QNB Metals Inc.

Interim Financial Statements

For the nine month period ended January 31, 2025

<u>Notice of No Auditor Review of Unaudited Interim Financial Statements</u>

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

The accompanying condensed interim financial statements of QNB Metals Inc. (the "Company") for the six months ended October 31, 2024 (the "Financial Statements") have been prepared by and are the responsibility of the Company's management and have not been reviewed by the Company's auditors. The Financial Statements are stated in terms of Canadian dollars, unless otherwise indicated, and are prepared in accordance with International Accounting Standards 34 ("IAS 34") and International Financial Reporting Standards ("IFRS").

QNB METALS INC.

Statements of Financial Position

As at	Notes	**(Unaudited) January 31 2025 $**	(Audited) April 30, 2024 $
Current assets			
Cash and equivalents		**258,621**	19,621
Receivables		**-**	71,851
Sales taxes recoverable		**44,645**	-
Total current assets		**303,266**	91,472
Interest in Resolve Hydrogen	4	**450,000**	-
Total assets		**753,266**	91,472
Current liabilities			
Accounts payable and accrued liabilities		**219,999**	579,989
Total current liabilities		**219,999**	579,989
Going concern	2		
Shareholders' equity			
Share Capital	5	**2,471,188**	1,290,779
Warrants reserve		**1,148,241**	80,067
Share based compensation		**204,861**	33,000
Deficit		**(3,291,023)**	(1,892,363)
Total shareholders' equity (deficit)		**533,267**	(488,517)
Total liabilities and shareholders' equity		**753,266**	91,472

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

Approved on behalf of the Board of Directors:

(signed) Ian C. Peres — Ian C. Peres, President & CEO

(signed) Michael Mansfield — Michael Mansfield, Director

QNB METALS INC.

Statements of Changes In Shareholders' Equity

	Notes	Capital Stock Shares	$	Warrants	Stock Options	Deficit	Shareholders' Equity
Balance as at April 30, 2024		**26,449,961**	**1,290,779**	**80,067**	**33,000**	**(1,892,363)**	**(488,517)**
Share issuance on private placement financing	**5**	**10,200,000**	**510,000**				**510,000**
Fair value of puchase warrants	**5**			**1,031,983**			**1,031,983**
Fair value of broker compensation warrants	**5**			**36,191**			**36,191**
Share issuance costs	**5**		**(34,591)**				**(34,591)**
Share issuance on debt settlement	**5**	**6,100,000**	**305,000**				**305,000**
Acquisition of interest in joint venture	**5**	**4,000,000**	**400,000**				**400,000**
Share based compensation on vested options	**5**				**171,861**		**171,861**
Loss and comprehensive loss						**(1,398,660)**	**(1,398,660)**
Balance as at January 31, 2025		**46,749,961**	**2,471,188**	**1,148,241**	**204,861**	**(3,291,023)**	**533,267**
Balance as at April 30, 2023		10,799,961	736,011	107,308	33,000	(1,034,257)	(157,938)
Share issuance on private placement financing	**5**	2,150,000	23,100				23,100
Fair value of warrants issued on private placement				84,400			84,400
Share issuance costs - cash			(8,774)				(8,774)
Share issuance on exercise of stock options	**5**	13,000,000	539,000				539,000
Expiry of warrants				(107,308)		107,308	-
Loss and comprehensive loss						(795,473)	(795,473)
Balance as at January 31, 2024		25,949,961	1,289,337	84,400	33,000	(1,722,422)	(315,685)

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

QNB METALS INC.

Interim Statements of Loss, Comprehensive Loss and Deficit

Periods ended January 31,	Notes	Three months 2025	Three months 2024	Nine months 2025	Nine months 2024
		$	$	$	$
Expenses					
Exploration and evaluation expenditures	4	-	13,871	16,800	563,221
Share based compensation - stock options	5	91,866	-	171,861	-
Share based compensation - warrants	5	1,063,841	-	1,063,841	-
Management fees	6	22,500	49,500	88,500	145,667
General & administration		5,040	13,469	13,814	25,820
Legal & audit		6,521	-	43,844	60,766
Loss and comprehensive loss		1,189,768	76,840	1,398,660	795,474
Deficit - beginning of period		2,101,255	1,645,583	1,892,363	1,034,257
Warrant expiry	5	-	-	-	(107,308)
Deficit - end of period		3,291,023	1,722,423	3,291,023	1,829,731
Loss (earnings) per share (basic and diluted)		$0.04	$0.01	$0.05	$0.03
Weighted average outstanding shares		30,318,728	27,994,345	30,318,728	27,994,345

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

QNB METALS INC.

Statements of Cash Flows

NIne months ended January 31,		**2025**	2024
		$	**$**
Operating activities			
Loss and comprehensive loss		**(1,398,660)**	(795,473)
Add: non-cash items			
Shared based compensation - stock options	**5**	**171,861**	-
Shared based compensation - warrants issued on financing	**5**	**1,068,174**	-
Exploration and evaluation expenses - common share issuances	**5**	**-**	539,000
Net change in non-cash working capital balances		**(332,784)**	178,623
Cash used in operating activities		**(491,409)**	(77,850)
Investing activities			
Acquisition of interest in joint venture	**4**	**(50,000)**	-
Cash used in investing activities		**(50,000)**	-
Financing activities			
Common shares issued on private placement, net of issue costs	**5**	**475,409**	98,726
Common shares issued on shares fro debt settlement	**5**	**305,000**	
Cash provided from financing activities		**780,409**	98,726
Net increase (decrease) in cash and equivalents		**239,000**	20,876
Cash and equivalents, beginning of period		**19,621**	1,440
Cash and equivalents, end of period		**258,621**	22,316

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

1. Statement of incorporation and nature of activities

QNB Metals Inc. ("QNB" or the "Corporation") was incorporated under the Canada Business Corporations Act on October 19, 2020. The Corporation holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package for natural or white hydrogen in Ontario and Quebec, using leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner, *RéSolve Énergie Inc*. The address of its head office is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "TIM".

2. Basis of presentation and going concern

Statement of compliance and going concern

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Corporation will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements were approved for issuance by the Board of Directors on April 1, 2025.

On November 29, 2024, QNB completed a private placement for gross proceeds of $510,000 through the issuance of 10,200,000 units at a price of $0.05 per unit ("Units"), comprised of one common share and one purchase warrant exercisable at $0.075 for eighteen months from closing ("Warrants"). The Warrants are subject to an accelerated expiry if the volume-weighted average trading price of the common shares is equal to or greater than $0.10 for a period of ten (10) consecutive trading days ("Accelerated Expiry").

The Corporation's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors. The Corporation's business involves a high degree of risk and there is no assurance that the Corporation will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Corporation has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future.

There exist material uncertainties that cast significant doubt regarding the Corporation's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the financial statements and the classification used in the financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Board of Directors and has collectively formed a judgment that the Corporation has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months from the date of the financial position.

3. Material accounting policies

These interim financial statements are prepared using the significant accounting policies described in the present notes and have been consistently applied to all periods.

Basis of measurement

The financial statements have been prepared on a historical cost basis.

Foreign currency translation

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

Segment disclosure

The Corporation presents and discloses segmented information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the President and the Board of Directors.

The Corporation has determined that it has only one operating segment, the sector of exploration and evaluation of mineral resources. All exploration claims are located in Ontario and Quebec, Canada and the Corporation expenses all acquisition costs of mineral properties and exploration expenses as incurred. (refer Note 4).

Financial instruments

a) Classification:

Financial Assets/Liabilities	**Classification**
Cash	Financial asset at amortized cost
Trade accounts payable and accrued liabilities	Financial liabilities at amortized cost
Payable to a related company	Financial liabilities at amortized cost

The Corporation determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL").

b) 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 for a financial asset.

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 loss and 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 net loss and comprehensive loss in the period in which they arise. Where the Corporation has opted to recognize a financial liability at FVTPL, any changes associated with the Corporation's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost
The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Corporation 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 Corporation measures the loss allowance for the financial asset at an amount equal to twelve month

expected credit losses. The Corporation recognizes an impairment gain 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.

Cash and cash equivalents

Cash and equivalents comprise cash in bank and demand deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Corporation adjusted by a discount for lack of marketability for any restriction or, after the Corporation being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

The Corporation has adopted a residual method with respect to the measurement of common shares and warrants issued as private placement units. Warrants attached to units are valued based on the fair value of shares using the Black- Scholes valuation model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

Other elements of equity

Warrants

Warrants that have been issued in combination with common shares are accounted for under IAS 32, Financial instruments: Presentation. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed amount of shares.

In calculating the fair value of warrants, the Corporation used the Black Scholes option model which incorporates assumptions such as the Corporation's share price, term of the warrant, expected share price volatility, dividend yield and the risk-free interest rate. Warrants include fair value allocated to the warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

Contributed Surplus

Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit.

Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to shares repurchased.

Share-based payments

Stock options plan

The Corporation operates an equity-settled share-based payment plan for its eligible directors, officers, and employees. The Corporation's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or services received, the Corporation measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Corporation measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if stock options ultimately exercised are different to that estimated on vesting.

Upon expiry of the warrants or stock options, the corresponding amounts in the warrants reserve and contributed surplus respectively are transferred to share capital.

Upon exercise of stock options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of net loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income (“OCI”).

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
The Corporation recognizes deferred taxes in respect of temporary differences between the carrying amounts of

assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Corporation by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Adoption of new accounting standards

IAS 1, Presentation of Financial Statements ("IAS 1"), was amended in January 2020. The IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify the definition of a right to defer settlement and specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments are effective for annual periods beginning on or after January 1, 2024. The amendments must be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted. There was no significant impact from the implementation of these amendments on the statement of financial position presentation.

Accounting pronouncements

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Going concern

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 2 for further information.

Estimation uncertainty

Share-based payments and warrant valuation
The estimation of share-based payment costs and measurement of warrant value of issuance requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Corporation is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

- Underlying stock price: Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options.
- Underlying stock price volatility: Based on historical data of comparable publicly traded companies in the mining industry.
- Expected life: Given the limited history of the stock option plan and the Corporation, assumptions are required to be made for expected life and forfeitures.

4. Exploration and evaluation expenditures

The Corporation expenses all exploration and evaluation expenditures to the Statements of Loss, Comprehensive Loss and Deficit.

QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia's Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The project is being reviewed for the presence of a natural reservoir and salt occurrences to capture and store carbon gas for industrial operations. Certain non-essential claims along the southern edge of the property package were allowed to expire in April 2025.

In January 2025, QNB finalized the joint venture agreement with *Resolve Energie Inc.* (press release: September 19, 2024) whereby it acquired a 49.9% interest (50.1% *Resolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* ("JV Co") in exchange for total consideration of i) 4,000,000 common shares of the Corporation and ii) a $50,000 cash payment to *Resolve Energie Inc.* JV Co holds three patent-pending technologies on hydrogen detection and storage/production and 119 white hydrogen mineral exploration claims across 7 claim blocks, known to host elevated levels of hydrogen, covering 6,613 hectares (66 km^2) in Northern Quebec.

5. Share Capital

Authorized share capital
The Corporation is authorized to issue an unlimited number of Common shares without par value.

Capital stock transactions
In November 2024, the Corporation completed a private placement financing of $510,000 in gross proceeds (the "Financing") and issued 10,200,000 units at a price of $0.05 per unit ("Units") comprised of one common share and one purchase warrant exercisable at $0.075 for eighteen months from closing. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than $0.10 for a period of ten (10) consecutive trading days.

There was a total of $20,184 in cash finders' and other fees paid, 310,000 broker warrants under the same terms as the purchase warrants, and 50,000 broker warrants exercisable at $0.14 for eighteen months from closing. Insiders subscribed for $7,500 or 150,000 units of the Financing. Other issue costs were $14,407.

The Financing satisfied the final condition related to the joint venture agreement with *RéSolve Énergie* (press release: September 19, 2024). In January 2025, QNB acquired a 49.9% interest (50.1% *Resolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* in exchange for total consideration of i) 4,000,000 common shares of the Corporation at a deemed price of $0.10 and ii) a $50,000 cash payment to *Resolve Energie Inc.*

In June 2023, the Corporation entered into 2 Option Agreements pursuant to which 3,100,000 common shares were issued. Based on the prevailing share prices at the date of the grant, the fair value of the common shares estimated at $341,000 have been recorded as increase in share capital. The summary of the 2 Option Agreements are as follows:

Property	**Goodwin Property**	
Effective Date	06/12/2023	
Payment from Effective Date	**Shares**	**Cash**
Immediate (June 2023 - issued)	3,100,000	10,350
1st Anniversary	100,000	10,000
2nd Anniversary	100,000	10,000
3rd Anniversary	200,000	20,000
Total	3,500,000	50,350

<u>These option agreements were terminated during February 2024.</u>

In June 2023, the Corporation completed a private placement of 1,300,000 units at a price of $0.05 per unit. Each unit comprised one share and one warrant. Additionally, $21,665 incurred towards legal expenses were recorded as share issuance costs. The fair value of one warrant at the date of the closing was estimated at $0.04 using the Black Scholes option pricing model with a volatility of 276% and a risk-free rate of 4.83%.

In October 2023, the Corporation acquired 100% interest in the Kingsville's Salt property located in Nova Scotia, Canada by issuance of 9,000,000 shares. The Corporation also issued 900,000 shares as Finders Fees pursuant to the above transaction. Accordingly, an amount of $198,000 was expensed as Exploration and Evaluation expenses being the fair value of the shares issued.

In October 2023, the Corporation completed a private placement of 850,000 units at a price of $0.05 per unit. Each unit comprised one share and one warrant. Additionally, $851 incurred towards legal expenses were recorded as share issuance costs. The fair value of one warrant at the date of the closing was estimated at $0.032 using the Black Scholes option pricing model with a volatility of 392% and a risk-free rate of 4.34%.

In November 2023, the Corporation signed an option to acquire a 100% interest in the Havre Aubert East property located in the Magdalen Islands in the Province of Quebec, Canada. Pursuant to this transaction, 500,000 shares were issued. Based on the prevailing share prices at the date of the grant, the fair value of the shares estimated at $10,000 have been recorded as increase in share capital.
The summary of the outstanding options is, as follows:

Property	**Havre Aubert East property**	
Effective Date	11/16/2023	
Payment from Effective Date	**Shares**	**Cash**
Immediate (November 2023 - issued)	500,000	-
On or before April 30, 2024	-	15,000
On or before 1st Anniversary	500,000	25,000
On or before 2nd Anniversary	1,000,000	40,000
On or before 3rd Anniversary	1,000,000	40,000
Total	3,000,000	120,000

<u>These option agreements were terminated during February 2024.</u>

In January 2023, the Corporation entered into two Option Agreements pursuant to which 1,500,000 shares were issued. Based on the prevailing share prices at the date of the grant, the fair value of the shares estimated at $27,500 have been recorded as increase in share capital.

The summary of the two Option Agreements are as follows:

Property	**Goodwin Property**		**North West Miramichi Ni-Cu**	
Effective Date	01/23/2023		01/31/2023	
Payment from Effective Date	**Shares**	**Cash**	**Shares**	**Cash**
Immediate (January 2023 - issued)	500,000	-	1,000,000	-
1st Anniversary	400,000	30,000	1,000,000	-
2nd Anniversary	400,000	40,000	1,000,000	50,000
3rd Anniversary	400,000	80,000		50,000
4th Anniversary	700,000	100,000		100,000
Total	2,400,000	250,000	3,000,000	200,000

<u>These option agreements were terminated in February 2024.</u>

Of the above, 2,283,666 were originally held in escrow as part of the listing requirements. 1/10 of the escrow securities were to be released on the listing date, 1/6 of the remaining escrow securities 6 months after the listing date, 1/5 of the remaining escrow securities 12 months after the listing date, 1/4 of the remaining escrow securities 18 months after listing date, 1/3 of the remaining escrow securities 24 months after the listing date, 1/2 of the remaining escrow securities 30 months after listing date, and the remaining of the escrow securities 36 months after the listing date. A total of 342,550 shares were released from escrow in August 2024.

c. Warrants

In November 2024, in conjunction with the private placement financing of $510,000, the Corporation issued 10,200,000 purchase warrants exercisable at $0.075 with an expiry date of June 2026. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than $0.10 for a period of ten (10) consecutive trading days ("Accelerated Expiry"). The Corporation also issued 310,000 broker warrants exercisable at $0.075 subject to the Accelerated Expiry and 50,000 broker warrants exercisable at $0.14, both with an expiry date of June 2026.

In June 2023, the Corporation issued 1,300,000 purchase warrants exercisable into one common share at a price of $0.40 expiring June 2025. In July 2023, 2,682,700 purchase warrants expired unexercised.

Warrant details follow:

	Exercise Price	Expiry Date	Nine months ended January 31, 2025 #	Year ended April 30, 2024 #
Outstanding, beginning of period				
Purchase warrants	$0.18	July 2023	-	2,682,700
Purchase warrants	$0.16	Jun 2025	1,300,000	-
Purchase warrants	$0.40	Oct 2025	850,000	-
			2,150,000	2,682,700
Issued during the period				
Purchase warrants	$0.075	Jun 2026	10,200,000	-
Broker warrants	$0.075	Jun 2026	310,000	-
Broker warrants	$0.140	Jun 2026	50,000	-
Purchase warrants	$0.16	Jun 2025	-	1,300,000
Purchase warrants	$0.40	Oct 2025	-	850,000
			10,560,000	2,150,000
Expired during the period				
Purchase warrants	$0.18	July 2023	-	(2,682,700)
			-	(2,682,700)
Outstanding, end of period				
Purchase warrants	$0.075	Jun 2026	10,200,000	-
Broker warrants	$0.075	Jun 2026	310,000	-
Broker warrants	$0.140	Jun 2026	50,000	-
Purchase warrants	$0.40	Oct 2025	850,000	850,000
Purchase warrants	$0.16	Jun 2025	1,300,000	1,300,000
			12,710,000	**2,150,000**

d. Share-based payments

The Corporation offers a stock option plan for its officers, directors, employees and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Corporation and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. 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 Corporation receives the goods or services.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $39,942 using the Black Scholes valuation model. The weighted average grant date fair value was $0.08 per stock option.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $51,924 using the Black Scholes valuation model. The weighted average grant date fair value was $0.08 per stock option.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.075, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $79,995 using the Black Scholes valuation model. The weighted average grant date fair value was $0.05 per stock option.

In March 2023, the Corporation issued 1,000,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.10. The estimated fair value, with a five year term and immediate vesting, was $33,000 using the Black Scholes valuation model. The weighted average grant date fair value was $0.043 per stock option.

The outstanding stock option details follow:

	Nine months ended January 31, 2025		Year ended April 30, 2024	
	Weighted Average Exercise	**# Options**	Weighted Average Exercise	# Options
Outstanding, beginning of period	**$0.10**	**1,000,000**	-	-
Transactions during the period:				
Granted [1]	**0.08**	**2,750,000**	0.10	1,000,000
Expired [2]	**0.10**	**(450,000)**		
Outstanding, end of period	**$0.08**	**3,300,000**	$0.10	1,000,000
Weighted average remaining contractual life (years)	**4.46**		4.41	
Exercisable, end of period	**$0.08**	**3,300,000**	$0.10	1,000,000

(1) In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $39,942 using the Black Scholes valuation model. The weighted average grant date fair value was $0.08 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.77%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $51,924 using the Black Scholes valuation model. The weighted average grant date fair value was $0.08 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.71%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants to purchase common shares at an exercise price of $0.075, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was $79,995 using the Black Scholes valuation model. The weighted average grant date fair value was $0.05 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 360%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In March 2023, the Corporation issued 1,000,000 incentive stock options to officers, directors, and consultants at an exercise price of $0.10. The estimated fair value, with a five year term and immediate vesting, was $33,000 using the Black Scholes valuation model. The weighted average grant date fair value was $0.043 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 4.30%, term: 2 years, expected volatility: 276%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

(2) In Q3 2025, 450,000 stock options expired unexercised.

6. Related party transactions

The Corporation paid fees of $37,500 in YTD 2025 (YTD 2024: $Nil) to a new officer for President and CEO services provided to the Corporation under an ongoing consulting agreement. The Corporation paid fees of $67,919 in YTD 2025 (YTD 2024: $145,667) to a former officer for President and CEO services provided to the Corporation under a consulting agreement which ended in fiscal Q2 2025.

A total of 1,850,000 stock options were issued to current and former officers and current and new directors during the nine month period ended January 31, 2025 with an estimated fair value of $126,863, using the Black Scholes valuation model.

In September 2024, the Corporation issued 6,100,000 common shares (“Shares”) to settle $305,000 in debt at a deemed price of $0.05 per share. A total of 5,060,000 Shares were issued to the former CEO and 240,000 Shares to a director.

A director subscribed for $7,500 or 150,000 units of the private placement financing completed in November 2024.

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

7. Financial risks

The Corporation is exposed to various risks in relation to its financial instruments. The main types of risks the Corporation is exposed to are credit risk and liquidity risk.

The Corporation's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Corporation to sustain a financial loss.

The aggregate gross credit risk exposure at January 31, 2025 was $303,266 (April 30, 2024: $91,472), and was comprised of $258,621 (April 30, 2024: $19,621) in cash held with Canadian financial institutions with a “AA-“ credit rating, $nil (April 30, 2024: $71,851) in receivables, and $44,645 (April 30, 2024: $nil) in sales taxes recoverable.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Corporation's liabilities were $219,999 at January 31, 2025 (April 30, 2024: $579,989). The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.