MAKENITA RESOURCES INC.

INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

January 31, 2025

NOTICE OF NO AUDITOR REVIEW

The unaudited interim financial statements, and accompanying notes thereto, for the periods ended January 31, 2025, have not been reviewed by Makenita's external auditor.

MAKENITA RESOURCES INC.
INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

ASSETS	January 31, 2025	July 31, 2024
Current assets		
Cash and cash equivalents – Note 4	$ 524,862	$ 1
Receivables – Note 5	3,325	-
Total current assets	528,187	1
Non-current assets		
Exploration and evaluation assets – Note 7	839,400	-
Total assets	$ 1,367,587	$ 1
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities – Notes 8 and 11	$ 72,241	$ -
SHAREHOLDERS' EQUITY		
Share capital – Note 9	1,362,200	1
Reserves – Note 9	82,516	-
Accumulated deficit	(149,370)	-
Total shareholders' equity	1,295,346	1
Total liabilities and shareholders' equity	$ 1,367,587	$ 1

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 15)

Approved and authorized for issue on behalf of the Board on March 25, 2025:

"Jason Gigliotti"	Director	*"Negar Adam"*	Director
Jason Gigliotti		Negar Adam	

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

MAKENITA RESOURCES INC.
INTERIM STATEMENTS OF LOSS & COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended January 31, 2025	Six months ended January 31, 2025
Operating expenses		
Management and directors' fees – Note 11	$ 27,000	$ 27,000
Office and miscellaneous	5,584	5,584
Professional fees – Note 11	9,276	9,276
Shareholder information	350	350
Share-based payments – Notes 9 and 11	79,666	79,666
Transfer agent and filing fees	27,907	27,907
	(149,783)	(149,783)
Interest income	413	413
Loss and comprehensive loss for the period	$ (149,370)	$ (149,370)
Loss per share – basic and diluted – Note 10	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding – basic and diluted – Note 11	12,070,998	6,035,499

MAKENITA RESOURCES INC.
INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Six months ended January 31, 2025
Operating Activities	
Loss for the period	$ (149,370)
Adjustments for non-cash items:	
Share-based payments	79,666
Changes in non-cash working capital items:	
Receivables	(3,325)
Accounts payable and accrued liabilities	72,241
Cash and cash equivalents used in operating activities	(788)
Financing Activities	
Proceeds from issuance of share capital	530,000
Share issue costs	(4,350)
Shares returned to treasury	(1)
Cash and cash equivalents provided by financing activities	525,649
Increase in cash and cash equivalents during the period	524,861
Cash and cash equivalents, beginning of the period	1
Cash and cash equivalents, end of the period	$ 524,862

Supplemental Disclosure with Respect to Cash Flows (Note 14)

MAKENITA RESOURCES INC.
INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital			Accumulated	
	Number of shares	Amount	Reserves	Deficit	Total
Balance upon incorporation, July 12, 2024	-	$ -	$ -	$ -	$ -
Issuance of common shares for cash	100	1	-	-	1
Balance, July 31, 2024	100	1	-	-	1
Shares returned to treasury	(100)	(1)	-	-	(1)
Shares issued for private placement	10,600,000	530,000	-	-	530,000
Share issue costs	-	(4,350)	-	-	(4,350)
Broker warrants issued for private placement	-	(2,850)	2,850	-	-
Share-based payments	-	-	79,666	-	79,666
Shares issued for exploration and evaluation assets	16,787,996	839,400	-	-	839,400
Loss for the period	-	-	-	(149,370)	(149,370)
Balance, January 31, 2025	27,387,996	$ 1,362,200	$ 82,516	$ (149,370)	$ 1,295,346

1. NATURE AND CONTINUANCE OF OPERATIONS

Makenita Resources Inc. ("Makenita") was incorporated under the Business Corporations Act of British Columbia on July 12, 2024. Makenita's head office and principal business address is Suite 2905, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. Makenita's registered and records office is located at 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

Makenita was a wholly owned subsidiary of Cruz Battery Metals Inc. ("Cruz") a publicly listed company on the Canadian Securities Exchange (the "CSE") under the symbol "CRUZ". On September 5, 2024, Makenita entered into an arrangement agreement (Note 6) with Cruz.

These interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At January 31, 2025, Makenita had not yet achieved profitable operations, incurred a loss of $149,370 during the six months ended January 31, 2025 and had an accumulated deficit of $149,370 since its inception. Makenita expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on Makenita's ability to continue as a going concern. Makenita may require additional financing in order to conduct the planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While Makenita has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these interim financial statements do not give effect to adjustments, if any, that would be necessary should Makenita be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report Makenita's assets and liabilities on a liquidation basis could be material to these interim financial statements.

The ongoing effects of political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

2. BASIS OF PREPARATION

a) Statement of Compliance

These interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS34") as issued by the International Accounting Standards Board ("IASB").

These interim financial statements of Makenita for the six months ended January 31, 2025 were approved and authorized for issuance by the board of directors (the "Board") on March 25, 2025.

2. BASIS OF PREPARATION (continued)

b) Basis of Measurement

These interim financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments measured at fair value.

These interim financial statements are presented in Canadian dollars, which is Makenita's functional currency.

The preparation of these interim financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

These interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout these interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- Whether or not an impairment has occurred in its exploration and evaluation assets;
- The inputs used in the accounting for share-based payments expense; and
- The inputs used in the accounting for finders' warrants and compensation options in share capital and equity reserves.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these interim financial statements, unless otherwise indicated.

a) Exploration and evaluation assets

Pre-exploration costs

Costs incurred prior to acquiring the right to explore an area of interest are expensed as incurred.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

a) Exploration and evaluation assets (continued)

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, and payments made to contractors during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed as incurred.

When a project is deemed to no longer have commercially viable prospects to Makenita, 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.

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

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As Makenita currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

b) Rehabilitation provision

Makenita is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. Makenita records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

Makenita does not have any material rehabilitation obligations.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Financial instruments

Classification

Makenita determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss (“FVTPL”), or fair value through other comprehensive income ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity instruments that are held for trading, Makenita may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, Makenita may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or Makenita has elected to measure them at FVTPL.

Under IFRS 9, Makenita classifies its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Receivables	Amortized cost
Deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost
These assets are subsequently measured at amortized costs using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income ("OCI") and are never reclassified to profit or loss.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

Makenita assesses at each reporting date whether there is an objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, Makenita applies the expected credit loss impairment model.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

An expected credit loss impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

d) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

e) Valuation of equity units issued in private placements

Makenita has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as a warrant reserve.

f) Investment tax credit

Investment tax credits are recorded as either a reduction of the cost of applicable assets or credited in profit or loss depending on the nature of the expenditures which gave rise to the credits. Claims for tax credits are accrued upon Makenita attaining reasonable assurance of collections from the Canada Revenue Agency.

g) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income or loss attributable to the common shareholders of Makenita by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share is calculated by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted. For the years presented, this calculation proved to be anti-dilutive.

h) Share-based payments

Makenita implemented an omnibus equity incentive plan (the “Equity Plan”) effective December 11, 2024. The Equity Plan provides the grant of stock options, restricted share units (“RSUs”), deferred share units (“DSUs”), and performance share units (“PSUs”) to directors, officers, employees and consultants of Makenita.

An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where stock options are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment, using the Black-Scholes option pricing model.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Share-based payments (continued)

The RSUs are valued at the fair market value of Makenita's stock on the date of grant and recognized as share-based payments over the vesting periods, with a corresponding amount recognized as equity.

i) Foreign currency translation

These interim financial statements are presented in Canadian dollars. The functional currency and reporting currency of Makenita is the Canadian dollar. Accordingly, monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate in effect at the statement of financial position date while non-monetary assets and liabilities denominated in a foreign currency are translated at historical rates. Revenue and expense items denominated in a foreign currency are translated at exchange rates prevailing when such items are recognized in the statement of loss and comprehensive loss. Exchange gains or losses arising on translation of foreign currency items are included in profit or loss.

4. CASH AND CASH EQUIVALENTS

Makenita's cash and cash equivalents are denominated in Canadian Dollars and include the following components:

	January 31, 2025	July 31, 2024
Cash at bank	$ 496,112	$ 1
Cash equivalents	28,750	-
	$ 524,862	$ 1

5. RECEIVABLES

Makenita's receivables include of goods and services tax ("GST") receivable due from Canadian government taxation authorities.

	January 31, 2025	July 31, 2024
GST recoverable	$ 3,325	$ -

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. Makenita anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. Makenita's receivables are all considered current and are not past due or impaired. Makenita does not possess any collateral related to these assets.

(Expressed in Canadian Dollars)

6. PLAN OF ARRANGEMENT

On September 5, 2024, Cruz entered into an arrangement agreement with its wholly-owned subsidiary, Makenita, pursuant to which Cruz intended to: (i) transfer all of its rights, title and interest in and to its Hector Silver-Cobalt Project (the "Hector Property"), and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement was approved by the shareholders of Cruz at a special meeting held on December 11, 2024 and by the Supreme Court of British Columbia (the "Court") in its final order dated December 16, 2024.

The Arrangement, which included a transfer of Cruz's ownership and rights in and to the Hector Property to Makenita in consideration of 16,787,996 Makenita Spinout Shares and involved the spin-off of Makenita from Cruz, was closed on December 23, 2024.

Following the closing of the Arrangement, Makenita is now a separate "reporting issuer" in each of British Columbia, Alberta, and Ontario; and Makenita now holds all rights, title and interests in and to the Hector Property.

On December 24, 2024, Makenita received final approval from the CSE to list its securities on the CSE. On December 30, 2024, Makenita's common shares commenced trading on the CSE under the symbol of "KENY".

7. EXPLORATION AND EVALUATION ASSETS

	ON Hector Property	Total
Balance, July 12, 2024 and July 31, 2024	$ -	$ -
Acquisition costs	839,400	-
Balance, January 31, 2025	$ 839,400	$ -

Title to Mineral Property Interests

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. Makenita has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

Hector Silver-Cobalt Property, Ontario

Following the closing of the Arrangement, Makenita issued 16,787,996 common shares (valued at $839,400) in consideration for a transfer of Cruz's ownership and rights in and to the Hector Property to Makenita.

As at January 31, 2025, Makenita holds all rights, title and interests in and to the Hector Property, located within the Coleman and Gillies Limit Townships, Larder Lake Mining Division, Timiskaming District, Ontario**.**

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statements of financial position consist of the following:

	January 31, 2025	July 31, 2024
Trade payables	$ 70,946	$ -
Accrued liabilities	1,295	-
Total accounts payable and accrued liabilities	$ 72,241	$ -

9. SHARE CAPITAL AND RESERVES

Authorized: An unlimited number of common shares, without par value

Following the closing of the Arrangement, 100 common shares issued to Cruz at the time of incorporation was returned to treasury.

(a) Private placements

Six months ended January 31, 2025:

On December 19, 2024, Makenita closed a non-brokered private placement consisting of 10,600,000 units at a price of $0.05 per unit for gross proceeds of $530,000. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of Makenita at a price of $0.06 per share for a five-year term. In connection with this private placement, Makenita paid cash finder's fee of $4,350 and issued 116,000 broker warrants exercisable at $0.06 per share for a two-year term. The broker warrants were valued at $2,850 using the Black-Scholes pricing model with the following assumptions: dividend yield 0%, expected volatility 100.0%, risk-free interest rate 3.08% and an expected life of two years.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

(b) Share purchase warrants

The following is a summary of changes in share purchase warrants from date of incorporation on July 12, 2024 to January 31, 2025:

	Number	Weighted Average Exercise Price
Balance, July 12, 2024 and July 31, 2024	-	-
Issued	10,716,000	$0.05
Balance, January 31, 2025	10,716,000	$0.05

At January 31, 2025, Makenita had 10,716,000 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
116,000	$0.06	December 19, 2026
10,600,000	$0.06	December 19, 2029
10,716,000		

(c) Share-based payments

Makenita has an Equity Plan effective December 11, 2024. The Equity Plan provides the grant of stock options, RSUs, DSUs, and PSUs. Under the Equity Plan, the maximum number of equity-based awards issued cannot exceed 20% of Makenita’s issued and outstanding common shares, as at the date of grant.

Stock options

In accordance with the Equity Plan, the exercise price of each option granted shall not be less than the market price of Makenita's stock. Options may be granted for a maximum term of ten years and vesting periods are determined by the Board.

The following is a summary of changes in share purchase options from date of incorporation on July 12, 2024 to January 31, 2025:

	Number	Weighted Average Exercise Price
Outstanding and exercisable, July 12, 2024 and July 31, 2024	-	
Granted	1,940,000	$0.105
Outstanding and exercisable, January 31, 2025	1,940,000	$0.105

As of January 31, 2025, 1,940,000 share purchase options were outstanding entitling the holders thereof the right to purchase one common share of Makenita for each option held at an exercise price of $0.105 until January 31, 2026.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments (continued)

During the six months ended January 31, 2025, Makenita granted 1,940,000 stock options with an exercise price of $0.105 and an expiry date of January 31, 2026. The weighted average fair value of the options issued during the six months ended January 31, 2025 was estimated at $0.04 per option at the grant date using the Black-Scholes option pricing model with the following assumptions:

	Six months ended January 31, 2025
Weighted average expected dividend yield	0.0%
Weighted average expected volatility	100.0%
Weighted average risk-free interest rate	2.66%
Weighted average expected term	1 year

RSUs

In accordance with the Equity Plan, Makenita may grant RSUs to any participant in respect of services rendered by the applicable participant in a taxation year (the "**RSU Service Year**"). The number of RSUs awarded and underlying vesting terms are determined by the board of directors in its discretion.

Upon settlement, participants will redeem each vested RSU for the following at the election of such participant but subject to the approval of the board of directors: (a) one fully paid and non-assessable share in respect of each vested RSU, (b) a cash payment or (c) a combination of shares and cash. Any such cash payments made by Makenita shall be calculated by multiplying the number of RSUs to be redeemed for cash by the market price per share as at the settlement date. Subject to the provisions of the Equity Plan and except as otherwise provided in an award agreement, no settlement date for any RSU shall occur, and no share shall be issued or cash payment shall be made in respect of any RSU any later than the final business day of the third calendar year following the applicable RSU Service Year.

The following is a summary of changes in RSUs from date of incorporation on July 12, 2024 to January 31, 2025:

	Number
Outstanding, July 12, 2024 and July 31, 2024	-
Granted	2,450,000
Outstanding, January 31, 2025	2,450,000

Six months ended January 31, 2025:

On January 31, 2025, Makenita granted 2,450,000 RSUs to its officers, directors and consultants, whereby 100% of the RSUs vests in four months from date of grant.

The RSUs are valued at the fair market value of Makenita's stocks on the date of grant. Accordingly, 2,450,000 RSUs were granted at a value of $0.105 for a value of $257,250, which are being recognized as share-based payments over the vesting periods.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments (continued)

Total expenses arising from share-based payment transactions recognized during the six months ended January 31, 2025 were $79,666, of which $Nil was attributable to vesting of RSUs granted during the period with the remaining portion of share-based payment expense being attributable to the vesting of stock options, as described above.

10. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Six months ended January 31, 2025
Net Loss	$ (149,370)
Weighted average number of common shares for the purpose of basic and diluted loss per share	6,035,499

Basic loss per share is computed by dividing loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 9) were anti-dilutive for the six months ended January 31, 2025.

Basic and diluted loss per share for the six months ended January 31, 2025 was $(0.02).

11. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the actions of Makenita and its subsidiaries as a whole. Their remuneration includes the following:

	Six months ended January 31, 2025
Management and directors' fees	$ 27,000
Professional fees	2,000
Share-based payments *	22,585
	$ 51,585

* Share-based payments are the fair value of options and RSUs granted to key management personnel as at the grant date.

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS (continued)

Related party balances

At January 31, 2025, accounts payable and accrued liabilities include $62,451 (July 31, 2024: $Nil) payable to one director and one officer of Makenita, and four private companies and two public companies with certain directors in common for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

12. SEGMENTAL REPORTING

Makenita operates in one business segment, being the acquisition and exploration of mineral properties. Makenita's exploration and evaluation assets are distributed by geographic location as follows:

	January 31, 2025	July 31, 2024
Canada	$ 839,400	$ Nil

13. CAPITAL DISCLOSURE

Makenita's objectives when managing capital are to safeguard its ability to continue as a going concern. In the management of capital, Makenita includes the components of shareholders' equity.

Makenita 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 its capital structure, Makenita may issue new shares, issue new debt and acquire or dispose of assets. Makenita is not subject to any externally imposed capital requirements.

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transactions were excluded from the statements of cash flows:

Six months ended January 31, 2025:

- Makenita issued 16,787,996 common shares valued at $839,400 following closing of the Arrangement (Notes 6 and 7).

15. SUBSEQUENT EVENTS

Subsequent to January 31, 2025, the following occurred.

- Makenita announced a private placement consisting of up to 5,000,000 units at a price of $0.10 per unit for gross proceeds up to $500,000. Each unit will consist of one common share and one share purchase warrant which will entitle the holder to purchase one additional common share of Makenita at a price of $0.16 per share for a five-year term. Finder's fees may be paid to eligible finders. As of today, Makenita has received a total of $43,500 for this private placement.