DOUBLE DEUCE EXPLORATION CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JULY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Double Deuce Exploration Corp.

Opinion

We have audited the consolidated financial statements of Double Deuce Exploration Corp. (the "Company") which comprise:

- the consolidated statements of financial position as at July 31, 2024 and 2023;
- the consolidated statements of loss and comprehensive loss for the years ended July 31, 2024 and 2023;
- the consolidated statements of changes in equity (deficiency) for the years ended July 31, 2024 and 2023;
- the consolidated statements of cash flows for the years ended July 31, 2024 and 2023; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended July 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Waseem Javed.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
November 27, 2024

DOUBLE DEUCE EXPLORATION CORP.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT JULY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

	2024	**2023**
	$	**$**
ASSETS		
CURRENT		
Cash and cash equivalents	61,198	108,197
Amounts receivable	6,503	–
Prepaid expenses	25,000	–
Total current assets	92,701	108,197
Exploration and evaluation asset (Note 4)	101,059	101,059
TOTAL ASSETS	**193,760**	**209,256**
LIABILITIES		
CURRENT		
Accounts payable and accrued expenses (Note 6)	267,348	43,833
Loan payable	2,000	2,000
TOTAL LIABILITIES	**269,348**	**45,833**
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (Note 5)	230,750	230,750
Reserves (Note 5)	41,250	41,250
Deficit	(347,588)	(108,577)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)	**(75,588)**	**163,423**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**193,760**	**209,256**

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

SUBSEQUENT EVENTS (Note 11)

Approved on behalf of the Board:

/s/ "Michael Dake" Director * /s/ "Sean McGrath"* Director

DOUBLE DEUCE EXPLORATION CORP.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED JULY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

	2024	2023
	$	$
EXPENSES		
Management fees (Note 6)	18,000	18,000
Occupancy costs	34,818	19,413
Office expenses and miscellaneous	12,841	1,583
Professional fees	141,593	2,019
Stock-based compensation (Note 6)	–	11,250
Transfer agent and filing fees	30,527	–
Travel and promotion	1,232	–
NET LOSS AND COMPREHENSIVE LOSS	**(239,011)**	**(52,265)**
LOSS PER SHARE – BASIC AND DILUTED	**(0.02)**	**(0.01)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	**11,725,001**	**5,768,370**

DOUBLE DEUCE EXPLORATION CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

FOR THE YEARS ENDED JULY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

	Number of Shares	Amount	Contributed Surplus	Deficit	Total
	$	$	$	$	$
Balance, July 31, 2022	5,750,001	85,000	30,000	(56,312)	58,688
Shares issued for cash	4,100,000	70,750	–	–	70,750
Shares issued for acquisition of TCB Mining Corp. (Note 9)	1,875,000	75,000	–	–	75,000
Stock-based compensation	–	–	11,250	–	11,250
Comprehensive loss for the year	–	–	–	(52,265)	(52,265)
Balance, July 31, 2023	11,725,001	230,750	41,250	(108,577)	163,423
Comprehensive loss for the year	–	–	–	(239,011)	(239,011)
Balance, July 31, 2024	11,725,001	230,750	41,250	(347,588)	(75,588)

DOUBLE DEUCE EXPLORATION CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

	2024	2023
	$	$
OPERATING ACTIVITIES		
Net loss	(239,011)	(52,265)
Non-cash items:		
Stock-based compensation	–	11,250
Changes in non-cash working capital items:		
Amounts receivable	(6,503)	3,505
Prepaid expenses	(25,000)	–
Accounts payable and accrued expenses	223,515	12,895
Net cash used in operating activities	(46,999)	(24,615)
INVESTING ACTIVITIES		
Cash acquired from acquisition of TCB Mining Corp.	–	75,000
Exploration and evaluation assets	–	(19,265)
Net cash used in investing activities	–	55,735
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	–	70,750
Net cash provided by financing activities	–	70,750
NET CHANGE IN CASH AND CASH EQUIVALENTS	(46,999)	101,870
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	108,197	6,327
CASH AND CASH EQUIVALENTS, END OF YEAR	61,198	108,197
OTHER SUPPLEMENTAL CASH FLOW INFORMATION AND NON-CASH TRANSACTIONS		
Interest paid	–	–
Income taxes paid	–	–
Fair value of common shares issued for acquisition of TCB Mining Corp.	–	75,000

1. NATURE OF OPERATIONS AND GOING CONCERN

Double Deuce Exploration Corp. (the "Company") was incorporated on August 25, 2021 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada.

On August 1, 2024, the Company completed its initial public offering and the common shares of the Company were listed for trading on the Canadian Securities Exchange under the symbol "DD.CN" (see Note 11).

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at July 31, 2024, the Company holds an interest in an early stage mineral exploration property and the Company had not yet determined whether the Company's mineral property asset contains a deposit of minerals that is economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company had deficit of $347,588 as at July 31, 2024, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and indicate the existence of material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern.

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

2. BASIS OF PRESENTATION

Approval of the consolidated financial statements

The consolidated financial statements of the Company for the year ended July 31, 2024 were reviewed by the Board of Directors and approved and authorized for issue on November 27, 2024 by the Board of Directors of the Company.

Statement of compliance

These consolidated financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2. BASIS OF PRESENTATION *(continued)*

Basis of measurement

The consolidated financial statements are presented in Canadian dollars, which is also the Company's and its subsidiary's functional currency. The consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on historical costs.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are valued at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary, TCB Mining Corp. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant intercompany transactions and balances have been eliminated. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. When the Company ceases to control a subsidiary, assets, liabilities and non-controlling interests of the subsidiary are derecognized at their carrying amounts at the date when control is lost. Investment retained in the former subsidiary is recognized at its fair value and any gain or loss resulting from deconsolidation is recorded through profit or loss.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a) Exploration and evaluation assets

i. Pre-license expenditures

Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

a) Exploration and evaluation assets *(continued)*

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation ("E&E") assets according to the nature of the asset acquired. Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved and or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, E&E assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur.

The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

ii. Impairment

Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure or further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Adverse changes in the taxation, regulatory or political environment;
- Adverse changes in variables in commodity prices and markets making the project unviable; and
- Variations in the exchange rate for the currency of operation.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

a) Exploration and evaluation assets *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

b) Restoration, rehabilitation, and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arise from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss. The Company has no restoration, rehabilitation and environmental obligations as at July 31, 2024.

c) Cash and cash equivalents

Cash and cash equivalents include bank demand deposit accounts and highly liquid short-term investments with maturities of three months or less when purchased. Cash consists of checking accounts held at financial institutions in Canada and funds held in trust which, at times, balances may exceed insured limits. The Company has not experienced any losses related to these balances, and management believes the credit risk to be minimal.

d) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income of loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

d) Income taxes (continued)

Deferred tax is provided using the liability method, providing for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enactive or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

e) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of warrants is recorded in capital stock and the related residual value is transferred from warrant reserve to capital stock.

f) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

g) Share-based compensation

Share-based compensation to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based compensation to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity-settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity-settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity-settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

h) Flow-through shares

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as flow-through premium in the consolidated statements of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company’s common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a recovery on the statement of comprehensive loss and reduces the flow-through premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

i) Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash generating unit to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows,

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

i) Impairment of non-financial assets (continued)

the recoverable amount is determined for the cash generating unit to which the asset belongs.

When an impairment subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations between related parties.

k) Financial instruments

On initial recognition financial assets are classified as measured at:

i. Amortized cost;

ii. Fair value through other comprehensive income (“FVOCI”); and

iii. Fair value through profit and loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

k) Financial instruments *(continued)*

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of operations and comprehensive loss in the period in which it arises.

The Company's cash and cash equivalents are classified at FVTPL.

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable and loan payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

l) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except deferred tax assets or liabilities, which are recognized and measured in accordance with IAS 12 – Income Taxes. Subsequent changes in fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. The measurement period is the period between the date of the acquisition and the date where all significant information necessary to determine the fair values is available and cannot exceed 12 months. All other subsequent changes are recognized in the consolidated statements of loss and comprehensive loss.

The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed including any contingently payable purchase price obligation due over time. The Company uses valuation techniques, which are generally based on forecasted future net cash flows discounted to present value. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. The determination of fair value involves making estimates relating to acquired intangibles assets, property and equipment and contingent consideration.

Acquisition related costs are recognized in the consolidated statements of comprehensive loss as incurred.

Management determines whether assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that can create outputs.

During the year ended July 31, 2023, the Company completed a transaction described in Note 9 and concluded that the transaction did not qualify as a business combination under IFRS 3 – Business Combinations.

m) Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

Judgements
Going concern
The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

m) Critical accounting estimates and judgements (continued)

Exploration and evaluation expenditures
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Business combinations
The Company applies judgment in determining whether the acquisition of another entity or asset constitutes an asset acquisitions or business combination. Key factors in this determination are whether the acquired asset or business meets the definition of a business pursuant to IFRS 3 Business Combinations.

Title to mineral property interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Recognition of deferred income tax assets and liabilities
The carrying amount of deferred income tax assets and liabilities is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Changes in estimates of future taxable profit can materially affect the amount of deferred income tax assets and liabilities recognized from period to period.

Impairment
Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of any such assets may exceed their recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company shall measure, present and disclose any resulting impairment.

<u>Estimates</u>
Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

n) Recent and upcoming accounting pronouncements

As at July 31, 2024, there have been no other recent or future accounting pronouncements by the IASB that would materially affect the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSET

Kimber Property

On October 8, 2021, the Company entered into a Option Agreement (the "Agreement") with an arms-length party (the "Optionor"). Pursuant to the Agreement, the Company has the right to acquire 100% interest in four mineral claims known as Kimber property located in British Columbia, Canada (the "Claims") from the Optionor.

Pursuant to the terms of the Agreement, the Optionor has granted the Company the right to acquire all rights, title and interest in the Claims. In addition, the Claims are subject to a Net Smelter Return Royalty of 1.5% which can be purchased at any time for $1,500,000 by the Company.

The Company is required to make cash payments totaling $12,000 and issue 300,000 common shares of the Company as follows:

a. make a cash payment of $6,000 upon execution and delivery of this agreement (paid);
b. make a further cash payment of $6,000 on the date upon which the common shares of the Company are listed on a stock exchange in Canada (paid subsequent to July 31, 2024); and
c. issue 300,000 common shares to the Optionor on the date upon which the common shares of the Company are listed on a stock exchange in Canada (issued subsequent to July 31, 2024).

	Kimber Property
	$
Balance, July 31, 2022	**81,794**
Exploration costs:	
Reports, maps, and data processing	19,265
Balance, July 31, 2023 and 2024	**101,059**

5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Escrow shares:

As at July 31, 2024, there were Nil common shares held in escrow.

c) Issued and outstanding as at July 31, 2024: 11,725,001 common shares

During the year ended July 31, 2023, the Company had the following transactions:

i. The Company issued 750,000 common shares at $0.005 for gross proceeds of $3,750. The fair value of the common shares issued was assessed to be $15,000 at $0.02 per common share. As the common shares were issued to founders of the Company below fair value, the Company recorded stock-based compensation expense of $11,250.

ii. The Company issued 3,350,000 common shares at $0.02 per share for gross proceeds of $67,000.

iii. The Company issued 1,875,000 common shares to acquire all of the issued and outstanding shares of TCB Mining Corp. The Company recorded the common shares issued at a value of $75,000, representing the fair value of the identifiable net assets acquired.

During the year ended July 31 2024, the Company had no share capital transactions.

(Expressed in Canadian Dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has incurred the following key management personnel costs from related parties:

	2024	2023
	$	$
Management fees	18,000	18,000
Share-based payments	–	7,500
Total	18,000	25,500

Management fees and share-based payments were incurred from the Chief Executive Officer ("CEO") of the Company and a company owned by the CEO. Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

As at July 31, 2024, included in accounts payable and accrued expenses were $51,632 (2023 - $31,500) owing to a company controlled by the CEO. The amount is unsecured, non-interest bearing and payable on demand.

During the year ended July 31, 2023, the Company acquired 100% of the issued and outstanding common shares of TCB Mining Corp. in exchange for the issuance of 1,875,000 common shares of the Company to the shareholders of TCB Mining Corp. As of the date of the transaction, TCB Mining Corp. and the Company were related by virtue of having common shareholders (Note 9).

7. MANAGEMENT OF CAPITAL

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

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

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

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

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

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

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

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments

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

Assets measured at fair value on a recurring basis were presented on the Company’s statements of financial position as at July 31, 2024 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	61,198	–	–	61,198

Fair value

The fair value of the Company’s financial instruments approximates their carrying value as at July 31, 2024 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

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

(i) *Currency risk*

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

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

(ii) *Interest rate risk*

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

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

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iii) *Credit risk*

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

(iv) *Liquidity risk*

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

9. ACQUISITION OF TCB MINING CORP.

On July 31, 2023, the Company acquired 100% of the issued and outstanding common shares of TCB Mining Corp. in exchange for the issuance of 1,875,000 common shares of the Company to the shareholders of TCB Mining Corp.

The acquisition of TCB Mining Corp. did not constitute a business combination, as TCB Mining Corp. did not meet the definition of a business, and therefore has been accounted for as an asset purchase with the Company acquiring the outstanding shares of TCB Mining Corp. on July 31, 2023. The consideration for the acquisition of TCB Mining Corp. has been based on the fair value of the cash acquired.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	**$**
1,875,000 common shares of the Company issued	75,000
Net assets acquired	
Cash and cash equivalents	75,000

As of the date of the transaction, TCB Mining Corp. and the Company were related by virtue of having common shareholders.

(Expressed in Canadian Dollars)

10. INCOME TAXES

The difference between income tax expense for the years ended July 31, 2024 and 2023 and the expected income taxes based on the statutory tax rates arises as follows:

	2024	2023
	$	$
Net loss before income taxes	239,011	52,265
Tax recovery on the statutory rate of 27%	64,535	14,112
Permanent differences and other	–	(3,038)
Changes in unrecognized deferred tax assets	(64,535)	(11,074)
	–	–

As at July 31, 2024 and 2023, no deferred tax assets have been recognized in respect of the following losses and temporary differences as it is not considered probable that sufficient future taxable income will allow the deferred tax assets to be recovered:

	2024	2023
	$	$
Non-capital losses	82,713	18,178
Share issue costs	–	–
Unrecognized deferred tax assets	(82,713)	(18,178)
	–	–

At July 31, 2024, the Company had accumulated non-capital losses of approximately $306,338 (2023 - $67,327) that are available to carry forward and offset future years' income. These non-capital losses begin to expire in 2041.

11. SUBSEQUENT EVENTS

Subsequent to July 31, 2024, the Company completed its initial public offering (the "Offering") of 4,010,000 common shares of the Company at a price of $0.10 per common share for gross proceeds of $401,000, pursuant to a final prospectus of the Company dated April 30, 2024. Pursuant to an agency agreement dated April 30, 2024 between the Company and Research Capital Corporation (the "Agent"), and in connection with the completion of the Offering, the Company granted to the Agent 401,000 Common Share purchase warrants , with each warrant entitling the Agent to acquire one common share at a price of $0.10 per common share for a period of twenty-four months. In addition, the Agent received a cash commission of $40,100, representing 10% of the aggregate gross proceeds of the Offering, and a corporate finance fee of $28,000 plus applicable taxes.

Subsequent to July 31, 2024, the Company escrowed 5,575,501 common shares, which are to be released as to 10% on the completion of the Offering and 15% every six months thereafter.

Subsequent to July 31, 2024, the Company issued 300,000 common shares and paid $6,000 in cash to the Optionor pursuant to the Agreement related to Kimber Property (see Note 4).