



CASSIAR GOLD CORP.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MARCH 31, 2025 AND 2024

EXPRESSED IN CANADIAN DOLLARS

(Unaudited)

Contents

	Page
Notice of No Auditor Review of Interim Financial Statements	3
Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statements of Comprehensive Loss	5
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity	6
Condensed Consolidated Interim Statements of Cash Flows	7
Notes To Condensed Consolidated Interim Financial Statements	8-23

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

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

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

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

CASSIAR GOLD CORP.**Condensed Consolidated Interim Statements of Financial Position**

(Expressed in Canadian dollars)

	Note	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
Assets			
Current assets			
Cash and cash equivalents		\$ 2,611,806	\$ 4,935,714
Other receivables		49,887	180,045
Prepays		229,442	230,914
		<u>2,891,135</u>	<u>5,346,673</u>
Non-current assets			
Property and equipment	6	296,322	312,734
Right-of-use assets	7	15,112	60,447
Deposits	8	1,951,000	1,689,776
Exploration and evaluation assets	9	9,090,398	9,079,432
		<u>11,352,832</u>	<u>11,142,389</u>
Total assets		\$ 14,243,967	\$ 16,489,062
Current liabilities			
Trade payable and accrued liabilities		\$ 523,218	\$ 903,761
Flow-through share liability	12	284,366	364,927
Short-term lease obligation	10	16,766	64,793
		<u>824,350</u>	<u>1,333,481</u>
Non-current liabilities			
Assets retirement obligation	11	3,283,677	3,235,947
		<u>3,283,677</u>	<u>3,235,947</u>
Shareholders' equity			
Share capital	12	55,838,834	55,611,384
Warrants	12	2,558,772	2,526,246
Shares subscribed	12	-	103,750
Contributed surplus		21,986,738	21,680,614
Deficit		(70,248,404)	(68,002,360)
		<u>10,135,940</u>	<u>11,919,634</u>
Total shareholders' equity and liabilities		\$ 14,243,967	\$ 16,489,062

NATURE OF OPERATIONS (Note 1)

GOING CONCERN (Note 2)

SUBSEQUENT EVENTS (Note 17)

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

These condensed consolidated financial statements for six months ended March 31, 2025 were authorized for issue in accordance with the resolution of the Board of Directors on May 30, 2025.

Approved by the Board of Directors:

"Marco Roque"

Marco Roque, Director

"Stephen Letwin"

Stephen Letwin, Director

CASSIAR GOLD CORP.
Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss

(Expressed in Canadian dollars, Unaudited)

	Note	Three months ended March 31		Six months ended March 31	
		2025	2024	2025	2024
			(Note 5)		(Note 5)
Expenses					
Consulting		\$ -	\$ 18,423	\$ 2,500	\$ 114,383
Depreciation	6,7	30,873	21,317	61,747	53,281
Exploration and evaluation expenditure	9	503,641	426,131	1,180,356	1,541,093
Management fees		163,621	109,653	306,385	218,516
Marketing		191,635	79,192	344,438	213,765
Office and administrative		45,076	36,304	134,287	61,070
Professional Fees		48,620	102,021	107,816	150,277
Share-based compensation	12	169,315	254,164	306,124	507,353
Travel and meals		35,828	1,123	54,819	1,350
		(1,188,609)	(1,048,328)	(2,498,472)	(2,861,088)
Interest income		36,187	44,999	95,121	79,091
Flow-through share premium	12	80,630	50,271	196,738	391,992
Accretion	11	(23,865)	(28,331)	(47,730)	(56,662)
Sub-lease income		4,200	-	9,900	-
Write-off of receivables		-	-	(1,601)	-
Net loss and comprehensive loss		\$ (1,091,457)	\$ (981,389)	\$ (2,246,044)	\$ (2,446,667)
Basic and diluted loss per common share		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted		127,213,002	104,294,555	127,166,126	101,373,042

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

CASSIAR GOLD CORP.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Note	Share Capital		Warrants	Share subscription	Contributed surplus	Deficit	Total equity
		Number of shares	Amount					
							(Note 5)	(Note 5)
Balance, September 30, 2023 (Audited)		96,869,044	\$ 49,952,631	\$ 2,110,662	\$ -	\$ 18,791,011	\$ (60,472,594)	\$ 10,381,710
Private placement	12	7,425,511	1,074,364	837,879	-	-	-	1,912,243
Share-based payments	12	-	-	-	-	507,353	-	507,353
Net loss		-	-	-	-	-	(2,446,667)	(2,446,667)
Balance, March 31, 2024 (Unaudited)		104,294,555	51,026,995	2,948,541	-	19,298,364	(62,919,261)	10,354,639
Common shares issued, net costs	12	21,852,019	5,244,967	1,262,976	-	-	-	6,507,943
Warrants expired	12	-	-	(1,685,271)	-	1,685,271	-	-
Shares subscribed	12	-	-	-	103,750	-	-	103,750
Share-based payments	12	-	-	-	-	696,979	-	696,979
Flow -through share discount	12	-	(660,578)	-	-	-	-	(660,578)
Net loss		-	-	-	-	-	(5,083,099)	(5,083,099)
Balance, September 30, 2024 (Audited)		126,146,574	55,611,384	2,526,246	103,750	21,680,614	(68,002,360)	11,919,634
Common shares issued, net costs	12	1,066,428	343,628	32,526	(103,750)	-	-	272,404
Share-based payments	12	-	-	-	-	306,124	-	306,124
Flow -through share discount	12	-	(116,178)	-	-	-	-	(116,178)
Net loss		-	-	-	-	-	(2,246,044)	(2,246,044)
Balance, March 31, 2025 (Unaudited)		127,213,002	\$ 55,838,834	\$ 2,558,772	\$ -	\$ 21,986,738	\$ (70,248,404)	\$ 10,135,940

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

CASSIAR GOLD CORP.**Condensed Consolidated Interim Statements of Cash Flows**

(Expressed in Canadian dollars, Unaudited)

	Six months ended March 31	
	2025	2024
	(Note 5)	
Cash flows from (used in) operating activities		
Net loss for the period	\$ (2,246,044)	\$ (2,446,667)
Items not affecting cash:		
Depreciation	61,747	53,281
Share-based payments	306,124	507,353
Flow-through share premium	(196,738)	(391,992)
Interest on lease liability	1,725	3,087
Interest income	(95,121)	(79,091)
Accretion	47,730	56,662
Write-off of receivables	1,601	-
Changes in non-cash working capital items:		
Other receivables	114,812	142,461
Prepays	1,472	26,562
Deposits	(296,391)	(215,793)
Trade payables and accrued liabilities	(380,543)	(1,593,577)
Net cash (used in) operating activities	(2,679,626)	(3,937,714)
Cash flows from financing activities		
Interest income received	144,033	72,625
Lease payments	(49,752)	(37,625)
Proceeds from share and warrants issuance, net of cost	272,403	1,912,243
Net cash provided by financing activities	366,684	1,947,243
Change in cash for the period	(2,323,908)	(1,990,471)
Cash, beginning of the period	4,935,714	4,499,192
Cash, end of the period	\$ 2,611,806	\$ 2,508,721

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

1. CORPORATE INFORMATION

Margaux Resources Ltd. was incorporated under the Alberta Business Corporations Act on August 5, 2009 and changed its name to Cassiar Gold Corp. (the "Company") on September 23, 2020. The Company currently trades on the TSX Venture Exchange ("TSX-V") and the OTCQB Venture Market under the trading symbols "GLDC" and "CGLCF" respectively. The registered address of the Company is Suite 2700, 1133 Melville Street, Vancouver, BC, V6E 4E5.

The Company is a mineral acquisition and exploration company focused on gold exploration within British Columbia.

2. GOING CONCERN

These condensed consolidated interim financial statements ("Financial Statements") have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company incurred a net loss of \$2,246,044 (2024 - \$2,446,667) and had negative cash flows relating to operating activities of \$2,679,626 (2024 – negative cash flows of \$3,937,714) for the six months ended March 31, 2025. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company's ability to continue as a going concern. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its shareholders. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

3. BASIS OF PREPARATION

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

(b) **Basis of compliance:** These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended September 30, 2024.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS Accounting Standards for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended September 30, 2024. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the six-month period ended March 31, 2025 are not necessarily indicative of the results that may be expected for the current fiscal year ending September 30, 2025.

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the March 31, 2025 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- Presentation and Disclosure in Financial Statements

IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after January 1, 2027. IFRS 18 will replace IAS 1. IFRS requires all companies using IFRS Standards to provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The Company is currently assessing the impact of this new accounting standard on its financial statements.

5. CHANGE IN ACCOUNTING POLICY

The Company applied a change to its accounting policy relating to the treatment of exploration and evaluation assets as of September 30, 2024. The Company had previously capitalized all its exploration and evaluation amounts including both the acquisition costs and exploration costs up to the nine months ended June 30, 2024. As of the year ended September 30, 2024, the Company adopted the policy to expense the exploration costs and as a result, the Company's six months ended March 31, 2024 numbers have been updated.

The following summarizes the impact of the change in accounting policy on the financial statement line items impacted in these consolidated financial statements:

Condensed Consolidated Statement of Net Loss and Comprehensive Loss for the three months ended March 31, 2024:

	As reported	Adjustment	Restated balance
Exploration and evaluation expense	\$ -	\$ 426,131	\$ 426,131
Share-based compensation	\$ 196,568	\$ 57,596	\$ 254,164
Net loss and comprehensive loss	\$ (497,662)	\$ (483,727)	\$ (981,389)

Condensed Consolidated Statement of Net Loss and Comprehensive Loss for the six months ended March 31, 2024:

	As reported	Adjustment	Restated balance
Exploration and evaluation expense	\$ -	\$ 1,541,093	\$ 1,541,093
Share-based compensation	\$ 383,041	\$ 124,312	\$ 507,353
Net loss and comprehensive loss	\$ (781,262)	\$ (1,665,405)	\$ (2,446,667)

Condensed Consolidated Statement of Cash Flow for the six months ended March 31, 2024:

	As reported	Adjustment	Restated balance
Net loss for the period	\$ (781,262)	\$ (1,665,405)	\$ (2,446,667)
Cash used in operating activities	\$ (2,396,621)	\$ (1,541,093)	\$ (3,937,714)
Cash used in investing activities	\$ (1,541,093)	\$ 1,541,093	\$ -

Condensed Consolidated Statement of Change in Shareholders' Equity for the six months ended March 31, 2024:

	As reported	Adjustment	Restated balance
Deficit, as at September 30, 2023	\$ (29,892,312)	\$ (30,580,282)	\$ (60,472,594)
Net loss for the six months ended March 31, 2024	\$ (781,262)	\$ (1,665,405)	\$ (2,446,667)
Deficit, as at March 31, 2024	\$ (30,673,574)	\$ (32,245,687)	\$ (62,919,261)
Total shareholders' equity, as at March 31, 2024	\$ 42,600,326	\$ (32,245,687)	\$ 10,354,639

6. PROPERTY AND EQUIPMENT

	Land	Buildings	Computers, equipment and vehicles	Total
Cost				
As at September 30, 2023	\$ 28,993	\$ 380,706	\$ 260,286	\$ 669,985
Additions during the year	-	-	-	-
As at September 30, 2024	28,993	380,706	260,286	669,985
Additions during the period	-	-	-	-
As at March 31, 2025	\$ 28,993	\$ 380,706	\$ 260,286	\$ 669,985
Accumulated depreciation				
As at September 30, 2023	\$ -	\$ 103,172	\$ 216,068	\$ 319,240
Depreciation for the year	-	27,753	10,258	38,011
As at September 30, 2024	-	130,925	226,326	357,251
Depreciation for the period	-	12,489	3,923	16,412
As at March 31, 2025	\$ -	\$ 143,414	\$ 230,249	\$ 373,663
Net book value				
As at September 30, 2023	\$ 28,993	\$ 249,781	\$ 33,960	\$ 312,734
As at March 31, 2025	\$ 28,993	\$ 237,292	\$ 30,037	\$ 296,322

7. RIGHT-OF-USE ASSETS

	ROU
Cost	
As at September 30, 2023	\$ 179,691
Additions during the year	91,014
As at September 30, 2024	270,705
Lease modification measurement	-
As at March 31, 2025	\$ 270,705
Accumulated amortization	
As at September 30, 2023	\$ 119,794
Amortization for the year	90,464
As at September 30, 2024	210,258
Amortization for the period	45,335
As at March 31, 2025	\$ 255,593
Net book value	
As at September 30, 2024	\$ 60,447
As at March 31, 2025	\$ 15,112

The Company amended lease agreement of the Company's office on January 4, 2024, to extend the lease term by 1 year with the same price. As a result, the Company remeasured the lease liability and right-of-use assets and recognized \$91,014 additional right-of-use assets for the lease amendment agreement.

8. DEPOSITS

The Company's deposits include reclamation bonds and cash deposit for permits and license with banks in Canada and Government of Canada. As at March 31, 2025, the Company had \$1,951,000 (September 30, 2024 - \$1,689,776) of reclamation bonds and cash deposit with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations.

9. EXPLORATION AND EVALUATION ASSETS

	Cassiar Gold Project	Sheep Creek Gold District Project	Total
Exploration and evaluation assets			
Acquisition costs			
As of September 30, 2023	\$ 7,754,002	\$ 1,008,798	\$ 8,762,800
Acquisition of mining claims	-	5,999	5,999
Change in estimate of asset retirement obligation	310,633	-	310,633
As of September 30, 2024	8,064,635	1,014,797	9,079,432
Acquisition of mining claims	-	10,966	10,966
As of March 31, 2025	\$ 8,064,635	\$ 1,025,763	\$ 9,090,398

Mineral exploration expenses for the year ended September 30, 2024

Assaying	\$ 731,392	\$ -	\$ 731,392
Camp costs & travel	1,159,717	-	1,159,717
Consulting & Reporting	99,237	-	99,237
Drilling	1,661,243	-	1,661,243
First Nations, Permitting, ESG, Environment	228,575	-	228,575
Geology	116,846	-	116,846
Mineral & land taxes	14,880	12,925	27,805
Others	369,563	-	369,563
Personnel	1,185,736	-	1,185,736
Reclamation	55,898	-	55,898
	\$ 5,623,087	\$ 12,925	\$ 5,636,012

Mineral exploration expenses for the six months ended March 31, 2025

Assaying	65,742	\$ -	\$ 65,742
Camp costs & travel	270,051	-	270,051
Consulting & Reporting	57,720	-	57,720
Drilling	15,860	-	15,860
First Nations, Permitting, ESG, Environment	110,699	-	110,699
Geology	52,245	-	52,245
Mineral & land taxes	4,716	11,447	16,163
Others	140,598	-	140,598
Personnel	417,323	-	417,323
Reclamation	33,955	-	33,955
	\$ 1,168,909	\$ 11,447	\$ 1,180,356

9. EXPLORATION AND EVALUATION ASSETS (continued)

Cassiar Gold Project

On March 25, 2019, the Company entered into an Option Agreement (the "Cassiar Gold Option Agreement") with Wildsky Resources Inc. ("Wildsky") for an option to acquire a 100% interest in the Cassiar Gold project (the "Cassiar Gold Project") by way of an all-share agreement. In order to exercise the option, the Company had to issue 11,640,000 Common Shares over 18 months. Pursuant to the Cassiar Gold Option Agreement the Company must also undertake exploration on the Cassiar Gold property and had to satisfy certain other conditions as follows:

- (a) Cassiar will expend at least \$400,000 on the planning, development and execution of the Cassiar 2019 work program, based on a mutually approved budget;
- (b) Six months after the transfer of the Common Shares, Wildsky will have the right to appoint one member to the board of directors of Cassiar;
- (c) Twelve months after the transfer of the Common Shares, Wildsky will have the right to appoint an additional person (for a total of two board members) to the board of directors of Cassiar;
- (d) Twelve months after the transfer of the Common Shares, Wildsky will have the right to appoint one person to the senior management team of Cassiar, on terms and conditions to be agreed upon by Cassiar and Wildsky, acting reasonably; and,
- (e) Wildsky being granted a 30% net profit interest on all minerals processed from Cassiar's tailings pond located on the Cassiar Gold Project, after capital payout of up to \$500,000.

During the year ended September 30, 2021, the Company satisfied all the requirements outstanding to Wildsky and the 100% interest in the Cassiar Gold Project was fully acquired by the Company. The deemed value of the exercise of the option was \$3,259,200 in Common Shares. Liabilities assumed by the Company were \$2,666,584 on acquisition and related to asset retirement obligations. As at March 31, 2025, liabilities assumed by the Company were \$3,283,677 (September 30, 2024 - \$3,235,947) based on recent reclamation cost estimation (Note 11).

Sheep Creek Gold District Project

The Sheep Creek Project consists of the Bayonne and Sheep Creek properties (collectively the "Sheep Creek Project").

On December 23, 2016, the Company entered into an option agreement with Yellowstone Resources Ltd. ("Yellowstone") for the acquisition of 100% of the Sheep Creek Project, located in Salmo, British Columbia (the "Bayonne and Sheep Creek Option Agreement").

Under the terms of the Bayonne and Sheep Creek Option Agreement and as amended on February 10, 2020, July 10, 2020, and February 15, 2021, the Company had the exclusive option to acquire:

- the Bayonne property, by making payments to Yellowstone of an aggregate \$154,000 cash and aggregate issuance of 182,727 shares, paid in several installments over three years. The Company has paid in full these amounts during the year ended September 30, 2022.
- the Sheep Creek property by making payments to Yellowstone of an aggregate \$436,000 cash and aggregate issuance of 150,000 shares and 242,424 deferred payment shares, paid in several installments over five years.

During the year ended September 30, 2022 the Company paid \$100,000 in cash and issued 90,000 shares to satisfy the final payments under the Bayonne and Sheep Creek Option Agreement and acquired a 100% interest in the Sheep Creek Project.

10. LEASE OBLIGATION

	Lease obligation
Carrying value	
As at September 30, 2023	\$ 63,107
Lease addition	91,014
Accretion of lease liability	11,731
Repayment of principal and interest	(101,059)
As at September 30, 2024	64,793
Accretion of lease liability	1,725
Repayment of principal and interest	(49,752)
As at March 31, 2025	\$ 16,766
Short term lease liability	\$ 16,766
Long term lease liability	\$ -

The Company's lease relates to the corporation's office. A discount rate of 8% was used to determine the present value of the lease obligations. The Company amended the lease agreement on January 4, 2024, to extend the lease term by 1 year with the same price. As a result, the Company remeasured the lease liability and recognized \$91,014 additional lease liability for the lease amendment agreement. A discount rate of 14% was used to determine the present value of the lease obligations on remeasurement date.

11. ASSET RETIREMENT OBLIGATION ("ARO")

The Company has future obligations relating to retiring its exploration and evaluation assets at the Cassiar Gold Project including dismantling, remediation, and treatment of the site. The exact nature and costs of the obligation are subject to change because of the ongoing changes of environmental requirements enacted by government agencies.

A continuity of the asset retirement obligation is as follows:

	ARO
As at September 30, 2023	\$ 2,811,990
Accretion expense	113,324
Change in estimate	310,633
As at September 30, 2024	3,235,947
Accretion expense	47,730
As at March 31, 2025	\$ 3,283,677

The total discounted cash flow estimated to settle the obligations as at March 31, 2025 was \$3,283,677 (September 30, 2024 – \$3,235,947) which was based on the recent reclamation cost estimation, and adjusted for inflation at the rate of 2.57% per annum and then discounted at a risk free rate of 2.95%. A total of \$3,283,677 discounted reclamation costs is expected to be incurred in 2035.

As at March 31, 2025, the Company had \$1,951,000 (September 30, 2024 - \$1,689,776) of reclamation bonds and cash deposit with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations (Note 8).

12. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares

The common shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series. No preferred shares have been issued by the Company.

(b) Common shares issuance and share subscribed

During the six months ended March 31, 2025:

On October 9, 2024, the Company closed a non-brokered private placement by issuing 296,428 flow-through units ("FT Units") at a price of \$0.35 per FT Unit for gross proceeds of \$103,750 and 770,000 charity flow-through units ("CFT Units") at a price of \$0.37 per CFT Unit for gross proceeds of \$284,900. Each FT Unit and CFT Unit consists of one common share of the Company issued on a "CEE flow-through" basis pursuant to the Income Tax Act (Canada) and one warrant. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance. A fair value of \$33,592 has been attributed to the warrants using the Black-Scholes option pricing model. In connection with the non-brokered private placement, \$10,050 finders' fees were paid in cash and 40,200 finders' warrants were issued. Each finder's warrant is exercisable to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance.

During the year ended September 30, 2024:

On December 12, 2023, the Company closed a non-brokered private placement by issuing 6,005,500 non-flow-through units ("Units") at a price of \$0.25 per Unit for gross proceeds of \$1,501,375. Each Unit consists of one common share of the Company and one warrant. The Company also issued 1,420,011 flow-through units ("FT Units") at a price of \$0.35 per FT Unit for gross proceeds of \$497,004. Each FT Unit consists of one common share of the Company issued on a "CEE flow-through" basis pursuant to the Income Tax Act (Canada) and one warrant. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance. A fair value of \$837,879 has been attributed to the warrants using the Black-Scholes option pricing model. In connection with the non-brokered private placement, \$79,553 finders' fees were paid in cash and 264,930 finders' warrants were issued. Each finder's warrant is exercisable to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance.

On May 3, 2024, the Company closed a non-brokered private placement by issuing 10,832,735 non-flow-through units ("Units") at a price of \$0.25 per Unit for gross proceeds of \$2,708,184. Each Unit consists of one common share of the Company and one warrant. The Company also issued 1,769,284 flow-through units ("FT Units") at a price of \$0.35 per FT Unit for gross proceeds of \$619,249. The Company also issued 4,000,000 charity flow-through units ("CFT Units") at a price of \$0.37 per CFT Unit for gross proceeds of \$1,480,000 and 5,250,000 CFT Units at a price of \$0.3825 per CFT Unit for gross proceeds of \$2,008,125. Each FT Unit and CFT Unit consists of one common share of the Company issued on a "CEE flow-through" basis pursuant to the *Income Tax Act* (Canada) and one warrant. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance. A fair value of \$1,262,976 has been attributed to the warrants using the Black-Scholes option pricing model. In connection with the non-brokered private placement, \$224,245 finders' fees were paid in cash and 918,540 finders' warrants were issued. Each finder's warrant is exercisable to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance.

In September 2024, the Company received \$103,750 for a non-brokered private placement completed in October 2024.

12. SHARE CAPITAL (continued)

(b) Warrants

The continuity of warrants for the six months ended March 31, 2025 is as follows:

Expiry date	Exercise price	September 30, 2024	Issued	Exercised	Expired	March 31, 2025
May 4, 2025	(a) \$0.70	6,613,335	-	-	-	6,613,335
June 2, 2025	\$0.70	135,001	-	-	-	135,001
December 12, 2025	\$0.50	7,425,511	-	-	-	7,425,511
May 3, 2026	\$0.50	21,852,019	-	-	-	21,852,019
October 8, 2026	\$0.50	-	1,066,428	-	-	1,066,428
Outstanding		36,025,866	1,066,428	-	-	37,092,294
Weighted average exercise price		\$0.54	\$0.50	\$Nil	\$Nil	\$0.54

(a) Subsequent to March 31, 2025, 6,613,335 warrants expired unexercised.

The continuity of warrants for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price	September 30, 2023	Issued	Exercised	Expired	September 30, 2024
June 8, 2024	\$1.05	4,173,071	-	-	(4,173,071)	-
July 28, 2024	\$0.90	581,783	-	-	(581,783)	-
August 4, 2024	\$0.90	1,370,285	-	-	(1,370,285)	-
May 4, 2025	\$0.70	6,613,335	-	-	-	6,613,335
June 2, 2025	\$0.70	135,001	-	-	-	135,001
December 12, 2025	\$0.50	-	7,425,511	-	-	7,425,511
May 3, 2026	\$0.50	-	21,852,019	-	-	21,852,019
Outstanding		12,873,475	29,277,530	-	(6,125,139)	36,025,866
Weighted average exercise price		\$0.84	\$0.50	\$Nil	\$1.00	\$0.54

As at March 31, 2025, the weighted average contractual remaining life of warrants is 0.84 years (September 30, 2024 – 1.32 years).

The weighted average assumptions used to estimate the fair value of warrants for the six months ended March 31, 2025 and 2024 were as follows:

	March 31, 2025	March 31, 2024
Risk-free interest rate	3.17%	3.91%
Expected life	2 years	2 years
Expected volatility	62.25%	75.00%
Expected dividend yield	nil	nil

12. SHARE CAPITAL (continued)

(c) Finders' warrants

The continuity of finders' warrants for the six months ended March 31, 2025 is as follows:

Expiry date	Exercise price	September 30, 2024	Issued	Exercised	Expired	March 31, 2025
May 4, 2025	(a) \$0.50	764,700	-	-	-	764,700
December 12, 2025	\$0.50	264,930	-	-	-	264,930
May 3, 2026	\$0.50	918,540	-	-	-	918,540
October 8, 2026	\$0.50	-	40,200	-	-	40,200
Outstanding		1,948,170	40,200	-	-	1,988,370
Weighted average exercise price		\$0.50	\$0.50	\$Nil	\$Nil	\$0.50

(a) Subsequent to March 31, 2025, 764,700 finder's warrants expired unexercised.

The continuity of finders' warrants for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price	September 30, 2023	Issued	Exercised	Expired	September 30, 2024
June 8, 2024	\$1.00	490,354	-	-	(490,354)	-
May 4, 2025	\$0.50	764,700	-	-	-	764,700
December 12, 2025	\$0.50	-	264,930	-	-	264,930
May 3, 2026	\$0.50	-	918,540	-	-	918,540
Outstanding		1,255,054	1,183,470	-	(490,354)	1,948,170
Weighted average exercise price		\$0.70	\$0.50	\$Nil	\$1.00	\$0.50

As at March 31, 2025, the weighted average contractual remaining life of finders' warrants is 0.66 years (September 30, 2024 – 1.14 years).

(d) Flow-through shares

During the six months ended March 31, 2025, the Company raised \$388,650 (2024 - \$497,004) on a CEE flow-through share basis and was required to incur a net total of \$388,650 (2024 - \$497,004) of qualifying expenditures to renounce the tax deductions to investors.

As at March 31, 2025, the Company still needed to incur an additional \$1,477,355 (September 30, 2024 - \$2,269,060) to meet its flow through share commitment. A flow-through share premium liability of \$284,366 (September 30, 2024 - \$364,927) was recognized as the Company has not incurred sufficient qualifying expenditures to offset the liability.

The flow-through share premium of \$196,738 (2024 - \$391,992) was recognized during the six months ended March 31, 2025.

12. SHARE CAPITAL (continued)

(e) Stock option plan

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX-V (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, at its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares exercisable for the period of up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX-V.

All options expire in five years and vest based on terms and conditions set out in the stock option agreements. Stock option transactions and the number of stock options for the six months ended March 31, 2025 are summarized as follows:

Expiry date	Exercise price	September 30, 2024	Granted	Exercised	Expired / cancelled	March 31, 2025
August 28, 2025	\$0.75	1,150,000	-	-	(30,000)	1,120,000
March 22, 2026	\$0.60	1,690,668	-	-	(75,000)	1,615,668
November 15, 2026	\$0.79	470,000	-	-	(75,000)	395,000
September 13, 2027	\$0.66	1,890,000	-	-	(80,000)	1,810,000
September 22, 2028	\$0.345	1,340,000	-	-	(70,000)	1,270,000
May 3, 2029	\$0.28	1,230,000	-	-	(75,000)	1,155,000
Options outstanding		7,770,668	-	-	(405,000)	7,365,668
Options exercisable		5,870,668	-	-	-	5,575,668
Weighted average exercise price		\$0.55	\$Nil	\$Nil	\$0.55	\$0.55

Stock option transactions and the number of stock options for the year ended September 30, 2024 are summarized as follows:

Expiry date	Exercise price	September 30, 2023	Granted	Exercised	Expired / cancelled	September 30, 2024
June 24, 2024	\$0.50	485,000	-	-	(485,000)	-
August 28, 2025	\$0.75	1,150,000	-	-	-	1,150,000
March 22, 2026	\$0.60	1,710,668	-	-	(20,000)	1,690,668
November 15, 2026	\$0.79	470,000	-	-	-	470,000
September 13, 2027 (a)	\$0.66	1,930,000	-	-	(40,000)	1,890,000
September 22, 2028	\$0.345	1,400,000	-	-	(60,000)	1,340,000
May 3, 2029	\$0.28	-	1,255,000	-	(25,000)	1,230,000
Options outstanding		7,145,668	1,255,000	-	(630,000)	7,770,668
Options exercisable		4,935,659	-	-	-	5,870,668
Weighted average exercise price		\$0.60	\$0.28	\$Nil	\$0.48	\$0.55

(a) Subsequent to year-end, 20,000 options expired unexercised.

As at March 31, 2025, the weighted average contractual remaining life of options is 2.21 years (September 30, 2024 – 2.72 years).

12. SHARE CAPITAL (continued)

(e) Stock option plan (continued)

The weighted average assumptions used to estimate the fair value of stock options for the six months ended March 31, 2025 and 2024 were as follows:

	March 31, 2025	March 31, 2024
Risk-free interest rate	3.67% - 4.21%	4.21%
Expected life	5 years	5 years%
Expected volatility	102% - 130%	130.00%
Forfeiture rate	8.71% - 10.53%	11%
Expected dividend yield	nil	nil

The Company recognized \$107,584 (2024 - \$204,610) share-based payment for options vested in the six months ended March 31, 2025.

(f) Share unit plan

The Company has established a deferred share unit ("DSU") and restricted share unit ("RSU") plan (the "Unit Plan"), which provides for the grant of DSUs and RSUs to eligible directors, officers, employees, advisors and consultants of the Company. The Unit Plan provides for settlement through cash payment or the issuance of common shares. The form of settlement is at the option of the Company. The Company does not intend to make cash payments and there is no history of the Company making cash payments under the Unit plan and, as such, the DSUs and RSUs are accounted for within shareholders' equity. These common shares would be issued from the same 10% rolling pool as the common shares issued under the Company's Deferred Share Unit Plan and the Company's Share Option Plan. As DSUs and RSUs are expected to be settled with equity, an amount equal to compensation expense is initially credited to contributed surplus, recognized over the term of the vesting period, and transferred to share capital if and when the units are exercised.

The Company has adopted its Share Unit Plan which received shareholder approval on March 16, 2022.

RSU transactions and the number of RSUs for the six months ended March 31, 2025 are summarized as follows:

Vesting date		September 30, 2024	Granted	Vested and converted to common shares	Cancelled	March 31, 2025
November 15, 2023	(a)	50,000	-	-	-	50,000
September 13, 2024	(a)	288,002	-	-	-	288,002
September 22, 2024	(a)	665,000	-	-	-	665,000
September 22, 2025		665,000	-	-	(35,000)	630,000
May 3, 2025		545,000	-	-	(37,500)	507,500
May 3, 2026		545,000	-	-	(37,500)	507,500
RSUs outstanding		2,758,002	-	-	(110,000)	2,648,002

(a) These RSUs have vested and subsequent to March 31, 2025, 1,003,002 common shares were issued.

12. SHARE CAPITAL (continued)

(f) Share unit plan (continued)

RSU transactions and the number of RSUs for the year ended September 30, 2024 are summarized as follows:

Vesting date		September 30, 2023	Granted	Vested and converted to common shares	Cancelled	September 30, 2024
November 15, 2023	(a)	50,000	-	-	-	50,000
September 13, 2024	(a)	308,002	-	-	(20,000)	288,002
September 22, 2024	(a)	695,000	-	-	(30,000)	665,000
September 22, 2025		695,000	-	-	(30,000)	665,000
May 3, 2025		-	557,500	-	(12,500)	545,000
May 3, 2026		-	557,500	-	(12,500)	545,000
RSUs outstanding		1,748,002	1,115,000	-	(105,000)	2,758,002

DSU transactions and the number of DSUs for the six months ended March 31, 2025 are summarized as follows:

Vesting date		September 30, 2024	Granted	Vested and converted to common shares	Cancelled	March 31, 2025
November 15, 2023	(a)	123,334	-	-	-	123,334
September 13, 2024	(a)	116,664	-	-	-	116,664
September 22, 2024	(a)	275,000	-	-	-	275,000
September 22, 2025		275,000	-	-	-	275,000
May 3, 2025		275,000	-	-	-	275,000
May 3, 2026		275,000	-	-	-	275,000
DSUs outstanding		1,339,998	-	-	-	1,339,998

(a) These DSUs have vested and subsequent to March 31, 2025, 514,998 common shares were issued.

DSU transactions and the number of DSUs for the year ended September 30, 2024 are summarized as follows:

Vesting date		September 30, 2023	Granted	Vested and converted to common shares	Cancelled	September 30, 2024
November 15, 2023	(a)	123,334	-	-	-	123,334
September 13, 2024	(a)	116,664	-	-	-	116,664
September 22, 2024	(a)	275,000	-	-	-	275,000
September 22, 2025		275,000	-	-	-	275,000
May 3, 2025		-	275,000	-	-	275,000
May 3, 2026		-	275,000	-	-	275,000
DSUs outstanding		789,998	550,000	-	-	1,339,998

The weighted average remaining life of the unvested RSUs and DSUs as at March 31, 2025 is 0.34 and 0.34 years respectively (September 30, 2024 – 0.67 and 0.65 years respectively). The Company recognized another \$198,540 (2024 - \$302,743) share-based compensation for RSUs and DSUs during the six months ending March 31, 2025.

13. CAPITAL DISCLOSURES

The Company considers its capital to include shareholders' equity. The objectives of the Company are to attain a strong financial position from which the Company will be able to exhibit continued growth and obtain access to capital. The Company has no externally imposed restrictions.

The Company manages its capital structure and adjusts considering changes in economic conditions and risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may from time to time, issue shares, obtain debt financing, or adjust capital spending. As at March 31, 2025, the capital structure of the Company currently consists of shareholder's equity, which was \$10,135,940 (September 30, 2024 - \$11,919,634).

14. FAIR VALUE

IFRS 13, Fair Value Measurement, 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).

The carrying values of cash, other receivables, and trade payables and accrued liabilities approximate their fair values due to their short terms to maturity.

15. FINANCIAL INSTRUMENTS

The Company is exposed to financial risks from normal course business exposures, as well as from the Company's use of financial instruments. These risk factors include market risk, liquidity risk, and credit risk.

(a) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The market price movements that could adversely affect the value of the Company's financial assets, liabilities and expected future cash flows include commodity price risk, interest rate risk and foreign exchange risk.

(i) Commodity price risk

The Company may employ the use of various financial instruments in the future to manage price exposure; the Company is not currently using any such instruments. The Company currently has not obtained any hedging instruments.

(ii) Interest rate risk

Interest rate risk is the risk of exposure to changes in market interest rates affecting future cash flows. The Company is not exposed to significant interest rate risk.

(iii) Foreign exchange risk

Foreign currency risk arises from fluctuations in foreign exchanges rates and the degree of volatility of these rates relative to the Canadian dollar. The Company is not exposed to significant foreign exchange risk given it has no financial instruments denominated in a foreign currency.

15. FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company may need to obtain additional sources of cash resources to execute future exploration programs and believes that it has access to sufficient capital through potential external equity sources to meet projected expenditures.

(c) Credit risk

Credit risk is the risk that a customer or counter party will fail to perform an obligation or fail to pay amounts due causing a financial loss. The Company's credit risk is primarily attributable to cash and is subject to normal credit risks. Credit risk associated with cash is minimal as the Company deposits its cash with a large Canadian financial institution that has been accorded a strong investment grade rating by a primary rating agency.

16. RELATED PARTY TRANSACTIONS

All related party transactions are in the normal course of operations and initially recorded at fair value.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the six months ended March 31, 2025:

	Salary	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments ^(a)	Total
Marco Roque President, Chief Executive Officer, Director ^(b)	\$ 150,000	\$ Nil	\$ Nil	\$ Nil	\$ 112,472	\$ 262,472
Kevin Chen Former Chief Financial Officer ^(c)	\$ 30,000	\$ Nil	\$ Nil	\$ Nil	\$ 6,073	\$ 36,073
Michael Wood Chief Financial Officer, Director ^(d)	\$ 30,000	\$ Nil	\$ Nil	\$ Nil	\$ 21,074	\$ 51,074
Jill Maxwell VP of Exploration	\$ 115,115	\$ Nil	\$ Nil	\$ Nil	\$ 35,408	\$ 150,523
Stephen Letwin Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 31,612	\$ 31,612
James Maxwell Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 21,074	\$ 21,074
Christopher Stewart Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 21,074	\$ 21,074
Stephen Robertson Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 21,074	\$ 21,074

16. RELATED PARTY TRANSACTIONS (continued)

For the six months ended March 31, 2024:

	Salary	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments ^(a)	Total
Marco Roque President, Chief Executive Officer, Director ^(b)	\$ 142,500	\$ Nil	\$ Nil	\$ Nil	\$ 159,708	\$ 302,208
Kevin Chen Chief Financial Officer ^(c)	\$ 42,000	\$ Nil	\$ Nil	\$ Nil	\$ 19,180	\$ 61,180
Jill Maxwell VP of Exploration	\$ 123,068	\$ Nil	\$ Nil	\$ Nil	\$ 61,328	\$ 184,396
Stephen Letwin Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 48,675	\$ 48,675
James Maxwell Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 28,827	\$ 28,827
Christopher Stewart Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 28,695	\$ 28,695
Michael Wood Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 28,695	\$ 28,695
Stephen Robertson Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 28,694	\$ 28,694

- (a) Amount represents the Black-Scholes calculation of the stock options, RSUs and DSUs vested during the period and is included in the share-based compensation in the consolidated statements of loss and comprehensive loss.
- (b) Marco Roque's salary as the Chief Executive Officer was paid through a company owned by Mr. Roque.
- (c) Kevin Chen's salary as the Chief Financial Officer was paid through a company owned by Mr. Chen. Kevin Chen resigned effective November 1, 2024.
- (d) Michael Wood became the Chief Financial Officer effective November 1, 2024. Mr. Wood's salary as the Chief Financial Officer was paid through a company owned by Mr. Wood.

17. SUBSEQUENT EVENTS

On April 14, 2025, the Company issued a total of 1,518,000 common shares pursuant to the vested RSUs and DSUs.

On April 16, 2025, the Company granted 1,340,000 stock options (the "Options") to its directors, officers, employees and consultants at an exercise price of \$0.23 for a period of five years. 2/3 of the Options will vest on April 16, 2026, and the remaining 1/3 of the Options will vest on April 16, 2027.

On April 16, 2025, the Company also granted 1,047,400 RSUs and 600,000 DSUs to its directors, officers, employees and consultants. 2/3 of the RSUs and DSUs will vest on April 16, 2026, and the remaining 1/3 of the RSUs and DSUs will vest on April 16, 2027.