PEGMATITE ONE LITHIUM AND GOLD CORP.

Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

Expressed in Canadian Dollars

(Unaudited – Prepared by Management)

NOTICE TO READER

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

The accompanying unaudited interim financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

PEGMATITE ONE LITHIUM AND GOLD CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	November 30, 2024	August 31, 2024
ASSETS		
Current assets		
Cash	$ 35,445	$ 37,795
Amounts recoverable	5,116	5,522
Marketable securities (Note 5)	22,976	32,941
Prepaid expenses	1,680	1,680
	65,217	77,938
Non-current assets		
Exploration and evaluation assets (Note 6)	425,005	425,005
	$ 490,222	$ 502,943
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 370,708	$ 326,084
Shareholders' equity		
Share capital (Note 7)	2,429,406	2,429,406
Reserves (Note 7)	363,096	363,096
Deficit	(2,672,988)	(2,615,643)
	119,514	176,859
	$ 490,222	$ 502,943

Nature and continuance of operations (Note 1)

Approved by the Board of Directors and authorized for issue on January 27, 2025:

"Ross Mitgang"	Director	*"Binyomin Posen"*	Director
Ross Mitgang		Binyomin Posen	

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

PEGMATITE ONE LITHIUM AND GOLD CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited – prepared by Management)

	Three months ended, November 30, 2024	Three months ended, November 30, 2023
EXPENSES		
Consulting fees (Note 8)	$ 3,000	$ 3,000
Filing and transfer agent fees	3,005	3,130
Management fees (Note 8)	24,000	24,000
Office and miscellaneous	1,875	5,140
Professional fees	15,500	27,210
Shareholder information	-	22,521
Travel and promotion	-	32,111
	(47,380)	(117,112)
Change in fair value of marketable securities (Note 5)	(9,965)	-
Loss and comprehensive loss for the period	$ (57,345)	$ (117,112)
Weighted average number of outstanding common shares – basic and diluted	35,465,129	35,318,501
Basic and diluted loss per common share	$ (0.00)	$ (0.00)

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

PEGMATITE ONE LITHIUM AND GOLD CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited – prepared by Management)

	Number of shares		Amount		Option Reserves		Warrant Reserves		Deficit		Total
Balance, August 31, 2023	35,318,501	$	2,424,406	$	184,215	$	178,881	$	(2,257,584)	$	529,918
Loss for the period	-		-		-		-		(117,112)		(117,112)
Balance, November 30, 2023	35,318,501		2,424,406		184,215		178,881		(2,374,696)		412,806
Shares issued for exploration and evaluation assets	146,628		5,000		-		-		-		5,000
Loss for the period	-		-		-		-		(240,947)		(240,947)
Balance, August 31, 2024	35,465,129		2,429,406		184,215		178,881		(2,615,643)		176,859
Loss for the period	-		-		-		-		(57,345)		(57,345)
Balance, November 30, 2024	35,465,129	$	2,429,406	$	184,215	$	178,881	$	(2,672,988)	$	119,514

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

PEGMATITE ONE LITHIUM AND GOLD CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)
Three months ended November 30,

	2024	2023
CASH FLOW USED IN OPERATING ACTIVITIES		
Loss for the period	$ (57,345)	$ (117,112)
Items not involving cash:		
Change in fair value of marketable securities	9,965	-
Changes in non-cash working capital items:		
Amounts recoverable	406	2,459
Prepaid expenses	-	17,096
Accounts payable and accrued liabilities	44,624	22,006
Net cash used in operating activities	(2,350)	(75,551)
CASH FLOW USED IN INVESTING ACTIVITIES		
Exploration and evaluation assets	-	(82,873)
Net cash used in investing activities	-	(82,873)
Change in cash during the period	(2,350)	(158,424)
Cash, beginning of period	37,795	258,111
Cash, end of period	$ 35,445	$ 99,687
Interest received	$ -	$ -
Interest paid	$ -	$ -
Exploration and evaluation assets included in accounts payable and accrued liabilities	$ 41,063	$ 94,156

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

1. Nature and continuance of operations

Pegmatite One Lithium and Gold Corp. (the “Company”) was incorporated on March 4, 2021 under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company’s registered office is Suite 250 – 750 West Pender Street, Vancouver, BC, V6C 2T7 and its corporate office and principal place of business is Suite 201 - 10 Wanless Avenue, Toronto, Ontario, Canada, M4N 1V6. On January 18, 2023, the Company changed its name from ‘Madi Minerals Ltd.’ to ‘Pegmatite One Lithium and Gold Corp.’ The Company is listed on the Canadian Securities Exchange (the “CSE”) under the trading symbol “PGA”

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As at November 30, 2024, the Company was in the exploration stage and had interests in properties in Canada.

Going concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence 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. The Company has sustained losses from operations and expects to incur further losses in the development of its business and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As at November 30, 2024 the Company had a working capital deficiency of $305,491 (August 31, 2024 – $248,146). Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. These material uncertainties may cast substantial doubt about the Company’s ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of preparation

The condensed interim consolidated financial statements were authorized for issue on January 27, 2025 by the directors of the Company.

Statement of compliance

The condensed interim consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these condensed interim financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

Basis of preparation

The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value. The financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary as at November 30, 2024. Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The condensed interim consolidated financial statements present the results of the Company and its subsidiary as if they formed a single entity. All inter-company transactions and balances between the companies are therefore eliminated in full.

The Company incorporated a wholly-owned subsidiary, 1000256194 Ontario Ltd., on July 12, 2022 in the Province of Ontario. This entity was later amalgamated with Casey Jones Lithium Inc. ("Casey") into one company, under the name 1000279021 Ontario Ltd., to acquire a mineral exploration property. The Company holds a 100% interest in 1000279021 Ontario Ltd. These condensed interim consolidated financial statements include the accounts of 1000279021 Ontario Ltd.

3. Significant accounting judgements and estimates

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses.

Significant accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statement are discussed below:

i) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

3. Significant accounting judgements and estimates (continued)

ii) Exploration and evaluation assets

The assessment of impairment indicators under IFRS 6, if any, of the exploration and evaluation assets requires significant judgment. The recovery amount of the exploration and evaluation assets requires significant estimate.

Significant accounting estimates

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. There are no significant accounting estimates at November 30, 2024 which impact the carrying value of assets and liabilities.

4. Material accounting policies

Foreign currency translation

The condensed interim consolidated financial statements are presented in Canadian dollars which are both the Company and the subsidiary’s functional and presentation currency. Transactions in foreign currencies are translated at rates in effect at the time of the transaction. Monetary assets and liabilities are translated at the exchange rate prevailing at the reporting date. Gains and losses are included in profit or loss.

Exploration and evaluation assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed in the period in which they are incurred.

Costs incurred to acquire the legal right to explore a property are capitalized. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized on a property-by-property basis. These direct expenditures include such costs as surveying costs, drilling costs, labor and contractor costs, materials used and licensing and permit fees.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property upon receipt when collection is assured.

Once the technical feasibility and commercial viability of extracting the mineral resource have been determined, the property is considered to be under development and is classified as development properties. The carrying value of exploration and evaluation assets is transferred to development properties after being tested for impairment.

Once commercial production has commenced all capitalized costs related to the property are transferred to producing properties and the costs of acquisition, exploration and development will be amortized over the life of the property based on estimated economic reserves.

4. Material accounting policies (continued)

Exploration and evaluation assets (continued)

Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in other income for the period. If a property is abandoned, the acquisition, deferred exploration and development costs will be written off to other expenses.

Currently, all mineral properties of the Company are at the exploration stage.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized; however, for corporate income tax purpose the Company has no right to claim these costs as tax deductible expenses.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge that changes in future conditions could require a material change in the recognized amount.

Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded as incurred.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

4. Material accounting policies (continued)

Changes in the measurement of a liability, which arises during production, are charged against profit or loss. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the equity financing agreement. Warrants that are part of units are valued using the residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When warrants are forfeited or are not exercised at the expiry date the amount previously recognized in equity remains in warrant reserves.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate exchange on the date the shares are issued.

Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

4. Material accounting policies (continued)

Flow-through shares and units

The Company has from time to time, issued flow-through common shares and units to finance its exploration program. Pursuant to the terms of the flow-through agreements, these shares and units transfer the tax deductibility of qualifying resource expenditures to investors. At the time of closing a financing involving flow-through units consisting of common shares and warrants, the Company allocates proceeds received as follows: i) share capital – the market trading price of the common shares, ii) flow-through share premium – equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and iii) warrant reserve – any excess.

Proceeds received from the issuance of flow-through shares must be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Canada Revenue Agency flow-through regulations. When applicable, this tax is accrued as a financial expense.

Earnings (loss) per share

Earnings (loss) per share is calculated on the basis of the weighted average number of common shares outstanding during the period. The Company follows the treasury share method to calculate the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Existing share options and share purchase warrants have not been included in the computation of diluted loss per share, as it would be anti-dilutive. For the period ended November 30, 2024, 2,100,000 (2023 – 2,100,000) options and 13,300,000 (2023 – 13,409,000) warrants were not included in the calculation of diluted earnings per share as their inclusion was anti-dilutive.

Share-based payments

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received, unless the fair value of the goods and services received cannot be reasonably measured, in which case they are measured using the fair value of the equity instruments issued. Expenses are recorded in profit or loss. Amounts related to the cost of issuing shares are recorded as a reduction of share capital. Amounts related to the issuance of shares for exploration and evaluation assets are capitalized in mineral interests on the statement of financial position.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by using a valuation model.

All equity-settled share-based payments are reflected in option reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in option reserves is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. If the options expire or are cancelled, the corresponding amount previously recorded remains in reserves.

4. Material accounting policies (continued)

Income taxes

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 financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income tax is recorded using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination at the time of the transaction affects neither accounting nor taxable profit or loss and the transaction does not give rise to equal taxable and deductible temporary differences. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

Financial instruments

Financial instruments classified at fair value through profit or loss ("FVTPL") are measured at fair value.

Financial instruments classified at amortized cost are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

A summary of the classification and measurement of the Company’s financial instruments is set out below.

	Classification
Financial Asset	
Cash	FVTPL
Marketable securities	FVTPL
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost

4. Material accounting policies (continued)

Adoption of new and future accounting standards, interpretations and amendments

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these condensed interim consolidated financial statements. The following accounting standards and amendments are effective for future periods.

i) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2024. The Company does not expect material impact upon adoption of these amendment.

ii) IFRS 18 Presentation and Disclosure in Financial Statements – IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit;
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement; and
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its financial statements.

The Company adopted the following accounting standards during the period ended November 30, 2024:

i) Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The implementation of these amendments reduced disclosures in the notes to the financial statements.

ii) Amendments to IAS 8 – Definition of Accounting Estimates
These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

There were no significant impact to the condensed interim consolidated financial statements as a result of the implementation of these amendments.

(Expressed in Canadian dollars)

5. Marketable securities

During the year ended August 31, 2024, the Company received 1,200,000 shares (valued at $34,808) of Thunderbird Resources Limited ("Thunderbird") (formerly Valor Resources Limited) for Frazer Lake-Mound Property (Note 6). During the period ended November 30, 2024, the Company recorded an unrealized loss of $9,965 (2023 - $Nil) from change in the fair value.

	Number of Thunderbird Common shares		Total
As of August 31, 2023	-	$	-
Addition	1,200,000		34,808
Change in fair value	-		(1,867)
As of August 31, 2024	1,200,000		32,941
Change in fair value			(9,965)
As of November 30, 2024	**1,200,000**	**$**	**22,976**

6. Exploration and evaluation assets

Georgina Property (British Columbia)

On March 29, 2021, the Company entered into an option agreement to acquire up to a 75% interest in a mining claim in the Nanaimo Mining Division, British Columbia.

During the period ended August 31, 2021, the Company acquired 51% interest in the property by issuance of 100,000 common shares and paid $5,000 in cash to the vendor.

The Company earned the remaining 24% of the total 75% interest by making the following payments as follows:

i) $10,000 on or before March 29, 2022 (paid);
ii) 100,000 common shares on or before the date that is six months from the date of the initial listing of the Company's shares on the CSE (issued at a value of $5,500); and
iii) exploration expenditures of $200,000 (incurred).

The property is subject to a net smelter royalty of 2% payable to the vendor.

The Company received $21,002 mining tax credits during the year ended August 31, 2024.

6. Exploration and evaluation assets (continued)

Morrison River Property (Ontario)

On August 8, 2022, the Company entered into an agreement to acquire a 100% interest in the Morrison River Property through the acquisition of 100% of the common shares of a privately held company that owns the property.

During the year ended August 31, 2022, the Company issued 12,000,000 common shares (issued at a value of $1,366,000); and paid other transaction costs of $24,379 related to acquiring the privately held company through amalgamation.

During the year ended August 31, 2023, the Company determined it would no longer explore the property which is an indicator of impairment under IFRS 6, resulting in an assessment of the property's recoverable amount. As such, the Company has written off the property in full, recognizing an impairment loss of $1,446,659 during the year ended August 31, 2023.

During the year ended August 31, 2024, the Company entered into a non-binding agreement with Thunderbird Resources Limited ("Thunderbird") (formerly Valor Resources Limited) whereby Thunderbird has an option to acquire a 100% interest in the property.

Effective March 20, 2024, Thunderbird consolidated its common shares on a 25:1 basis. All share and per share amounts in the condensed interim consolidated financial statements have been retroactively restated to reflect the share consolidation for Thunderbird.

Pursuant to the agreement, Thunderbird will acquire the property by paying total cash consideration of AUD$80,000 cash (or 800,000 ordinary shares in the capital of Thunderbird (each a "Thunderbird Share"), at Thunderbird's election) and 10,000,000 Thunderbird Shares, as follows:

i) AUD$20,000 cash or 200,000 Thunderbird Shares, at Thunderbird's election, on the earlier of:
   a) upon execution of a definitive agreement; or
   b) December 31, 2023, or extended to the date when the Company has completed their due diligence on Thunderbird.

ii) AUD$30,000 cash or 300,000 Thunderbird Shares, at Thunderbird's election, on the earlier of:
   a) upon commencement of on ground field-based exploration activities; or
   b) June 1, 2024.

iii) AUD$30,000 cash or 300,000 Thunderbird Shares on or before 3rd month anniversary from the commencement of on ground field-based exploration activities.

iv) 10,000,000 Thunderbird Shares on or before September 30, 2024, if Thunderbird elects to proceed with the acquisition of 100% interest.

The Company will be granted a 2% NSR for the property, which Thunderbird can repurchase for 1% for $2,250,000. The agreement contains customary representations, warranties and covenants including a termination fee to be paid by the Company to Thunderbird of up to AUD$100,000 upon various termination events.

The Company received $25,000 cash to tenure the property during the due diligence process.

On May 29, 2024, Thunderbird decided to suspend the acquisition of the property until further notice.

6. Exploration and evaluation assets (continued)

Frazer Lake-Mound Property (Ontario)

On June 28, 2023, and amended on December 4, 2023, the Company entered into an option agreement to acquire a 100% interest in the Frazer Lake-Mound Property, Ontario, Canada.

Pursuant to the agreement, the Company will acquire 100% interest in the property by paying the following considerations:

i) $1 on June 28, 2023 (paid); and
ii) $25,000 on or before August 8, 2026 (paid).
iii) Issue 7,000,000 warrants on or before July 5, 2023 (issued at a fair value of $171,000). Each warrant will entitle the holder to acquire one common share of the Company at a price of $0.05 until June 28, 2025.
iv) Issue 2,000,000 common shares on or before August 8, 2026.

The Company will grant the optionor a royalty of 2.0% of net smelter returns from minerals mined and removed from the property, of which the Company may purchase 1.0% at any time by paying a total of $1,500,000 to the optionor.

On August 8, 2023 and amended on August 14, 2023 and again on December 4, 2023, the Company entered into an agreement to acquire a 100% interest to an additional 383 mining claims in the vicinity of the Frazer Lake-Mound Property in northwestern Ontario, Canada.

Pursuant to the agreement, the Company will acquire 100% interest in the claims by making the payments as follows:

i) $25,000 on or before August 8, 2026; and
ii) issuance of 3,200,000 common shares on or before August 8, 2026.

The Company will grant the optionor a royalty of 2.0% of net smelter returns from minerals mined and removed from the property, of which the Company may purchase 1.0% at any time by paying a total of $750,000 to the optionor.

On February 10, 2024, the Company entered into a definitive agreement with Thunderbird whereby Thunderbird has an option to acquire a 100% interest in the property.

Effective March 20, 2024, Thunderbird consolidated its common shares on a 25:1 basis. All share and per share amounts in the condensed interim consolidated financial statements have been retroactively restated to reflect the share consolidation for Thunderbird.

Pursuant to the agreement, Thunderbird will acquire the property for total cash consideration of AUD$320,000 cash and 40,000,000 Thunderbird Shares, as follows:

i) firm commitment of AUD$80,000 cash on February 10, 2024 (received at a value of $70,222).

ii) firm commitment of AUD$120,000 cash or 1,200,000 Thunderbird Shares, at Thunderbird's election (1,200,000 Thunderbird Shares received at a value of $34,808), on the earlier of:
    a) Upon commencement of on ground field-based exploration activities; or
    b) June 1, 2024.

iii) AUD$120,000 cash or 1,200,000 Thunderbird Shares on or before 3rd month anniversary from the commencement of on ground field-based exploration activities.

(Expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)

Frazer Lake-Mound Property (Ontario) (continued)

iv) 40,000,000 Thunderbird Shares on or before on or before September 30, 2024, if Thunderbird elects to proceed with the acquisition of 100% interest.

The Company will be granted a 2% NSR for the property.

The Company received $25,000 cash to tenure the property during the due diligence process.

The agreement contains customary representations, warranties and covenants including a termination fee to be paid by the Company to Thunderbird of up to AUD$400,000 upon various termination events.

Dort Property (British Columbia)

On April 18, 2024, the Company entered into an option agreement to acquire a 100% interest in the Dort Property, British Columbia, Canada.

Pursuant to the agreement, the Company will acquire 100% interest in the property by paying the following considerations:

i) $5,000 in common shares on or before April 28, 2024 (146,628 common shares issued);
ii) $45,000 in common shares on or before April 18, 2025; and
iii) $25,000 in common shares prior to the commencement of any form of a drill program on the property.

The Company will grant the optionor a royalty of 2.5% of net smelter returns from minerals mined and removed from the property, of which the Company may purchase 2/5 of the royalty or 1.0% at any time by paying a total of $1,000,000 to the optionor.

A summary of the Company's exploration and evaluation assets is as follows:

		Georgina Property		Frazer Lake-Mound Property		Dort Property		Total
Balance, August 31, 2023	**$**	**230,627**	**$**	**269,732**	$	**-**	**$**	**500,359**
Acquisition costs:								
Cash		-		25,000		-		25,000
Issuance of shares		-		-		5,000		5,000
		-		25,000		5,000		30,000
Exploration costs:								
Assays and testing		3,610		37,017		-		40,627
Geological consulting		-		1,700		463		2,163
Field supplies		-		2,888		-		2,888
Cost recovery		(21,002)		(130,030)		-		(151,032)
		(17,392)		(88,425)		463		(105,354)
Balance, August 31, 2024 and November 30, 2024	**$**	**213,235**	**$**	**206,307**	**$**	**5,463**	**$**	**425,005**

(Expressed in Canadian dollars)

7. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Shares held in escrow

850,001 common shares issued on March 10, 2022 are subject to escrow provisions. As at November 30, 2024, 127,500 common shares (August 31, 2024 – 255,000) remain in escrow. The remaining shares held in escrow will be released over a period of 12 months.

Issuances

Period ended November 30, 2024:

The Company has no share activity.

Year ended August 31, 2024

On April 23, 2024, the Company issued 146,628 common shares with a fair value of $5,000 for acquisition of the Dort Property (Note 6).

Stock options

The Company adopted a stock option plan to grant options to individuals exercisable up to 10 years from the date of grant to purchase shares at the market price, less applicable discount, if any. Such grants not to exceed an aggregate of 10% of the issued and outstanding shares and vesting periods will be determined by the Board of Directors.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate. The pricing models adopted by management do not necessarily provide a consistent single measure of the fair value of the Company's share options and other share-based transactions.

Period ended November 30, 2024 and Year ended August 31, 2024

The Company did not grant any stock options during the period ended November 30, 2024 and year ended August 31, 2024.

A summary of change in stock options is as follows:

	Number of Options	Weighted average exercise price
Balance, August 31, 2023	2,100,000	$ 0.07
Granted	-	-
Balance, August 31, 2024 and November 30, 2024	2,100,000	$ 0.07

As at November 30, 2024, the Company's options had a weighted average remaining life of 1.13 years (2023 – 2.13 years).

(Expressed in Canadian dollars)

7. Share capital (continued)

Stock options (continued)

Details of options outstanding as at November 30, 2024 are as follows:

Number of Options	Exercise Price	Expiry date	Exercisable
1,250,000	$0.065	April 4, 2025	1,250,000
150,000	$0.10	May 4, 2025	150,000
200,000	$0.135	August 18, 2025	200,000
500,000	$0.055	December 12, 2027	500,000
2,100,000			2,100,000

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

	November 30, 2024	August 31, 2024
Risk-free interest rate	-	3.61%
Exercise price	-	$0.062
Expected life of options	-	2.86 years
Expected annualized volatility	-	162%
Expected dividend rate	-	-

Volatility is determined based on comparable publicly listed entities.

Warrants

Period ended November 30, 2024 and Year ended August 31, 2024

The Company did not grant any warrants during the period ended November 30, 2024 and year ended August 31, 2024.

A summary of change in warrants is as follows:

	Number of Warrants	Weighted average exercise price
Balance, August 31, 2023	13,300,000	$ 0.07
Granted	-	-
Balance, August 31, 2024 and November 30, 2024	13,300,000	$ 0.07

As at November 30, 2024, the Company's warrants had a weighted average remaining life of 0.81 years (2023 – 1.82 years).

(Expressed in Canadian dollars)

7. Share capital (continued)

Warrants (continued)

Details of warrants outstanding as at November 30, 2024 are as follows:

Number of Warrants	Exercise Price	Expiry date
7,000,000	$0.05	June 28, 2025
6,300,000	$0.10	December 19, 2025
13,300,000		

The following weighted average assumptions were used for the Black-Scholes valuation of warrants granted:

	November 30, 2024	**August 31, 2024**
Risk-free interest rate	-	4.47%
Exercise price	-	$0.05
Expected life of options	-	2.00 years
Expected annualized volatility	-	158%
Expected dividend rate	-	-

Volatility is determined based on comparable publicly listed entities.

8. Related party transactions

Key management compensation

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 consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel made during the year is as follows:

	Three months ended November 30, 2024	Three months ended November 30, 2023
Consulting fees	$ 3,000	$ 3,000
Management fees	24,000	24,000
Total	**$ 27,000**	**$ 27,000**

During the period ended November 30, 2024, the Company:

i) paid or accrued management fees of $24,000 (2023 - $ 24,000) to the CEO of the Company.

ii) paid or accrued consulting fees of $3,000 (2023 - $3,000) to the CFO of the Company.

As at November 30, 2024, due to related parties amounted to $139,850 (August 31, 2024 – $111,500) included in accounts payable and accrued liabilities on the statements of financial position. These amounts are unsecured, non-interest bearing, and have no fixed terms of repayment.

9. Capital management

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its mineral properties; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk. The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash and cash equivalents and receivables. The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the period ended November 30, 2024.

10. Financial instruments and risks

The Company's financial instruments are comprised of cash, marketable securities and accounts payable and accrued liabilities. The carrying value of accounts payable and accrued liabilities as presented in the statements of financial position is a reasonable estimate of its fair value given its short term to maturity.

Financial assets and liabilities measured at fair value on a recurring basis are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value financial assets and liabilities are described below. There were no transfers between levels of the fair value hierarchy during the year.

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Cash and marketable securities are valued using quoted market prices in active markets. Accordingly, it is included in Level 1 of the fair value hierarchy.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices.

Financial Instrument Risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, price risk, liquidity risk and currency risk.

10. Financial instruments and risks (continued)

a) Credit risk

The Company is exposed to credit concentration risk by holding cash. This risk is minimized by holding the investments in large Canadian financial institutions.

b) Interest rate risk

The Company is exposed to minimal interest rate risk. Fluctuations in market interest rates do not have a significant impact on the Company's operations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company's financial instruments include marketable securities which are publicly traded and therefore subject to the risks related to the fluctuation in market prices of publicly traded securities. Some of these investments have been acquired as a result of property transactions and, to a large extent, represent strategic investments in related mining companies and their properties. The Company closely monitors market values to determine the most appropriate course of action.

d) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. As at November 30, 2024, the Company manages this risk by monitoring its working capital to ensure its expenditures will not exceed available resources. As at November 30, 2024, the Company had cash of $35,445 (August 31, 2024 – $37,795) and a working capital deficiency of $305,491 (August 31, 2024 – $248,146). The Company may not be able to settle accounts payable and accrued liabilities of $370,708 (August 31, 2024 - $326,084). The Company will require financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term business requirements. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

e) Currency risk

Currency risk is the risk from fluctuations in foreign exchange rates and the degree of volatility of these rates. At November 30, 2024, the Company held investment traded on the Australian Securities Exchange, subject to foreign currency fluctuations which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Australian dollar. The Company does not have a formal policy to manage risk; however, management actively monitors movement in foreign currency and forecasts foreign currency payments. Foreign exchange risk is mitigated by the offset of assets against liabilities.