September 30, 2024 - $14,000) to directors of the Company which is non-interest bearing, unsecured, and due on demand. During the three months ended December 31, 2024, the Company incurred management fees of $2,000 (2023 - $2,000) to directors of the Company.

(d) During the three months ended December 31, 2023, the Company incurred management fees of $3,000 to the former Chief Financial Officer of the Company.

(Expressed in Canadian dollars)

5. Convertible Debt

On February 18, 2021, the Company issued a convertible note for proceeds of $650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at $0.08 per share. If the closing stock price of the Company's common shares is above $0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at $0.15 per common share expiring on February 18, 2025. The Company also incurred debt issuance costs of $12,200 which was recorded as a reduction of the carrying value of the convertible note.

The convertible note was recorded using the residual method, where the convertible note was bifurcated into a debt component and equity component which is comprised of the embedded conversion feature and share purchase warrants. The fair value of the liability component at the time of issuance was determined to be $532,024 using a net present value calculation assuming a discount rate of 20% per annum. As a result, the value of the equity component of $117,976 was recorded in equity component of convertible debt and an equivalent discount on the convertible note which will be accreted to the face value of $650,000 over the term of the note. During the year ended September 30, 2021, $84,596 was converted into common shares. During the year ended September 30, 2022, $385,368 was converted into common shares. During the year ended September 30, 2022 the Company recognized accretion expense of $52,097, which brings the carrying value to $150,000.

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Balance, September 30, 2024 and December 31, 2024	150,000

6. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, September 30, 2024	14,095,000	0.16
Expired	(3,970,000)	0.15
Balance December 31, 2024	10,125,000	0.14

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

Number of warrants outstanding	Exercise price $	Expiry date
8,125,000	0.15	February 18, 2025
2,000,000	0.12	July 25, 2025
10,125,000		

(Expressed in Canadian dollars)

7. Stock Options

On June 21, 2018, the Company adopted an incentive stock option plan (the "Option Plan"). The maximum number of shares reserved for issuance upon exercise of options granted shall not exceed 15% of the issued and outstanding common shares of the Company. The option period shall not exceed ten years from the date of grant. Under the Option Plan, the subscription price in respect of any option shall be set in accordance with the applicable policies of the CSE. The number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares in any twelve month period or any aggregate maximum of 1% if the optionee(s) are engaged in investor relations activities or if the optionee is a consultant, no more than 2% per consultant in any twelve month period. The Option Plan contains no vesting requirements.

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

	Number of stock options	Weighted average exercise price $
Balance, September 30, 2024	1,977,000	0.10
Expired	(1,977,000)	0.10
Balance December 31, 2024	–	–

8. Financial Instruments and Risk Management

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include cash, accounts payable and accrued liabilities, convertible debt, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

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.

(c) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is not exposed to any significant foreign exchange rate risk.

(Expressed in Canadian dollars)

8. Financial Instruments and Risk Management (continued)

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company relies on raising debt or equity financing in a timely manner.

The following amounts are the contractual maturities of financial liabilities as at December 31, 2024:

	Total $	Within 1 year $	Within 2-5 years $
Accounts payable and accrued liabilities	67,817	67,817	–
Convertible debt	150,000	150,000	–
Due to related parties	184,261	184,261	–
	402,078	402,078	–

(f) 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.

9. Contingency

During the year ended September 30, 2024, the Company received a notice of civil claim from the convertible debt holder for failure to comply with the demand to fully repay the loan in the principal amount of $150,000 and accrued interest at 5% per annum (Note 5).