

# **Troy Minerals Inc.**

## **Condensed Interim Financial Statements**

**For the three and nine months ended February 29, 2024 and 2023**

(Expressed in Canadian dollars)

(Unaudited)

### **NOTE TO READER**

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management. The Corporation's independent auditor has not performed a review of these interim financial statements.

**Troy Minerals Inc.**  
**Condensed Interim Statements of Financial Position**  
(Expressed in Canadian dollars)  
(Unaudited)

As at	Notes	February 29, 2024 \$	May 31, 2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		2,904,047	45,424
Other receivables	4	36,274	17,436
Prepaid expenses and deposits		275,483	12,294
<b>Total current assets</b>		<b>3,215,804</b>	<b>75,154</b>
Exploration and evaluation asset	5	1,246,122	458,338
Reclamation bond	5	101,135	101,978
<b>TOTAL ASSETS</b>		<b>4,563,061</b>	<b>635,470</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	6,9	146,104	85,447
<b>Total current liabilities</b>		<b>146,104</b>	<b>85,447</b>
Flow-through premium liability	7	52,986	-
<b>Total liabilities</b>		<b>199,090</b>	<b>85,447</b>
<b>Equity</b>			
Common shares	8	6,138,635	1,439,305
Obligation to issue common shares	8	9,750	-
Subscription receivable	8	-	(405,000)
Reserves	8	344,014	-
Deficit		(2,128,428)	(484,282)
<b>Total equity</b>		<b>4,363,971</b>	<b>550,023</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4,563,061</b>	<b>635,470</b>

Going concern (Note 1)  
Subsequent events (Note 12)

**APPROVED BY THE BOARD:**

“Rana Vig”  
Director

“Gurdeep Bains”  
Director

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

# Troy Minerals Inc.

## Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

		For the three months ended		For the nine months ended	
	Note	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
		\$	\$	\$	\$
<b>Expenses</b>					
Management fees	9	15,000	15,000	45,000	45,000
Investor relations		644,058	4,000	805,679	10,000
Interest and bank charges		517	60	2,021	345
General and administrative		45,652	574	183,491	3,653
Professional fees	9	90,200	18,521	160,050	128,633
Share-based compensation	8,9	101,961	-	434,764	-
Transfer agent and regulatory fees		26,307	2,243	57,356	38,888
<b>Total operating expenses</b>		<b>(923,695)</b>	<b>(40,398)</b>	<b>(1,688,361)</b>	<b>(226,519)</b>
<b>Other items</b>					
Interest income		25,108	744	37,000	2,039
Flow-through premium recovery		19,014	-	19,014	-
Foreign exchange gain (loss)		(3,607)	(155)	(11,799)	(155)
<b>Net loss and comprehensive loss</b>		<b>(883,180)</b>	<b>(39,809)</b>	<b>(1,644,146)</b>	<b>(224,635)</b>
Basic and Diluted loss per shares					
		(0.02)	(0.00)	(0.03)	(0.01)
<b>Weighted average number of common shares outstanding – basic and diluted</b>					
		<b>53,238,313</b>	<b>35,767,750</b>	<b>47,059,802</b>	<b>29,714,338</b>

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

## Troy Minerals Inc.

### Condensed Interim Statements of Changes in Equity

For the nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

	Number of shares	Common shares \$	Obligation to issue securities \$	Subscription Receivable \$	Reserves \$	Deficit \$	Total \$
Balance as at May 31, 2022	6,875,250	55,000	16,000	-	730,200	(179,604)	621,596
Shares issued for option agreement finders' fee	2,000,000	16,000	(16,000)	-	-	-	-
Shares issued for property purchase	2,500,000	100,000	-	-	-	-	100,000
Shares issued for the conversion of special warrants	24,392,500	730,200	-	-	(730,200)	-	-
Net loss for the period	-	-	-	-	-	(224,635)	(224,635)
<b>Balance February 28, 2023</b>	<b>35,767,750</b>	<b>901,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(404,239)</b>	<b>496,961</b>
Balance as at May 31, 2023	41,167,750	1,439,305	-	(405,000)	-	(484,282)	550,023
Subscription receivable deposit	-	-	-	405,000	-	-	405,000
Share-based compensation	-	-	-	-	434,764	-	434,764
Issuance of common shares on settlement of RSUs	500,000	175,000	9,750	-	(184,750)	-	-
Shares issued for Lac Jaques acquisition	79,365	50,000	-	-	-	-	50,000
Non-flow through shares issued in private placement	10,037,937	3,359,602	-	-	78,761	-	3,438,363
Flow through shares issued in private placement	800,000	927,098	-	-	17,869	-	944,967
Flow-through premium	-	(72,000)	-	-	-	-	(72,000)
Exercise of options	10,000	6,130	-	-	(2,630)	-	3,500
Exercise of warrants	1,950,000	253,500	-	-	-	-	253,500
Net loss for the period	-	-	-	-	-	(1,644,146)	(1,644,146)
<b>Balance February 29, 2024</b>	<b>54,545,052</b>	<b>6,138,635</b>	<b>9,750</b>	<b>-</b>	<b>344,014</b>	<b>(2,128,428)</b>	<b>4,363,971</b>

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

# Troy Minerals Inc.

## Condensed Interim Statement of Cash Flows

For the nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

	February 29, 2024	February 28, 2023
<b>For the nine months ended</b>	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Net loss for period	(1,644,146)	(224,635)
Items not affective cash:		
Share-based compensation	434,764	-
Interest income	-	-
Flow-through premium recovery	(19,014)	-
Foreign exchange gain (loss)	843	-
Changes in non-cash working capital items:		
Prepaid expenses and deposits	(263,189)	(10,027)
Other receivables	(18,838)	(14,489)
Accounts payable and accrued liabilities	(21,623)	16,855
<b>Cash used in operating activities</b>	<b>(1,531,203)</b>	<b>(232,296)</b>
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation expenses	(606,694)	(151,972)
Acquisition cost of exploration asset	-	(120,000)
Acquisition cost of new mining rights	(50,000)	-
<b>Cash used in investing activities</b>	<b>(656,694)</b>	<b>(271,972)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of common shares	3,918,280	-
Proceeds from issuance of Flow-Through Units	1,000,000	-
Share issuance costs	(128,760)	-
Proceeds from options exercised	3,500	-
Proceeds from warrants exercised	253,500	-
<b>Net cash provided by financing activities</b>	<b>5,046,520</b>	<b>-</b>
<b>Net change in cash</b>	<b>2,858,623</b>	<b>(504,268)</b>
Cash, beginning of period	45,424	612,492
<b>Cash, end of period</b>	<b>2,904,047</b>	<b>108,224</b>
<b>Supplemental Cash Flow Information</b>		
Non-cash exploration and evaluation acquisition cost	50,000	100,000
Exploration and evaluation costs in accounts payable and accrued liabilities	64,123	21,736
Exploration and evaluation asset acquisition costs in accounts payable and accrued liabilities	16,969	34,023
Finder's warrants issued in connection with private placement	96,630	-
Interest received	37,000	2,039
Issuance of common shares on settlement of RSUs	175,000	-
Common shares to be issued for settlement of RSUs	9,750	-
Share issuance costs in accounts payable and accrued liabilities	1,190	-

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

# **Troy Minerals Inc.**

## **Notes to the Condensed Interim Financial Statements**

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Troy Minerals Inc. (the “Company”) is a mining exploration company engaged in the identification, acquisition, evaluation, and exploration of mineral properties. The Company was incorporated under the British Columbia Business Corporations Act as 1166469 BC Ltd. on May 31, 2018, and changed its name to Troy Minerals Inc. on April 20, 2022. The registered and records office of the Company is located at 1200 – 750 West Pender Street, Vancouver, Canada V6C 2T8. On September 2, 2022, the Company began trading on the Canadian Securities Exchange (“CSE”) under the symbol TROY.

The Company is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration to potentially identify mineral resources and resources requiring development of its mineral properties. Management believes that financing is available for early-stage exploration and may be sourced in time to allow the Company to continue its current planned activities in the normal course.

These condensed interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The Company had a loss of \$1,644,146 for the nine months ended February 29, 2024.

The Company had cash of \$2,904,047 as at February 29, 2024, but management cannot provide any assurance that the Company will ultimately achieve profitable operations, become cash flow positive or raise additional equity and/or debt capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company is dependent on raising capital through share issuances.

### **2. BASIS OF PREPARATION**

#### **Statement of Compliance**

These condensed interim financial statements have been prepared in accordance International Accounting Standards (“IAS”) 34 Interim Financial Reporting using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee for all periods presented. Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. The financial statements were approved by the Board of Directors of the Company on April 29, 2024.

These condensed interim financial statements have been prepared on an accrual basis and are based on historical cost, except for certain financial instruments measured at fair value, as set out in the accounting policies in Note 3 of the audited financial statements for the year ended May 31, 2023. These condensed interim financial statements are presented in Canadian dollars which is the functional currency of the Company.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### 2. BASIS OF PREPARATION (CONTINUED)

The preparation of condensed interim financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the Company's audited financial statements for the year ended May 31, 2023.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended May 31, 2023, except for those summarized below, and have been consistently followed in the preparation of these condensed interim financial statements.

#### *Flow-through share private placement*

As an incentive to complete private placements the Company may issue common shares, which by agreement are designated as flow-through shares. Such agreements require the Company to spend the funds from these placements on qualified exploration expenditures and renounce the expenditures and income tax benefits to the flow-through shareholders, resulting in no exploration deductions to the Company.

The shares are usually issued at a premium to the trading value of the Company's common shares. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. On issue, share capital is increased only by the non-flow-through share equivalent value. Any premium is recorded as a flow-through share premium liability.

The deferred income tax liability and reversal of the flow-through share premium liability are recorded on a pro-rata basis as the required exploration expenditure are completed.

### 4. OTHER RECEIVABLES

<b>As at</b>	<b>February 29, 2024</b>		<b>May 31, 2023</b>	
Government sales tax receivable	\$	<b>36,274</b>	\$	17,436
	\$	<b>36,274</b>	\$	17,436

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

### 5. EXPLORATION AND EVALUATION ASSET

	<b>Green Gold Project</b>	<b>Tick Tock Project</b>	<b>Lake Owen Project</b>	<b>Lac Jaques Project</b>	<b>Total</b>
	\$	\$	\$	\$	\$
Balance at May 31, 2022	28,800	-	-	-	28,800
Acquisition cost – cash	-	120,000	34,922	-	154,922
Acquisition cost – shares	-	100,000	-	-	100,000
Exploration costs	174,196	-	420	-	174,616
<b>Balance at May 31, 2023</b>	<b>202,996</b>	<b>220,000</b>	<b>35,342</b>	<b>-</b>	<b>458,338</b>
Acquisition cost – cash	-	-	16,969	50,000	66,969
Acquisition cost – shares	-	-	-	50,000	50,000
Exploration costs	177,791	1,575	74,093	417,356	670,815
<b>Balance at February 29, 2024</b>	<b>380,787</b>	<b>221,575</b>	<b>126,404</b>	<b>517,356</b>	<b>1,246,122</b>

#### The Lac Jaques Property

On August 3, 2023, the Company entered into an agreement to purchase 100% of the Lac Jaques mineral claims for the following consideration:

- \$50,000 worth of Consideration Shares, based on the day average closing share price on the CSE for the seven trading days immediately prior to the date that is 60 days from the date of the agreement (issued);
- A lump sum cash payment of \$50,000 payable within 7 business days of the date of the agreement (paid); and
- An exploration work program carried out by Resources Maxima Inc. on the Lac Jaques mineral claims involving expenditure of a minimum of \$150,000, to be incurred over a 12-month period from the date of the agreement.

Following the closing of the agreement (being the date that the payments & expenditures required to be made by the Company have been made in accordance with the time frames provided), the Company shall make the following payments in cash to the vendors:

- A lump sum cash payment of \$250,000, upon the establishment by the Company of a National Instruments 43-101 (“NI 43-101”) compliant mineral resource in the Measured and Indicated category, and
- A lump sum cash payment of \$350,000 upon the completion by the Company of a pre-feasibility study, as defined in NI 43-101.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

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### 5. EXPLORATION AND EVALUATION ASSET (CONTINUED)

#### Lake Owen Project (formerly the SW2 Property)

On February 13, 2023 (the "Lake Owen Effective Date"), the Company entered into an option agreement with Wyoming Mines Inc. ("Wyoming"), to acquire a 100% undivided interest, subject to a 2.5% net smelter return ("NSR") royalty, in 91 mineral claims located approximately 50km southwest of Laramie, Wyoming. On December 1, 2023, the Company entered into an amended agreement resulting in the addition of 9 new mineral claims for a total of 99 mineral claims as well as amendments to the timing of expenditure commitments as listed below.

To exercise the option, the Company must issue cash payments totaling USD\$487,500 and incur a total of USD\$1,000,000 in exploration expenditures on the Lake Owen Property before February 13, 2028, as outlined below:

- (i) Payment of USD\$500,000 in cash to Wyoming as follows:
  - A. USD\$25,000 within three business days of the Lake Owen Effective date (paid);
  - B. USD\$12,500 on or before the first anniversary of the Lake Owen Effective Date (paid subsequent to period end);
  - C. USD\$25,000 on or before the second anniversary of the Lake Owen Effective Date;
  - D. USD\$25,000 on or before the third anniversary of the Lake Owen Effective Date;
  - E. USD\$100,000 on or before the fourth anniversary of the Lake Owen Effective Date; and
  - F. USD\$300,000 on or before the fifth anniversary of the Lake Owen Effective Date.
  
- (ii) Incur US\$1,000,000 in Expenditures on the Property as follows:
  - A. USD\$500,000 on or before the third anniversary of the Lake Owen Effective Date
  - B. USD\$200,000 on or before the fourth anniversary of the Lake Owen Effective Date
  - C. USD\$300,000 on or before the fifth anniversary of the Lake Owen Effective Date

The 2.5% NSR can be reduced to 1% by issuing a cash payment of US\$2,000,000 Wyoming at any time prior to the earlier of:

- (i) the commencement of commercial production on the Lake Owen Property; and
- (ii) February 13, 2033.

In addition to the 2.5% NSR, upon exercise of the option, the Company will have been deemed to have granted Wyoming a production royalty in the amount of USD\$0.01 per pound of vanadium produced on the Lake Owen Property (the "Production Royalty"). The Production Royalty will only be in the event the mineral resource, as defined in NI 34-101 and reported in a technical report prepared in compliance with NI 43-101, on the Lake Owen Property, are no less than 1 (one) billion pounds of vanadium in the measured and indicated category.

Under the terms of the agreement, the Company is also obligated to make bonus payments to Wyoming in the amount of USD\$100,000 upon establishing a mineral resource reported in a technical report prepared in compliance with NI 43-101, on the Lake Owen Property, with no less than 1 (one) billion pounds of vanadium in the measured and indicated category, and to make further bonus payments of USD\$250,000 upon the Company receiving a feasibility study, as defined in NI 43-101.

# **Troy Minerals Inc.**

## **Notes to the Condensed Interim Financial Statements**

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### **5. EXPLORATION AND EVALUATION ASSET (CONTINUED)**

#### **Lake Owen Project (formerly the SW2 Property) (Continued)**

The Company has met all of its obligations in respect of the Lake Owen Property to date.

The Company holds a reclamation bond with the Wyoming Department of Environmental Quality of \$101,135 (USD \$74,500) related to the Lake Owen Property. This bond was purchased on May 31, 2023.

#### **Tick Tock Project**

On September 27, 2022, the Company entered into a property purchase agreement to purchase the Tick Tock Property from Rockbridge Resources Inc. in exchange for cash consideration of \$120,000 and issuance of 2,500,000 common shares of the Company at \$0.04 per share. The 1065-hectare Ticktock Property is located within the Golden Triangle region of British Columbia, Canada. Rockbridge Resources Inc. is a company controlled by the President of the Company.

#### **Green Gold Project**

On April 25, 2022, the Company entered into an option agreement with 0902744 B.C. Ltd. (the "Optionor"), to acquire a 75% beneficial interest, subject to a 2% net smelter return ("NSR") royalty, in twelve mineral claims located near Prince George, British Columbia that comprise the Green Gold Project ("the Property"). The Company may reduce the NSR royalty to 1% by making a \$1,500,000 payment to the Optionor at any time (the "1% NSR Repurchase"). The remaining NSR royalty may be repurchased from the Optionor for \$5,000,000.

On May 10, 2023, the Company entered into an amendment agreement (the "Amendment Agreement") in relation to the Green Gold Property, whereby it was agreed that the due date of all of the option exercise requirements would be delayed by one year, apart from the minimum expenditures required to keep the property option in good standing.

To exercise the option, the Company must complete the following commitments (as updated per the Amendment Agreement):

- a) Incur a minimum of \$150,000 in exploration expenditures by December 31, 2022 (date unchanged by Amendment Agreement) (incurred);
- b) Incur the minimum Exploration Expenditures required on or before December 31, 2023, and submit appropriate filing and reports to keep the Property in good standing until June 25, 2025, the incurring of such exploration by the Optionee being mandatory expenditures irrespective of whether the Optionee determines to proceed with the Option (clause added by the Amendment Agreement);
- c) Pay the Optionor \$50,000 either in cash or by the issuance of common shares of the Company, and incur an additional minimum of \$300,000 in exploration expenditures by December 31, 2024 (updated from December 31, 2023, by the Amendment Agreement);

# **Troy Minerals Inc.**

## **Notes to the Condensed Interim Financial Statements**

For the three and nine months ended February 29, 2024 and February 28, 2023

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### **5. EXPLORATION AND EVALUATION ASSET (CONTINUED)**

#### **Green Gold Project (Continued)**

- d) Pay \$50,000 by cash or by the issuance of common shares of the Company, and incur an additional minimum of \$550,000 in exploration expenditures by December 31, 2025 (updated from December 31, 2024, by the Amendment Agreement);
- e) Pay \$100,000 by cash or by the issuance of common shares of the Company, and incur an additional minimum of \$1,000,000 in exploration expenditures by December 31, 2026 (updated from December 31, 2025, by the Amendment Agreement);
- f) Pay \$100,000 by cash or by the issuance of common shares of the Company, and incur an additional minimum of \$1,000,000 in exploration expenditures by December 31, 2027 (updated from December 31, 2026, by the Amendment Agreement); and
- g) Pay \$200,000 by cash or by the issuance of common shares of the Company and incur an additional minimum of \$2,000,000 in exploration expenditures by December 31, 2028 (updated from December 31, 2027, by the Amendment Agreement).

If expenditure requirements are not met, the balance must be paid in cash to the Optionor within 30 days of the end of the applicable period.

The Company honored its commitment by incurring exploration expenditures.

Upon the exercise of the option, the Company is required to pay an advance minimum royalty (the “AMR”) of \$100,000 per year from 2029 to 2033. The AMR will increase to \$300,000 per year from 2034 and onward. If the 1% NSR Repurchase has been made, AMR payments are reduced by 50%.

The Company may acquire the remaining 25% beneficial interest in the property, by paying \$1,200,000 in cash or the equivalent of \$1,200,000 in common shares of the Company. This payment increases by \$100,000 every 12 months, in the event that the option is not exercised by April 11, 2027, for a maximum amount payable of \$5,000,000.

On July 20, 2022, in conjunction with the option agreement, the Company issued 2,000,000 shares as finders fees. The fair value of the shares was estimated to be \$16,000 based on the Company’s only private placement of common shares at the time and has been included as acquisition costs.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

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### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at		February 29, 2024		May 31, 2023
Accounts payable	\$	61,236	\$	9,914
Accrued liabilities		84,868		75,533
	\$	146,104	\$	85,447

### 7. FLOW-THROUGH PREMIUM

On December 28, 2023, the Company closed a private placement and issued 800,000 flow-through units ("FT Units") at a price of \$1.25 per FT Unit for gross proceeds of \$1,000,000 (Note 8). Upon closing of the private placement, the Company recognized a flow-through premium liability in the statement of financial position of \$72,000 which reflects the value of income tax benefits that the Company will pass on to the flow-through shareholders.

During the three and nine months ended February 29, 2024, the Company incurred qualifying exploration expenditures resulting in recognition of flow-through premium recovery in the statement of loss and comprehensive loss of \$11,799 and a balance of flow-through premium liability of \$52,986 as of February 29, 2024. As at February 29, 2024, the Company has a remaining obligation to spend \$735,918 in eligible expenditures by December 31, 2025

<b>Balance, May 31, 2023</b>	\$	-
Issuance of flow-through shares		72,000
Flow-through recovery		(19,014)
<b>Balance, February 29, 2024</b>	\$	<b>52,986</b>

### 8. SHARE CAPITAL

#### Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

On October 12, 2022, the Company completed a forward split of its shares on the basis of 2.5 new shares for each one share outstanding (the "Forward Split"). Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retroactive basis to reflect the Forward Split.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

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### 8. SHARE CAPITAL (CONTINUED)

#### Shares issued

##### For the nine months ended February 29, 2024

On August 3, 2023, Troy Minerals Inc. entered into an agreement for the purchase of Lac Jaques Mineral Claims. Per the agreement, Troy is to issue \$50,000 worth of Consideration Shares, based on the day average closing share price on the CSE for the seven trading days immediately prior to the date that is 60 days from the date of the agreement. On October 3, 2023, the Company issued 79,365 common shares with a fair value of \$50,000, pursuant to the terms of the agreement for the Lac Jaques Property (Note 5).

On August 4, 2023, the Company issued 500,000 common shares on settlement of 500,000 Restricted share units (RSUs) that vested immediately on their grant date. The related reserves of \$175,000 were reclassified to common shares on settlement.

On October 11, 2023, the Company completed the first tranche of a private placement offering and issued 8,571,994 common shares at a price of \$0.35 per share for gross proceeds of \$3,000,200. In connection with the offering, the Company paid cash commissions of \$46,660 and issued 133,315 finder's warrants with a fair value of \$55,463, estimated using the Black Scholes pricing model and the following assumptions: estimated volatility of 110%, risk-free interest rate of 4.75%, expected life of 2 years, exercise price of \$0.35, a dividend yield of 0%, and a share price of \$0.60. The finder's warrants are exercisable into one common share of the Company at a price of \$0.35 for a period of 24 months. In connection with the offering, the Company paid \$6,277 in professional and transaction fees.

On November 22, 2023, the Company completed the second tranche of a private placement offering and issued 1,465,943 common shares at a price of \$0.35 per share for gross proceeds of \$513,080. In connection with the offering, the Company paid cash commissions of \$13,056 and issued 37,303 finder's warrants with a fair value of \$23,298, estimated using the Black Scholes pricing model and the following assumptions: estimated volatility of 111%, risk-free interest rate of 4.40%, expected life of 2 years, exercise price of \$0.35, a dividend yield of 0%, and a share price of \$0.83. The finder's warrants are exercisable into one common share of the Company at a price of \$0.35 for a period of 24 months. In connection with the offering, the Company paid \$8,924 in professional and transaction fees.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### 8. SHARE CAPITAL (CONTINUED)

#### Shares issued (Continued)

##### For the nine months ended February 29, 2024 (Continued)

On December 28, 2023, the Company completed a private placement issuing 800,000 FT Units at a price of \$1.25 per FT Unit for gross proceeds of \$1,000,000, of which \$72,000 was recognized as flow-through premium liability (Note 7). Each FT Unit is comprised of one common share of the Company which qualifies as a “flow-through” share as defined in subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act* (Quebec) and one-half of one non-transferable share purchase warrant of the Company. Each whole warrant is exercisable for one common share of the Company at an exercise price of \$2.50 per share for a period of two years from the date of issuance. The value of \$nil was allocated to the warrants using the residual value method. In connection with the offering, the Company paid cash commissions of \$45,000 and issued 36,000 finder’s warrants with a fair value of \$17,869, estimated using the Black Scholes pricing model and the following assumptions: estimated volatility of 113%, risk-free interest rate of 3.92%, expected life of 2 years, exercise price of \$2.50, a dividend yield of 0%, and a share price of \$1.16. The finder’s warrants are exercisable into one common share of the Company at a price of \$2.50 for a period of 24 months. In connection with the offering, the Company paid \$10,033 in professional and transaction fees.

On January 17, 2024, the Company issued 50,000 common shares for the exercise of 50,000 warrants, at an exercise price of \$0.13. The related reserves of \$nil, were reclassified to common shares on settlement.

On January 18, 2024, the Company issued 10,000 common shares for the exercise of 10,000 options, at an exercise price of \$0.35. The related reserves of \$2,630 were reclassified to common shares on settlement.

On January 18, 2024, the Company issued 1,000,000 common shares for the exercise of 1,000,000 warrants, at an exercise price of \$0.13. The related reserves of \$nil, were reclassified to common shares on settlement.

On January 19, 2024, the Company issued 590,000 common shares for the exercise of 590,000 warrants, at an exercise price of \$0.13. The related reserves of \$nil, were reclassified to common shares on settlement.

On January 22, 2024, the Company issued 310,000 common shares for the exercise of 310,000 warrants, at an exercise price of \$0.13. The related reserves of \$nil, were reclassified to common shares on settlement.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

### 8. SHARE CAPITAL (CONTINUED)

#### Shares issued (Continued)

##### For the year ended May 31, 2023

On July 20, 2022, the Company issued 2,000,000 common shares with a fair value of \$16,000 to a director as a finder's fee for the acquisition of the Green Gold property (Note 5 and Note 9).

On August 31, 2022, the Company issued 24,392,500 common shares for the deemed exercise of 24,392,500 special warrants upon obtaining a receipt for a final prospectus qualifying the distribution of the shares. Upon exercise, \$730,200 was reallocated from reserves to share capital.

On September 29, 2022, the Company issued 2,500,000 common shares at \$0.04 per share with fair value of \$100,000 to Rockbridge Resources Inc for the acquisition of the Tick Tock Property (Note 5 and Note 8).

On May 31, 2023, the Company closed a non-brokered private placement issuing 5,400,000 units of the Company at a price of \$0.10 per unit for gross proceeds of \$540,000 of which \$135,000 were received and \$405,000 were recorded as subscriptions receivable as of May 31, 2023. Each unit consists of one common share and one transferable share purchase warrant of the Company. Each warrant is exercisable for one common share of the Company at a price of \$0.13 for a period of 24 months following the closing of the offering. The Company incurred share issuance costs of \$1,895 in relation to this private placement. All securities issued are subject to a four-month hold period expiring October 1, 2023.

#### Warrants

A summary of the warrant activity for the nine months ended February 29, 2024 and the year ended May 31, 2023 is as follows:

	<b>Nine months ended February 29, 2024</b>	Year ended May 31, 2023
	<b>Number of warrants</b>	Number of warrants
Balance, beginning of period/year	<b>5,400,000</b>	24,392,500
Issued	<b>606,618</b>	5,400,000
Exercised	<b>(1,950,000)</b>	(24,392,500)
Balance, end of period/year	<b>4,056,618</b>	5,400,000

The weighted average exercise price of warrants outstanding is \$0.39 (May 31, 2023 - \$0.13) and the average remaining contractual life of outstanding warrants is 1.33 years (May 31, 2023 - 2.00 years).

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### 8. SHARE CAPITAL (CONTINUED)

#### Warrants (continued)

##### For the nine months ended February 29, 2024

The Company issued 133,315 warrants as finder's fees in connection with the first tranche of the private placement that closed on October 11, 2023. Each finder's warrant may be exercised at a price of \$0.35 per share until October 11, 2025. The fair value of the finder's warrants was \$55,463 and was determined using the Black Scholes pricing model using the following assumptions: estimated volatility of 110%, risk-free interest rate of 4.75%, expected life of 2 years, exercise price of \$0.35, a dividend yield of 0%, and a share price of \$0.60.

The Company issued 37,303 warrants as finder's fees in connection with the second tranche of the private placement that closed on November 22, 2023. Each finder's warrant may be exercised at a price of \$0.35 per share until November 22, 2025. The fair value of the finder's warrants was \$23,298 and was determined using the Black Scholes pricing model using the following assumptions: estimated volatility of 111%, risk-free interest rate of 4.40%, expected life of 2 years, exercise price of \$0.35, a dividend yield of 0%, and a share price of \$0.83.

The Company issued 400,000 warrants in connection with the private placement offering of 800,000 FT Units that closed on December 28, 2023. Each warrant may be exercised at a price of \$2.50 per share until December 28, 2025. The value of \$nil was allocated to the warrants using the residual value method.

The Company issued 36,000 warrants as finder's fees in connection with the private placement offering of 800,000 FT Units that closed on December 28, 2023. Each finder's warrant may be exercised at a price of \$2.50 per share until December 28, 2025. The fair value of the finder's warrants was \$17,869 and was determined using the Black Scholes pricing model and the following assumptions: estimated volatility of 113%, risk-free interest rate of 3.92%, expected life of 2 years, exercise price of \$2.50, a dividend yield of 0%, and a share price of \$1.16.

During the nine months ended February 29, 2024, 1,950,000 warrants were exercised for gross proceeds of \$253,500. The related reserves of \$nil, were reclassified to common shares on settlement.

##### For the year-ended May 31, 2023

On May 31, 2023, the Company completed a non-brokered private placement issuing 5,400,000 units at a price of \$0.10 per unit for gross proceeds of \$540,000. Each unit is comprised of one common share and one warrant, resulting in the issuance of 5,400,000 warrants. Each warrant is exercisable for one common share of the Company at a price of \$0.13 for a period of 24 months following the closing of the offering. A value of \$nil was allocated to the warrants using the residual value method.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

### 8. SHARE CAPITAL (CONTINUED)

#### Stock options

On May 10, 2023, the Company adopted an Equity Incentive Compensation Plan (the “Plan”). The Plan permits the grant of stock options, share appreciation rights (SARs), restricted share units (RSUs), deferred share units (DSUs), and performance share units (PSUs).

The aggregate number of shares issuable pursuant to stock options issued under the Plan may not exceed 10% of the then issued and outstanding shares of the Company on a rolling basis.

All terms and conditions of the instruments granted under the Plan, including but not limited to the grant price, exercise price, issue price, and vesting conditions, shall be determined by the Board of Directors at the time of grant.

A summary of the stock option activity for the nine months ended February 29, 2024 and the year ended May 31, 2023 is as follows:

	<b>Nine months ended February 29, 2024</b>	Year ended May 31, 2023
	<b>Number of options</b>	Number of options
Balance, beginning of period/year	-	-
Issued	<b>850,000</b>	-
Exercised	<b>(10,000)</b>	-
Balance, end of period/year	<b>840,000</b>	-

As of February 29, 2024, the weighted average remaining life for the outstanding options was 4.40 years (May 31, 2023 – Nil). The weighted average exercise price of the stock options outstanding is \$0.51 (May 31, 2023 – \$Nil)

#### For the nine months ended February 29, 2024

On August 4, 2023, the Company issued 600,000 incentive stock options pursuant to the terms in the Plan, of which 450,000 options were issued to certain directors, officers and consultants of the Company (Note 8). Each option is exercisable into one common share at a price of \$0.35 per share, with an expiration date of 5 years. The options vest immediately on grant. The fair value of the stock options was \$157,803, determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 98%, risk-free interest rate of 3.70%, expected life of 5 years, exercise price of \$0.35, a dividend yield of 0%, and a share price of \$0.35. All of the options (and any common shares issuable upon exercise thereof) are subject to a 4-month hold period under applicable stock exchange rules and Canadian securities laws.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### 8. SHARE CAPITAL (CONTINUED)

#### Stock options (Continued)

##### For the nine months ended February 29, 2024 (Continued)

On December 28, 2023, the Company issued 50,000 stock options in consideration for professional services. Each option is exercisable into one common share at a price of \$1.25 per share, with an expiration date of 2 years. The options vest immediately on grant. The fair value of the stock options was \$33,448, determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 113%, risk-free interest rate of 3.92%, expected life of 2 years, exercise price of \$1.25, a dividend yield of 0%, and a share price of \$1.16.

On January 8, 2024, the Company issued 100,000 incentive stock options pursuant to the terms in the Plan, to a consultant of the Company. Each option is exercisable into one common share at a price of \$1.20 per share, with an expiration date of 5 years. The vesting terms of the options are as follows: 25,000 vest immediately on grant, 25,000 vest on April 8, 2024, 25,000 vest on July 8, 2024 and 25,000 vest on October 8, 2024. The fair value of the stock options was \$97,610, determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 118%, risk-free interest rate of 3.33%, expected life of 5 years, exercise price of \$1.20, a dividend yield of 0%, and a share price of \$1.18.

On February 27, 2024 the Company issued 100,000 incentive stock options pursuant to the terms in the Plan, to a consultant of the Company. Each option is exercisable into one common share at a price of \$0.39 per share, with an expiration date of 5 years. The vesting terms of the options are as follows: 25,000 vest immediately on grant, 25,000 vest on May 27, 2024, 25,000 vest on August 27, 2024 and 25,000 vest on November 27, 2024. The fair value of the stock options was \$32,364, determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 118%, risk-free interest rate of 3.63%, expected life of 5 years, exercise price of \$0.39, a dividend yield of 0%, and a share price of \$0.39

During the nine months ended February 29, 2024, 10,000 options were exercised for gross proceeds of \$3,500. The related reserves of \$2,630, were reclassified to common shares on settlement.

During the three and nine months ended February 29, 2024, the Company recognized \$91,816 and \$249,619 as share-based compensation expense related to the vesting of stock options.

##### For the year-ended May 31, 2023

There are no changes in stock options for the year-ended May 31, 2023.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

### 8. SHARE CAPITAL (CONTINUED)

#### Restricted Share Units

A summary of the stock option activity for the nine months ended February 29, 2024 and the year ended May 31, 2023 is as follows:

	<b>Nine months ended February 29, 2024</b>	Year ended May 31, 2023
	<b>Number of RSUs</b>	Number of RSUs
Balance, beginning of period/year	-	-
Issued	<b>600,000</b>	-
Settled	<b>(525,000)</b>	-
Balance, end of period/year	<b>75,000</b>	-

As of February 29, 2024, the weighted average issuance price of the RSUs outstanding is \$0.39 (May 31, 2023 – \$Nil)

#### For the nine months ended February 29, 2024

On August 3, 2023, the Company granted an aggregate of 500,000 RSUs to certain consultants of the Company. Each RSU vests immediately on grant. All of the RSUs (and any common shares issuable upon settlement thereof) are subject to a 4-month hold period under applicable stock exchange rules and Canadian securities laws.

On February 27, 2024, the Company granted an aggregate of 100,000 RSUs to certain consultants of the Company. The vesting terms of the RSUs are as follows: 25,000 vest immediately on grant, 25,000 vest on May 27, 2024, 25,000 vest on August 27, 2024 and 25,000 vest on November 27, 2024. All of the RSUs (and any common shares issuable upon settlement thereof) are subject to a 4-month hold period under applicable stock exchange rules and Canadian securities laws.

During the three and nine months ended February 29, 2024, the Company recognized \$10,145 and \$185,145 as share-based compensation expense related to the vesting of RSUs.

#### For the year-ended May 31, 2023

There are no changes in RSUs for the year-ended May 31, 2023.

### 9. RELATED PARTY TRANSACTIONS

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 members of the Company's Board of Directors and President.

# **Troy Minerals Inc.**

## **Notes to the Condensed Interim Financial Statements**

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### **9. RELATED PARTY TRANSACTIONS (CONTINUED)**

#### **Related Party Balances**

As at February 29, 2024, accounts payable and accrued liabilities included \$nil (May 31, 2023 - \$40,000) payable to a company controlled by the President, \$7,876 payable to the President in relation to general expense reimbursements, \$1,040 (May 31, 2023 - \$1,826) payable to a Company controlled by the former CFO, and \$10,795 (May 31, 2023 - \$8,169) payable to a former Director.

#### **Related Party Transactions**

During the three and nine months ended February 29, 2024, the Company incurred management fees of \$15,000 (February 28, 2023 - \$15,000) and \$45,000 (February 28, 2023 - \$45,000) to a company controlled by the President.

During the three and nine months ended February 29, 2024, the Company incurred professional fees of \$nil (February 28, 2023 - \$1,230) and \$2,281 (February 28, 2023 - \$20,203) to a company controlled by the former Chief Financial Officer.

During the three and nine months ended February 29, 2024, professional fees of \$nil and \$12,195 (February 28, 2023 - \$Nil) were paid to a former Director of the Company.

During the three and nine months ended February 29, 2024, the Company recognized \$nil and \$118,352 (February 28, 2023 - \$Nil) in share-based compensation to key management personnel on the vesting of stock options (Note 8).

On July 20, 2022, the Company issued 2,000,000 common shares to a director as a finder's fee for the acquisition of the Green Gold property of \$16,000 (Note 5 and Note 8).

On September 29, 2022, the Company acquired Tick Tock Property from a company controlled by the President, for share consideration of 2,500,000 shares at \$0.04 per share and cash consideration of \$120,000 (Note 5 and Note 8).

### **10. CAPITAL MANAGEMENT**

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As at February 29, 2024, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

### 10. CAPITAL MANAGEMENT (CONTINUED)

As at February 29, 2024, the Company's available capital resources consists of cash of \$2,904,047 (May 31, 2023 - \$45,424). As at February 29, 2024, the Company's total current liabilities were \$146,104 (May 31, 2023 - \$85,447).

### 11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets consist of cash held at the bank, cash equivalents held in financial institutions and government sales tax receivable. The Company's financial liabilities consist of accounts payable and accrued liabilities and flow-through premium liability. The Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted due to their short-term nature.

#### Financial instrument classification

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- *Level 1* - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;
- *Level 2* - valuation techniques based on 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. directly from prices); and
- *Level 3* - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets included in the statement of financial position are as follows:

	Level in fair value hierarchy	February 29, 2024	May 31, 2023
FVTPL:			
Cash	Level 1	\$ 2,904,047	\$ 45,424
Reclamation bond	Level 2	101,135	101,978
Amortized cost:			
Other receivables		36,274	17,436
		\$ 3,041,456	\$ 164,838

# Troy Minerals Inc.

## Notes to the Condensed Interim Financial Statements

For the three and nine months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

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### 11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial liabilities included in the statement of financial position are as follows:

	Level in fair value hierarchy	February 29, 2024	May 31, 2023
Amortized cost:			
Accounts payable and accrued liabilities		\$ 146,104	\$ 85,447
Flow-through premium		67,974	-
		\$ 214,078	\$ 85,447

#### Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

#### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient working capital to meet liabilities when due. As at February 29, 2024, the Company has cash of \$2,904,047 to settle current liabilities of \$146,104. All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

### 12. SUBSEQUENT EVENTS

On March 18, 2024, the Company completed the staking of a new property. The Mica Peak property is 100% owned by the company and is unencumbered by any royalties at the present time. The Property is located approximately 320 km north of Prince George, BC, and 170 km north-northwest of Mackenzie, BC, on the western side of Willston Lake.