Starlo Ventures Ltd.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2024 and 2023

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Starlo Ventures Ltd.

Opinion

We have audited the consolidated financial statements of Starlo Ventures Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information. (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company incurred a net loss of $59,167 during the year ended December 31, 2024 and, as of that date, the Company had an accumulated deficit of $478,937. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

April 24, 2025

STARLO VENTURES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023
(Expressed in Canadian dollars)

	Note	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash		$ 10,042	$ 57,019
GST receivable		8,818	22,365
Total current assets		18,860	79,384
Non-current assets			
Exploration and evaluation asset	4	2,451	2,451
Total assets		$ 21,311	$ 81,835
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	$ 18,079	19,436
Total liabilities		18,079	19,436
SHAREHOLDERS' EQUITY			
Share capital	5(b)	392,109	392,109
Stock option reserve	5(c)	43,685	43,685
Warrant reserve	6	46,375	46,375
Deficit		(478,937)	(419,770)
Total shareholders' equity		3,232	62,399
Total liabilities and shareholders' equity		$ 21,311	$ 81,835

Nature of operations and going concern (Note 1)
Subsequent event note (Note 13)

Approved by the Board of Directors on April 24, 2025

"Craig Rollins"
Director

"Christopher Cooper"
Director

STARLO VENTURES LTD.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian dollars)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
Expenses			
Exploration expenses	4, 5	$ -	$ 50,272
General and administrative		23,330	50,818
Management fees	8	6,000	36,000
Professional Fees	8	29,837	67,585
Loss Before Other Item		59,167	204,675
Other Item			
Recovery of premium liability on flow-through shares	7	-	(5,344)
Loss and Comprehensive Loss		**$ 59,167**	**$ 199,331**
Loss per share			
Basic and diluted		**$ 0.00**	**$ 0.01**
Weighted average number of common shares outstanding (basic and diluted)		**14,147,000**	**13,936,534**

STARLO VENTURES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian dollars)

	Common shares Number	Share capital	Special Warrants	Warrants reserve	Stock option reserve	Deficit	Total
Balance, December 31, 2022	13,235,000	$ 359,175	$ 27,934	$ 46,375	$ 43,685	$ (220,439)	$ 256,730
Warrant conversion on listing	812,000	27,934	(27,934)	-	-	-	-
Shares issued for services	100,000	5,000	-	-	-	-	5,000
Loss for the year	-	-	-	-	-	(199,331)	(199,331)
Balance, December 31, 2023	**14,147,000**	**$ 392,109**	**$ -**	**$ 46,375**	**$ 43,685**	**$ (419,770)**	**$ 62,399**
Loss for the year	-	-	-	-	-	(59,167)	(59,167)
Balance, December 31, 2024	**14,147,000**	**$ 392,109**	**$ -**	**$ 46,375**	**$ 43,685**	**$ (478,937)**	**$ 3,232**

STARLO VENTURES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian dollars)

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Operating Activities		
Loss for the year	$ (59,167)	$ (199,331)
Adjustments to reconcile loss to net cash used in operating:		
Shares issued for services	-	5,000
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(1,357)	(49,799)
Accounts receivable	13,547	(16,249)
Premium liability on flow-through shares	-	(5,344)
Cash Used in Operating Activities	**(46,977)**	**(265,723)**
Decrease in cash for the year	**(46,977)**	**(265,723)**
Cash - beginning of year	57,019	322,742
Cash – end of year	**$ 10,042**	**$ 57,019**

Non-cash investing and financing activities (Note 11)

1. Nature of operations and going concern

Starlo Ventures Ltd. (the "Company" or "Starlo") was incorporated under the British Columbia Business Corporations Act on November 26, 2021. The Company is listed on the Canadian Securities Exchange (the "Exchange") under the symbol "SLO". The Company is an exploration stage mining company.

These consolidated financial statements (the "Financial Statements") have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. Starlo is an exploration stage mining company which incurred a loss of $59,167 for the year ended December 31, 2024, and as at December 31, 2024 had an accumulated deficit of $478,937. The Company is expected to incur operating losses for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include adjustments that may be necessary if the going concern principal is not appropriate.

The head office and principal address of the Company is located at Suite 3200, 733 Seymour Street, Vancouver, BC, V6B 5J3.

2. Basis of presentation and material accounting policies

Statement of Compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). The accounting policies set out in this note have been applied in preparing the consolidated financial statements for the years ended December 31, 2024 and 2023. These financial statements were approved and authorized for issuance by the Board of Directors on April 24, 2025.

Basis of Presentation

The 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 and loss ("FVTPL"), which are stated at their fair value. The financial statements are presented in Canadian Dollars, which is also the Company's functional currency, including its subsidiary, unless otherwise noted.

Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant intercompany transactions and balances have been eliminated.

Name of Subsidiary	Country of Incorporation	Ownership Interest
1135137 B.C. Ltd.	Canada	100%

Material accounting policy information
Cash

Cash consists of cash held on deposit with banks.

Exploration and evaluation assets

Acquisition costs of mineral claims are initially capitalized as exploration and evaluation assets as incurred and include cash consideration and the fair market value of shares issued on the acquisition of mineral properties. Exploration and pre-extraction expenditures are expensed as incurred until such time as technical feasibility and commercial viability of the mineral properties is demonstrable, after which subsequent expenditures relating to development activities for that particular project are capitalized as incurred. Although the Company has taken steps to verify title to the exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. The exploration and evaluation assets may be subject to prior undetected agreements or transfers and title may be affected by such defects.

When entitled, the Company records refundable mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the exploration and evaluation expenditures incurred that give risk to the credits. When the Company is entitled to non-refundable exploration tax credits, and it is probable that they can ben used to reduce future taxable income, a deferred income tax benefit is recognized.

When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment, then transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

Exploration and evaluation assets are assessed for impairment by management when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, 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 recoverability of the carrying amount of mineral properties is dependent on successful development and commercial exploitation, or alternatively, the sale of the respective areas of interest.

The Company assesses exploration and evaluation assets for indicators of impairment at each reporting date.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are recorded in profit or loss.

At present, the Company classifies all financial assets as held at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an instrument that is subsequently measured at FVTPL is recognized in profit or loss.

Financial liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are recognized in profit or loss.

Other non-derivative financial liabilities, are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

Derecognition of financial assets and liabilities

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows form the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows for the modified instrument are substantially different, in which cash a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Flow through shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors under Canadian income tax legislation. Upon issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the difference between the current market price of the Company's common shares and the issue price of the flow through share (initially recognized as a liability) and ii) share capital. Upon eligible exploration expenses being incurred, the premium is then amortized pro-rata to profit or loss. Proceeds received from the issuance of flow-through shares must be expended on Canadian resource property exploration within a period of two years.

Income (loss) per share

Basic income (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. The computation of diluted income (loss) per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on income (loss) per share. The assumed proceeds upon the exercise of stock options and warrants are assumed to be used to purchase common shares at the average market price during the period.

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used are those that are substantively enacted by the end of the reporting date.

Deferred income tax is provided for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting. The change in the net deferred income tax asset or liability is included in income except for deferred income tax relating to equity items which is recognized directly in equity. The income tax effects of differences in the periods when revenue and expenses are recognized, in accordance with Company's accounting practices, and the periods they are recognized for income tax purposes are reflected as deferred income tax assets or liabilities. Deferred income tax assets and liabilities are measured using the substantively enacted statutory income tax rates which are expected to apply to taxable income in the years in which the assets are realized or the liabilities settled. A valuation allowance is recorded against any deferred tax asset if it is not probable to be utilized against future taxable profit.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity and are intended to be settled on a net basis.

The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

Share capital and share issuance costs

Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to profit or loss if the shares are not issued.

When the Company issues shares with a warrant attached, the Company allocates the transaction price proportionately based on the relative fair value of each instrument, being the common share and the warrant, at grant date. The fair value of warrants is determined by using the Black-Scholes option pricing model. The value assigned to the common share is recorded in share capital and the value assigned to the warrants is recorded within the reserves. If and when the warrants are exercised, the applicable original amounts of reserve for warrants are transferred to issued capital. The proceeds generated from the payment of the exercise price are also allocated to issued capital.

Share-based compensation

The fair value of the share-based compensation awards for stock options and compensation warrants is determined at the date of grant using the Black-Scholes option pricing model. The fair value of the award is charged to profit or loss (unless they are considered to be share issuance costs in which case they are booked as a reduction to share capital) and credited to the Share-based compensation and warrant reserve (within Shareholders' Equity on the Statement of Financial Position) rateably over the vesting period, after adjusting for the number of awards that are expected to vest. Expenses recognized for forfeited unvested awards are reversed. For awards that are cancelled, any expense not yet recognized is recognized immediately in profit or loss. Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified over the original vesting period. In addition, an expense is recognized for any modification which increases the total fair value of the share-based payment arrangement as measured at the date of modification, over the remainder of the vesting period.

Equity-based compensation issued to non-employees for services performed is recorded at the fair value of the services performed unless this value cannot be determined reliably in which case the compensation issued is valued with reference to the fair value of the equity instruments granted. This compensation is recorded on the date the services are performed.

Accounting pronouncements not yet adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements that the Company reasonably expect will have an impact on its disclosures, financial position or performance when applied at a future date, are disclosed below. The Company intends to adopt these standards when they become effective. Other standards and interpretations that are issued, but not yet effective, which are expected to impact the Company have not been listed.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements to replace IAS 1, Presentation of Financial Statement. IFRS 18 aims to achieve comparability of the financial performance of similar entities and will impact the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. IFRS 18 will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is currently assessing the impact of the new standard.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures. The amendments clarify the date of recognition and derecognition of financial assets and liabilities, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for financial instruments with contractual terms that can change cash flows, and update the disclosure for equity investments designated at FVOCI.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier adoption permitted. The Company is currently assessing the impact of the amendments.

3. Significant Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The Company's significant accounting judgments and estimates have been applied in these financial statements:

Judgments

- The Company's ability to continue as a going concern involves critical judgement based on historical experience. Significant judgements are used in the Company's assessment of its ability to continue as a going concern which is described in Note 1.

- Management makes judgments related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

Estimates

- In calculating the fair value of the share-based compensation and warrants, management makes estimates related to the Company's share price volatility and expected life of the instruments. To the extent that these estimates are not correct, the value of these instruments within equity may differ.

- In calculating the fair value of the flow-through shares and warrants, management makes estimates related to the Company's share price volatility and expected life of the instruments. To the extent that these estimates are not correct, the value of these instruments within equity may differ.

- The assessment of indicators of impairment for the mineral property and the related determination of the recoverable amount and write-down of the property where applicable. To the extent that these estimates are not correct, the value of the mineral properties may differ.

Expressed in Canadian dollars unless otherwise stated

4. Exploration and Evaluation Asset

The Company's exploration and evaluation asset consists of 19 mineral tenures in British Columbia that were staked on January 24, 2022 for $2,451 which make-up the Mt. Richards Property.

The breakdown of exploration expenses incurred is as follows:

	For the year ended December 31, 2024 $	**For the year ended December 31, 2023 $**
Exploration expenditures		
Sampling and other exploration	-	38,825
Field expenses	-	11,447
	-	50,272

5. Share Capital and Reserves

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding:

Share transactions during the period ended December 31, 2024

There were no share transactions during the year.

Share transactions during the year ended December 31, 2023

On March 20, 2023, the Company issued 100,000 common shares with a fair value of $5,000 to C.J. Greig Holdings Ltd., in consideration of and upon the successful listing of the Company on the Exchange.

c) Stock Options

Pursuant to the Company's stock option plan (the "Stock Option Plan"), the Company's board of directors may, from time to time, grant directors, officers, employees and consultants non-transferable options to purchase common shares, provided that the number of common shares served for issuance will not exceed 10% of the total issued and outstanding common shares of the Company, exercisable for a period of up to 5 years from the date of the grant. The exercise price of any option granted pursuant to the Stock Option Plan shall be determined by the board of directors when granted, but shall not be less than the market price.

Expressed in Canadian dollars unless otherwise stated

A continuity schedule of the stock options as of December 31, 2024 is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Outstanding, December 31, 2022	1,315,000	$ 0.10	2.86
Outstanding, December 31, 2023 and 2024	1,315,000	$ 0.10	2.86

As at December 31, 2024, the Company had the following stock options outstanding and exercisable:

Date Issued	Expiry Date	Exercise Price	Number of Options Outstanding
November 8, 2022	November 8, 2027	$0.10	1,315,000

6. Warrants

A continuity schedule of the warrants as of December 31, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, December 31, 2022	2,620,000	$ 0.10
Outstanding, December 31, 2023 and 2024	2,620,000	$0.10

As at December 31, 2024, the Company had the following warrants outstanding and exercisable:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
May 19, 2022	May 19, 2027	$0.10	2,620,000

7. Flow-through shares

Expressed in Canadian dollars unless otherwise stated

Other liabilities consist of the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share issuances:

	Year ended December 31, 2024 $	Year ended December 30, 2023 $
Balance, beginning	-	5,344
Settlement of flow-through share liability by incurring expenditures	-	(5,344)
Balance, ending	-	-

On May 19, 2022, the Company issued 2,000,000 flow-through units at a price of $0.05 per share for gross proceeds of $100,000. The premium paid by investors on the flow-through shares was calculated as $17,700. Accordingly, $17,700 was recorded as other liabilities. The flow-through premium is derecognized through other income as the qualifying expenditures are incurred.

As of December 31, 2024, the Company recognized $nil (2023 - $5,344) in other income relating to the recovery of the flow through premium liability from the commitment to incur exploration and evaluation expenditures relating to its May 2022 flow-through financing which as at December 31, 2023 have been fully met.

8. Related party transactions

Related parties are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Related parties of the Company include the members of the Board of Directors, officers of the Company, close family members of these individuals, and any companies controlled by these individuals. Core Connections Ltd ("Core") is considered a related party of the Company as it is controlled by the Chief Executive Officer and a director of the Company.

On April 1, 2022, the Company entered into an administrative services agreement with Core to pay for rent and other administrative services. During the year ended December 31, 2024, the Company paid or accrued $6,000 to Core under the agreement (2023 - $36,000), these expenses are included under management fees in the statement of loss and comprehensive loss. As at December 31, 2024 accounts payable and accrued liabilities includes $nil (December 31, 2023 - $nil) owing to Core.

During the year ended December 31, 2024, the Company paid or accrued CFO fees of $7,000 (2023 - $17,500), these expenses are included in professional fees in the statement of loss and comprehensive loss. As at December 31, 2024 accounts payable and accrued liabilities includes $nil (December 31, 2023 - $3,150) owing for CFO services.

Compensation of key management personnel:

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 considers its Board of Directors, as well as the CEO and CFO to be key management personnel.

During the years ended December 31, 2024 and 2023 the Company's compensation cost for key management personnel was as follows:

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Management fees	6,000	53,500
Professional fees	7,000	18,500
Total	13,000	72,000

9. Financial Instruments

As at December 31, 2024, the Company's financial instruments consist of cash, accounts receivable and accounts payable. The Company classifies cash and receivables as financial assets held at amortized cost. The Company classifies accounts payable as financial liabilities, and these are held at amortized cost. The fair value of all of the Company's financial instruments approximates their carrying value due to their short-term nature.

The Company's financial instruments consists of cash which is considered to be Level 1 and, receivables and accounts payable which are considered to be Level 2 within the fair value hierarchy (as discussed below).

Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the years ended December 31, 2024.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial assets are cash. The Company holds it cash in a bank account with a highly rated Canadian financial institution, therefore minimizing the Company's credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation and until December 31, 2024; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

Expressed in Canadian dollars unless otherwise stated

10. Capital management

In the management of capital, the Company includes consideration of the components of shareholders' equity as well as cash and other working capital with a view to the Company's current and future needs. The Company currently manager its capital structure and adjusts it, based on cash resources expected to be available to support its operations including the exploration and development of its mineral property interests. Management has not established a quantitative capital structure, but does review on a regular basis the stage of development of the Company and its needs.

There were no changes in the Company's approach to capital management during the period.

The Company is not subject to any externally imposed capital requirements except the rules of the Canadian Securities Exchange with which it is presently in compliance.

11. Supplemental disclosure with respect to cash flows

During the years ended December 31, 2024 and 2023, the Company incurred the following non-cash financing and investing transactions that are not reflected in the statement of cash flows:

	2024 $	2023 $
Shared issued upon conversion of special warrants	-	27,934
Shares issued for services	-	5,000

12. Income tax

Reconciliation of Effective Tax Rate

The Company is subject to Canadian federal and provincial tax for the estimated assessable profit at a rate of 27%. The Company had no assessable profit for all periods disclosed.

The tax expense at statutory rates for the Company can be reconciled to the reported loss for the year per the Statement of Loss and Comprehensive Loss as follows:

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Loss before income taxes	(59,166)	(199,331)
Statutory income tax rate	27%	27%
Income tax recovery	(16,000)	(54,000)
Impact of flow through shares	-	8,000
Non-deductible expenses and other	21,000	(28,000)
Share issue cost	-	1,000
Change in unrecognized deductible temporary differences	(5,000)	73,000
Total income tax expense	-	-

Expressed in Canadian dollars unless otherwise stated

Deferred Income Taxes

As at December 31, 2024, the Company's unrecognized deferred income tax assets were as follows:

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Exploration and evaluation asset	5,000	26,000
Non-capital losses	91,000	75,000
Unrecognized deferred income tax assets	(96,000)	(101,000)
Net Deferred tax assets	-	-

In assessing the recoverability of deferred tax assets other than deferred tax assets resulting from the initial recognition of assets and liabilities that do not affect accounting or taxable profit, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. As the Company has no operations, enough evidence is not yet available to determine if the Company will be able to recognize its deferred tax assets. None of the deferred tax assets have therefore been recognized in the Company's Statement of Financial Position.

The Company has tax loss carry forwards of approximately $339,000 to reduce taxable income in future periods which expire in 2044.

13. Subsequent event

On March 21, 2025, the Company was loaned $40,000 by a related party.