LAFLEUR MINERALS INC.
(formerly, Quebec Pegmatite Holdings Corp.)

Condensed Interim Consolidated Financial Statements

For the Three Months Ended June 30, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of management.

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

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Condensed Interim Consolidated Statements of Financial Position
For the Three Months Ended June 30,
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2024	March 31, 2024
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		117,228	732,280
Cash held in escrow		1,000,000	1,000,000
Prepaids		84,517	76,712
GST receivable		60,728	68,914
Marketable securities	5,6	1,421,833	2,502,750
		2,684,306	4,380,656
Exploration and evaluation assets	5	590,000	90,000
		3,274,306	**4,470,656**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	2,108,274	2,236,822
Flow-through premium liability	8,13	471,900	500,000
Short-term advances	7	100,000	221,716
Income tax liability	6	497,451	468,732
Loans payable	7	301,068	1,134,020
RRRF loan	7	476,182	468,745
		3,954,875	**5,030,035**
SHAREHOLDERS' DEFICIT			
Share capital	8	2,755,905	2,755,905
Subscriptions received	8	25,000	25,000
Contributed surplus	8	278,243	260,854
Deficit		(3,739,717)	(3,601,138)
		(680,569)	(559,379)
		3,274,306	**4,470,656**

Nature of business and going concern (Note 1)
Subsequent Events (Note 14)

Approved on behalf of the Board of Directors on August 29, 2024

/s/ Kal Malhi	*/s/ Michael Kelly*
Kal Malhi	Michael Kelly
Director	Director

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Condensed Interim Consolidated Statement of loss and comprehensive (loss) income
For the Three Months Ended June 30,
(Unaudited - Expressed in Canadian Dollars)

	Note	2024 $	2023 $
Expenses			
Advertising and promotion		1,200	5,884
Interest expense	7	19,977	11,471
Exploration expenditures	5	54,700	98,425
Filing and transfer agent		6,198	-
Accretion	7	20,791	19,264
Management fees	9	57,500	96,000
Professional fees	9	29,301	18,250
Meals and entertainment		2,992	3,529
Office and general		16,226	555
Share-based compensation		17,389	-
Loss before Other items:		**(226,274)**	**(253,378)**
Other items:			
Foreign exchange		(2,161)	-
Gain on sale of exploration and evaluation asset	5	665,000	2,265,060
Loss on debt settlement	7	(33,717)	-
Unrealized gain (loss) on marketable securities	6	(351,307)	(367,751)
Realized gain (loss) on marketable securities	6	(194,610)	-
Flow-through liability accretion	13	28,100	-
Interest income		5,109	-
(Loss) Income before taxes		**(109,860)**	**1,643,931**
Income tax expense		**(28,719)**	**(186,054)**
Net and comprehensive (loss) income for the period		**(138,579)**	**1,457,877**
Basic and diluted loss per common share		**(0.00)**	**0.13**
Weighted average number of common shares outstanding		**28,972,699**	**11,000,000**

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the Three Months Ended June 30, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

	Number of common shares	Share capital	Contributed surplus	Subscriptions received	Deficit	Total
		$	$	$	$	$
Balance, March 31, 2023	**11,000,000**	**60,000**	**146,504**	**92,145**	**(436,204)**	**(137,555)**
Net income for the period	-	-	-	-	1,457,877	1,457,877
Balance, June 30, 2023	**11,000,000**	**60,000**	**146,504**	**92,145**	**1,021,673**	**1,320,322**
Flow-through shares issued for cash	3,333,334	1,000,000	-	-	-	1,000,000
Flow-through premium	-	(500,000)	-	-	-	(500,000)
Shares issued	4,499,999	675,000	-	(67,145)	-	607,855
Shares issued to acquire First Responder Technologies Inc.	10,139,366	1,520,905	-	-	-	1,520,905
Share-based compensation	-	-	114,350	-	-	114,350
Net loss for the period	-	-	-	-	(4,622,811)	(4,622,811)
Balance, March 31, 2024	**28,972,699**	**2,755,905**	**260,854**	**25,000**	**(3,601,138)**	**(559,379)**
Share-based compensation	-	-	17,389	-	-	17,389
Net loss for the period	-	-	-	-	(138,579)	(138,579)
Balance, June 30, 2024	**28,972,699**	**2,755,905**	**278,243**	**25,000**	**(3,739,717)**	**(680,569)**

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Condensed Interim Consolidated Statements of Cash Flow
For the Three Months Ended June 30, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

	2024 $	2023 $
Cash flows used in operating activities		
Net (loss) income for the period	(138,579)	1,457,877
Non-cash items:		
Interest and accretion	40,768	30,736
Share based payments	17,389	-
Unrealized loss on marketable securities	351,307	367,750
Realized loss on marketable securities	194,610	-
Gain on sale of exploration and evaluation assets	(665,000)	(2,295,060)
Loss on debt settlement	33,717	-
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(156,648)	(140,877)
Income tax liability	28,719	186,054
Prepaids	(7,805)	(74,448)
GST receivable	8,186	(13,427)
	(293,336)	**(481,395)**
Cash flows used in investing activity		
Purchase of mineral property	(500,000)	(33,441)
	(500,000)	**(33,441)**
Cash flows provided by financing activities		
Loans received	300,000	(35,000)
Loan paid	(121,716)	-
	178,284	**(35,000)**
Change in cash during the period	(615,052)	(549,836)
Cash and cash equivalents, beginning of period	1,732,280	811,339
Cash and cash equivalents, end of period	**1,117,228**	**261,503**
Cash and cash equivalents	117,228	261,503
Cash held in escrow	1,000,000	-
Total cash, end of period	**1,117,228**	**261,503**
Supplemental cash flow information		
Interest paid	-	-
Tax	-	-

1. NATURE OF BUSINESS AND GOING CONCERN

LaFleur Minerals Inc. (the "Company" or "LaFleur") (formerly "Quebec Pegmatite Holdings Corp" "QPHC" and "First Responder Technologies Inc." "First Responder") was incorporated under the BC Business Corporations Act on January 27, 2017. On January 14, 2020, the Company completed its initial public offering (“IPO”) and is now publicly traded on the Canadian Securities Exchange (“CSE”) under the ticker LFLR.

On February 21, 2024, First Responder acquired all of the issued and outstanding common shares of Quebec Pegmatite Corp. ("QPC”). As a result of this transaction, the shareholders of QPC acquired more than 50% of First Responder's issued and outstanding common shares and the transaction was accounted for as a reverse takeover (“RTO”). Upon completion of the RTO, the shareholders of QPC obtained control of the consolidated entity. QPC has been identified as the acquirer, and accordingly the entity is considered to be a continuation of QPC with the net assets of First Responder at the date of the RTO deemed to have been acquired by QPC (Note 4). The condensed interim consolidated financial statements include the results of operations of First Responder from February 21, 2024. The comparative figures are those of QPC. QPC focuses on lithium exploration in Quebec, Canada.

On February 21, 2024, the Company completed a name change from First Responder Technologies Inc. to Quebec Pegmatite Holdings Corp. On April 3, 2024, QPHC had resumed trading on the Canadian Securities Exchange.

On July 2, 2024, the Company completed a name change from Quebec Pegmatite holdings Corp. to Lafleur Minerals Inc.

The Company’s registered, records office, and principal place of business address is 2050 - 1055 West Georgia Street, Vancouver, BC, V6E 3P3.

The Company’s condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. The Company has experienced losses and negative cash flow from operations since incorporation. As at June 30, 2024, the Company had not yet generated revenues. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts difference from those reflected in the accompanying financial statements.

2. BASIS OF PRESENTATION

Statement of compliance and basis of presentation
These condensed interim consolidated financial statements have been presented in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”), effective for the Company’s reporting for the period ended June 30, 2024, including IAS 34, *Interim Financial Reporting.*

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for any financial assets and liabilities held at fair value. These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company, unless otherwise noted.

(Unaudited - Expressed in Canadian dollars)

The preparation of the condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

These unaudited condensed interim consolidated financial statements should be interpreted in conjunction with the audited annual financial statements for the year ended March 31, 2024.

Basis of consolidation
The condensed interim consolidated financial statements include the financial statements of the Company and its subsidiary, which is controlled by the Company (see Note 4). Control is achieved when the parent company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has all of the following:

(i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) exposure, or rights, to variable returns from its involvement with the investee; and
(iii) the ability to use its power over the investee to affect its returns.

The financial statements of the subsidiaries are included in the condensed interim consolidated financial statements from the date that control commences until the date that control ceases. All significant inter-company transactions, balances, income and expenses are eliminated on consolidation. The following is a list of the Company's operating subsidiaries:

Name of Entity	Jurisdiction of incorporation	Ownership interest as at June 30, 2024	Ownership interest as at March 31, 2024
Quebec Pegmatite Corp.	Montreal, Canada	100%	100%

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

A number of amendments to standards and interpretations applicable to the Company are not yet effective for the three months ended June 30, 2024 and have not been applied in preparing these condensed interim consolidated financial statements nor does the Company expect these amendments to have a significant effect on its financial statements.

4. REVERSE TAKEOVER TRANSACTION

On May 8, 2023, the Company entered into a Share Exchange Agreement (the "Share Exchange Agreement") with First Responder Technologies Inc. ("First Responder"). Pursuant to the Share Exchange Agreement First Responder agreed to acquire all of the issued and outstanding common shares of QPC (the "QPC Shares") on the one for one basis (the "Transaction"), On February 21, 2024, First Responder completed the Transaction by issuance of total 18,833,333 shares to the shareholders of QPC.

Because the former shareholders of QPC owns more than 65% of the issued and outstanding shares of the combined entity. Therefore, QPC has been identified as the accounting acquirer, and First Responder is identified as the accounting acquiree.

As the acquisition of First Responder did not constitute a business combination, the Transaction was accounted for in accordance with IFRS 2 Share-based Payments. Any difference in the fair value of the shares deemed to have been issued by the accounting acquirer and the fair value of the accounting acquiree's identifiable net assets represents listing service received by the accounting acquirer which was expensed on completion of the Transaction.

(Unaudited - Expressed in Canadian dollars)

The consideration paid was the fair value of common shares deemed to be issued by QPC totalling 10,139,366 common shares to acquire First Responder. The fair value of these shares was estimated at $0.15 per share based on the per share price of the financing completed by QPC on February 16, 2024 (Note 8). The net assets acquired and the liabilities assumed is presented as follows:

Net liabilities assumed	**$**
Assets acquired	
Cash	112,959
Prepaid expenses and deposits	10,123
GST recoverable	18,319
Liabilities assumed	
Accounts payable and accrued liabilities	(1,603,007)
Short-term loans	(121,591)
Loans payable	(465,675)
Net liabilities assumed	(2,048,872)
Consideration paid	
Fair value of 10,139,366 common shares deemed to be issued	1,520,905
Listing expense	**3,569,777**

5. EXPLORATION AND EVALUATION ASSETS

Acquisition cost of exploration and evaluation assets as at June 30, 2024 and March 31, 2024 are as follows:

	Swanson	**Vieux Comptoir**	**Mazerac**	**Brazil 1 Lithium**	**Total**
	$	**$**	**$**	**$**	**$**
Acquisition Costs					
Balance, March 31, 2023	**-**	**324,940**	**90,000**	**-**	**414,940**
Disposed pursuant to the option agreement	-	(324,940)	-	-	(324,940)
Acquisition costs – cash	-	-	-	120,800	120,800
Write-down of mineral property	-	-	-	(120,800)	(120,800)
Balance, March 31, 2024	**-**	**-**	**90,000**	**-**	**90,000**
Acquisition costs – cash	500,000	-	-	-	500,000
Balance, June 30, 2024	**500,000**	**-**	**90,000**	**-**	**590,000**

(Unaudited - Expressed in Canadian dollars)

Exploration expenditures for the three months ended June 30, 2024 are as follows:

	Brazil 1 Lithium	**Mazerac**	**Property Investigation**	**Total**
	$	**$**	**$**	**$**
Exploration expenditures				
Field costs	-	-	1,580	1,580
Technical reports	-	8,407	-	8,407
Consultants	-	-	71,035	71,035
Mapping	12,589	-	-	12,589
Site travel and accommodation	-	-	49,015	49,015
Supplies and equipment	-	-	4,158	4,158
Balance, March 31, 2024	**12,589**	**8,407**	**125,788**	**146,784**
Camp costs	19,200	-		19,200
Drilling	700	-	-	700
Geological	13,365	495	3,945	17,805
Transportation and shipping	16,995	-	-	16,995
Balance, June 30, 2024	**50,260**	**495**	**3,945**	**54,700**

Vieux Comptoir

During the period from incorporation on September 12, 2022 to March 31, 2023, the Company acquired 323 claims comprising the Vieux Comptoir property for cash of $245,000 (of which 239 claims were acquired from an officer who is also the director of the Company for $145,000) and 1,000,000 shares of the Company valued at $50,000. The Company also incurred an additional $37,440 in fees for claim registration that were capitalized as acquisition costs.

The Vieux Comptoir property is subject to a 3% Net Smelter Returns ("NSR") royalty, the Company can purchase 1.5% of the NSR royalty for $2,000,000.

On December 1, 2022, and subsequently amended on January 16, 2023, the Company entered into an option agreement with Superior Mining International Corporation ("Superior"), whereby Superior could acquire the Vieux Comptoir property on the following basis:

- $7,500 by January 15, 2023 (received);
- Issuing 7,000,000 common shares of Superior within 5 days of Superior receiving approval from the TSX Venture Exchange but not later than March 30, 2023 (received in April 2023);
- 3,500,000 common shares of Superior on December 18, 2023 (received in December 2023); and
- 3,500,000 common shares of Superior on June 1, 2024 (received on June 25, 2024)

Upon exercise of the option, Superior will have the option to acquire a 1.5% NSR royalty from the Company for $3,000,000.

During the three months ended June 30, 2024, the Company received 3,500,000 common shares of Superior valued at $665,000 based on Superior's stock trading price at the date received and recorded a gain of $665,000. (Note 6).

Mazerac

On March 31, 2023, QPC entered into an agreement with Coloured Ties Inc. ("CTI") to acquire certain mineral claims making up the Mazerac Lithium Property (the "Mazerac Property") located in Quebec. In consideration for the Mazerac Property QPC agreed to make a cash payment of $90,000 within 120 days of the Company completing a go public transaction. This amount was accrued as at March 31, 2023, it remains outstanding as at March 31, 2024 (settled subsequent to the year ended March 31, 2024, see Note 15). CTI is a significant shareholder of QPC at the time of this transaction and one of the officers and directors of CTI is also an officer and director of QPC.

The Mazerac Property is subject to a 2% NSR royalty, of which 1% can be repurchased for $1,000,000 at any time in the future.

Brazil-Li 1 Lithium, Brazil
On August 7, 2023 (the “Effective Date”), the Company entered into a property option agreement (the “Assignment Agreement”) with Brascan Resources Inc. (“BRAS” or “Assignor”) BHBC Exploracao Mineral Ltda (“BHBC”) and RTB Geologia Mieraca Ltda (“RTB”) (where BHBC and RTB together referred as the “Optionors”) to acquire 100% beneficial interest in and to certain lithium prospects located in the state of Minas Gerais, Brazil. Pursuant to the Assignment Agreement, the Company agrees to assume all of the Assignor’s responsibilities, liabilities and obligations under the option agreement entered between Brascan and Optionors on the Effective Date, and agreed to make a cash payment with an aggregate amount of $199,100 as follows:

- $3,300 within 2 business days of execution of the Assignment Agreement (paid);
- $15,000 within 2 business days of execution of Agreement (paid);
- $52,500 (in exchange for Assignor issuing 1,500,000 common shares to the Optionors) within 5 business days of confirmation of the Assignor completing the share issuance (paid);
- $25,000 on or before the date that is 45 days from the Effective Date (paid);
- $3,300 to cover mineral rights tax by June 30, 2024;
- $25,000 on or before October 1, 2023 (paid);
- $25,000 on or before October 1, 2024; and
- $50,000 on or before October 1, 2025

The Company was required to incur exploration expenditures of $100,000 on the property on or before September 30, 2023 and subsequently extended to March 31, 2024. The Optionors will retain a 2% NSR with the Company having the option to repurchase 1% of the NSR for a cash payment of $500,000 for a period for two years after the commencement of commercial production.

Upon confirmation of the existence of spodumene from surface sample assays results on Brazil-Li 1 Lithium property, the Company is required to pay $100,000 to the Assignor in cash within 5 business days if the assays result in a grading of a minimum of 1% lithium.

During the year ended March 31, 2024, the Company had paid a total amount of $120,800 cash to BRAS and incurred $12,589 of exploration expenditures, relating to mapping of the Brazil-Li 1 Lithium property.

As at March 31, 2024, the Company decided not to pursue exploration activities on the property. Therefore, the Company recorded a write-down of $120,800 on the Brazil-Li 1 Lithium property.

Swanson
On June 14, 2024, the Company entered into an arm's length option agreement with Abcourt Mines Inc. ("ABI") pursuant to which ABI granted the Company the right to acquire all of ABI's title and interest in and to 141 mineral claims covering approximately 5,579 hectares located in the Quebec, Canada, adjacent to the Swanson gold deposit (“Swanson”). In consideration the Company will make $2,000,000 in cash payments in four equal installments over 24 months from the effective date of the agreement, of which the 1st installment of $500,000 was paid in May 2024.

Subsequent to June 30, 2024, the Company issued 4,299,211 common shares to satisfy the future cash requirements and acquired 100% interest in the claims. Pursuant to the Option Agreement, ABI was granted 2% net smelter returns royalty and the Company assumes ABI's obligations with respect to existing royalties.

(Unaudited - Expressed in Canadian dollars)

6. MARKETABLE SECURITIES

On April 14, 2023, the Company received 7,000,000 common shares of Superior as consideration of sale of the Vieux Comptoir property (Note 5). On December 18, 2023, the Company received an additional 3,500,000 shares of Superior. On April 19, 2024, the Company received additional 3,500,000 shares of Superior. Changes in the Company's marketable securities during the three months ended June 30, 2024, are as follows (also see Note 7):

	$
Balance, September 12, 2022 (incorporation) and March 31, 2023,	**-**
Additions, sale of exploration assets	3,465,000
Additions, cash	30,000
Unrealized loss on change of fair value	(992,250)
Balance, March 31, 2024	**2,502,750**
Additions, sale of exploration assets	665,000
Settlement of loans payable (note 7)	(1,200,000)
Realized loss on disposal	(194,610)
Unrealized loss on change of fair value	(351,307)
Balance, June 30, 2024	**1,421,833**

7. LOANS PAYABLE

RRRF Loan
On October 10, 2020, the Company entered into a Regional Relief and Recovery Fund Agreement (the "RRRF Agreement") with Pacific Economic Development Canada ("PacifiCan") (fka Western Economic Diversification Canada). PacifiCan provides assistance to businesses and communities that may require additional support to cope with and recover from the COVID-19 pandemic and is part of Canada's COVID-19 Economic Response Plan.

During the year ended June 30, 2021, the RRRF Agreement provided the Company with an interest-free, repayable contribution from the government of $439,016 (the RRRF Loan") which is to be repaid in monthly instalments of $12,200 commencing January 31, 2023, and ending December 31, 2025. The Company has discounted the RRRF loan using a rate of 8.50% for a period of five years and recognized a gain of $112,903 as a result of the imputed interest benefit received from the interest-free RRRF loan during the period ended June 30, 2021.

During the year ended June 30, 2022, management determined the Company was not in compliance with certain provisions of the loan due to the strategic decision to stop development activity. As a result, the entire balance is classified as current, and the loan was accreted to its face value. On October 7, 2022, the Company received a notice of default (the "Notice of Default") related to the obligation indicating a total amount of $439,016 to be repaid. The management is currently in negotiations with PacifiCan regarding the terms of the repayment.

Pursuant to the RRRF Agreement, the Company is required to pay an interest on the amount due as a result of an event of default, at 3 percent above the minimum rate at which the Bank of Canada is prepared to make loans as at the date of the Notice of Default. During year ended June 30, 2023, the Company repaid $12,200 of the balance. During the three months ended June 30, 2024, the Company has recorded default interest in the amount of $7,437 (2024 - $21,774). As at June 30, 2024, the total outstanding RRRF Loan is $476,182 (2024 - $468,745), consisting of the principal amount of $426,816 and the related interest of $49,366.

CTI Loan
On March 1, 2023, the Company entered into a loan agreement with CTI and received loan proceeds of $1,150,289. This loan bears simple interest at 4% per annum calculated monthly. Both the principal loan amount and accrued interest is due on December 31, 2024. Kal Malhi is a director of the Company and of CTI.

The Company has determined that a below-market interest rate was provided. The fair value of the loan received was estimated to be $1,003,785 based on a 12% discount rate, which represents the approximate market interest rate. The difference between the initial fair value and the face value of the loan of $146,504 has been treated as a capital contribution to the Company from CTI. The loan will be accreted to its face value over the term of the loan at an effective interest rate of 12%.

During the three months ended June 30, 2024, the Company recorded accretion expense of $20,791 (2024 - $79,748) and interest of $11,471 (2024 - $46,138).

During the three months ended June 30, 2024, the Company transferred 6,666,666 shares of Superior, valued at $1,200,000, to settle the outstanding principal and interest on the CTI loan. The Company recorded a loss on debt settlement of $33,717 and as at June 30, 2024 the balance of the CTI loan is $nil.

FLE Loan
On June 17, 2024, the Company entered into a loan agreement with Flowing Lithium Corp. ("FLE") and received loan proceeds of $300,000. This loan bears simple interest at 10% per annum calculated monthly. Both the principal loan amount and accrued interest is due on June 17, 2025.

During the three months ended June 30, 2024, the Company recorded an interest of $1,068. As at June 30, 2024, this loan balance was $301,068.

Bullrun Advances
On February 28, 2023, the Company received an advance from Bullrun Capital Inc. (“Bullrun”), an entity controlled by the director of the Company who was also the president and secretary of the Company at the time, for $35,000. The amount was non-interest bearing and due on demand. During the year ended March 31, 2024, this amount was fully repaid.

On September 28, 2023, the Company received another advance from Bullrun for $50,000, this amount is due on September 28, 2024 and is non-interest bearing. On October 13, 2023, the Company received an additional advance from Bullrun for $50,000, this amount is due on October 13, 2024 and is non-interest bearing. In December 2023, the Company received an additional advance from Bullrun for $40,000, this amount is due on demand and is non-interest bearing. As at June 30, 2024 $100,000 of non-interest bearing advances from Bullrun remain outstanding.

Included in the short-term advances, the amount of $21,716 (consisting of $10,000 in principal and $11,716 accrued interest) was owing to Bullrun. This advance is due on demand and bears an interest rate of 12% per annual.

During the three months ended June 30, 2024, the Company repaid Bullrun $121,716.

Other Short-Term Advances
Included in the short-term advances, the amount of $60,000 (consisting of $50,000 in principal and $10,000 accrued interest) was owing to an arm’s length party. This advance is due on demand and bears an interest rate of 12% per annual. During the three months ended June 30, 2024, this advance, including the accrued interest, was repaid.

(Unaudited - Expressed in Canadian dollars)

8. SHARE CAPITAL

Authorized

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Issued and Outstanding

As at June 30, 2024 there were 28,972,699 (March 31, 2023 – 11,000,000) issued and outstanding common shares.

During the three months ended June 30, 2024 and 2023, there were no common shares issued.

During the period from incorporation on September 12, 2022 to June 30, 2023, the Company received $92,145 in subscriptions for a financing that had not been completed. As at June 30, 2024, the Company had a balance of $25,000 in subscriptions received.

Warrants

The Company's warrant transactions were as follows:

	Number of Warrants	Exercise Price	Remaining Life
		$	
Balance, September 12, 2022 to March 31, 2023	-	-	-
Issued	11,924,999	0.16	**2.19**
Balance, March 31, 2024 and June 30, 2024	**11,924,999**	**0.16**	**2.19**

7,425,000 warrants are exercisable at $0.11 per share and will expire on March 15, 2025 and 4,499,999 warrants are exercisable at $0.25 and will expire on February 16, 2029.

Options

On July 11, 2019, the Company implemented an Incentive Stock Option Plan (the "Stock Option Plan"). Pursuant to the Stock Option Plan, the Company will grant stock options to directors, officers, employees and consultants for services, provided that the number of common shares reserved for issuance shall not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years. The exercise price and vesting terms of the options granted under the Stock Option Plan will be determined by the Board of Directors.

On February 21, 2024, the Company granted 1,000,000 options to an officer of the Company at an exercise price $0.075 per share, these options vest immediately and have a 2-year life from the grant date.

On June 11, 2024, the Company granted 1,000,000 options to an officer of the Company at an exercise price of $0.25 per share, have a 5-year life from the grant date and the following conditions for vesting:

- 25% vests by way of earlier occurrence -- when the Company raises a capital of minimum $3,000,000 or September 31, 2024
- 25% vests on June 1, 2025
- 25% vests on December 1, 2025
- 25% vests on June 1, 2026

(Unaudited - Expressed in Canadian dollars)

The fair value of the stock options granted are estimated using the Black Scholes Option Pricing Model with the following assumptions:

Grant date	No. of Options	Price on grant date	Volatility	Risk Free Interest Rate	Life of the Options	Dividend Yield Rate
		$				
21-Feb-24	1,000,000	0.15	128%	4.22%	2	-
11-Jun-24	1,000,000	0.25	128%	3.49%	5	-

The expected volatilities are based on the historical volatility of the comparable companies as the Company has a limited history of trading. The expected term of share options granted represents the period of time that the granted share options are expected to be outstanding. The risk-free interest rate is based on the Canadian government bond rate.

The Company's stock option transactions were as follows:

	Number of Options	Exercise Price	Remaining Life
		$	
Balance, September 12, 2022 to March 31, 2023	**-**	**-**	**-**
Issued	1,000,000	0.075	**1.91**
Balance, March 31, 2024	**1,000,000**	**0.075**	**1.91**
Issued	1,000,000	0.25	4.95
Cancelled	(850,000)	0.075	-
Balance, June 30, 2024	**1,150,000**	**0.23**	**4.52**
Unvested	(1,000,000)	0.25	
Vested and exercisable	**150,000**	**0.075**	

9. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. The related party transactions not disclosed elsewhere in these financial statements are presented below:

As at June 30, 2024, included in accounts payable and accrue liabilities, the Company had $1,588,531 (March 31, 2024 - $1,649,532) owing to related parties (consisting of directors, officers and individuals related to the directors of the Company and the entities controlled by them). These amounts are non-interest bearing and due on demand.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

(Unaudited - Expressed in Canadian dollars)

Key management compensation for the three months ended June 30, 2024 and 2023 were as follows:

	2024	2023
	$	$
Director fees	1,500	-
Management fees	56,000	96,000
Professional fees	19,150	13,250
Share based compensation	17,389	-
	94,039	**109,250**

Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits during the three months ended June 30, 2024 and 2023.

During the period ended March 31, 2023, the Company received loan proceeds from related parties totaling $1,185,289. During the three months ended June 30, 2024, the Company transferred 6,666,666 shares of Superior, valued at $1,200,000, to settle the outstanding principal and interest on the CTI loan. The Company recorded a loss on debt settlement of $33,717 and as at June 30, 2024 the balance of the CTI loan is $nil (Note 7).

During the year ended March 31, 2024, the Company received $140,000 in advances from Bullrun. As at June 30, 2024, an amount of $100,000 remains outstanding (Note 8).

The Company has a consulting agreement with Bullrun, pursuant to which the Company agreed to pay $20,000 per month to Bullrun for the management consulting service. During the period ended June 30, 2024, management fees have been amended to $14,500 per month, effective February 22, 2024.

The Company entered a consulting agreement on February 10, 2023, amended on May 1, 2023, with Ambe Holdings Corp., a company controlled by Mike Stier, whereby Mike Stier would act as chief executive officer (“former CEO”) of the Company. Pursuant to the agreement the Company agreed to pay $12,000 per month, in management consulting fees. The fee was reduced to $6,000 per month in September 2023 and then $3,000 per month effective November 1, 2023. On June 11, 2024. Mike Stier had resigned as an officer. Effective June 11, 2024, the former CEO's fees will now be classified as a director fee for an amount of $1,500 per month.

During the three months ended June 30, 2024, the Company entered into a consulting agreement with Paul Teniere ("CEO") to be appointed as the CEO of the Company. Pursuant to the agreement, the Company agreed to pay $11,500 per month in management consulting fees.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company’s financial instruments consist of cash, marketable securities, accounts payable and accrued liabilities, short-term advances, CTI loan and RRRF loan. The carrying value of these financial instrument approximates its fair value due to its immediate or short-term maturity.

The Company classifies the fair value of financial instruments according to the following hierarchy based on observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

(Unaudited - Expressed in Canadian dollars)

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. The Company does not have any financial instruments classified under Level 3.

Assets measured at fair value on a recurring basis were presented on the Company's condensed interim consolidated statement of financial position as follows:

	Fair Value Measurements Using			
	Level 1	**Level 2**	**Level 3**	**June 30, 2024**
	$	**$**	**$**	**$**
Cash and cash held in escrow	1,117,228	-	-	1,117,228
Marketable securities	1,421,833	-	-	1,421,833

The Company's financial instruments are exposed to the following risks:

Credit Risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The carrying amount of financial assets represents the maximum credit exposure.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management and ensuring that sufficient financial resources to meet liabilities as they come due. As at June 30, 2024, the Company had a cash balance of $1,117,228 to settle current liabilities of $3,954,875.

Market Risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates. The Company does not have any financial assets exposed to market rate risk.

Foreign Exchange rate risk
Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out entirely in Canada and the Company's exposure to foreign exchange risk is considered low.

Interest Rate Risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities and it does not believe it is currently subject to any significant interest rate risk.

11. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the three months ended June 30, 2024. The Company is not subject to externally imposed capital requirements. The Company may raise additional debt or equity financing in the near future to meet its obligations.

(Unaudited - Expressed in Canadian dollars)

12. LEGAL CLAIM

On August 19, 2022, a claim was filed in the Provincial Court of British Columbia (Small Claims Court) by Alfred & Company Advisors Inc. (the "Claimant"). The Company was named as one of the defendants (the "Defendants"). The Claimant demanded for unpaid fees for the months of March to July 2022 pursuant to the service contract with First Responder, as well as payments in the event of termination without just cause for $35,000, plus an extra $266 for filing and service fees, for a total amount of $35,266. The Defendants has filed a counter claim dated September 6, 2022, alleging the Claimant has breached and misrepresented the service contracts with Defendants and demanding the repayment of the excess compensation received by the Claimant for approximately $31,000. The Company considered the claim filed by the Claimant has no merit and will defend it vigorously.

On May 1, 2024, the Company was ordered to pay its remaining balance of $3,938 to the Claimant and the Claimant to return any amounts received in excess. It was deemed that the Claimant was not terminated and therefore not entitled to trigger the termination policy of being paid three times the Claimant's base salary.
As at June 30, 2024, the balance of $3,938 remains payable.

13. FLOW-THROUGH SHARE PREMIUM LIABILITY

In December 2023, the Company completed a flow-through private placement for 3,333,334 flow-through shares at a price of $0.30 for gross proceeds of $1,000,000. A premium of $0.15 per share was received for the flow-through shares resulting in an initial liability of $500,000.

The flow-through liability is amortized based on the percentage of the eligible expenditures incurred during the period. As at June 30, 2024, the Company has an obligation to spend $943,800 by December 31, 2024, by which time the outstanding flow-through share premium liability of $471,900 will be settled when these flow-through expenditures are made.

The Company's flow-through premium liability as at June 30, 2024 and March 31, 2024 is as follows:

	$
Balance, March 31, 2024	**500,000**
Settlement of flow-through share liability on incurring expenditures	(28,100)
Balance at June 30, 2024	**471,900**

14. SUBSEQUENT EVENTS

- On July 8, 2024, the Company had issued 4,299,211 common shares, to ABI, to satisfy the future cash requirements of $1,500,000 and acquired 100% interest in the claims