Nuclear Fuels Inc.

Interim Consolidated Financial Statements

(Unaudited)

(Expressed in Canadian Dollars)

For the Six Months Ended September 30, 2024 and 2023

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

CONDENSED INTERIM CONSOLIDATED FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Nuclear Fuels Inc. ("the Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the unaudited condensed interim consolidated financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

NUCLEAR FUELS INC.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

		September 30, 2024		March 31, 2024
Assets				
Current:				
Cash	$	**1,474,324**	$	5,562,062
Short-term investments		**-**		1,498,759
Receivables		**260,780**		236,302
Prepaids		**67,510**		159,767
		1,802,614		7,456,890
Non-current assets:				
Deposit (Note 4)		**683,049**		-
Equipment		**38,096**		45,146
Exploration and evaluation assets (Note 4)		**5,340,288**		5,340,288
Total assets	$	**7,864,047**	$	12,842,324
Liabilities and shareholder's equity				
Current:				
Accounts payable and accrued liabilities	$	**892,557**	$	261,786
		892,557		261,786
Shareholder's equity				
Share capital (Note 5)		**22,770,341**		21,987,466
Reserves		**1,628,427**		1,254,527
Deficit		**(17,427,278)**		(10,661,455)
		6,971,490		12,580,538
Total liabilities and shareholder's equity	$	**7,864,047**	$	12,842,324

Nature and continuance of operations (Note 1)
Subsequent events (Note 10)

Approved on Behalf of the Board on November 27, 2024:

"Gregory Huffman" "Rich Munson"

Gregory Huffman, Director Rich Munson, Director

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

NUCLEAR FUELS INC.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

		Three Months Ended September 30, 2024	Three Months Ended September 30, 2023		Six Months Ended September 30, 2024		Six Months Ended September 30, 2023
Operating expense							
Advertising	$	**82,994**	53,324	$	**165,994**	$	144,845
Amortization		**149**	82		**298**		165
Exploration and evaluation expenditures (Note 4)		**4,158,862**	1,117,066		**5,807,545**		2,188,506
Foreign exchange		**1,267**	(65,061)		**(7,915)**		(21,158)
Management fees (Note 6)		**80,051**	30,000		**270,669**		60,000
Office and miscellaneous		**52,260**	56,126		**77,602**		82,724
Professional fees (Note 6)		**89,594**	79,544		**191,121**		264,414
Regulatory and transfer agent fees		**17,124**	-		**29,058**		-
Share-based payments		**184,375**	-		**300,506**		-
Travel		**2,884**	3,665		**11,508**		6,766
Operating loss		**(4,669,560)**	(1,274,746)		**(6,846,386)**		(2,726,262)
Interest income		**19,359**	26,970		**80,563**		68,795
Listing fee		**-**	(2,233,856)		**-**		(2,233,856)
Loss and comprehensive loss for the period	$	**(4,650,201)**	(3,481,632)	$	**(6,765,823)**	$	(4,891,323)
Basic and diluted loss per common share	$	**(0.08)**	(0.07)	$	**(0.11)**	$	(0.11)
Weighted average number of common share outstanding – basic and diluted		**61,619,794**	46,656,493		**60,988,594**		44,230,316

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

NUCLEAR FUELS INC.
Condensed Interim Consolidated Statement of Changes in Shareholder's Equity
(Unaudited)
(Expressed in Canadian dollars)

	Number of Common Shares	Share capital	Reserves	Deficit	Total
Balance, March 31, 2023	33,183,250	$8,605,219	$219,115	$ (1,334,060)	$ 7,490,274
Shares issued for exploration and evaluation assets	10,013,801	4,950,650	-	-	4,950,650
Equity issued per reverse takeover of NFI	4,426,317	2,213,158	79,635	-	2,292,793
Loss and comprehensive loss for the period	-	-	-	(4,891,323)	(4,891,323)
Balance, September 30, 2023	47,623,368	$15,769,027	$298,750	$ (6,225,383)	$9,842,394
Shares issued for cash, net of share issuance costs	12,720,000	6,218,439	847,003	-	7,065,442
Share-based payment	-	-	108,774	-	108,774
Loss and comprehensive loss for the period	-	-	-	(4,436,072)	(4,436,072)
Balance, March 31, 2024	60,343,368	$21,987,466	$1,254,527	$(10,661,455)	$12,580,538
Unit issued for cash	2,446,483	782,875	73,394	-	856,269
Share-based payment	-	-	300,506	-	300,506
Loss and comprehensive loss for the period	-	-	-	(6,765,823)	(6,765,823)
Balance, September 30, 2024	**62,789,851**	**$22,770,341**	**$1,628,427**	**$(17,427,278)**	**$6,971,490**

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

NUCLEAR FUELS INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Cash flows from operating activities		
Net loss for the period	**$ (6,765,823)**	$ (4,891,323)
Non-cash items:		
Amortization	**7,050**	5,623
Listing fee (Note 3)	**-**	2,233,856
Share-based payments	**300,506**	-
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	**630,771**	(39,015)
Exploration advances	-	-
Receivables	**(24,478)**	(180,700)
Prepaids	**92,257**	(72,264)
Net cash used in operating activities	**(5,759,717)**	(2,943,823)
Cash flows from financing activities		
Issuance of units for cash	**856,269**	-
Net cash received from financing activities	**856,269**	-
Cash flows from investing activities		
Transaction cost paid in cash for the reverse takeover of NFI	**-**	(151,863)
Cash received on the reverse takeover of NFI	**-**	108,506
Equipment	**-**	(40,390)
Exploration and evaluation assets	**-**	(433,997)
Deposits	**(683,049)**	(224,308)
Short -term investments	**1,498,759**	(224,308)
Net cash used in investing activities	**815,710**	(742,052)
Net change in cash	**(4,087,738)**	(3,685,875)
Cash, beginning of the period	**5,562,062**	6,798,246
Cash, end of the period	**$ 1,474,324**	$ 3,112,371
Supplemental cash flow information:		
Reverse takeover of NFI	**-**	Note 3
Shares issued for exploration and evaluation assets	**$ -**	$ 4,950,650

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

1 NATURE AND CONTINUANCE OF OPERATIONS

Nuclear Fuels Inc. (formerly Uravan Minerals Inc.) (the "Company" or "NFI") was incorporated on December 1, 1997. The address of its head office is located at Suite 1020-800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6. The Company's registered and records office is Suite 1200-750 West Pender Street, Vancouver, British Columbia, Canada V6C 2T8.

The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations. As at September 30, 2024, the Company had working capital of $910,057, had not yet achieved profitable operations and has an accumulated deficit of $17,427,278. The Company expects to incur further losses in the development of its business. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. The Company estimates it has sufficient working capital to continue operations for the upcoming year based on the private placements completed.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

Reverse Takeover

On July 10, 2023, the Company completed the reverse takeover transaction ("RTO") purchase in which it acquired Nuclear Fuels Energy Inc. (formerly Nuclear Fuels Inc.) ("NFEI"). NFEI is principally engaged in the acquisition and exploration of resource properties. The Company is in the process of exploring and evaluating its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable.

The Company's common shares listed on the TSXV under the symbol "UVN" were delisted in connection with the RTO and the Company's common shares were listed on the CSE under the trading symbol "NF".

On closing of the RTO, NFEI became a wholly owned subsidiary of the Company. As NFEI is deemed to be the accounting acquirer for accounting purposes, its assets and liabilities and operations are included in the consolidated financial statements at their historical carrying value. The Company's results of operations are those of NFEI, with NFI operations being included from July 10, 2023 onwards, the closing date. Please refer to the RTO (Note 3) for more details.

2 BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim consolidated financial statements, including International Accounting Standards (“IAS”) 34 “Interim Financial Reporting”.

These condensed interim consolidated financial statements does not include all of the information required of full annual financial statements 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 these condensed interim consolidated financial statements be read in conjunction with the annual audited financial statements of the Company for the year ended March 31, 2024. The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended March 31, 2024.

Basis of Measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. In addition, the condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow disclosure.

These condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company’s and its subsidiaries functional currency.

Basis of Consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its controlled subsidiaries. Control is achieved when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation. All intercompany transactions and balances have been eliminated on consolidation.

2 BASIS OF PRESENTATION

Use of management estimates, judgments and measurement uncertainty

The preparation of these condensed interim consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the Company applied the critical accounting judgements and estimates as disclosed in Note 3 of the audited financial statements for the year ended March 31, 2024.

(Expressed in Canadian dollars)

3 ACQUISITION OF NUCLEAR FUELS ENERGY INC.

On July 10, 2023, the Company completed a RTO pursuant to the Business Combination Agreement in which the Company acquired NFEI. For accounting purposes, NFEI is deemed to be the accounting acquirer in such reverse takeover transaction. The net assets of NFI are acquired at fair value at July 10, 2023. The RTO was accounted for in accordance with guidance provided in IFRS 2, "Share-Based Payment" as NFI did not qualify as a business according to the definition in IFRS 3. Accordingly, NFI will be the continuing legal entity and the total purchase price is allocated to the assets acquired and liabilities assumed based on their respective fair values with excess allocated to charge to listing fee.

Additionally, the RTO was not considered to be a business acquisition as the primary item acquired was the public listing. Replacement options of NFI were issued in the amount of 292,000 stock options and are valued at $79,635. The fair value of the replacement options were estimated on the grant date using the Black-Scholes option model with the following weighted average variables: share price of $0.50, risk-free interest rate of 4.60%, expected option life of 1.5 year, expected stock price volatility of 100% and expected dividend rate of 0%. Each replacement option gives the holder the right to purchase one common share at an exercise price ranging from $0.31 to $0.63 and for a period of 1 to 4.37 years.

The Company issued 4,426,317 common shares with a fair value of $2,213,158 and paid $151,863 in transaction costs in connection with the RTO transaction.

The allocation of consideration transferred is summarized as follows:

Purchase Price	**$**
Fair value of the common shares of the resulting issuer held by NFI valued using the concurrent financing price	
Common shares	2,213,158
Replacement options	79,635
Transaction costs	151,863
Total consideration	2,444,656
Allocation of total consideration	
Cash	108,506
Receivables	7,593
Exploration and evaluation assets	193,599
Accounts payable and accrued liabilities	(98,899)
Listing fee	2,233,857
	2,444,656

4 EXPLORATION AND EVALUATION ASSETS

L.A.B. Critical Metals District Project ("L.A.B. Project"), Newfoundland

During the year ended March 31, 2024, the Company acquired additional claims contiguous with the L.A.B. Project by incurring staking costs of $17,670 .

During the year ended March 31, 2024, the Company posted and subsequently impaired a property deposit of $208,034 (March 31, 2023 - $Nil) associated with L.A.B.

The Company will be focusing on other projects and as a result the Company decided to impair the L.A.B. Project and deposit associated with the project and recorded an impairment of $651,241 and $208,034 respectively for the year end March 31, 2024.

Kaycee Project, Wyoming, USA

On October 31, 2022, the Company entered into an option agreement with Miller and Associated LLC to acquire 100% interest in the Miller Properties located in Wyoming, USA as part of the Kaycee Project.

To exercise the option and acquire the right to a 100% interest in the Miller Properties, the Company will:

- Pay US$140,000 on October 31, 2022 ($190,174 paid);
- Pay US$100,000 on October 31, 2023 ($137,710 paid); and
- Issue 600,000 (issued with a fair value of $120,000) common shares within 20 days of October 31, 2022.

The Miller Properties are subject to a NSR royalty of 2% and a surrounding area of interest will be subject to a 1% NSR royalty. The transaction is considered to be a related party transaction as David Miller subsequently became a director of the Company.

During the year ended March 31,2024 the Company acquired a 100% right, title and interest in and to certain claims within the Kaycee Project in Wyoming, through the acquisition of Hydro Restoration Corporation ("Hydro"). Pursuant to the terms of the share purchase agreement for the sale of Hydro, enCore Energy Corp. ("enCore Energy") sold Hydro in consideration for (i) issue 6,414,469 common shares of the Company (issued with a fair value of $3,207,235); (ii) a 2% net smelter returns royalty on mining claims; and (iii) a 1% net smelter returns royalty on certain leasehold estates.

The transaction was accounted for as an asset purchase of mineral property interests and consideration was allocated to Bootheel Project $174,243 and Kaycee Project $3,032,991.

4 EXPLORATION AND EVALUATION ASSETS (cont'd…)

Kaycee Project, Wyoming, USA (cont'd…)

Management has determined that this transaction is an asset acquisition, as the assets acquired do not constitute a business. The fair value of the consideration paid for the acquisitions has been recorded to exploration and evaluation assets of the Company, based on management's best estimate.

The Company issued 696,826 common shares valued at $348,413 to enCore Energy in relation to the contractual top up right in relation to the Belt and Hydro acquisitions. The top up right to 19.9% interest in the Company was extinguished upon completion of the RTO. The allocation to the fair value of exploration and evaluation assets attributed to Bootheel Project $14,173 and Kaycee Project $246,699 and Moonshine Springs $87,541.

During the year ended March 31, 2024, the Company acquired additional claims contiguous with the Kaycee Project by incurring staking costs of $63,382.

During the period ended September 30, 2024, the Company posted a property deposit of $683,049 (March 31, 2023 - $Nil) associated with Kaycee.

Bootheel Project, Wyoming, USA

On November 1, 2022, the Company entered into an exploration and mining lease agreement with Hightest Resources LLC for a 20-year lease on the Bootheel project located in Wyoming, USA.

The Company will pay the following pursuant to the agreement:

- Pay US$20,654 on November 1, 2022 (paid $28,092);
- Pay US$25,000 on November 1, 2023(paid $34,188);
- Pay US$40,000 on November 1, 2024; and
- Pay US$50,000 on November 1, 2025 and thereafter on each succeeding anniversary.

The Bootheel project is subject to a 2% NSR royalty for minerals produced from the property and 2% net proceeds for uranium minerals produced from the property.

During the year ended March 31, 2024, as described above, the Company acquired a 100% right, title and interest in and to certain claims within the Bootheel Uranium Project in Albany County, Wyoming, through the acquisition of Hydro Restoration Corporation ("Hydro"). The transaction was accounted for as an asset purchase of mineral property interests with a fair value of exploration and evaluation assets attributed to the Bootheel Project of $174,243.

The Company issued 696,826 common shares valued at $348,413 to enCore Energy in relation to the contractual top up right in relation to the Belt and Hydro acquisitions. The fair value of exploration and evaluation assets attributed to the Bootheel Project is $14,173.

4 EXPLORATION AND EVALUATION ASSETS (cont'd…)

Moonshine Springs, Arizona, USA

During the year ended March 31, 2024, the Company acquired a 100% right, title and interest in and to certain claims within the Moonshine Springs Project in Arizona, through the acquisition of Belt Line Resources, Inc. ("Belt Line"). Pursuant to the terms of the share purchase agreement for the sale of Belt Line, enCore Energy sold Belt Line in consideration for (i) issue 2,152,506 shares of the Company (issued with a fair value of $1,076,253); (ii) a 2% net smelter returns royalty on mining claims; and (iii) a 1% net smelter returns royalty on certain leasehold estates.

The transaction was accounted for as an asset purchase of mineral property interests and $1,076,253 was allocated to Moonshine Springs.

Management has determined that this transaction is an asset acquisition, as the assets acquired do not constitute a business. The fair value of the consideration paid for the acquisitions has been recorded to exploration and evaluation assets being the sole asset of Belt Line.

The Company issued 696,826 common shares valued at $348,413 to enCore Energy in relation to the contractual top up right in relation to the Belt and Hydro acquisitions. The allocation to the exploration and evaluation assets attributed to Moonshine Springs was valued at $87,541.

During the year ended March 31, 2024, the Company acquired additional claims contiguous with the Moonshine Project by incurring staking costs of $27,052.

enCore Energy retains the right to participate in equity financings of the Company in order to maintain its percentage interest in the Company, and the right to nominate two individuals to the board of directors of the Company, in each case for so long as enCore Energy holds at least 10% of the outstanding shares capital of the Company.

Lisbon Valley Property, Utah, USA

During the year ended March 31, 2024, the Company decided to focus on other projects and impaired the Lisbon Valley Property resulting in an impairment of $193,599.

(Expressed in Canadian dollars)

4 EXPLORATION AND EVALUATION ASSETS (cont'd…)

Exploration and evaluation property acquisition costs

	L.A.B. Project	Bootheel Project	Kaycee Project	Moonshine Springs Project	Lisbon Valley	Total
Balance, March 31,2023	$314,821	$28,092	$370,378	$47,586	$ -	$760,877
Acquisition costs – share payments	318,750	188,416	3,279,690	1,163,794	-	4,950,650
Acquisition costs – cash payments	-	34,188	137,710	-	-	171,898
RTO	-	-	-	-	193,599	193,599
Staking	17,670	-	63,382	27,052	-	108,104
Impairment	(651,241)	-	-	-	(193,599)	(844,840)
Balance, March 31, 2024 and September 30, 2024	**$ -**	**$250,696**	**$3,851,160**	**$1,238,432**	**$ -**	**$5,340,288**

Exploration and evaluation expenditures incurred as follows:

	L.A.B. Project	Bootheel Project	Kaycee Project	Moonshine Springs Project	Lisbon Valley	Total
Exploration Costs						
Amortization	-	-	6,752	-	-	6,752
Drilling	-	-	3,451,811	-	-	3,451,811
Equipment, field supplies, and other	51,199	6,963	127,047	-	-	185,209
Geological	112,656	15,360	820,635	54,910	-	1,003,561
Geophysical	-	-	378,439	-	-	378,439
Land access/claim renewal	-	-	664,452	35,789	1,542	701,783
Travel	4,433	5,055	70,502	-	-	79,990
Balance, September 30, 2024	**$168,288**	**$27,378**	**$5,519,638**	**$90,699**	**$1,542**	**$5,807,545**

5 SHARE CAPITAL AND RESERVES SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

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

a) closed a non-brokered private placement for gross proceeds of $856,269 through the sale of 2,446,483 units at a price of $0.35 per unit. The Company has allocated $782,875 to common shares and $73,394 to share purchase warrants by applying the residual value method. Each unit consists of one common share and one-half of one common shares purchase warrant. Each whole warrant entitles the holder to purchase one common share of the company at a price of $0.55 per share until August 13, 2026.

During the year ended March 31, 2024, the Company:

a) issued 10,013,801 common shares valued at $4,950,650 relating to exploration and evaluation assets (Note 4).
b) issued 4,426,317 common shares at $0.50 per share for a value of $2,213,158 as part of the RTO (Note 3). In addition, the Company issued 292,000 stock options and are valued at $79,635.
c) closed a brokered private placement for gross proceeds of $7,632,000 through the sale of 12,720,000 units. The Company has allocated $6,996,000 to common shares and $636,000 to share purchase warrants by applying the residual value method. Each unit consists of one common share and one-half of one common shares purchase warrant. Each whole warrant entitles the holder to purchase one common share of the company at a price of $0.80 per share until Jan. 24, 2027. In consideration for the services provided by the underwriters in connection with the offering, the Company paid the underwriters a cash commission and other expenses of $566,558 and issued to the underwriters an aggregate of 620,024 share purchase warrants. Each share purchase warrant is exercisable into one common share of the company at a price of $0.60 per share until Jan. 24, 2027. The 620,024 share purchase warrants have a fair value of $211,003. The weighted average fair value per warrant was $0.34. The fair value of the options is estimated using the Black-Scholes option pricing model assuming a weighted average life expectancy of 3 years, risk-free rate of 3.80% and volatility of 100%.

(Expressed in Canadian dollars)

5 SHARE CAPITAL AND RESERVES (cont'd…)

c) Escrowed Common Shares.

Upon closing of the RTO, 13,579,612 common shares and 1,365,000 employee stock options of the Company outstanding at July 10, 2023 are subject to an Escrow Agreement. Under the Escrow Agreement, 10% of the escrowed common shares will be released from escrow on the date the Company's common shares are listed for trading (the "Initial Release") and an additional 15% will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. As of the date of these financial statements, 8,147,767 common shares and 819,000 employee stock options remained in escrow.

d) Share-based payments

Stock Option Plan

The Company has a stock option plan under which it can grant options to directors, officers, employees, and consultants for up to 10% of the issued and outstanding common shares. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a term of ten years and vest as determined by the board of directors.

As at September 30, 2024, the following stock options were outstanding:

	Number of Stock Options	Weighted Average Exercise Price
Balance, March 31, 2024	3,722,000	$ 0.39
Granted	1,000,000	0.35
Expired	252,000	0.38
Balance, September 30, 2024	4,470,000	$ 0.38
Balance, September 30, 2024 Exercisable	2,416 667	$ 0.32

(Expressed in Canadian dollars)

5 SHARE CAPITAL AND RESERVES (cont'd…)

During the period ended September 30, 2024, the Company issued:

1,000,000 stock options with a weighted average exercise price of $0.35 per share and a fair value of $283,049 vesting over a period of 24 months. The weighted average fair value per option was $0.28. The fair value of the options is estimated using the Black-Scholes option pricing model assuming a weighted average life expectancy of 5 years, risk-free rate of 3.37% and volatility of 100%.

As of September 30, 2024, $300,506 was recognized as share-based compensation expense in connection with the vesting of stock options of which $244,800 relating to directors and officers.

The following table summarizes information concerning outstanding and exercisable options at September 30, 2024:

Exercise prices	Number of options outstanding	Number of options exercisable	Weighted average life (years)
0.25	1,850,000	1,850,000	1.07
0.31	40,000	40,000	3.15
0.56	1,580,000	526,667	2.35
0.35	1,000,000	-	4.73
	4,470,000	2,416,667	2.36

e) Share Purchase Warrants

As at September 30, 2024, the following share purchase warrants were outstanding:

	Number of Share Purchase Warrants	Weighted Average Exercise Price
Balance, March 31, 2024	6,980,024	$ 0.78
Granted	1,223,242	0.55
Balance, September 30, 2024	8,203,266	$ 0.75

The following table summarizes information concerning outstanding share purchase warrants at September 30, 2024:

Exercise prices	Number of options outstanding	Weighted average life (years)
0.80	6,360,000	2.32
0.60	620,024	2.32
0.55	1,223,242	1.87
	8,203,266	2.25

6 RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended September 30, 2024, the Company entered into the following transactions with related parties:

Paid or accrued management fees of $190,618 (2024 – S60,000) to the former director and Chief Executive Officer of the Company.

Paid or accrued management fees of $80,051 (2024 – SNil) to the director and Chief Executive Officer of the Company.

Paid or accrued professional fees of $50,000 (2024 - $42,586) to the Chief Financial Officer of the Company.

During the year ended March 31, 2024, the Company advanced $618,684 to Platoro West Holdings Inc., a related party by way of common director, for explorations expenditures. As at September 30, 2024, $22,468 in exploration advance were included in prepaids.

During the period ended September 30, 2024, the Company issued 1,000,000 stock options to an officer and director of the Company with a fair value of $283,049. Upon the issuance, $77,685 in share-based compensation expense was recorded relating to a director and officer.

7 CAPITAL MANAGEMENT

Capital is comprised of items within the Company's shareholder's equity. As at September 30, 2024, the Company's shareholder's equity was $17,427,278. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support for its projects. The Company is not subject to any externally imposed capital requirements and there were no changes to the approach to capital management.

8 FINANCIAL INSTRUMENTS AND RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's cash and cash equivalents, receivables, deposit and accounts payable and accrued liabilities approximates their carrying values due to their short-term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had a cash balance of $1,474,324 to settle current liabilities of $892,557.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a. Interest rate risk

The Company has cash and cash equivalents, short-term investment balances and no interest-bearing debt. The interest rate risk on cash and cash equivalents and short-term investments are not considered significant.

8 FINANCIAL INSTRUMENTS AND RISK (cont'd…)

b. Currency risk

The international nature of the Company's operations results in foreign exchange risk. The Company's operating costs are primarily in Canadian dollars and US dollars. Any fluctuations of the Canadian dollar in relation to the US dollar may affect the profitability of the Company and the value of the Company's assets and liabilities. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c. Price risk

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

9 SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of resource properties in Canada and the United States (Note 4).

10 SUBSEQUENT EVENTS

Subsequent to the period ended September 30, 2024:

a) The Company granted 300,000 stock options, each exercisable at a price of $0.395 per common share for three years, October 9, 2027. The options will vest 1/3 every six months over an 18-month period.
b) The Company closed a non-brokered private placement of 250,000 shares for gross proceeds of $98,750 at a price of $0.395 per share.
c) The Company announced that it has closed a financing with Canaccord Genuity Corp. and Haywood Securities Inc. on behalf of a syndicate of underwriters (collectively, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase, on a "bought-deal" private placement basis, 25,000,000 units of the Company at a price of $0.40 per unit for gross proceeds of $10,000,000. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company for 36 months from the closing of the bought deal at a price of $0.55. The Company shall grant the Underwriters an option to purchase up to an additional 5,000,000 units for additional gross proceeds of up to $2,000,000, exercisable at any time up to 48 hours prior to the closing of the Offering.
d) The Company also closed a non-brokered private placement of 9,837,500 units for gross proceeds of $3,935,000. Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share for a period of 36 months from the closing of the non-brokered private placement at a price of $0.55 per warrant.