
S2 MINERALS INC.
FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED FEBRUARY 28, 2025 AND
FEBRUARY 29, 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of S2 Minerals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

S2 Minerals Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at February 28, 2025	As at May 31, 2024
ASSETS		
<i>Current</i>		
Cash	\$ 21,386	\$ 367,791
Short-term investments	10,000	10,000
Amounts receivable (note 3)	6,399	2,841
Prepays (note 7)	30,479	1,888
Total current assets	68,264	382,520
<i>Non-Current</i>		
Fixed assets (note 4)	170,522	187,397
Total non-current assets	170,522	187,397
Total assets	\$ 238,786	\$ 569,917
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities	\$ 10,473	\$ 30,764
Total current liabilities	10,473	30,764
Total liabilities	10,473	30,764
SHAREHOLDERS' EQUITY		
Share capital (note 6)	3,788,615	3,788,615
Contributed surplus (note 6(c))	227,029	243,999
Deficit	(3,787,331)	(3,493,461)
Total shareholders' equity	228,313	539,153
Total liabilities and shareholders' equity	\$ 238,786	\$ 569,917

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Harvey L.A. Yesno"
Director

"Daniel Noone"
Director

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

S2 Minerals Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
Operating expenses				
Exploration and evaluation (note 8)	\$ 15,551	\$ 165,007	\$ 48,880	\$ 180,076
Professional fees	42,106	44,563	143,445	138,218
Salaries and related costs	12,938	12,939	38,820	38,986
Reporting issuer costs	11,698	10,440	28,239	28,554
Office and administrative	11,344	4,927	27,230	15,076
Travel and accommodation	9,828	3,932	23,780	11,391
Foreign exchange loss	17	255	446	699
Comprehensive loss for the period	\$ 103,482	\$ 242,063	\$ 310,840	\$ 413,000
Net loss per share				
- basic and diluted (note 5)	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02
Weighted average number of common shares outstanding - basic and diluted (note 5)	18,968,821	18,964,647	18,968,821	18,950,766

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

S2 Minerals Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Nine Months Ended February 28, and February 29,	2025	2024
Operating activities		
Net loss for the period	\$ (310,840)	\$ (413,000)
<i>Adjustments for non-cash items:</i>		
Depreciation (note 4)	16,875	16,875
Shares issued for mineral property payments	-	3,250
<i>Changes in non-cash working capital items:</i>		
Amounts receivable	(3,558)	(847)
Prepays	(28,591)	4,351
Accounts payable and accrued liabilities	(20,291)	(90,874)
Net cash used in operating activities	(346,405)	(480,245)
Net change in cash	(346,405)	(480,245)
Cash, beginning of period	367,791	999,880
Cash, end of period	\$ 21,386	\$ 519,635

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S2 Minerals Inc.
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares	Share Capital	Contributed Surplus	Warrants	Deficit	Total
Balance May 31, 2023	18,943,821	\$ 3,785,365	\$ 16,970	\$ 227,029	\$ (2,980,535)	\$ 1,048,829
Expired warrants	-	-	227,029	(227,029)	-	-
Mineral property payments (note 8)	25,000	3,250	-	-	-	3,250
Net loss for the period	-	-	-	-	(413,000)	(413,000)
Balance, February 29, 2024	18,968,821	\$ 3,788,615	\$ 243,999	\$ -	\$ (3,393,535)	\$ 639,079
Balance May 31, 2024	18,968,821	\$ 3,788,615	\$ 243,999	\$ -	\$ (3,493,461)	\$ 539,153
Expired options	-	-	(16,970)	-	16,970	-
Net loss for the period	-	-	-	-	(310,840)	(310,840)
Balance, February 28, 2025	18,968,821	\$ 3,788,615	\$ 227,029	\$ -	\$ (3,787,331)	\$ 228,313

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

S2 Minerals Inc.
Notes to Condensed Interim Financial Statements
Three and Nine Months ended February 28, 2025 and February 29, 2024
(Expressed in Canadian Dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

S2 Minerals Inc. ("S2" or the "Company") was incorporated on November 30, 2020 under the laws of the Province of Ontario, Canada, and its head office is located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, M5H 3L5.

These unaudited condensed financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has an accumulated deficit of \$3,787,331 as February 28, 2025 (May 31, 2024 - \$3,493,461), a working capital of \$57,791 (May 31, 2024 - \$351,756), and a net loss for three and nine months ended February 28, 2025 of \$103,482 and \$310,840, respectively (three and nine months ended February 29, 2024 - \$242,063 and \$413,000, respectively). The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and the attainment of profitable operations. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern. These unaudited condensed financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the Company's annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted. These unaudited condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended May 31, 2024, which include information necessary or useful to understanding the Company's business and financial statement presentation.

The accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended May 31, 2024, except for the adoption of new IFRS standards as set out below.

In preparing these unaudited condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The critical judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied and disclosed in the Company's financial statements for the year ended May 31, 2024.

These unaudited condensed interim financial statements were approved by the Board of Directors on April 14, 2025.

Other Narrow Scope Amendments to IFRSs and IFRS Interpretations

The Company adopted various amendments to IFRSs, which were effective for accounting periods beginning on or after June 1, 2024. The impact of adoption was not significant to the Company's unaudited condensed interim financial statements.

New and Revised IFRSs, Narrow Scope Amendments to IFRSs and IFRS Interpretations not yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after May 31, 2025. Management is still evaluating and does not expect any such pronouncements to have a significant impact on the Company's unaudited condensed interim financial statements upon adoption.

S2 Minerals Inc.
Notes to Condensed Interim Financial Statements
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3. AMOUNTS RECEIVABLE

	As at February 28, 2025	As at May 31, 2024
Sales tax recoverable	\$ 6,399	\$ 2,841
Total	\$ 6,399	\$ 2,841

4. FIXED ASSETS

Cost	Exploration Equipment
Balance, May 31, 2023	\$ 225,000
Additions	-
Balance, May 31, 2024 and February 28, 2025	\$ 225,000
Accumulated Depreciation	Exploration Equipment
Balance, May 31, 2023	\$ 15,103
Depreciation	22,500
Balance, May 31, 2024	\$ 37,603
Depreciation	16,875
Balance, February 28, 2025	\$ 54,478
Carrying amounts	Exploration Equipment
Balance, May 31, 2024	\$ 187,397
Balance, February 28, 2025	\$ 170,522

5. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine months ended February 28, 2025 was based on the loss attributable to common shares of \$103,482 and \$310,840, respectively (three and nine months ended February 29, 2024 - loss of \$242,063 and \$413,000, respectively) and the weighted average number of common shares outstanding of 18,968,821 and 18,968,821, respectively (three and nine months ended February 29, 2024 - 18,964,647 and 18,950,766, respectively).

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6. SHARE CAPITAL

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of Shares	Share Capital
Balance, May 31, 2023	18,943,821	\$ 3,785,365
Mineral property payments (note 8)	25,000	3,250
Balance, February 29, 2024	18,968,821	\$ 3,788,615

	Number of Shares	Share Capital
Balance, May 31, 2024 and February 28, 2025	18,968,821	\$ 3,788,615

On December 5, 2024, the Company completed the consolidation of the Company's issued and outstanding common shares ("Common Shares") on the basis of one post-consolidation Common Share for every two pre-consolidation Common Shares (the "Consolidation"). As a result of the Consolidation, the number of issued and outstanding Common Shares was reduced from 37,937,649 to approximately 18,968,821, subject adjustment for rounding.

c) Stock Options

A summary of changes in stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, May 31, 2023, February 29, 2024 and May 31, 2024	150,000	\$ 0.50
Expired	(150,000)	0.50
Balance, February 28, 2025	-	\$ -

On November 23, 2021, the Company granted 150,000 stock options to a director of the Company. Each stock option allows the holder to acquire one common share at an exercise price of \$0.50 for a period of 3 years. The options shall vest as to one-quarter upon the date of grant, one-quarter upon 6 months, 12 months, and 18 months from the grant date, respectively. A grant date fair value of \$16,970 was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: expected dividend yield of 0%; risk free interest rate of 1.17%; expected life of 3 years; share price of \$0.145; and an expected volatility of 80% based on the Company's historical trading data. On November 23, 2024, 150,000 options expired and were not exercised.

d) Share Purchase Warrants

A summary of changes in warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2023 and February 29, 2024	3,000,000	\$ 0.50
Balance, May 31, 2024 and February 28, 2025	-	\$ -

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7. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, excluding the Chief Financial Officer ("CFO") and the Corporate Secretary. As at February 28, 2025, there were no balances owed to management (May 31, 2024 - \$nil).

The compensation cost for key management personnel is as follows:

Nine Months Ended February 28, and February 29,	2025	2024
Salaries and fees	\$ 81,000	\$ 81,000
	\$ 81,000	\$ 81,000

Three Months Ended February 28, and February 29,	2025	2024
Salaries and fees	\$ 27,000	\$ 27,000
	\$ 27,000	\$ 27,000

During the three and nine months ended February 28, 2025, the Company paid rent of \$7,500 and \$22,500, respectively (three and nine months ended February 29, 2024 - \$7,500 and \$22,500, respectively) to G2 Goldfields Inc. ("G2"), a company with common directors and management with S2.

During the three and nine months ended February 28, 2025, the Company paid professional fees and disbursements totaling \$8,317 and \$24,255, respectively (three and nine months ended February 29, 2024 - \$4,929 and \$24,535, respectively) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, and (ii) regulatory filing services. The Marrelli Group was owed \$nil (May 31, 2024 - \$nil) and these amounts were included in accounts payable and accrued liabilities.

As at February 28, 2025, the Company advanced \$25,000 to a director of the Company which was included in prepaids.

8. EXPLORATION AND EVALUATION

Nine Months Ended February 28, 2025

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ 8,726	\$ -	\$ 23,279	\$ 32,005
Depreciation of exploration equipment (note 4)	-	-	16,875	16,875
	\$ 8,726	\$ -	\$ 40,154	\$ 48,880

Three Months Ended February 28, 2025

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ 7,601	\$ -	\$ 2,325	\$ 9,926
Depreciation of exploration equipment	-	-	5,625	5,625
	\$ 7,601	\$ -	\$ 7,950	\$ 15,551

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8. EXPLORATION AND EVALUATION (Continued)

Nine Months Ended February 29, 2024

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ 6,475	\$ (1,081)	\$ 157,807	\$ 163,201
Depreciation of exploration equipment	-	-	16,875	16,875
	\$ 6,475	\$ (1,081)	\$ 174,682	\$ 180,076

Three Months Ended February 29, 2024

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ 2,875	\$ -	\$ 156,507	\$ 159,382
Depreciation of exploration equipment	-	-	5,625	5,625
	\$ 2,875	\$ -	\$ 162,132	\$ 165,007

The Company is party to an option agreement whereby the Company may acquire up to a 100% interest in certain claims in the Fort Hope Project by making cash payments totaling \$1,000,000 and issuing a total of 100,000 common shares in the Company before December 2025. In order for the Company to exercise the option the consideration is due as follows to Slam Exploration Ltd.:

- \$50,000 cash payment (paid) on execution
- \$100,000 cash payment (paid) plus 25,000 common shares (issued and valued at \$4,750) in S2 is due by December 2022
- \$150,000 cash payment (paid) plus 25,000 common shares (issued and valued at \$3,250) in S2 is due by December 2023
- \$200,000 cash payment plus 25,000 common shares in S2 is due by December 2024 (*)
- \$500,000 cash payment plus 25,000 common shares in S2 is due by December 2025 (*)

The Company is also party to various agreements whereby certain mineral claims are subject to a 2% Net Smelter Royalty (NSR).

(*) On December 6, 2024, the Company declared an event of force majeure on its option agreement due to aboriginal rights issues. During the period that the event of force majeure remains in effect, all work and payments on the Fort Hope Project are suspended. The Company does not have any information at this time with respect to the anticipated duration of the event of force majeure.

On April 17, 2023, S2 announced that it has acquired 880 mining claims (the "Property") in the Veekay Lake, Gifford Lake, Opikeigan Lake, Frond Lake, Rich Lake and Reserve Lake areas in Ontario.

The Property was acquired from a director of the Company pursuant to an assignment agreement dated as of April 14, 2023. The director had acquired the Property from an arm's length third party for a cash payment of \$300,000 and a 2% net smelter returns royalty (the "Royalty") and agreed that if the Property was assigned to a public company before March 2024, such public company would issue \$50,000 of common shares (the "Shares"). The Company can purchase 1% of the Royalty for \$1,000,000. The Company assumed the obligations under the Royalty and issued 263,158 Shares valued at a price of \$0.15 per Share to Windfall Geotek Inc., arm's length third party.