Canter Resources

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended December 31, 2024

(Expressed in Canadian Dollars)

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated 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 independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditor.

The accompanying unaudited condensed consolidated condensed consolidated interim financial statements of Canter Resources Corp. for the six months ended December 31, 2024 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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(Expressed in Canadian Dollars)

As at	Note(s)	December 31, 2024 $	June 30, 2024 $
ASSETS			
Current assets			
Cash and cash equivalents	3	769,306	1,961,245
Amounts receivable		23,292	13,156
Prepaid expenses		20,843	54,016
		813,441	**2,028,417**
Non-current assets			
Deposit		-	23,328
Reclamation deposits	4	19,053	18,133
Exploration and evaluation assets	4	17,050,442	16,097,322
		17,069,495	**16,138,783**
TOTAL ASSETS		**17,882,936**	**18,167,200**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5, 7	122,171	156,638
TOTAL LIABILITIES		**122,171**	**156,638**
SHAREHOLDERS' EQUITY			
Common shares	6	20,806,872	20,664,372
Warrants reserve	6	98,084	98,084
Stock options reserve	6	28,677	28,677
Accumulated deficit		(3,355,522)	(2,802,940)
Accumulated other comprehensive loss		182,654	22,369
TOTAL SHAREHOLDERS' EQUITY		**17,760,765**	**18,010,562**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**17,882,936**	**18,167,200**

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These unaudited condensed consolidated interim financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Joness Lang Director **/s/ Eric Saderholm Director**

(Expressed in Canadian Dollars)

		For the three months ended		For the six months ended	
	Note(s)	December 31, 2024 $	December 31, 2023 $	December 31, 2024 $	December 31, 2023 $
Expenses					
Consulting fees	7	140,999	68,653	265,494	79,408
Foreign exchange gain (loss)		(11,433)	(12,246)	(1,490)	(12,246)
General and administrative expenses		15,998	705	34,135	8,960
Directors' fees	7	8,400	-	12,000	-
Professional fees	7	75,920	112,877	138,329	116,698
Share-based payments	6	-	21,547	-	32,383
Shareholder information and investor relations		37,424	161,553	81,040	161,553
Transfer agent, regulatory and filing fees		14,863	48,217	19,489	52,117
Travel		8,047	-	20,991	-
Total expenses		**(290,218)**	**(401,306)**	**(569,988)**	**(438,873)**
Other income					
Finance income		5,327	(370)	17,406	-
Total other expenses		**5,327**	**(370)**	**17,406**	**-**
Net loss		**(284,891)**	**(401,676)**	**(552,582)**	**(438,873)**
Other comprehensive loss					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		195,603	(22,042)	160,285	(22,042)
Total other comprehensive loss		**195,603**	**(22,042)**	**160,285**	**(22,042)**
Net loss and comprehensive loss		**(89,288)**	**(423,718)**	**(392,297)**	**(460,915)**
Basic and diluted loss per share for the period attributable to common shareholders ($ per common share)		**(0.00)**	**(0.02)**	**(0.01)**	**(0.02)**
Weighted average number of common shares outstanding - basic and diluted		**52,603,618**	**33,038,037**	**51,946,010**	**22,771,758**

Canter Resources Corp.
Condensed Consolidated Interim Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Note(s)	Common shares #	Common shares $	Share subscription received $	Warrants reserve $	Stock options reserve $	Accumulated deficit $	Accumulated other comprehensive loss $	TOTAL $
Balance as of June 30, 2024		**51,288,401**	**20,664,372**	**-**	**98,084**	**28,677**	**(2,802,940)**	**22,369**	**18,010,562**
Shares issued for exploration and evaluation assets	4, 6	2,200,000	142,500	-	-	-	-	-	**142,500**
Loss and comprehensive loss		-	-	-	-	-	(552,582)	160,285	**(392,297)**
Balance as of December 31, 2024		**53,488,401**	**20,806,872**	**-**	**98,084**	**28,677**	**(3,355,522)**	**182,654**	**17,760,765**

	Note(s)	Common shares #	Common shares $	Share subscription received $	Warrants reserve $	Stock options reserve $	Accumulated deficit $	Accumulated other comprehensive loss $	TOTAL $
Balance as of June 30, 2023		**11,972,000**	**607,927**	**-**	**-**	**-**	**(586,390)**	**-**	**21,537**
Shares issued for cash - private placement	5	18,671,400	4,427,700	-	-	-	-	-	**4,427,700**
Share issue costs	5	-	(132,621)	-	-	-	-	-	**(132,621)**
Fair value of finders' warrants	5	-	(94,686)	-	94,686	-	-	-	**-**
Share subscribed		-	-	42,500	-	-	-	-	**42,500**
Shares issued for acquisition	3	18,020,001	14,235,801	-	-	-	-	-	**14,235,801**
Share-based payments	5	-	-	-	-	32,383	-	-	**32,383**
Loss and comprehensive loss		-	-	-	-	-	(438,873)	(22,042)	**(460,915)**
Balance as of December 31, 2023		**48,663,401**	**19,044,121**	**42,500**	**94,686**	**32,383**	**(1,025,263)**	**(22,042)**	**18,166,385**

(Expressed in Canadian Dollars)

		For the six months ended	
	Note(s)	December 31, 2024 $	December 31, 2023 $
Cash flow from (used in)			
OPERATING ACTIVITIES			
Net loss		(552,582)	(438,873)
Share-based payments	6	-	32,383
Net changes in non-cash working capital items:			
Accounts receivable		(10,136)	2,531
Prepaid expenses		33,173	(67,793)
Deposits		23,328	23,328
Accounts payable and accrued liabilities		(31,369)	108,765
Cash flow used in operating activities		**(537,586)**	**(339,659)**
INVESTING ACTIVITIES			
Exploration and evaluation assets additions	4	(655,036)	(44,961)
Cash assumed on acquisition, less transaction costs		-	(170,054)
Cash flow used in investing activities		**(655,036)**	**(215,015)**
FINANCING ACTIVITIES			
Proceeds on issuance of common shares, net of cash share issue costs	6	-	4,295,079
Shares subscribed		-	42,500
Cash flow provided by financing activities		**-**	**4,337,579**
Effects of exchange rate changes on cash and cash equivalents		683	(15,608)
Increase (decrease) in cash and cash equivalents		**(1,191,939)**	**3,767,297**
Cash and cash equivalents, beginning of period		**1,961,245**	**4,279**
Cash and cash equivalents, end of period		**769,306**	**3,771,576**
Supplemental cash flow information			
Change in accounts payable and accrued liabilities related to exploration and evaluation assets		5,646	23,657
Fair value of finders' warrants	7	-	94,686
Shares issued for acquisition	3	-	14,235,801
Shares issued for exploration and evaluation assets	4, 6	142,500	-
Cash paid for income taxes		-	-
Cash paid for interest		-	-

1) CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Canter Resources Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on March 7, 2018. The Company is engaged in the exploration and evaluation of resource properties in Canada and United States.

The Company's corporate office and principal place of business is Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6. On December 31, 2021, the Company's common shares began trading on the Canadian Securities Exchange ("CSE") under the symbol CRC.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of exploration and evaluation assets in the United States (Note 4). The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether these assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and has an accumulated deficit of $3,355,522 as of December 31, 2024 (June 30, 2024 – $2,802,940), which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern. Such adjustments may be material.

These unaudited condensed consolidated interim financial statements of the Company for the six months ended December 31, 2024 were approved by the Board of Directors on February 28, 2025.

2) MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting.

Basis of preparation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2024.

New accounting standards and pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB that are mandatory for accounting periods beginning on or after July 1, 2024. The Company does not expect that any new or amended standards or interpretations that are effective for annual periods beginning on or after July 1, 2024 will have a significant impact on the Company's results of operations or financial position.

- *Disclosure of Accounting Policies*
  In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

- *Definition of Accounting Estimates (Amendment to IAS 8)*
  In February 2021, the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors.

- *Classification of Liabilities as Current or Non-Current*
  The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

There was no material impact upon adoption of the above accounting standards.

(Expressed in Canadian Dollars)

2) MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION

New accounting standards and pronouncements (continued)

- *IFRS 18 Presentation and Disclosure in the Financial Statements*
  In April 2024, the IASB issued a new IFRS accounting standard to improve the reporting of financial performance. IFRS 18 Presentation and Disclosure in the Financial Statements replaces IAS 1 Presentation of Financial Statements. The standards will become effective January 1, 2027, with early adoption permitted.

The Company is in the process of assessing the impact of these new standards on the Company's consolidated financial statements.

3) CASH AND CASH EQUIVALENTS

	December 31, 2024 $	June 30, 2024 $
Cash	159,274	231,738
Cash equivalents	610,032	1,729,507
	769,306	**1,961,245**

4) EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets

Project / Property	Balance as of June 30, 2024 $	Acquisition costs $	Staking fees $	Expenditures $	Effect of movements in exchange rate $	Balance as of December 31, 2024 $
Columbus Lithium-Boron	16,097,322	120,000	366,511	256,355	158,792	16,998,980
Railroad Valley Lithium-Boron	-	48,801	-	223	2,438	51,462
	16,097,322	**168,801**	**366,511**	**256,578**	**161,230**	**17,050,442**

Breakdown of the expenditures incurred by the Company on various projects during the six months ended December 31, 2024 are as follows:

	Columbus Lithium-Boron $	Railroad Valley Lithium-Boron $	TOTAL $
For the six months ended December 31, 2024			
Drilling	87,867	-	**87,867**
Equipment rental	1,806	-	**1,806**
Field	2,045	-	**2,045**
Field office administration	8,309	-	**8,309**
Geological	83,045	-	**83,045**
Geographic Information Systems (GIS), 3D modeling and mapping	26,693	-	**26,693**
Sample analysis	20,975	223	**21,198**
Travel	8,582	-	**8,582**
Technical studies	17,033	-	**17,033**
	256,355	**223**	**256,578**

(Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Breakdown of the expenditures incurred by the Company on various projects during the six months ended December 31, 2023 are as follows:

	Columbus Lithium-Boron $
Geological	48,370
Mapping	672
Sample analysis	2,133
Travel	8,460
	59,635

Columbus Lithium-Boron Property

The Company, through its wholly owned subsidiary, Altitude Lithium USA Corp. ("Altitude USA"), entered into an option agreement (the "CLB Agreement") to acquire a 100% interest in the Columbus Lithium-Boron Project, located in the Columbus Salt Marsh Basin, Esmeralda County, Nevada, USA. The CLB Agreement was executed by Altitude USA on November 9, 2023 (the "CLB Effective Date"). The CLB Agreement was subsequently amended on October 29, 2024 (the "Amended CLB Agreement").

Pursuant to the Amended CLB Agreement, the Company is required to make the following payments to the optionors of the Columbus Lithium-Boron Property (the "CLB Optionors") to acquire the 100% interest in the Columbus Lithium-Boron Project:

	Cash (US$)		Common Shares (#)	
Within 5 business days of the CLB Effective Date	160,000	(Paid prior to the AVC Acquisition)	-	
Within 60 days following the CLB Effective Date	-		1,750,000	(issued with fair value of $1,295,000 (Note 6))
Within 12 months of the CLB Effective Date	-		1,000,000	(issued with fair value of $65,000 (Note 6))
Within 18 months of the CLB Effective Date	-		1,000,000	
Within 30 months of the CLB Effective Date	250,000		-	
On or before the earlier of:				
36 months of the CLB Effective Date	600,000*		-*	
30 days after publishing the technical report for the Columbus Lithium-Boron Property prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects which includes a current resource estimate on the Columbus Lithium-Boron Property				

* $300,000 should be paid either by cash or 1,000,000 common shares at the election of the Company.

(Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Columbus Lithium-Boron Property (continued)

In addition, within 36 months following the CLB Effective Date, the Company is obligated to complete 2,500 feet of drilling and drill one hole to a depth of at least 1,500 feet (the "CLB Drilling Program"). Should the Company experience delays due to the review or issuance of necessary permits by any governmental authority, the duration of the CLB Drilling Program may be extended up to a maximum of 54 months from the CLB Effective Date.

As consideration for the CLB Agreement and Water Rights Appurtenance Agreement ("WRA Agreement") amendments, the Company issued 500,000 common shares with fair value of $35,000 to the CLB Optionors on November 6, 2024 (Note 6).

Furthermore, within 60 days of the CLB Effective Date, the Company is required to reimburse the CLB Optionors the annual mining claim maintenance fees of Columbus Lithium-Boron Property paid by the CLB Optionors since June 1, 2023, to the U.S. Department of the Interior Bureau of Land Management and documented payments of state mining claim fees paid to Esmeralda County, Nevada to keep the Columbus Lithium-Boron Property in good standing.

The CLB Optionors will retain a production royalty equal to 2.5% of the gross value from all mineral production from the Columbus Lithium-Boron Project, including any unpatented mining claims located in the applicable area of interest. Altitude may, within 36 months of the CLB Effective Date, repurchase 40% of the production royalty (representing 1.0% of the gross value) for a one-time payment of US$1,500,000.

Water Right Appurtenance Agreement

On November 27, 2023 (the "WRA Effective Date"), the Company, through its subsidiary Altitude USA, entered into a WRA Agreement to acquire a 100% interest in certain water rights permits applicable to the Columbus Lithium-Boron Property. The CLB Optionors are the owners of two applications to appropriate the waters of the State of Nevada filed with the Nevada Division of Water Resources (the "CLB Permits"). The WRA Agreement was subsequently amended on October 29, 2024 (the "Amended WRA Agreement").

Pursuant to the terms of the Amended WRA Agreement, the Company is required to make the following payments (the "WRA Payments") to the CLB Optionors to acquire the 100% interest in the CLB Permits:

	Cash (US$)		Common Shares (#)	
6 months after the WRA Effective Date	20,000	(paid)	300,000	(issued with fair value $82,500 (Note 6))
12 months after the WRA Effective Date	-		400,000	(issued with fair value of $20,000 (Note 6))
18 months after the WRA Effective Date	-		500,000	
24 months after the WRA Effective Date	30,000		-	
30 months after the WRA Effective Date	50,000		-	
36 months after the WRA Effective Date	-		600,000	
42 months after the WRA Effective Date	300,000		-	
Total	**400,000**		**1,800,000**	

The Company reserves the right to terminate the agreement at any time, without incurring any obligation to make further payments. On completion of the WRA Payments and exercising the option agreement, the CLB Optionors should convey the CLB Permits to the Company.

The Company has reclamation deposits of $19,053 (US$13,258) (June 30, 2024 – $18,133 (US$13,258)) as collateral on the Columbus Lithium-Boron Property.

(Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Railroad Valley Lithium-Boron Project

On September 12, 2024, the Company, through Altitude USA, completed the acquisition of the Railroad Valley Lithium-Boron Project located in Nye County, Nevada, from Ramp Metals USA Inc. ("RMUSA"), a subsidiary of Ramp Metals Inc. ("RMI"). To complete the acquisition, the Company incurred acquisition costs totaling $26,301 during the six months ended December 31, 2024.

On October 11, 2024, the Company issued 300,000 common shares with fair value of $22,500 to RMI pursuant to the agreement (Note 6).

Additionally, RMUSA will retain a 0.5% net smelter royalty (NSR), which the Company has the right to buy back for a one-time payment of $500,000 at any time.

Beaver Creek Property

The Beaver Creek Property is comprised of a series of lithium occurrences located in the town of Lincoln, Montana, USA. During the six months ended December 31, 2024, the Company decided to cease further exploration activities on the Beaver Creek Property. As a result, the Company recognized an impairment of $870,815 on the capitalized exploration and evaluation costs associated with the Beaver Creek Property for the year ended June 30, 2024.

5) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2024 $	June 30, 2024 $
Trade payables (Note 7)	62,171	77,591
Accrued liabilities	60,000	79,047
	122,171	**156,638**

6) SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

As of December 31, 2024, the Company had 53,488,401 common shares issued and outstanding (June 30, 2024 – 51,288,401) with a value of $20,806,872 (June 30, 2024 – $20,664,372).

During the six months ended December 31, 2024

- On October 11, 2024, the Company issued 300,000 common shares with fair value of $22,500 to RMI to complete the acquisition of the Railroad Valley Lithium-Boron Project (Note 4).
- As discussed in Note 4, as consideration for the amendment of the CLB and WRA Agreements, the Company issued 500,000 common shares with fair value of $35,000 to the CLB Optionors on November 6, 2024.
- On November 8, 2024, the Company issued 1,000,000 common shares with fair value of $65,000 pursuant to the Amended CLB Agreement (Note 4).
- On November 26, 2024, the Company issued 400,000 common shares with fair value of $20,000 pursuant to the Amended WRA Agreement (Note 4).

(Expressed in Canadian Dollars)

6) SHARE CAPITAL AND RESERVES (CONTINUED)

Issued share capital (continued)

During the six months ended December 31, 2023

- On September 27, 2023, the Company completed a non-brokered private placement of 12,270,000 common shares, which are subject to a lock-up period (see "Escrow Shares"), at a price of $0.10 for gross proceeds of $1,227,000. In connection with the private placement, the Company incurred share issuance costs of $12,607.

- As discussed in Note 3, on the AVC Acquisition Closing Date, the Company issued 18,020,001 common shares with a fair value of $14,235,801 to the shareholders of Altitude.

- On December 21, 2023, the Company completed a non-brokered private placement of 6,401,400 units at a price of $0.50 for gross proceeds of $3,200,700. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant entitles its holder to purchase one additional common share at an exercise price of $0.70 at any time prior to December 21, 2025.

  In connection with the private placement, the Company incurred the following transaction costs which were recorded as share issuance costs:

  - Paid cash of $96,460 as finders' fees;
  - Issued 192,920 finders warrants with fair value of $94,686; and
  - Paid cash of $23,554 for other expenses.

  The Company estimated the fair value of finders' warrants using the Black-Scholes options pricing model, assuming a risk-free interest rate of 3.97%, an expected life of 2 years, an expected volatility of 80% and an expected dividend yield of 0%. The finders' warrants entitle its holder to purchase one additional common share at an exercise price of $0.50 at any time prior to December 21, 2025.

Escrow Shares

On November 10, 2023, the Company entered into an amalgamation agreement (the "AVC Amalgamation Agreement") with Altitude Ventures Corp. ("Altitude") and 1447235 B.C. Ltd., a wholly owned subsidiary of the Company, to acquire all issued and outstanding common shares of Altitude by way of a three-cornered amalgamation (the "AVC Acquisition").

Pursuant to the AVC Amalgamation Agreement, 7,220,000 of the common shares issued for the AVC Acquisition are subject to a lock-up period and will be released as follows:

	# of shares
May 21, 2024	722,000 (released)
August 21, 2024	2,166,000 (released)
November 21, 2024	2,166,000 (released)
February 21, 2025	2,166,000 (released subsequent to December 31, 2024)
	7,220,000

(Expressed in Canadian Dollars)

6) SHARE CAPITAL AND RESERVES (CONTINUED)

Escrow Shares (continued)

In addition, pursuant to the AVC Amalgamation Agreement, the 12,270,000 common shares issued on September 27, 2023, are subject to a lock-up period and will be released as follows:

	# of shares
March 27, 2024	1,227,000 (released)
June 27, 2024	3,681,000 (released)
September 27, 2024	3,681,000 (released)
December 27, 2024	3,681,000 (released)
	12,270,000

Warrants

No warrants were issued, exercised, or expired during the six months ended December 31, 2024.

The following summarizes information about warrants outstanding as of December 31, 2024:

Expiry date	Exercise price ($)	Warrants outstanding	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
December 21, 2025	0.50	192,920	94,686	0.97
December 21, 2025 (1)	0.70	3,200,700	-	0.97
March 5, 2026	0.50	14,000	3,397	1.18
March 5, 2026 (1)	0.70	250,000	-	1.18
		3,657,620	**98,083**	**0.99**
Weighted average exercise price ($)		**0.69**		

(1) These are subject to acceleration in the event that the closing price of the common shares of the Company is greater than $0.95 for five consecutive trading days.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, in its discretion, and in accordance with the CSE requirements, grant to directors, officers, employees and consultants to the Company, nontransferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted, and that the options granted will have an exercise price of not less than market price and an expiry date of not more than ten years from the date of grant.

No options were issued, exercised, or expired during the six months ended December 31, 2024.

(Expressed in Canadian Dollars)

6) SHARE CAPITAL AND RESERVES (CONTINUED)

Stock options (continued)

During the six months ended December 31, 2023

- On September 8, 2023, the Company granted 580,000 options with an exercise price of $0.10 to its directors, officers, and consultants. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

- On September 27, 2023, the Company granted 75,000 options with an exercise price of $0.10 to a consultant. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

The estimated grant date fair value of the options granted during the six months ended December 31, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Number of options granted	655,000
Risk-free interest rate	4.07%
Expected annual volatility	98%
Expected life (in years)	5
Expected dividend yield	-
Grant date fair value per option ($)	0.05
Share price at grant date ($)	0.07

During the six months ended December 31, 2024 and 2023, the Company recognized share-based payments expense arising from stock options of $nil and $32,383, respectively.

The following summarizes information about stock options outstanding and exercisable as of December 31, 2024:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
September 8, 2028	0.10	505,000	505,000	24,955	3.69
September 27, 2028	0.10	75,000	75,000	3,722	3.74
		580,000	**580,000**	**28,677**	**3.70**
Weighted average exercise price ($)		**0.10**	**0.10**		

(Expressed in Canadian Dollars)

7) RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following table discloses the total compensation incurred to the Company's key management personnel during the six months ended December 31, 2024 and 2023:

	For the six months ended	
	December 31, 2024	December 31, 2023
	$	$
Joness Lang, CEO and Director (1)		
Consulting fees	120,000	20,000
Alnesh Mohan, CFO (2)		
Professional fees	78,000	20,800
Eric Saderholm, Director and Technical Advisor		
Consulting fees	-	5,254
Directors' fees	6,000	-
Share-based payments	-	3,706
	6,000	**8,960**
Ken Cunningham, Director and Technical Advisor		
Directors' fees	6,000	-
Warwick Smith, Director and Strategic Advisor (3)		
Consulting fees	58,000	-
Maximillian Whiffin, Director		
Share-based payments	-	3,706
Brian Goss, Director		
Share-based payments	-	3,706
Hani Zabaneh, former CEO and Director		
Consulting fees	-	13,000
Sarah Hundal, former CFO		
Consulting fees	-	9,000
Share-based payments	-	3,706
	-	**12,706**
TOTAL	**268,000**	**82,878**

(1) Paid to EBC Consulting Group Ltd. which is controlled by Mr. Lang.
(2) Paid to Quantum Advisory Partners LLP, an accounting firm in which Mr. Mohan is an incorporated partner. Fees were paid for provision of CFO, financial reporting, accounting support and transaction support services.
(3) Paid to Harbourside Consulting Ltd., which is controlled by Mr. Smith.

As of December 31, 2024, the balances due to the Company's directors and officer included in accounts payables were $48,525 (June 30, 2024 – $27,655) (Note 5). These amounts are unsecured, non-interest bearing and payable on demand.

(Expressed in Canadian Dollars)

8) SEGMENTED INFORMATION

The Company operates in one reportable segment being the exploration and evaluation of mineral properties. The Company's non-current assets are located are as follows:

	December 31, 2024	Canada	United States
	$	$	$
Non-current assets			
Reclamation deposits	19,053	-	19,053
Exploration and evaluation assets	17,050,442	-	17,050,442

	June 30, 2024	-	-
	$	$	$
Non-current assets			
Deposit	23,328	23,328	-
Reclamation deposits	18,133	-	18,133
Exploration and evaluation assets	16,097,322	-	16,097,322

9) CAPITAL MANAGEMENT

The Company defines its components of shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue business opportunities and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

The Company's investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. There have been no changes to the Company's approach to capital management at any time during the six months ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

10) FINANCIAL INSTRUMENTS

Fair value

Financial instruments are classified into one of the following categories: FVTPL, amortized cost and FVTOCI.

Set out below are the Company's financial assets and liabilities by category:

	December 31, 2024 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash and cash equivalents	769,306	769,306	-	-
Amounts receivable	23,292	-	23,292	-
Reclamation deposits	19,053	-	19,053	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable	(62,171)	-	(62,171)	-

	June 30, 2024 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash and cash equivalents	1,961,245	1,961,245	-	-
Amounts receivable	13,156	-	13,156	-
Deposit	23,328	-	23,328	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable	(77,591)	-	(77,591)	-

The carrying values of cash and cash equivalents, amounts receivable, deposits, and accounts payable approximate their fair values due to the relatively short period to maturity of those financial instruments. Reclamation deposits approximately their fair value due to their liquidity.

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1: Unadjusted quoted prices 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 that are not based on observable market data.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

As of December 31, 2024 and June 30, 2024, the financial instrument recorded at fair value on the statements of financial position is cash which is measured using Level 1 of the fair value hierarchy. As of December 31, 2024 and June 30, 2024, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 2 and 3 in the fair value hierarchy above.

10) FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and amounts receivable.

The Company's cash and cash equivalents are held at a large Canadian financial institution in interest bearing accounts.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk concentration with respect to these financial instruments is remote. Cash and cash equivalents based in Canada are accessible. The Company's amounts receivable balance does not represent significant credit exposure as it is principally due from the Government of Canada.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As of December 31, 2024, the Company maintained sufficient cash and cash equivalents totaling $769,306 to meet short-term business requirements. As of December 31, 2024, the Company had accounts payable and accrued liabilities amounting to $122,171, all of which are current. The Company's liquidity is assessed as high.

Market risk
The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk
The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash. The Company is not exposed to significant interest rate risk relating to its cash.

Foreign Currency risk
The Company is exposed to currency risk to the extent that monetary assets and liabilities denominated by the Company are not denominated in Canadian dollars ("$" or "CA$"). The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities are denominated in CA$ and United States dollars ("US$"); therefore, US$ accounts are subject to fluctuation against the CA$.

(Expressed in Canadian Dollars)

10) FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (continued)

Market risk (continued)

The Company's financial instruments were denominated as follows as at December 31, 2024:

	CA$	US$
Cash and cash equivalents	743,194	18,169
Reclamation deposits	-	13,258
Accounts payable and accrued liabilities	(109,570)	(8,768)
	633,624	**22,659**
Rate to convert to $1.00 CA$	1.00	1.44
Equivalent to CA$	**633,624**	**32,564**

Based on the net exposures as of December 31, 2024, and assuming all other variables remain constant, a 10% change in the CAD against the USD would change profit or loss by approximately $3,000.

Commodity 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 may be subject to risks associated with fluctuations in the market price of commodities. The Company is not exposed to significant other price risk.