

# **SHOWCASE MINERALS INC.**

## **INTERIM FINANCIAL STATEMENTS**

**For the Nine Months Ended July 31, 2024 and 2023**

Stated in Canadian Dollars

(Unaudited)

# SHOWCASE MINERALS INC.

## INDEX TO THE UNAUDITED FINANCIAL STATEMENTS

For the Nine Months Ended July 31, 2024 and 2023

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

Under National Instrument 51-102, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed 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 the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements.

# SHOWCASE MINERALS INC.

Interim Statement of Financial Position  
(Stated in Canadian dollars)  
(Unaudited)

As at July 31, 2024 and October 31, 2023

|   | July 31,<br>2024  | October 31,<br>2023 |
|---|-------------------|---------------------|
| <b>Assets</b>   |                   |                     |
| Current assets:                                       |                   |                     |
| Cash  | \$ 282,106        | \$ 101,352          |
| Prepaid expenses (note 6)                             | 54,984            | 747,787             |
| Total current assets                                  | 337,090           | 849,139             |
| Non-current assets:                                   |                   |                     |
| Website, net (Note 4)                                 | 3,043             | 3,712               |
| Deposit on exploration and evaluation assets (Note 5) | 125,000           | 175,743             |
|   | 128,043           | 179,455             |
| <b>Total assets</b>                                   | <b>\$ 465,133</b> | <b>\$ 1,028,594</b> |
| <b>Liabilities and Shareholders' Equity</b>           |                   |                     |
| Current liabilities:                                  |                   |                     |
| Accounts payable and accrued liabilities (Note 7)     | \$ 213,750        | \$ 10,565           |
| Due to related party (Note 11)                        | 20,000            | 20,000              |
| Total current liabilities                             | 233,750           | 30,565              |
| <b>Total liabilities</b>                              | <b>\$ 233,750</b> | <b>\$ 30,565</b>    |
| Shareholders' equity:                                 |                   |                     |
| Share capital (Note 8)                                | 2,562,332         | 1,501,932           |
| Share-based payments (Note 10)                        | 214,264           | 214,264             |
| Accumulated Deficit                                   | (2,545,213)       | (718,167)           |
| Total shareholder's equity                            | 231,383           | 998,029             |
| <b>Total liabilities and shareholder's equity</b>     | <b>\$ 465,133</b> | <b>\$ 1,028,594</b> |

Nature of operations and continuance of business (Note 1)

Approved and authorized for issuance on behalf of the Board of Directors on September 27, 2024:

"Kirk Reed"  
Kirk Reed, President

"Bruno Fruscalzo"  
Bruno Fruscalzo, C.F.O.

# SHOWCASE MINERALS INC.

Interim Statement of Loss and Comprehensive Loss  
(Stated in Canadian dollars)

For the Three and Nine Months Ended July 31, 2024 and 2023

|  | Three months<br>ended<br>July 31, 2024 | Three months<br>ended<br>July 31, 2023 | Nine Months<br>ended<br>July 31, 2024 | Nine Months<br>ended<br>July 31, 2023 |
|--|--|--|---------------------------------------|---------------------------------------|
| <b>Expenses</b>                            |  |  |                                       |                                       |
| Exploration and evaluation expenses        | \$ 1,107,570                           | \$ 47,319                              | \$ 1,302,701                          | \$ 97,782                             |
| Marketing and promotions                   | 2,137                                  | -                                      | 426,329                               | -                                     |
| Consulting fees                            | 25,000                                 | -                                      | 50,000                                | -                                     |
| Professional fees                          | 1,050                                  | 787                                    | 15,945                                | 8,113                                 |
| Regulatory and filing fees                 | 3,481                                  | 9,582                                  | 18,751                                | 32,069                                |
| Share-based payments                       | -                                      | -                                      | -                                     | 170,936                               |
| General and administrative expenses        | 8,613                                  | 4,470                                  | 13,320                                | 10,408                                |
|  | 1,147,851                              | 62,158                                 | 1,827,046                             | 319,308                               |
| <b>Net loss and comprehensive loss</b>     | <b>\$ (1,147,851)</b>                  | <b>\$ (62,158)</b>                     | <b>\$ (1,827,046)</b>                 | <b>\$ (319,308)</b>                   |
| <b>Weighted average shares outstanding</b> | <b>20,581,359</b>                      | <b>11,507,924</b>                      | <b>19,673,019</b>                     | <b>10,645,477</b>                     |
| <b>Loss per share</b>                      | <b>\$ (0.056)</b>                      | <b>\$ (0.005)</b>                      | <b>\$ (0.093)</b>                     | <b>\$ (0.030)</b>                     |

# SHOWCASE MINERALS INC.

Interim Statement of Changes in Shareholders' Equity  
(Stated in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

| For July 31, 2024  | Share Capital     |                     | Special Warrants | Share-based Payments Reserve | Accumulated Deficit   | Total Equity      |
|--|-------------------|---------------------|------------------|------------------------------|-----------------------|-------------------|
|  | Number of shares  | \$                  |                  |                              |                       |                   |
| October 31, 2023   | 17,607,924        | \$ 1,501,932        | \$ -             | \$ 214,264                   | \$ (718,167)          | \$ 998,029        |
| Exercise of warrants at \$0.10/share                                   | 3,560,000         | 356,000             | -                | -                            | -                     | 356,000           |
| Exercise of warrants at \$0.40/share                                   | 33,000            | 13,200              | -                | -                            | -                     | 13,200            |
| Shares issued under Sub-option agreement at fair value of \$1.74/share | 330,000           | 574,200             | -                | -                            | -                     | 574,200           |
| Exercise of stock options at \$0.20/share                              | 85,000            | 17,000              | -                | -                            | -                     | 17,000            |
| Shares issued under Option agreement at \$0.40/share                   | 250,000           | 100,000             | -                | -                            | -                     | 100,000           |
| Net loss for the period  | -                 | -                   | -                | -                            | (1,827,046)           | (1,827,046)       |
| <b>Balance, July 31, 2024</b>  | <b>21,865,924</b> | <b>\$ 2,562,332</b> | <b>\$ -</b>      | <b>\$ 214,264</b>            | <b>\$ (2,545,213)</b> | <b>\$ 231,383</b> |

| For July 31, 2023  | Share Capital     |                   | Special Warrants | Share-based Payments Reserve | Accumulated Deficit | Total Equity      |
|--|-------------------|-------------------|------------------|------------------------------|---------------------|-------------------|
|  | Number of shares  | \$                |                  |                              |                     |                   |
| October 31, 2022   | 1,850,000         | \$ 27,500         | \$ 518,706       | \$ -                         | \$ (271,681)        | \$ 274,525        |
| Shares issued by automatic conversion of Series "A" Special Warrants       |                   |                   |                  |                              |                     |                   |
| Issued at \$0.02/share   | 3,200,000         | 64,000            | (64,000)         | -                            | -                   | -                 |
| Issued at \$0.05/share   | 4,960,000         | 248,000           | (248,000)        | -                            | -                   | -                 |
| Shares issued by automatic conversion of Series "B" Special Warrants       |                   |                   |                  |                              |                     |                   |
| Issued at \$0.10/share   | 477,500           | 47,750            | (47,750)         | -                            | -                   | -                 |
| Issued at \$0.20/share   | 794,778           | 158,956           | (158,956)        | -                            | -                   | -                 |
| Shares issued under Sub-option agreement at a deemed price of \$0.20/share | 225,646           | 45,129            | -                | -                            | -                   | 45,129            |
| Share issuance costs   | -                 | (15,000)          | -                | -                            | -                   | (15,000)          |
| Share based payments   | -                 | -                 | -                | 170,936                      | -                   | 170,936           |
| Net loss for the period  | -                 | ---               | -                | -                            | (319,308)           | (319,308)         |
| <b>Balance, July 31, 2023</b>  | <b>11,507,924</b> | <b>\$ 576,335</b> | <b>\$ -</b>      | <b>\$ 170,936</b>            | <b>\$ (590,989)</b> | <b>\$ 156,282</b> |

# SHOWCASE MINERALS INC.

Interim Statement of Cash Flows  
(Stated in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

|   | Period<br>July 31,<br>2024 | Period<br>July 31,<br>2023 |
|---|----------------------------|----------------------------|
| <b>Cash provided by (used in):</b>                  |                            |                            |
| <b>Operating activities</b>                         |                            |                            |
| Net loss  | \$ (1,827,046)             | \$ (319,308)               |
| Depreciation  | 669                        | 519                        |
| Shares issued for exploration and evaluation assets | 674,200                    | 45,129                     |
| Share based payments                                | -                          | 170,936                    |
| Change in non-cash working capital                  |                            |                            |
| Prepaid expenses                                    | 692,803                    | 683                        |
| Due to related party                                | -                          | 20,000                     |
| Accounts payable and accrued liabilities            | 203,185                    | (14,922)                   |
| <b>Net cash used in operations</b>                  | <b>(256,189)</b>           | <b>(96,963)</b>            |
| <b>Investing activities</b>                         |                            |                            |
| Deposit on exploration and evaluation assets        | (732,861)                  | (58,587)                   |
| Disposal of exploration and evaluation assets       | 783,604                    |                            |
| Purchase of website                                 | -                          | (4,454)                    |
| <b>Net cash to investing activities</b>             | <b>50,743</b>              | <b>(63,041)</b>            |
| <b>Financing activities</b>                         |                            |                            |
| Issuance of common shares                           | 386,200                    | 518,706                    |
| Share issue costs                                   | -                          | (15,000)                   |
| Issuance of special warrants                        | -                          | (518,706)                  |
| <b>Net cash provided from financing activities</b>  | <b>386,200</b>             | <b>(15,000)</b>            |
| Increase in cash                                    | 180,754                    | (175,004)                  |
| Cash, beginning of year/period                      | <b>101,352</b>             | <b>198,768</b>             |
| <b>Cash, end of year/period</b>                     | <b>\$ 282,106</b>          | <b>\$ 23,764</b>           |

## Supplemental cash flow information

### Non-cash transactions

|   |            |            |
|---|------------|------------|
| Issuance of 330,000 common shares (July 2023 – 225,646 common shares)<br>for deposit on exploration and evaluation assets<br>(sub-option agreement) | \$ 574,200 | \$ 45,129  |
| Issuance of 250,000 common shares for deposit on exploration assets<br>(option agreement – Pontiac Property)  | \$ 100,000 | \$ -       |
| Converted 2,358,070 special warrants to 2,358,070 common shares   | \$ -       | \$ 518,706 |

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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## 1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

Showcase Minerals Inc. ("Showcase" or the "Company") is an exploration company incorporated on December 9, 2020 under the laws of the Province of British Columbia, Canada. The Company's head office and principal address is 741 Harbourfront Dr. NE, Salmon Arm, British Columbia, Canada, V1E 3L4.

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception of \$1,827,046 and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding for this year, there is no assurance that such future financing will be available or be available on favorable terms. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

The interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

The Company actively manages its cash flow and investment in exploration and evaluation expenses to match its cash generated from financing activities. In order to maximize cash generated from operations, the Company plans to focus on developing its mineral properties with positive indicators of recoverable resources; minimize operating expenses where possible; and limit capital expenditures. As the Company continues to expend on exploration and evaluation expenses, investments will be financed through external financing. Management believes that successful execution of its business plan will result in sufficient cash flow and new financing to fund projected operational and investment requirements. However, no assurances can be given that the Company will be able to achieve all or part of the objectives discussed above, or that sufficient financing from outside sources will be available. Further, if the Company's operations are unable to generate cash flow levels at or above current projections, the Company may not have sufficient funds to meet its obligations over the next twelve months.

Should such events occur, management is committed to implementing all or a portion of its contingency plan. This plan has been developed and designed to provide additional cash flow, and includes, but is not limited to, deferring certain additional exploration activities, and reducing general and administrative expenses, while seeking outside financing or seeking a potential partner in the development of its mineral properties.

The failure of the Company to achieve one or all of the above items may have a material adverse impact on the Company's financial position, results of financial performance and cash flows. These factors indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Basis of presentation

These interim financial statements have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS interpretations committee ("IFRIC") and in effect at July 31, 2024.



# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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## **Basis of presentation (Continued)**

These interim financial statements have been prepared on the basis of accounting policies, method of computation and estimated and judgements consistent with those applied in the Company's October 31, 2023 annual financial statements.

The interim financial statements do not include all of the disclosures required for a complete set of annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended October 31, 2023, which have been prepared in accordance with IFRS as issued by the IASB.

These financial statements have been prepared on a historical cost basis and presented in Canadian Dollars, which is the Company's functional and presentation currency. They were approved and authorized for issuance by the Board of Directors on September 27, 2024.

## **Use of accounting estimates and judgments**

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the reporting period. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

## **Share-based compensation**

The Company recognizes share-based compensation expense for the estimated fair value of equity-based instruments granted to both employees and non-employees. Compensation costs attributable to stock option or similar equity instruments granted to employees are measured at their value at the grant date using the Black-Scholes option pricing model and expensed over the expected vesting period. Transactions in which goods or services are received from non-employees in exchange for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable.

## **Functional currency**

The Company follows IAS 21 *The effect of Changes in Foreign Exchange Rates* when accounting for foreign Exchange Rates and has determined that its functional currency is the Canadian dollar.

## **3. RECENT ACCOUNTING PRONOUNCEMENTS AND ADOPTED POLICIES**

The Company did not adopt any new accounting standard changes or amendments in the current year that had a material impact on the Company's financial statements.

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

## 3. RECENT ACCOUNTING PRONOUNCEMENTS AND ADOPTED POLICIES (Continued)

The Company early adopted the amended IAS 1, Presentation of Financial Statements, which requires entities to disclose their material accounting policy information, instead of significant accounting policies. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 with early application permitted.

The Company has reviewed the impact of new and amended standards that are effective for annual periods beginning on or after November 1, 2023. It does not expect the impact on the financial statements to be material, although additional disclosure may be required.

## 4. INTANGIBLE ASSETS

The Company's website is depreciated over 5 years on a straight-line basis.

|         | Cost     | Depreciation | Net Amount |
|---------|----------|--------------|------------|
| Website | \$ 4,453 | \$ 1,410     | \$ 3,043   |

## 5. DEPOSIT ON EXPLORATION AND EVALUATION ASSETS

### Elko County, Nevada USA

On January 11, 2021, ("the Execution Date") Rangefront Consulting LLC. ("Rangefront"), a Nevada company, entered into an Option Agreement with Clover Nevada II LLC ("Owners"), a Nevada company, to acquire the sole and exclusive option to acquire the three properties noted below. The three properties ("Properties") located in Elko County, Nevada consist of:

- Woodruff Claims - There are 18 unpatented lode claims covering approximately 147 hectares located in Township 32 North, Range 52 East, Mount Diablo Baseline & Meridian.
- Dixie Flats Claims – There are 180 unpatented lode claims covering approximately 1311 hectares located in Townships 30 and 31 North, Range 53 and 54 East, Mount Diablo & Meridian.
- North Star Claims – There are 56 unpatented lode claims covering 360 hectares located in Township 30 North, Range 53 East, Mount Diablo & Meridian.

Immediately after closing, the Company entered into a Sub-option Agreement with Rangefront to acquire a 100% interest in these Properties. On January 04, 2024, the Sub-option Agreement was amended to the following conditions:

- Pay \$10,000 to Rangefront upon the execution of the Sub-option Agreement (Paid)
- Make aggregate payments to the Owners as follows:
  - US \$ 20,000 on the Execution Date (Paid).
  - US \$ 31,417 on the Execution Date (Paid).
  - US \$ 5,000 upon the execution of the Amendment (Paid).
  - US \$ 10,000 2<sup>nd</sup> anniversary of the Execution Date. (Paid)

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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- US \$ 25,000 3<sup>rd</sup> anniversary of the Execution Date. (Paid)
  - US \$ 75,000 annually on each of the 4<sup>th</sup> through 8<sup>th</sup> anniversary of the Execution Date ("Earn-In Date").
- c) Issue 100,000 common shares to Rangefront upon the date the Company's common shares commence trading on a recognized stock exchange, which was January 18, 2023 (the "Listing Date") which shares have been issued as required; and
- d) Issue shares to the Owners as follows, subject to regulatory approval.
- The greater of 200,000 shares plus the number of shares equal to 2% of the issued and outstanding common shares on the date that the Company's shares commence trading on a recognized stock exchange (the "Listing Date") <sup>(a)</sup> (Issued, See Share Capital, Note 7)
  - 30,000 shares on the third anniversary of the Execution Date<sup>(b)</sup> (3<sup>rd</sup> anniversary shares)
  - The greater of 300,000 shares and the number of shares equal to 2% of the issued and outstanding common shares on date of issuance including all the common shares that was previously issued to the Owners, less those shares issued in satisfaction of the Third Anniversary Shares issuance<sup>(c)</sup> (1<sup>st</sup> anniversary of the Listing Date) <sup>(a)</sup>
  - The greater of 350,000 shares and the number of shares equal to 2% of the issued and outstanding common shares on date of issuance including all the common shares that was previously issued to the Owners, less those shares issued in satisfaction of the Third Anniversary Shares issuance<sup>(c)</sup> (2<sup>nd</sup> anniversary of the Listing Date) <sup>(b)</sup>
  - The greater of 350,000 shares and the number of shares equal to 3% of the issued and outstanding common shares on date of issuance including all the common shares that was previously issued to the Owners, less those shares issued in satisfaction of the Third Anniversary Shares issuance<sup>(c)</sup> (3<sup>rd</sup> anniversary of the Listing Date) <sup>(b)</sup>
  - The greater of 400,000 shares and the number of shares equal to 3% of the issued and outstanding common shares on date of issuance including all the common shares that was previously issued to the Owners, less those shares issued in satisfaction of the Third Anniversary Shares issuance<sup>(c)</sup> (4<sup>th</sup> anniversary of the Listing Date) <sup>(b)</sup>
  - The number of shares equal to 5% of the issued and outstanding common shares on the date of issuance including all shares that were previously issued to the Owners, less those shares issued in satisfaction of the Third Anniversary Shares issuance<sup>(c)</sup> (the Earn-In Date)
- (a) Owner agrees not to sell or dispose common shares for a minimum of 2 years from date of issuance
- (b) Owner agrees not to sell or dispose common shares for a minimum of 1 year from date of issuance
- (c) For greater certainty, the 30,000 shares of the Company shall be excluded from all anniversary calculations of shares to issue to the Owner so as to maintain the integrity of the calculation and contemplated consideration outlined in the Agreement

All cash payments and share issuances made under the Agreement, as amended, shall be non-refundable by the Owners.

Notwithstanding the obligations of the Company as outlined above, once the Company has paid the \$10,000 to Rangefront and an aggregate of \$500,000 to the Owners; and has issued 100,000 common shares to Rangefront and an aggregate number of shares to the Owners that is equal to 5% of the number of the total issued and outstanding shares of the Company at the date of the final issuance to the Owner, the Company shall have exercised the Sub-option Agreement and thereby earned a 100% interest in the Properties, subject to the Net Smelter Royalties to the Owners as noted below:

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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|                    |    |
|--------------------|----|
| Woodruff claims    | 4% |
| Dixie Flats Claims | 2% |
| North Star Claims  | 3% |

Upon the exercise of the Sub-option Agreement, the Company or its permitted successor or assignee as owner of the Dixie Flats Claims, shall convey, grant and pay to the Owner or its designee a 0.25% net smelter royalty on the Dixie Flats Claims, and shall deliver a fully executed and acknowledged royalty deed with the royalty agreement evidencing the Owner's ownership of the royalty in respect of all products produced from the property.

The deposit paid as October 31, 2021 was US \$61,417 or CDN \$78,000. The additional US \$5,000 CDN \$6,591 due on the date of the amendment was paid bringing the total deposit paid in cash as at October 31 2022 to \$94,591. Included in the deposit was the value of the 100,000 shares paid to Rangefront on October 12, 2022 valued at \$10,000.

The Company paid its second anniversary cash amount of US \$10,000 or CAD \$13,458 bringing the total deposit to \$108,049. The Company also issued 225,646 common shares under the Agreement valuing at \$67,694. As at October 31, 2023, the deposit paid on exploration and evaluation assets was \$175,743.

On January 11, 2024, the Company paid its third anniversary cash amount of US \$25,000 or CAD \$33,660 bringing the total deposit to \$209,403. The Company also issued 330,000 common shares under the Agreement valuing at \$574,200.

On July 23, 2024, the Company terminated the Sub-option Agreement with Rangefront. As at July 31, 2024, the deposit paid on exploration and evaluation assets of \$783,603 was expensed.

## **Pontiac Property, Gatineau Region, Quebec**

On July 15, 2024, the Company entered into an option agreement to acquire a 100% interest, subject to a 2% net smelter returns royalty ("NSR Royalty"), in the Pontiac Uranium Project located near the town of Fort Coulonge in Southwestern Quebec with Geomap Exploration Inc. ("Geomap"), a company incorporated under the laws of British Columbia. The Pontiac Uranium Project consists of 60 mineral claims in one contiguous block covering approximately 3,461 hectares (the "Pontiac Property").

A) Upon signing, the Company is required to:

1. Make a cash payment of \$25,000 within five business days from the date the Company files a Notice of Proposed Issuance of Listed Securities with the CSE (Paid);
2. Issue 250,000 common shares in its capital to Geomap after five business days from the date the Company files a Notice of Proposed Issuance of Listed Securities with the CSE (valued at \$0.40 per share - Issued); and
3. Fund exploration work on the Pontiac Property totaling at least \$50,000 within 30 days of this Agreement. (Subsequent to the July 31, 2024, this was completed)

B) Fund exploration work on the Pontiac Property totaling at least \$100,000 within one year of this Agreement.

C) Fund exploration work on the Pontiac Property totaling at least \$250,000 with two years of this Agreement.

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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- D) Upon the Company making each of the payments and share issuances and funding the exploration expenditures noted above, and following the transfer of the Pontiac Property to the Company, the Company shall grant the 2% NSR Royalty to Geomap on terms and conditions set out in the Agreement.
- E) Upon the full payment and satisfaction on the obligations set out in the above, the Company will have earned an undivided 100% right, title and interest in Pontiac Property free and clear of all encumbrances.

At July 31, 2024, the deposit paid on exploration and evaluation assets on the Pontiac Property was \$125,000.

## 6. PREPAIDS

The Company advanced \$28,592 (US 20,708) as a reclamation deposit for the drilling program.

The remaining \$26,392 consists of \$142 for general office and administrative expenses, \$26,250 as advance for exploratory work on the Pontiac Property.

## 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are non-interest bearing and detailed below:

|  | July 31,<br>2024  | October 31,<br>2023 |
|--|-------------------|---------------------|
| Accounts payable                             | \$ 161,281        | \$ 1,165            |
| Accrued accounts payable (consulting fees)   | 50,000            | -                   |
| Accrued accounts payable (professional fees) | 2,469             | 9,400               |
|  | <b>\$ 213,750</b> | <b>\$ 10,565</b>    |

## 8. SHARE CAPITAL

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

For the nine months ended July 31, 2024:

- The Company issued an aggregate of 3,560,000 common shares at \$0.10 per share for the exercise of share purchase warrants.
- The Company issued an aggregate of 33,000 common shares at \$0.40 per share for the exercise of share purchase warrants

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
(Stated Amounts in Canadian dollars)

For the Nine Months Ended July 31, 2024 and 2023

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- The Company issued an aggregate of 85,000 common shares at \$0.20 per share for the exercise of stock options.
- On January 18, 2024, the Company issued 330,000 common shares to the owner of the property as per the Sub-option agreement representing 300,000 common shares of the issued and outstanding common shares on the first anniversary date that the Company's shares commenced trading on a recognized stock exchange, and 30,000 common shares representing the third year anniversary of the Execution Date. The value of the shares was recorded at \$1.74 per share totaling \$574,200.
- On July 26, 2024, the Company issued 250,000 common shares to the owner of the Pontiac Property as per the Option Agreement. The shares were valued at \$0.40 per share totaling \$100,000.

As at October 31, 2023, the Company had 17,607,924 common shares issued and outstanding. Transactions in the Company's shares were as follows:

For the year ended October 31, 2023:

- On January 12, 2023, the Company's common stock was listed to trade on Canadian Securities Exchange ("CSE"). As a result, the following Special Warrants were converted into common shares:
  - (i) \$64,000 Series A Special Warrants were converted to 3,200,000 common shares at \$0.02 per share.
  - (ii) \$248,000 Series A Special Warrants were converted to 4,960,000 common shares at \$0.05 per share.
  - (iii) \$47,750 Series B Special Warrants were converted to 477,500 common shares at \$0.10 per share.
  - (iv) \$158,956 Series B Special Warrants were converted to 794,778 common shares at \$0.20 per share.
- On January 18, 2023, the Company issued 225,646 common shares to the owner of the property as per the Sub-option agreement representing 2% of the issued and outstanding common shares on the date that the Company's shares commenced trading on a recognized stock exchange. The value of the shares was recorded at \$0.30 per share totaling \$67,694.
- The Company incurred legal fees of \$21,968 in connection with the share listing.
- On October 25, 2023, the Company issued 1,500,000 common shares at \$0.30 per share pursuant to a private placement at \$0.30 per units whereby each unit consists of 1 common share and 1 share purchase warrant exercisable at \$0.40 per share. The share purchase warrants expire in 2 years. Legal fees of \$5,168 were charged to effect this transaction.
- During the year ended October 31, 2023, the Company issued an aggregate of 4,600,000 common shares at \$0.10 per share for the exercise of share purchase warrants.

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
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For the Nine Months Ended July 31, 2024 and 2023

## 9. SPECIAL WARRANTS

### During the period ended July 31, 2024:

At July 31, 2024, the following warrants were outstanding:

| <u>Number of Warrants Outstanding</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|---------------------------------------|-----------------------|--------------------|
| 1,467,000                             | \$ 0.40               | October 23, 2025   |

### During the period ended July 31, 2023:

On January 12, 2023, the following special warrants were converted into common shares of the Company:

|                                     |                  |                   |
|-------------------------------------|------------------|-------------------|
| Special Warrants Series A at \$0.02 | 3,200,000        | \$ 64,000         |
| Special Warrants Series A at \$0.05 | 4,960,000        | \$ 248,000        |
| Special Warrants Series B at \$0.10 | 477,500          | \$ 47,750         |
| Special Warrants Series B at \$0.20 | 794,778          | \$ 158,956        |
|                                     | <u>9,432,278</u> | <u>\$ 518,706</u> |

At July 31, 2023, the following warrants were outstanding:

| <u>Number of Warrants Outstanding</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|---------------------------------------|-----------------------|--------------------|
| 3,200,000                             | \$ 0.10               | January 12, 2028   |
| <u>4,960,000</u>                      | \$ 0.10               | January 12, 2028   |
| 8,160,000                             |                       |                    |

## 10. SHARE-BASED PAYMENTS

The Company has adopted an incentive rolling stock option plan (the "Plan") under which it is authorized to grant options to directors, officers, employees and consultants enabling them to acquire up to a maximum of 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum of 10 years and vest as determined by the board of directors. Options granted to employees or consultants performing investor relations will vest in stages over 12 months with no more than one quarter of the options vesting in any three months period. The exercise price of the options granted under the Plan shall not be less than the closing price of the Company's shares on the trading day immediately preceding the date of grant, less the discounted permitted under the Canadian Securities Exchange's ("CSE") policies.

On October 22, 2022, the Board of Directors approved stock options that allowed each of the 4 directors to purchase 225,000 shares of the Company at \$0.20 per share for a period of ten years from the date that the Company's common shares commence trading on the CSE. The grant was subject to CSE acceptance of the Company for filing, and accordingly, the options do not vest until the Company gets listed and no share-based compensation expense was recognized during the year.

# SHOWCASE MINERALS INC.

Notes to the Financial statements  
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For the Nine Months Ended July 31, 2024 and 2023

During the nine months period ended July 31, 2023, the fair value calculated for stock options granted was \$170,096 using the Black-Scholes option pricing model.

The following weighted average assumption were used for the Black-Scholes valuation of stock options granted:

|                          |          |
|--------------------------|----------|
| Risk-free interest rate  | 0.21%    |
| Expected life of options | 10 years |
| Annualized volatility    | 163.4%   |
| Dividend rate            | Nil      |

As at July 31, 2023, the following stock options were outstanding:

| Number of Stock Options | Exercise Price | Expiry Date      |
|-------------------------|----------------|------------------|
| 900,000                 | \$ 0.20        | January 18, 2033 |

During the nine months period ended July 31, 2024, 225,000 stock options expired following Mr. Afzaal Pirzada resignation as director. During the nine months period ended July 31, 2024, one of the directors exercised an aggregate of 85,000 stock options. As at July 31, 2024, the following stock options were outstanding:

| Number of Stock Options | Exercise Price | Expiry Date      |
|-------------------------|----------------|------------------|
| 590,000                 | \$ 0.20        | January 18, 2033 |

## 11. RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined the key personnel to be officers and directors of the Company.

During the nine months period ended July 31, 2023, one of the directors loaned the Company \$20,000. The loan bears no interest and is not due until after June 30, 2024. At July 31, 2024, there were no changes. Subsequent to July 31, 2024, the \$20,000 loan was repaid.

During the nine months ended July 31, 2024, there were no charges, paid or accrued for management fees or wages to related parties.

The remaining stock options granted in October 2022 of 660,000 were to the remaining 3 directors of the Company.

## RISK AND CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the development of mineral property assets. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any



# SHOWCASE MINERALS INC.

Notes to the Financial statements  
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For the Nine Months Ended July 31, 2024 and 2023

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quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There have been no changes from the prior year.

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

## *Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

## *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2024, the Company had a cash balance of \$282,106 to settle current liabilities of \$232,700. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

## *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

## *Interest rate risk*

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at July 31, 2024, the Company did not have any investments in investment-grade short-term deposit certificates.

## *Price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

## **12. SEGMENT INFORMATION**

The Company has one reportable segment, being the exploration and development of mineral property in the province of Quebec, Canada.

## **13. SUBSEQUENT EVENTS**

The Company repaid \$20,000 loan to a director.