Hawthorn Resources Corp.

Condensed Interim Financial Statements
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

For the six months ended January 31, 2025

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 interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Hawthorn Resources Corp.
Condensed Interim Statement of Financial Position
(Expressed in Canadian dollars - Unaudited)

As at		January 31, 2025		July 31, 2024
ASSETS				
Current				
Cash	$	263,918	$	11,613
Receivables and prepaids (Note 3)		7,026		-
		270,944		11,613
Exploration and evaluation asset (Note 4)		129,500		69,500
	$	400,444	$	81,113
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)				
Current				
Accounts payable and accrued liabilities (Note 6)	$	42,011	$	122,787
Shareholders' equity (deficiency)				
Share capital (Note 5)		1,132,340		665,016
Reserves (Note 5)		48,294		18,804
Deficit		(822,201)		(725,494)
		358,433		(41,674)
	$	400,444	$	81,113

Nature and continuance of operations (Note 1)
Subsequent event (Note 11)

Approved on Behalf of the Board on March 28, 2025

"Daniel Joyce"
Daniel Joyce - Director

"Samantha Shorter"
Samantha Shorter - Director

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

Hawthorn Resources Corp.
Condensed Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian dollars - Unaudited)

	For the three months ended January 31, 2025	For the three months ended January 31, 2024	For the six months ended January 31, 2025	For the six months ended January 31, 2024
EXPENSES				
Exploration expenses (Note 4)	$ -	$ 48,076	$ -	$ 100,310
Management fees (Note 6)	15,000	8,000	15,000	20,000
Office and rent	785	2,776	1,270	5,964
Professional fees (Note 6)	21,668	6,313	35,063	32,276
Share-based compensation (Note 5, 6)	29,490	-	29,490	-
Transfer agent, listing and filing fees	6,271	5,997	15,884	10,675
Loss and comprehensive loss for the period	$ (73,214)	$ (71,162)	$ (96,707)	$ (169,225)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	20,730,330	15,860,000	18,382,404	15,860,000

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

Hawthorn Resources Corp.
Condensed Interim Statement of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, July 31, 2023	15,860,000	$ 655,016	$ 18,804	$ (524,408)	$ 149,412
Loss for the period	-	-	-	(169,225)	(169,225)
Balance, January 31, 2024	15,860,000	655,016	18,804	(693,633)	(19,813)
Shares issued as property acquisition costs	200,000	10,000	-	-	10,000
Loss for the period	-	-	-	(31,861)	(31,861)
Balance, July 31, 2024	16,060,000	665,016	18,804	(725,494)	(41,674)
Private placement	5,000,000	500,000	-	-	500,000
Share issuance costs	-	(32,676)	-	-	(32,676)
Share-based payments	-	-	29,490	-	29,490
Loss for the period	-	-	-	(96,707)	(96,707)
Balance, January 31, 2025	21,060,000	$ 1,132,340	$ 48,294	$ (822,201)	$ 358,433

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

Hawthorn Resources Corp.
Condensed Interim Statement of Cash Flows
(Expressed in Canadian dollars - Unaudited)

For the six months ended January 31,		2025		2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(96,707)	$	(169,225)
Items not involving cash:				
Share-based payments		29,490		-
Changes in non-cash working capital items:				
Receivables and prepaid expenses		(7,026)		(6,854)
Accounts payable and accrued liabilities		(90,652)		122,734
Net cash used in operating activities		(164,895)		(53,345)
CASH FLOWS FROM INVESTING ACTIVITY				
Exploration and evaluation assets		(60,000)		-
Net cash used in investing activity		(60,000)		-
CASH FLOWS FROM FINANCING ACTIVITIES				
Private placement		500,000		-
Share issuance costs		(22,800)		-
Net cash provided by financing activities		477,200		-
Change in cash for the period		252,305		(53,345)
Cash, beginning of period		11,613		136,768
Cash, end of period	$	263,918	$	83,423

Note 9 – Supplemental disclosures with respect to cash flows.

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

1 NATURE AND CONTINUANCE OF OPERATIONS

Hawthorn Resources Corp., (the "Company") was incorporated under the Business Corporations Act (British Columbia) ("BCBCA") on September 8, 2020.

The address of its head office is located at Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3. The Company's registered and records office is Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3.

The Company's shares commended trading on the Canadian Securities Exchange (the "CSE") on February 22, 2023, under the symbol HWTN.

These condensed interim financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The Company has incurred losses since inception and has an accumulated deficit of $822,201. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2 BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IFRS and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").

This condensed 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 audited financial statements of the Company for the years ended July 31, 2024 and 2023.

Basis of presentation

The condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Use of judgments and estimates

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

(Expressed in Canadian dollars)

2 BASIS OF PREPARATION (cont'd…)

Use of judgments and Estimates (cont'd…)

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

The key areas of judgment applied in the preparation of the condensed interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Going concern

  The assessment of the Company's ability to continue as a going concern and to raise additional funding to cover its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

- Valuation of exploration and evaluation assets

  The recognition of exploration and evaluation assets requires judgment regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

3 RECEIVABLES AND PREPAID EXPENSES

	January 31, 2025	July 31, 2024
GST receivable	$ 4,008	$ -
Prepaid expenses	3,018	-
	$ 7,026	$ -

4 EXPLORATION AND EVALUATION ASSETS

Broken Handle Property

The Company entered into an option agreement (the "**Broken Handle Agreement**") with Origen Resources Inc. (the "**Optionor**") on December 15, 2020, as subsequently amended, to acquire a 75% right, title and interest (the "**Acquired Interest**") to certain claims (the "**Broken Handle Project**") subject to a 1.5% net smelter return ("**NSR**") royalty on the Acquired Interest (the "**Optionor 1.5% NSR**").

(Expressed in Canadian dollars)

4 EXPLORATION AND EVALUATION ASSETS (cont'd…)

Broken Handle Property (cont'd…)

i. $25,000 and issuing 150,000 shares within 15 days of acceptance of the National Instrument ("NI") 43-101 report by a recognised Canadian Stock Exchange and approval to list the shares to trade ("Exchange Approval Date")(paid and issued with a fair value of $19,500);

ii. Issuing 200,000 shares on or before February 22, 2024 (issued with a fair value of $10,000);

iii. $10,000 on or before October 22, 2024 (paid);

iv. $50,000 on or before November 15, 2024 (paid);

v. $43,000 on or before February 22, 2025 (paid subsequent to period end);

vi. $40,000 and issuing 150,000 shares on or before August 22, 2025; and

vii. $80,000 and issuing 150,000 shares on or before August 22, 2026.

b) incurring $530,000 in exploration expenditures as follows:

i. $100,000 on or before February 22, 2024 (completed);

ii. $400,000 on or before August 22, 2026; and

iii. $30,000 of additional exploration expenditures are required to be spent by October 1, 2025 to enable the claims comprising the property to be in good standing with respect to government required exploration work for a further year.

The Company will have the right to purchase from Origen 1% of the Optionor 1.5% NSR within one year of commencement of commercial production, at a cost of $1,000,000.

The Broken Handle Project is also subject to a 1% NSR ("**1% NSR")** payable to an arm's-length private company.

	Broken Handle Project
Acquisition costs, July 31, 2023	$ 59,500
Additions – shares	10,000
Acquisition costs, July 31, 2024	69,500
Additions – cash	60,000
Acquisition costs, January 31, 2025	$ 129,500

(Expressed in Canadian dollars)

4 EXPLORATION AND EVALUATION ASSETS (cont'd…)

Broken Handle Property (cont'd…)

During the six months ended January 31, 2025 and 2024, the Company incurred the following exploration expenses:

	January 31, 2025	January 31, 2024
Assaying	$ -	$ 36,387
Camp costs	-	5,296
Communication	-	3,699
Field equipment rental	-	4,305
Field supplies	-	1,068
Geological consulting	-	46,781
Mobilization/demobilization	-	1,127
Vehicle rental	-	1,647
	$ -	$ 100,310

5 SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the six-month period ended January 31, 2025, the Company closed a non-brokered private placement financing and issued 5,000,000 common shares at a price of $0.10 per common share for aggregate gross proceeds of $500,000. The Company paid $22,800 as finders' fees and recorded $9,876 in other share issuance costs through accounts payable.

During the year ended July 31, 2024, the Company issued 200,000 common shares with a fair value of $10,000 as property acquisition costs (Note 4).

(c) Escrowed shares

As at January 31, 2025, the Company had 1,116,000 common shares subject to escrow release restrictions based on time such that 372,000 shares will be released on February 22, 2025 and every 6 months thereafter.

(d) Stock options and agent options

The Company has adopted an incentive stock option plan, which provides that the Company may grant to directors, officers, employees and technical consultants to the Company, non-transferable 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. Vesting of stock options is at the discretion of the Board of Directors.

During the six-month period ended January 31, 2025, the Company granted 300,000 stock options (2024 – nil) at an exercise price of $0.13 (2024 - $nil) per stock option to an officer of the Company. All stock options vested upon grant and expire five years after the grant date. During the six-month period ended January 31, 2025, the Company recognized $29,490 (2024 - $nil) in share-based compensation in the statement of loss and comprehensive loss related to the stock options. This amount was also recorded as reserves on the statement of financial position.

(Expressed in Canadian dollars)

5 SHARE CAPITAL (cont'd…)

(d) Stock options and agent options (cont'd…)

The following weighted average assumptions were used for the valuation of stock options:

	January 31, 2025
Risk-free interest rate	3.08%
Expected life of options	5 years
Annualized volatility	100.00%
Dividend rate	0.00%
Forfeiture rate	0.00%

The following is a summary of the Company's stock options and agent options activity:

	Stock options			Agent options		
	Number		Weighted Average Exercise Price	Number		Weighted Average Exercise Price
Balance, July 31, 2023 and 2024	-	$	-	350,000	$	0.10
Granted	300,000		0.13	-		-
Balance, January 31, 2025	300,000		0.13	350,000		0.10
Outstanding, January 31, 2025	300,000	$	0.13	350,000	$	0.10
Exercisable, January 31, 2025	300,000	$	0.13	350,000	$	0.10

As of January 31, 2025, the Company has stock options and agent options outstanding and exercisable to acquire common shares of the Company as follows:

	Expiry date	Exercise Price $	Remaining life (years)	Number of options outstanding	Number of options exercisable
Stock Options					
	November 28, 2029	0.13	4.83	300,000	300,000
Agent Options					
	February 23, 2025*	0.10	0.06	350,000	350,000

*Subsequent to the period ended January 31, 2025, 345,500 agent options were exercised for gross proceeds of $34,550. The remaining 4,500 agent options expired unexercised.

(Expressed in Canadian dollars)

6 RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer and President.

During the six-month period ended January 31, 2025, the Company entered into the following transactions with related parties, not disclosed elsewhere in these condensed interim financial statements:

	January 31, 2025	January 31, 2024
Professional fees	$ 9,000	$ 9,000
Management fees	15,000	-
Share-based compensation	29,490	-
	$ 53,490	$ 9,000

As at January 31, 2025, $4,725 (July 31, 2024 - $18,900) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses. As at January 31, 2025, $3,000 (July 31, 2024 - $nil) was included in receivables and prepaids owed from an officer of the Company in relation to management fees paid in advance.

7 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in a major Canadian bank.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at January 31, 2025, the Company had a working capital of $228,933 (July 31, 2024 – deficiency of $111,174). The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. As at January 31, 2025, the Company maintained all of its cash balance on deposit with a major Canadian bank. The Company does not have interest-bearing debt and does not rely on interest income for its operational forecast.

Foreign currency risk

The Company may at times be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at January 31, 2025, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

7 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Financial instruments (cont'd…)

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

8 CAPITAL MANAGEMENT

The Company's capital management objective is to maintain financial capacity that is strong to sustain the future development of the business.

The Company's capital structure includes shareholders' equity. The Company manages its capital structure to maximize its financial flexibility to adjust to changes in economic conditions. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's management of capital for the period ended January 31, 2025.

9 SUPPLEMENT DISCLOSURES WITH RESPECT TO CASH FLOWS

The Company did not have significant non-cash transactions during the periods ended January 31, 2025 and January 31, 2024.

10 SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and evaluation of resource properties in British Columbia, as described in Note 4.

11 SUBSEQUENT EVENT

Subsequent to the six-month period ended January 31, 2025, the Company entered into a binding letter agreement (the "Letter Agreement") with Stampede Metals Ltd., a private Australian company, ("Australia Corp") to acquire (the "Acquisition") its wholly-owned subsidiary, Stampede Metals Corporation, a private Nevada, USA Corporation ("Nevada Corp"). Nevada Corp has the rights to the Prince Silver and Stampede Gap projects in southeastern Nevada.

The Company has agreed to acquire 100% interest in the issued and outstanding shares of Nevada Corp. from the shareholders of Australia Corp under the following terms:

Consolidation: the Company will conduct a share consolidation of all its issued and outstanding share capital at a ratio of 0.75 new shares to 1 existing share.

Consideration Shares: In consideration of acquiring all of the issued and outstanding common shares of Nevada Corp, the Company will issue 15,000,000 common shares (the "Consideration Shares") to the benefit of Australia Corp shareholders at a deemed price of $0.27 per Consideration Share. The Consideration Shares will be subject to voluntary restricting re-sale for a period of one year from the date (the "Closing Date") of the closing of the Acquisition (the "Closing").

11 SUBSEQUENT EVENTS (cont'd…)

Prince Project Milestone Shares: the Company will allot an additional 8,500,000 shares (the "Prince Milestone Shares") to Australia Corp shareholders to be issued upon the publication of a NI 43-101 technical report for the Prince Silver project demonstrating aggregate inferred, measured and indicated resources containing a minimum of 100 million ounces of silver equivalent (the "Prince Project Milestone"). Should the Prince Project Milestone not be achieved within four years from the Closing Date, the allotment will expire.

The Company will have the option to accelerate the issuance of Prince Milestone Shares within one year of the Closing Date by issuing instead 6,800,000 common shares to the Australia Corp Shareholders, representing a 20% reduction to the 8,500,000 Prince Milestone Shares.

In connection with the Acquisition, the Company will conduct a private placement of subscription receipts for minimum aggregate proceeds of $3,500,000 up to maximum aggregate proceeds of $4,000,000 at a price of $0.27 per subscription receipt. In connection with closing of the Acquisition, each subscription receipt will automatically convert into one unit, where each unit will consist of one common share and one-half of a share purchase warrant with each whole warrant exercisable into one common share at $0.40 per share for a period of eighteen months, provided that if the closing price of the Company's common shares on the CSE is equal to or greater that $0.60 for a period of 10 consecutive trading days, the Company will have the right, for a period of 15 business days, to accelerate the expiry date of the warrants upon notice given by press release and the warrants will thereafter expire on the 30th calendar day after the date of such press release (the "Initial Private Placement").

The Company has determined that it intends to pay finders fees to certain arm's length parties consisting of cash fees equal to 7% of the of the aggregate subscription proceeds, and finder's warrants equal to 7% of the number of subscription receipts issued. Each finder's warrant will be exercisable to acquire one post 0.75:1 consolidation common share of the Company at a price of $0.40 per share for a period of 18 months.

In connection with the closing of the Acquisition, the Company intends to issue an aggregate of 370,000 common shares as finder's shares, at a deemed price of $0.27 per share to an arm's length party. The final structure of the Transaction will be determined by the parties, based upon tax, securities and corporate law considerations, and will be governed by the terms of a definitive agreement governing the Transaction (the "Definitive Agreement") containing warranties, covenants, conditions, and agreements customary for transactions of the nature and magnitude of the Acquisition.

Completion of the proposed Acquisition is subject to a number of conditions, including, but not limited to, negotiation of a Definitive Agreement, completion by parties of satisfactory due diligence, finalization of the terms of the Initial Private Placement, satisfaction by the parties of all applicable filing requirements pursuant to the policies of the CSE, and acceptance and receipt of all applicable regulatory, corporate and shareholder approvals, including the approval of the CSE.