



Core Nickel Corp.

Condensed Interim Financial Statements
For the three and nine months ended January 31, 2025
(Unaudited)
(Expressed in Canadian dollars, except where indicated)

Core Nickel Corp.

Condensed Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	January 31 2025 \$	April 30 2024 \$
Assets		
Current assets		
Cash and cash equivalents (note 4)	3,209,434	845,093
Receivables	48,290	37,258
Prepaid and deposits	266,935	17,935
Total current assets	<u>3,524,659</u>	<u>900,286</u>
Non-current assets		
Mineral bonds	11,893	11,893
Mineral property interests (note 5)	1,135,804	1,135,804
Total assets	<u>4,672,356</u>	<u>2,047,983</u>
Liabilities		
Current liabilities		
Trade and other payables (note 6)	353,407	173,594
Deferred flow-through premium (note 7)	724,847	-
	<u>1,078,254</u>	<u>173,594</u>
Equity		
Common shares (note 8)	4,133,705	2,485,296
Equity reserve	1,457,678	89,895
Accumulated deficit	(1,997,281)	(700,802)
	<u>3,594,102</u>	<u>1,874,389</u>
	<u>4,672,356</u>	<u>2,047,983</u>

Approved by the Board of Directors

“Cory Belyk”

Director

“Misty Urbatsch”

Director

Core Nickel Corp.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Three months ended Jan 31 2025 \$	Three months ended Jan 31 2024 \$	Nine months ended Jan 31 2025 \$	Nine months ended Jan 31 2024 \$
EXPLORATION COSTS				
Mineral property expenditures	399,683	28,266	569,115	28,266
	<u>399,683</u>	<u>28,266</u>	<u>569,115</u>	<u>28,266</u>
OTHER EXPENSES (INCOME)				
Insurance	6,215	5,573	21,869	5,573
Interest income	(26,489)	(2,725)	(42,101)	(2,725)
Legal, audit and accounting	16,537	30,257	90,371	30,257
Management fees	55,500	35,662	166,000	35,662
Office and miscellaneous	10,296	3,111	20,305	3,111
Regulatory and transfer agent fees	13,962	14,536	45,948	14,536
Rent	7,518	2,780	17,377	2,780
Share-based compensation (note 9)	186,700	-	434,187	-
Investor relations and presentations	23,289	25,951	128,661	25,951
Travel and accommodations	7,238	1,393	12,924	1,393
Wages and benefits	27,673	1,031	44,476	1,031
Flow-through premium (note 7)	(197,119)	-	(212,653)	-
	<u>131,321</u>	<u>117,569</u>	<u>727,363</u>	<u>117,569</u>
Loss and comprehensive loss for the period	(531,004)	(145,835)	(1,296,479)	(145,835)
Basic and diluted loss per share (\$ per share)	(0.01)	(0.01)	(0.03)	(0.02)
Basic and diluted weighted average common shares outstanding	51,565,981	24,263,649	38,887,685	8,087,884

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

Core Nickel Corp.

Condensed Interim Statements of Changes in Equity
For the nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Common Shares		Equity Reserve \$	Accumulated Deficit \$	Total Equity \$
	Shares	Amount \$			
Balance April 30, 2023	1	\$Nil	-	-	\$Nil
Issued pursuant to plan of arrangement (note 12)	24,997,481	2,135,644	-	-	2,135,644
Issued on private placement for cash	4,354,400	391,896	-	-	391,896
Warrants issued on private placement	-	(75,990)	75,990	-	-
Share issuance costs	-	(33,315)	13,905	-	(19,410)
Issued on exercise of options	447,704	22,385	-	-	22,385
Loss for the period	-	-	-	(145,835)	(145,835)
Balance January 31, 2024	29,799,586	2,440,620	89,895	(145,835)	2,384,680
Balance April 30, 2024	30,054,708	2,485,296	89,895	(700,802)	1,874,389
Issued on private placement for cash	20,253,572	3,481,875	-	-	3,481,875
Warrants issued on private placement	-	(944,670)	944,670	-	-
Issued on exercise of stock options	1,321,326	67,617	-	-	67,617
Issued on exercise of warrants	44,401	5,983	-	-	5,983
Flow-through premium	-	(937,500)	-	-	(937,500)
Sharer-based compensation	-	-	434,187	-	434,187
Reserves transferred on exercised options	-	9,785	(9,785)	-	-
Reserves transferred on exercised warrants	-	1,289	(1,289)	-	-
Share issuance costs	-	(35,970)	-	-	(35,970)
Loss for the period	-	-	-	(1,296,479)	(1,296,479)
Balance January 31, 2025	51,674,007	4,133,705	1,457,678	(1,997,281)	3,594,102

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

Core Nickel Corp.

Condensed Interim Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Nine months ended January 31 2025 \$	Nine months ended January 31 2024 \$
Cash flows used in operating activities		
Loss for the period	(1,296,479)	(145,835)
Recoveries on mineral exploration expenditures	(138,200)	-
Flow-through premium	(212,653)	-
Share-based compensation	434,187	-
Interest income	(42,101)	-
Interest received	37,801	-
Change in non-cash operating working capital		
(Increase) in receivables	(6,731)	(25,607)
(Increase) in prepaid and deposits	(249,000)	(7,626)
Increase in trade and other payables	179,812	51,898
	<u>(1,293,364)</u>	<u>(127,170)</u>
Cash flows from financing activities		
Issuance of common shares (net of share issuance costs)	3,445,905	372,487
Cash received per plan of arrangement (note 12)	-	1,000,000
Cash received from government grant	138,200	-
Proceeds received from stock option exercise	67,617	22,385
Proceeds received exercise of share purchase warrants	5,983	-
	<u>3,657,705</u>	<u>1,394,872</u>
Increase in cash and cash equivalents	2,364,341	1,267,702
Cash and cash equivalents - beginning of period (note 4)	845,093	-
Cash and cash equivalents - end of period (note 4)	<u>3,209,434</u>	<u>1,267,702</u>

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

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

1 Nature of Operations

Core Nickel Corp. (the “Company” or “Core Nickel”) was incorporated on May 5, 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement (the “Arrangement”) to reorganize CanAlaska Uranium Ltd. (“CanAlaska”)(note 12). The Company’s intended business activity is the acquisition and evaluation of exploration properties in Canada. The Company’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “CNCO”. The Company’s head office is located at unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan, S7K 0K3, Canada.

2 Going Concern

These condensed interim financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. There is no assurance that the Company will be successful in raising additional financing or that financing will be available to the Company on acceptable terms. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

Given that the Company does not generate any revenues from operations and other factors as noted, a material uncertainty exists which may cast significant doubt regarding the Company’s ability to continue as a going concern. Management believes that the cash on hand is sufficient to meet corporate, administrative and selected exploration activities for at least the next twelve months. At January 31, 2025, the Company had cash and cash equivalents of \$3,209,434 (note 4). The Company’s current assets exceeds its current liabilities by \$2,446,405 at January 31, 2025, which is sufficient to advance the development of its exploration projects in the near time. Management may either need to dilute its ownership in its properties or secure additional financing to continue to advance the development of its exploration projects.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

3 Summary of Material Accounting Policies

a) Statement of Compliance

These unaudited condensed interim financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards 34 Interim Financial Reporting (“IAS 34”) using the accounting policies consistent with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). The interim condensed financial statements do not include all disclosures required by the IFRS Accounting Standards for annual statements and should be read in conjunction with the Company’s financial statements for the year ended April 30, 2024.

These condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on March 26, 2025.

b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars and is the functional currency of the Company. The financial statements are prepared on the historical cost basis.

c) Significant estimates and judgements

The accounting policies, judgements and estimates applied in these interim condensed financial statements are consistent with those set out in Note 3 of the Company’s annual financial statements for the year ended April 30, 2024.

d) Flow-through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of flow-through shares, any premium received in excess of the market price of the Company’s common shares is initially recorded as a liability (“flow-through share premium liability”). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through share premium liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded. Proceeds received from the issuance of flow-through shares are restricted and are to be used only for Canadian resources property exploration expenditures. 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 Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

3 Summary of Material Accounting Policies (continued)

e) Exercise of Stock Options and Warrants

On the exercise of stock options, agent options and warrants, share capital is recorded for the consideration received and for the fair value amounts previously recorded to stock-based compensation reserve. The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of stock-based compensation.

f) New Accounting Policies, Standards and Interpretations

On May 1, 2024, the Company adopted the following amendments and accounting standards:

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1) which amended IAS 1, Presentation of Financial Statements (“IAS 1”), to clarify the requirements for presenting liabilities in the statement of financial position. The amendments specify that the Company must have the right to defer settlement of a liability for at least 12 months after the reporting period for the liability to be classified as non-current. In addition, the amendments clarify that: (a) the Company’s right to defer settlement must exist at the end of the reporting period; (b) classification is unaffected by management’s intentions or expectations about whether the Company will exercise its right to defer settlement; (c) if the Company’s right to defer settlement is subject to the Company complying with specified conditions, the right exists at the end of the reporting period only if the Company complies with those conditions at the end of the reporting period, even if the lender does not test compliance until a later date; and (d) the term settlement includes the transfer of the Company’s own equity instruments to the counterparty that results in the extinguishment of the liability, except when the settlement of the liability with the Company transferring its own equity instruments is at the option of the counterparty and such option has been classified as an equity instrument, separate from the host liability.

In October 2022, the IASB issued amendment Non-current Liabilities with Covenants to IAS 1 to clarify that covenants of loan arrangements which the Company must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. The amendment also introduces additional disclosure requirements related to such covenants to include: (i) the nature of the covenants and the date by which the Company must comply with the covenants; (ii) the carrying amount of the related liabilities; and (iii) facts and circumstances, if any, that indicate that the Company may have difficulty complying with covenants.

The adoption of these amendments did not have a material impact on the Company’s condensed interim financial statements.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

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(Unaudited)

(Expressed in Canadian dollars except where indicated)

3 Summary of Material Accounting Policies (continued)

g) Future Changes in Accounting Policies Not Yet Effective

In April 2024, the IASB issued IFRS Accounting Standards 18, Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1. IFRS 18 introduces two newly required subtotals on the face of the income statement, which includes operating profit and profit or loss before financing and income tax, and three new income statement classifications, which are operating, investing, and financing. In addition, IFRS 18 requires non-IFRS Accounting Standards management performance measures that are subtotals of income and expenses to be disclosed on financial statement. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

4 Cash and Cash Equivalents

	January 31, 2025	April 30, 2024
	\$	\$
Cash	232,368	34,545
Cash equivalents	2,977,066	810,548
Total	3,209,434	845,093

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

5 Mineral Property Interests

The Company holds 26,992 hectares of mining claims in the Thompson Nickel Belt located in the province of Manitoba in Canada. The holdings are comprised of 5 projects which are in various stages of exploration and discovery.

Details of acquisition costs for the twelve and nine months ended April 30, 2024 and January 31, 2025 are as follows:

Project	April 30, 2023	Additions	April 30, 2024	Additions/write-offs/recoveries	January 31, 2025
	\$	\$	\$	\$	\$
Thompson Nickel Belt					
Mel	-	979,309	979,309	-	979,309
Halfway Lake	-	104,998	104,998	-	104,998
Hunter	-	28,885	28,885	-	28,885
Resting Lake	-	17,505	17,505	-	17,505
Odei River	-	5,107	5,107	-	5,107
Total	-	1,135,804	1,135,804	-	1,135,804

\$1,135,644 of the additions to mineral property interest were part of the spin-out transaction with CanAlaska Uranium Ltd. (note 12).

6 Trade and Other Payables

	January 31, 2025	April 30, 2024
	\$	\$
Trade payables	334,327	128,219
Accrued liabilities	19,080	45,375
Total	353,407	173,594

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

7 Deferred Flow-Through Premium

	January 31, 2025	April 30, 2024
	\$	\$
Balance, beginning of period	-	-
Premium liabilities recognized on flow-through shares issued	937,500	
Recovery of premium on flow-through shares:	(212,653)	
Balance, end of the period	724,847	-

On October 18, 2024, the Company issued 7,500,000 flow-through("FT") shares for gross proceeds of \$2,250,000. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$937,500. The flow-through premium is derecognized through income as the qualifying expenditures are incurred. During the period ended January 31, 2025, the Company satisfied \$212,653 of the commitment by incurring qualifying expenditures of \$510,366. As of January 31, 2025, the Company is committed to incur \$1,739,634 of qualifying expenditures by December 31, 2025.

8 Share Capital

The Company has authorized capital consisting of an unlimited number of common shares without par value.

Share Issuances

- a) During the nine months ended January 31, 2025, the Company issued 20,806 common shares from the exercise of share purchase warrants for total gross proceeds of \$3,643, at an exercise price of \$0.175.

During the nine months ended January 31, 2025, the Company issued 19,998 common shares from the exercise of share purchase warrants for total gross proceeds of \$1,800, at an exercise price of \$0.09.

During the nine months ended January 31, 2025, the Company issued 3,597 common shares from the exercise of share purchase warrants for total gross proceeds of \$540, at an exercise price of \$0.15.

- b) During the nine months ended January 31, 2025, the Company issued 1,011,326 common shares from the exercise of stock option for gross proceeds of \$50,567, at an exercise price of \$0.05.

During the nine months ended January 31, 2025, the Company issued 310,000 common shares from the exercise of stock option for gross proceeds of \$17,050, at an exercise price of \$0.055.

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

8 Share Capital (continued)

c) On October 31, 2024, the Company completed a non-brokered private placement and issued 3,313,572 units at a price of \$0.175 per unit for gross proceeds of \$579,875. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.30.

On October 18, 2024, the Company completed two non-brokered private placements and issued 7,500,000 Flow-Through Unit ("FT Unit") at a price of \$0.30 per FT Unit for gross proceeds of \$2,250,000 and 1,440,000 non-flow-through units ("NFT Units") at a price of \$0.175 per NFT Unit for gross proceeds of \$252,000. Each FT Unit and NFT Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.30.

On September 20, 2024, the Company completed a non-brokered private placement and issued 8,000,000 flow-through units for gross proceeds of \$400,000. Each flow-through unit was sold at a price of \$0.05 and consists of one flow-through common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of \$0.06.

On December 28, 2023, the Company completed a non-brokered private placement and issued 4,354,400 flow-through units for gross proceeds of \$391,896. Each flow-through unit was sold at a price of \$0.09 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 2 years at a price of \$0.14. In connection with this financing, the Company paid cash finder's fees of \$19,410 and issued a total of 215,664 finder's warrants. Each finder's warrant is exercisable for one common share at a price of \$0.09/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair value of \$13,905 using the Black Scholes option pricing model.

d) On November 10, 2023, the Company issued 24,997,482 common shares as part of the plan of arrangement between CanAlaska and Core Nickel Corp. (note 12).

e) On May 5, 2022, on incorporation, one common share was issued at a price of \$0.01

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

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(Unaudited)

(Expressed in Canadian dollars except where indicated)

9 Share Stock Options and Warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined by management at the date of grant. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	Number of options	Weighted average exercise price \$
Outstanding – May 1, 2023	-	-
Granted – per plan of arrangement	2,416,393	0.05
Exercised	(447,704)	0.05
Expired/Cancelled	(603,597)	0.05
Outstanding – April 30, 2024	1,365,092	0.05
Granted	5,450,000	0.15
Exercised	(1,321,326)	0.05
Expired/Cancelled	(463,917)	0.16
Outstanding – January 31, 2025	5,029,849	0.15

Pursuant to the plan of arrangement, the number of options granted upon the date of the transaction were 2,416,393. All options were calculated to have a minimum exercise price allowed under the CSE policy of \$0.05.

All stock options granted for the nine months ended January 31, 2025 vested immediately upon grant, and have a weighted fair value of \$0.15. The Company recognized \$434,187 (2024 - \$Nil) in share-based compensation.

As at January 31, 2025, the following stock options were outstanding:

	Number of options outstanding	Exercisable price \$	Expiry date
	139,909	0.05	July 21, 2025
	29,980	0.05	November 28, 2025
	59,960	0.05	July 28, 2026
	1,310,000	0.055	May 24, 2027
	1,590,000	0.20	October 21, 2027
	1,900,000	0.175	January 30, 2028
Total	5,029,849		

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

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9 Share Stock Options and Warrants (continued)

Warrants

	Number of warrants	Weighted average exercise price \$
Outstanding – May 1, 2023	-	-
Granted – per plan of arrangement	4,565,469	0.19
Granted	2,392,864	0.14
Exercised	(255,122)	0.18
Outstanding – April 30, 2024	6,703,211	0.17
Granted	16,253,572	0.24
Exercised	(44,401)	0.13
Expired	(2,313,629)	0.18
Outstanding – January 31, 2025	20,598,753	0.23

At January 31, 2025, the following warrants were outstanding:

	Number of warrants outstanding	Exercise price \$	Expiry date
	1,766,141	0.225	November 1, 2025
	206,174	0.15	November 1, 2025
	2,177,200	0.14	December 28, 2025
	195,666	0.09	December 28, 2025
	4,000,000	0.06	September 20, 2027
	7,500,000	0.30	October 18, 2027
	1,440,000	0.30	October 18, 2027
	3,313,572	0.30	October 31, 2027
Total	20,598,753		

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options and warrants. The Company's expected volatility is estimated using the historical volatility of Core Nickel and CanAlaska Uranium Ltd.'s share price for the period prior to the spin-out transaction (note 12). The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for the three and nine months ended January 31, 2025 and 2024:

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

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(Unaudited)

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9 Share Stock Options and Warrants (continued)

Options	Nine months ended January 31 2025	Nine months ended January 31 2024
Weighted average fair value	\$0.08	\$0.18
Forfeiture rate	0%	0%
Risk-free interest rate	2.72% - 4.06%	3.95% - 4.38%
Expected life	3.0 years	2.0 years – 3.0 years
Expected volatility	81.5% - 86.6%	81.4% - 90.0%
Expected dividend	0%	0%

Warrants	Nine months ended January 31 2025	Nine months ended January 31 2024
Weighted average fair value	\$0.12	\$0.05
Forfeiture rate	0%	0%
Risk-free interest rate	2.82% - 3.01%	3.88%
Expected life	3.0 years	2.0 years
Expected volatility	100%	100%
Expected dividend	0%	0%

10 Related Party Transactions

Related parties include the Board of Directors and Officers of the Company and enterprises which are controlled by these individuals.

The remuneration of directors and key management of the Company for the three and nine months ended January 31, 2025 and 2024 were as follows.

	Three months ended January 31		Nine months ended January 31	
	2025	2024	2025	2024
	\$	\$	\$	\$
Employment benefits	75,000	24,000	226,500	24,000
Consulting fees	18,000	10,000	52,000	10,000
Share-based compensation	186,700	-	420,857	-

Core Nickel Corp.

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For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

10 Related Party Transactions (continued)

Amounts paid or payable to companies with officers and/or directors in common are as follows:

	Three months ended		Nine months ended	
	January 31		January 31	
	2025	2024	2025	2024
	\$	\$	\$	\$
Rent	7,518	2,780	19,018	2,780
Other expenses and exploration costs	1,338	25,495	15,705	25,495

Included in trade and other payables at January 31, 2025 is \$3,900 (April 30, 2024 - \$4,406) due to officers and directors and companies with directors and/or officers in common.

11 Management of Capital

The Company considers its capital to consist of common shares, stock options and warrants. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

12 Plan of Arrangement

On November 10, 2023, a plan of arrangement was completed by CanAlaska.

The arrangement agreement dated September 1, 2023, entered into between the CanAlaska and the Company (a wholly owned subsidiary of CanAlaska), was approved by the shareholders of CanAlaska on October 25, 2023, by a Final Order granted by the Supreme Court of British Columbia on October 31, 2023, in accordance with Part 9 of the Business Corporations Act (British Columbia), and accepted by the TSX Venture Exchange and the CSE.

Pursuant to the Arrangement Agreement and on the effective date:

Core Nickel Corp.

Notes to the Condensed Interim Financial Statements

For the three and nine months ended January 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars except where indicated)

12 Plan of Arrangement (continued)

- a) CanAlaska transferred the following assets to Core Nickel in consideration for 24,997,482 common shares of Core Nickel (the “Core Nickel Shares”);
 - i) The five (5) mineral properties commonly referred to as the Halfway Lake Property, the Resting Lake Property, the Hunter Property, the Odei River Property and the Mel Property;
 - ii) \$1,000,000 cash
- b) the existing common shares of CanAlaska were re-designated as Class A Shares (“the CVV Class A Shares”) and CanAlaska created a new class of common shares known as the “New CVV Common Shares”;
- c) each CVV Class A Share was exchange for one New CVV Common Share and 0.19987 of one Core Nickel Share
- d) the CVV Class A Shares were cancelled;
- e) all outstanding warrants of CanAlaska were adjusted to allow holders to acquire, upon exercise, one New CVV Common Share and 0.19987 of one Core Nickel Share, such that an aggregate of 4,565,469 Core Nickel Shares may be issued if all outstanding warrants are exercised;
- f) all holders of the outstanding options of CanAlaska received 0.19987 of one Core Nickel option with whole option entitling the holder therefore to purchase one Core Nickel Share, such that an aggregate of 2,416,393 Core Nickel Shares may be issued if all such options are exercised; and
- g) Core Nickel became a reporting issuer in British Columbia, Alberta, Ontario and Newfoundland and Labrador.

The Company has determined that the transfer of assets to Core Nickel does not meet the definition of a business combination. As such, the transfer of assets has been accounted for as an acquisition of mineral property interests (note 5) and cash (note 4) in these condensed interim financial statements.