



(FORMERLY WEST OAK GOLD CORP.)

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**(Unaudited)**

**September 30, 2024**

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM FINANCIAL STATEMENTS**

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In accordance with National instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

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

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

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)

|   | Note | September<br>30, 2024 | December 31,<br>2023 |
|---|------|-----------------------|----------------------|
| <b>ASSETS</b>                             |      |                       |                      |
| <b>Current</b>                            |      |                       |                      |
| Cash                                      |      | \$ 371,441            | \$ 536,483           |
| Accounts receivable                       |      | 6,707                 | 10,423               |
|   |      | <u>378,148</u>        | <u>546,906</u>       |
| <b>Non-current</b>                        |      |                       |                      |
| Exploration and evaluation assets         | 5    | 152,090               | 136,665              |
|   |      | <u>152,090</u>        | <u>136,665</u>       |
|   |      | <u>\$ 530,238</u>     | <u>\$ 683,571</u>    |
| <b>LIABILITIES</b>                        |      |                       |                      |
| <b>Current</b>                            |      |                       |                      |
| Accounts payables and accrued liabilities | 6    | \$ 84,523             | \$ 76,528            |
|   |      | <u>84,523</u>         | <u>76,528</u>        |
| <b>SHAREHOLDERS' EQUITY</b>               |      |                       |                      |
| Share capital                             | 7    | 1,126,291             | 820,309              |
| Reserves                                  | 7    | 140,572               | 134,132              |
| Deficit                                   |      | (821,148)             | (347,398)            |
|   |      | <u>445,715</u>        | <u>607,043</u>       |
|   |      | <u>\$ 530,238</u>     | <u>\$ 683,571</u>    |

NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS (Note 1)

SUBSEQUENT EVENTS (Note 12)

Approved and authorized for issue on behalf of the Board on November 29, 2024.

/s/ Leighton Bocking

Leighton Bocking – Director

/s/ Morgan Good

Morgan Good – Director

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

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian dollars)

|  | Note | For the three months ended |                   | For the nine months ended |                   |
|--|------|----------------------------|-------------------|---------------------------|-------------------|
|  |      | September                  | September         | September                 | September         |
|  |      | 30, 2024                   | 30, 2023          | 30, 2024                  | 30, 2023          |
| Expenses   |      |                            |                   |                           |                   |
| Accounting and audit                                 | 8    | \$ 2,500                   | \$ 7,500          | \$ 14,311                 | \$ 20,732         |
| Consulting fees                                      | 8    | 77,000                     | -                 | 323,714                   | -                 |
| Investor relations                                   |      | 27,529                     | -                 | 58,349                    | 230               |
| Professional fees                                    |      | 21,507                     | 2,053             | 21,507                    | 7,472             |
| Property investigation fees                          |      | 15,000                     | -                 | 18,941                    | -                 |
| Office and miscellaneous                             |      | 3,682                      | 108               | 7,367                     | 807               |
| Travel expense                                       |      | 3,818                      | -                 | 13,381                    | -                 |
| Transfer agent, listing, and filing fees             |      | 5,415                      | 2,480             | 16,180                    | 11,373            |
|  |      | <u>156,451</u>             | <u>12,141</u>     | <u>473,750</u>            | <u>40,614</u>     |
| Net loss and comprehensive loss for the period       |      | <u>\$ 156,451</u>          | <u>\$ 12,141</u>  | <u>\$ 473,750</u>         | <u>\$ 40,614</u>  |
| Basic and diluted loss per share                     |      | <u>\$ (0.01)</u>           | <u>\$ (0.00)</u>  | <u>\$ (0.02)</u>          | <u>\$ (0.00)</u>  |
| Weighted average number of common shares outstanding |      | <u>25,585,000</u>          | <u>13,075,001</u> | <u>24,293,029</u>         | <u>13,053,939</u> |

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

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian dollars)

|   | Note | Share capital     |                     | Reserves                 |                  |                     | Total shareholders' equity |
|---|------|-------------------|---------------------|--------------------------|------------------|---------------------|----------------------------|
|   |      | Number of shares  | Amount              | Share-based compensation | Warrants         | Deficit             |                            |
| <b>Balance as of December 31, 2022</b>  |      | 12,825,001        | \$ 532,472          | \$ 20,241                | \$ 29,396        | \$ (183,558)        | \$ 398,551                 |
| Shares issued:                          |      |                   |                     |                          |                  |                     |                            |
| Property option payments                | 5,7  | 250,000           | 25,000              | -                        | -                | -                   | 25,000                     |
| Net loss and comprehensive loss         |      | -                 | -                   | -                        | -                | (40,614)            | (40,614)                   |
| <b>Balance as of September 30, 2023</b> |      | 13,075,001        | 557,472             | 20,241                   | 29,396           | (224,172)           | 382,937                    |
| Shares issued:                          |      |                   |                     |                          |                  |                     |                            |
| Property option payments                | 5,7  | 200,000           | (500)               | -                        | -                | -                   | (500)                      |
| Private placement                       | 7    | 6,410,000         | 320,500             | -                        | -                | -                   | 320,500                    |
| Share issuance costs                    |      | -                 | (57,163)            | -                        | -                | -                   | (57,163)                   |
| Share-based compensation                | 7,8  | -                 | -                   | 84,495                   | -                | -                   | 84,495                     |
| Net loss and comprehensive loss         |      | -                 | -                   | -                        | -                | (123,226)           | (123,226)                  |
| <b>Balance as of December 31, 2023</b>  |      | 19,685,001        | 820,309             | 104,736                  | 29,396           | (347,398)           | 607,043                    |
| Shares issued:                          |      |                   |                     |                          |                  |                     |                            |
| Private placement                       | 7    | 5,899,999         | 354,000             | -                        | -                | -                   | 354,000                    |
| Share issuance costs                    |      | -                 | (48,018)            | -                        | 6,440            | -                   | (41,578)                   |
| Net loss and comprehensive loss         |      | -                 | -                   | -                        | -                | (473,750)           | (473,750)                  |
| <b>Balance as of September 30, 2024</b> |      | <b>25,585,000</b> | <b>\$ 1,126,291</b> | <b>\$ 104,736</b>        | <b>\$ 35,836</b> | <b>\$ (821,148)</b> | <b>\$ 445,715</b>          |

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

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)

|  | <b>For the nine months ended</b> |                               |
|--|----------------------------------|-------------------------------|
|  | <b>September 30,<br/>2024</b>    | <b>September 30,<br/>2023</b> |
| <b>Cash provided by (used in):</b>           |                                  |                               |
| <b>Operating activities</b>                  |                                  |                               |
| Net loss                                     | \$ (473,750)                     | \$ (40,614)                   |
| Changes in non-cash working capital items:   |                                  |                               |
| Accounts receivable                          | 3,716                            | 143                           |
| Accounts payables and accrued liabilities    | 7,995                            | (16,491)                      |
| Cash used in operating activities            | <u>(462,039)</u>                 | <u>(56,962)</u>               |
| <b>Investing activities</b>                  |                                  |                               |
| Exploration and evaluation expenditures, net | <u>(15,425)</u>                  | <u>(21,456)</u>               |
| Cash used in investing activities            | <u>(15,425)</u>                  | <u>(21,456)</u>               |
| <b>Financing activities</b>                  |                                  |                               |
| Proceeds from issuance of common shares      | 354,000                          | -                             |
| Share issuance costs                         | <u>(41,578)</u>                  | <u>-</u>                      |
| Cash provided by financing activities        | <u>312,422</u>                   | <u>-</u>                      |
| <b>Net increase (decrease) in cash</b>       | (165,042)                        | (78,418)                      |
| <b>Cash - beginning of the period</b>        | <u>536,483</u>                   | <u>308,810</u>                |
| <b>Cash - end of the period</b>              | <u>\$ 371,441</u>                | <u>\$ 230,392</u>             |

SUPPLEMENTAL DISCLOSURE OF CASH FLOW (Note 9)

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

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**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

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## **1. NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS**

Silicon Metals Corp. (Formerly West Oak Gold Corp.) (the “Company”) was incorporated on September 1, 2020 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 10th Floor, 595 Howe Street, Vancouver, BC, V6C 2T5.

On August 16, 2021, the Company’s common shares commenced trading on the Canadian Securities Exchange (the “Exchange”). On October 11, 2024, the Company has announced a name and symbol change to Silicon Metals Corp. (“SI”).

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As of September 30, 2024, the Company had not yet determined whether the Company’s mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

During the nine-month period ended September 30, 2024, the Company incurred a net loss of \$473,750 and has an accumulated deficit of \$821,148 as of September 30, 2024. The Company has not yet begun to generate revenues and its operations have been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These circumstances indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern.

These condensed interim 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 different from those reflected in these financial statements. Such adjustments could be material.

Due to the unfolding crisis in the Ukraine the Company may be exposed to new risks and uncertainties. In our case this is mainly a capital markets risk relating to financing and to lesser extent potential higher energy related costs.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION**

### **a) Statement of compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance and compliance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

### b) Basis of preparation and measurement

Depending on the applicable IFRS requirements, the measurement basis used in the preparation of the condensed consolidated interim financial statements is cost, net realizable value, fair value or recoverable amount. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these condensed interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

## **3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

These unaudited condensed interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended December 31, 2023.

These unaudited condensed interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2023. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the nine-month period ended September 30, 2024 are not necessarily indicative of the results that may be expected for the current fiscal year ending December 31, 2024.

## **4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.



**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

**5. EXPLORATION AND EVALUATION ASSET**

|                                    | <b>Ptarmigan<br/>Silica<br/>Property</b> | <b>Hedge Hog<br/>Property</b> | <b>Total</b>      |
|------------------------------------|--|-------------------------------|-------------------|
| <b>Property acquisition costs</b>  |  |                               |                   |
| Balance, December 31, 2022         | \$ -                                     | \$ 37,838                     | \$ 37,838         |
| Additions:                         |  |                               |                   |
| Option payments and shares issued  | -  | 34,500                        | 34,500            |
| Balance, December 31, 2023         | -  | 72,338                        | 72,338            |
| Additions:                         |  |                               |                   |
| Option payments and shares issued  | 15,000                                   | -                             | 15,000            |
| Balance, September 30, 2024        | 15,000                                   | 72,338                        | 87,338            |
| <b>Deferred exploration costs</b>  |  |                               |                   |
| Balance, December 31, 2022         | -  | 67,908                        | 67,908            |
| Additions:                         |  |                               |                   |
| Field assays                       | -  | 9,732                         | 9,732             |
| Field supplies                     | -  | 499                           | 499               |
| Geological consulting              | -  | 11,075                        | 11,075            |
| Rentals                            | -  | 2,683                         | 2,683             |
| Government tax rebate              | -  | (27,570)                      | (27,570)          |
| Balance, December 31, 2023         | -  | 64,327                        | 64,327            |
| Geological consulting              | -  | 425                           | 425               |
| Balance, September 30, 2024        | -  | 64,752                        | 64,752            |
| <b>Balance, December 31, 2023</b>  | <b>\$ -</b>                              | <b>\$ 136,665</b>             | <b>\$ 136,665</b> |
| <b>Balance, September 30, 2024</b> | <b>\$ 15,000</b>                         | <b>\$ 137,090</b>             | <b>\$ 152,090</b> |

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

**5. EXPLORATION AND EVALUATION ASSET (continued)**

**Hedge Hog Property**

Pursuant to an Option Agreement dated December 21, 2020 and subsequently amended on January 16, 2023, August 2, 2023 and October 31, 2024, the Company was granted an option to acquire a 60% Earned Interest in the Hedge Hog Property (the "Option"), located in the Cariboo Mining Division in British Columbia, by incurring expenditures on the property, making cash payments and issuing shares in accordance with the following table:

| <b>Payment Period</b>   | <b>Expenditures</b>            | <b>Cash Payment</b>          | <b>Share Payments<br/>(Cash equivalent)</b> |
|---|--------------------------------|------------------------------|---|
| On signing  | --                             | \$5,000 (paid)               | --  |
| Closing Date  | --                             | \$12,500 (paid)              | --  |
| On the Listing Date   | --                             | --                           | \$20,000 (issued)                           |
| On or before the date that is 12 months from the Closing Date | \$50,000<br>(deemed completed) | --                           | --  |
| On or before the date that is 24 months from the Closing Date | \$25,000<br>(deemed completed) | --                           | \$25,000 (issued)<br>(Note 7)               |
| On or before the date that is 36 months from the Closing Date | \$20,000<br>(deemed completed) | \$10,000 (paid)              | \$20,000 (issued)<br>(Note 7)               |
| On or before October 31, 2024                                 | --                             | \$10,000 (paid subsequently) | --  |
| On or before March 31, 2025                                   | \$25,000                       | --                           | --  |
| On or before June 30, 2025                                    | --                             | \$60,000                     | \$40,000                                    |
| On or before June 30, 2026                                    | \$1,630,000                    | \$80,000                     | \$90,000                                    |
| <b>TOTAL:</b>   | <b>\$1,750,000</b>             | <b>\$150,000</b>             | <b>\$195,000</b>                            |

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**

(Unaudited - Expressed in Canadian dollars)

**5. EXPLORATION AND EVALUATION ASSET (continued)**

**Hedge Hog Property (continued)**

The Optionor will be granted a 0.5% Net Smelter Returns royalty (“NSR”) on the Hedge Hog Property by the Company on exercise of the Option. The NSR will be payable by the Company on the commencement of commercial production.

The Closing Date was December 21, 2020. By September 30, 2024, the Company has incurred a total amount of exploration cost of \$92,322 (December 31, 2023 - \$91,897).

**Ptarmigan Silica Property**

The Company has entered into a property option agreement with Cronin Exploration Inc. dated Sept. 26, 2024, pursuant to which the company has acquired an option to purchase an undivided 100-per-cent right, title and interest in the Ptarmigan silica project located approximately 130 kilometres from Valemout, B.C.

In order to exercise the option, within five days of execution of the agreement the company must: (i) pay to the optionor a total of \$15,000 cash (paid); and (ii) issue to the optionor a total of 1.3 million common shares in the capital of the Company (issued subsequently).

The Company has granted the optionor a 2.0-per-cent net smelter returns royalty (the NSR royalty) with respect the property. The Company has the right to purchase from the optionor 50 per cent of the NSR royalty (being 1.0 per cent) for \$1 million within 30 days of commercial production.

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

|                     | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|---------------------|-------------------------------|------------------------------|
| Accounts payable    | \$ 84,523                     | \$ 57,528                    |
| Accrued liabilities | \$ -                          | \$ 19,000                    |
| Total               | \$ 84,523                     | \$ 76,528                    |

**7. SHARE CAPITAL**

a) Authorized:

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

b) Share issuances:

For the nine months ended September 30, 2024:

On February 29, 2024, the Company closed a non-brokered private placement of \$354,000 through the sale of 5,899,999 units of the Company at a price of \$0.06 per unit. Each unit is composed of one common share in the capital of the company and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.08 per warrant share for a period of 36 months from the date of issuance. In connection with the private placement, the company issued 140,000 finders' warrants and paid cash commission totaling \$8,400 to certain arm's-length finders. Each finders' warrant entitles the holder thereof to purchase one additional common share at a price of \$0.06 for a period of three 36 months from the date of issuance.

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

**7. SHARE CAPITAL (continued)**

During the year ended December 31, 2023:

On January 23, 2023, the Company issued 250,000 common shares with a fair value of \$12,500 to the Optionor as part of the amended option agreement with respect to the Hedge Hog Property.

On December 1, 2023, the Company issued 200,000 common shares with a fair value of \$12,000 to the Optionor as part of the amended option agreement with respect to the Hedge Hog Property.

On December 22, 2023, the Company closed a non-brokered private placement of \$320,500 through the sale of 6,410,000 units of the Company at a price of \$0.05 per unit. Each unit is composed of one common share in the capital of the company and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.05 per warrant share for a period of 36 months from the date of issuance.

b) Stock options

The Company has adopted an incentive share option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Canadian Securities Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares to be outstanding at closing. Such options will be exercisable for a period of up to 5 years from the date of grant.

The following is a summary of the changes in the Company's stock options for the nine months ended September 30, 2024, and December 31, 2023:

|   | <b>Number Options</b> | <b>Weighted Average<br/>Exercise Price</b> |
|---|-----------------------|--|
| Outstanding, December 31, 2022                        | 650,000               | \$ 0.10                                    |
| Cancelled   | (650,000)             | \$ 0.10                                    |
| Issued  | 1,965,000             | \$ 0.065                                   |
| Outstanding, December 31, 2023 and September 30, 2024 | 1,965,000             | \$ 0.065                                   |
| Exercisable, December 31, 2023 and September 30, 2024 | 1,965,000             | \$ 0.065                                   |

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

**7. SHARE CAPITAL (continued)**

c) Stock options (continued)

As of September 30, 2024, the weighted average contractual remaining life of options is 4.25 years (December 31, 2023 – 5 years).

As of September 30, 2024, the following options were outstanding and exercisable:

| Expiry date       | Number Options | Weighted<br>Average<br>Exercise Price |
|-------------------|----------------|---------------------------------------|
| December 28, 2028 | 1,965,000      | \$ 0.065                              |

The Company estimated the fair value of the options granted during three-month period ended September 30, 2024 at \$Nil (2023 - \$Nil) using the Black Scholes Option Pricing Model with the following assumptions:

|                                 | 2024 | 2023     |
|---------------------------------|------|----------|
| Risk-free interest rate         | -    | 3.28%    |
| Expected stock price volatility | -    | 79.9338% |
| Expected option life in years   | -    | 5 years  |
| Expected dividend yield         | -    | -        |
| Forfeiture rate                 | -    | -        |

c) Stock Warrants

The following is a summary of the changes in the Company's warrants for the nine months ended September 30, 2024 and December 31, 2023:

|                    | Number of<br>Warrants | Weighted Average<br>Exercise Price |
|--------------------|-----------------------|------------------------------------|
| December 31, 2022  | 402,500               | \$ 0.10                            |
| Issued             | 6,410,000             | 0.05                               |
| December 31, 2023  | 6,812,500             | 0.05                               |
| Issued             | 6,039,999             | 0.08                               |
| Expired            | (402,500)             | 0.10                               |
| September 30, 2024 | 12,449,999            | \$ 0.06                            |

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

**7. SHARE CAPITAL (continued)**

As of September 30, 2024, the following warrants were outstanding:

| <b>Expiry date</b> | <b>Number of Warrants</b> | <b>Weighted Average Exercise Price</b> |
|--------------------|---------------------------|--|
| December 22, 2026  | 6,410,000                 | 0.05                                   |
| February 28, 2027  | 6,039,999                 | 0.08                                   |
| September 30, 2024 | 12,449,999                | 0.06                                   |

e) Reserves

The reserves account records items recognized as share-based compensation expense and other share-based payments. When stock options or warrants are exercised, the corresponding amount will be transferred to share capital. Amounts recorded for forfeited or expired unexercised options remain in the reserves account. Amounts recorded for exercised, cancelled, or expired warrants remain in the reserves account.

f) Escrow Shares

As of September 30, 2024, a total number of Nil shares are held in escrow. The following automated timed releases will apply to the shares held by its holders who are subject to escrow:

**ESCROW SHARES**

| <b>Date of Automatic Timed Release</b>                                     | <b>Amounts and Percentage of Escrowed Securities Released</b> |  |
|--|---|--|
| August 16, 2021 - the date the Company's shares are listed on the Exchange | 300,000   | 10% of the escrow shares (released)    |
| February 16, 2022  | 450,000   | 15% of the escrow shares (released)    |
| August 16, 2022  | 450,000   | 15% of the escrow shares (released)    |
| February 16, 2023  | 450,001   | 15% of the escrow shares (released)    |
| August 16, 2023  | 450,000   | 15% of the escrow shares (released)    |
| February 16, 2024  | 450,000   | 15% of the escrow shares (released)    |
| August 16, 2024  | 450,000   | The remaining escrow shares (released) |

**SILICON METALS CORP. (FORMERLY WEST OAK GOLD CORP.)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**  
(Unaudited - Expressed in Canadian dollars)

## 8. RELATED PARTY BALANCES AND 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 or is a member of key management. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Included in the share-based payments for the nine-month ended September 30, 2024 is \$Nil and (2023 - \$Nil) related to the fair value of share purchase options vested for key management personnel.

Consulting fees paid to the Company's key management personnel and companies controlled by key management personnel for the nine-month ended September 30, 2024 totaled \$163,000 respectively (2023 - \$13,500). As at September 30, 2024, accounts payable included an aggregate of \$4,200 (December 31, 2023 - \$1,575) owing to key management personnel and companies controlled by key management personnel.

## 9. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

| Supplemental Disclosure of Non-Cash Financing and Investing Activities Include: | September 30, 2024 | September 30, 2023 |
|---|--------------------|--------------------|
| Exploration expenditures included in accounts payable                           | \$ -               | \$ 1,780           |
| Shares issued for exploration and evaluation assets                             | \$ -               | \$ 25,000          |

## 10. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

## 11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

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**11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)**

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as of September 30, 2024 are as follows:

|      | Fair Value Measurements Using                                       |   |   | Total      |
|------|---|---|---|------------|
|      | Quoted Prices in Active Markets For Identical Instruments (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |            |
| Cash | \$ 371,441  | \$ -  | \$ -                                      | \$ 371,441 |

Fair value

The fair value of the Company's financial instruments approximates their carrying value as of September 30, 2024 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities. The Company is not exposed to significant foreign currency risk.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution. The majority of cash is deposited in a bank account held with a major bank in Canada.



## **11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)**

### *(iv) Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The Company's liquidity risk has been assessed as high.

## **12. SUBSEQUENT EVENTS**

On October 4, 2024, the Company issued 1.3 million common shares to Cronin Exploration Inc. at a deemed price of 7.5 cents per share pursuant to the company's recently announced option to purchase and an undivided 100-per-cent right, title and interest in the Ptarmigan silica project located approximately 130 kilometres from Valemount, B.C.

On October 17, 2024, the Company issued 100,000 common shares for 100,000 warrants exercised at \$0.05 per share.

On November 14, 2024, the Company paid \$15,000 and issued 1,800,000 option shares at a deemed price of 7.5 cents per share for Ptarmigan Silica Property.

On November 14, 2024, the Company issued 3,300,000 option shares at a deemed price of 7.5 cents per share for Longworth Silica Property.