



STLLR Gold Inc.

Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024

Unaudited

Presented in thousands of Canadian dollars

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements are the responsibility of the Board of Directors and executive management. The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards (IFRS®) as issued by the International Accounting Standards Board. These unaudited condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Company's audited annual consolidated financial statements and notes thereto for the year ended December 31, 2024. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies and methods of application as those included in the Company's most recent audited annual consolidated financial statements, except as described in note 3. Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with IFRS® appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the condensed interim consolidated financial statements and (ii) the condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of, and for the period presented by the condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the condensed interim consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the financial statements and the auditors' report. The Audit Committee also reviews the Company's Management's Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim consolidated financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining property standards of conduct for its activities.

(signed) "Salvatore Curcio"

Salvatore Curcio
Chief Financial Officer

(signed) "Keyvan Salehi"

Keyvan Salehi
President & CEO

August 13, 2025
Toronto, Canada


STLLR GOLD INC.
Condensed Interim Consolidated Statements of Financial Position
(Presented in thousands of dollars)

As at	Notes	(Unaudited) June 30, 2025 \$	(Audited) December 31, 2024 \$
ASSETS			
Current			
Cash and equivalents		15,848	32,314
Marketable securities	8	50	-
Receivables		617	232
Prepaid expenses and supplies		1,511	1,108
Total current assets		18,026	33,654
Non-current			
Restricted cash	5	5,429	5,359
Reclamation deposits	6	192	192
Property, plant and equipment	7	2,203	954
Exploration and evaluation assets	8, 9	88,241	88,814
Total non-current assets		96,065	95,319
TOTAL ASSETS		114,091	128,973
LIABILITIES			
Current			
Accounts payable and accrued liabilities	15, 17, 18	3,495	2,372
Deferred premium on flow-through shares	12	-	3,145
Lease liabilities	13	169	-
Total current liabilities		3,664	5,517
Non-current			
Reclamation provisions	10	2,211	2,211
Provision for service obligation	11	2,633	2,719
Lease liabilities	13	1,026	-
Total non-current liabilities		5,870	4,930
TOTAL LIABILITIES		9,534	10,447
SHAREHOLDERS' EQUITY			
Capital stock	12	236,837	236,837
Contributed surplus	12	18,212	16,918
Accumulated deficit		(150,492)	(135,229)
Total shareholders' equity		104,557	118,526
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		114,091	128,973

The accompanying notes are an integral part of these condensed interim consolidated financial statements.
Nature of operations and going concern
1
Subsequent events
19

On behalf of the Board:

(signed) "Josef Vejvoda"
Josef Vejvoda

Director

(signed) "Morris Prychidny"
Morris Prychidny

Director


STLLR GOLD INC.

Condensed Interim Consolidated Statements of Net Loss & Comprehensive Loss
(Presented in thousands of dollars, except per share amounts)

		(Unaudited) Three Months Ended June 30,		(Unaudited) Six months ended June 30,	
	Notes	2025	2024	2025	2024
		\$	\$	\$	\$
OPERATING EXPENSES					
Exploration and evaluation expenditures	8	5,500	6,972	13,965	11,878
General & administration					
Wages, benefits, director fees	15	958	662	1,651	1,252
Professional & consulting fees		350	192	575	556
Office & administration		234	261	452	615
Regulatory		168	48	553	407
Marketing & investor relations		29	72	169	247
Share based compensation	12, 15	370	411	1,294	2,869
Amortization and depreciation		73	39	112	76
Accretion expense		-	7	-	13
Loss from operational activities		7,682	8,664	18,771	17,913
OTHER ITEMS					
Deferred premium on flow-through shares	12	-	-	(3,145)	(6,991)
Interest expense	13	17	-	17	-
Interest income		(235)	(388)	(572)	(608)
Other income		(133)	(48)	(221)	(75)
Loss on sale of exploration & evaluation asset	8	413	-	413	-
Loss on debt settlement		-	65	-	65
Loss before income taxes		7,744	8,293	15,263	10,304
Net loss and comprehensive loss for the period		7,744	8,293	15,263	10,304
Basic and diluted loss per share (in dollars)	14	\$0.06	\$0.08	\$0.12	\$0.11
Weighted average outstanding shares	14	123,938,874	103,295,788	123,938,874	94,265,996

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


STLLR GOLD INC.

Condensed Interim Consolidated Statement of changes in Shareholders' Equity
(Presented in thousands of dollars, except per share amounts)

	Notes	Capital Stock Shares	\$	Contributed Surplus	Deficit	Shareholders' Equity
Balance as at December 31, 2023		61,012,054	\$ 162,874	\$ 11,125	\$ (114,245)	\$ 59,754
Asset acquisition of Nighthawk	9	31,538,239	39,738	-	-	39,738
Shares issued - asset acquisition cost of Nighthawk	9	968,500	1,250	-	-	1,250
Replacement Options - acquisition of Nighthawk	9	-	-	1,340	-	1,340
Shares issued to settle accounts payable	12	1,301,438	1,565	-	-	1,565
Share issuance on subcription receipt financing	12	8,029,412	13,000	-	-	13,000
Fair value of warrants	12	-	(1,257)	1,257	-	-
Share issuance costs - cash	12	-	(1,056)	-	-	(1,056)
Issuance of share units	12	610,371	1,219	(1,219)	-	-
Share issuance on prospectus financing	12	20,478,860	25,672	-	-	25,672
Deferred premium on flow-through shares	12	-	(3,145)	-	-	(3,145)
Share issuance costs	12	-	(2,197)	-	-	(2,197)
Fair value of warrants	12	-	(738)	738	-	-
Fair value of broker warrants	12	-	(88)	88	-	-
Share based compensation	12	-	-	3,589	-	3,589
Loss and comprehensive loss		-	-	-	(20,984)	(20,984)
Balance as at December 31, 2024		123,938,874	\$ 236,837	\$ 16,918	\$ (135,229)	\$ 118,526
Share based compensation	12	-	-	1,294	-	1,294
Loss and comprehensive loss		-	-	-	(15,263)	(15,263)
Balance as at June 30, 2025		123,938,874	\$ 236,837	\$ 18,212	\$ (150,492)	\$ 104,557

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


STLLR GOLD INC.

Condensed Interim Consolidated Statements of Cash Flows
(Presented in thousands of dollars)

For the six months period ended June 30,		2025	2024
	Notes	\$	\$
Cash flows from operating activities			
Net loss and comprehensive loss for the period		(15,263)	(10,304)
<i>Adjustments for non-cash items:</i>			
Share based compensation	12, 15	1,294	2,869
Amortization and depreciation	7	112	76
Accretion expense	10	-	13
Interest expense on lease liabilities	13	17	-
Loss on sale of exploration & evaluation asset	8	413	-
Loss on debt settlement		-	65
Deferred premium on flow-through shares	12	(3,145)	(6,991)
Operating cash flows before movements in working capital		(16,572)	(14,272)
<i>Changes in non-cash working capital items:</i>			
Increase in receivables		(385)	(53)
(Increase) decrease in prepaid expenses and supplies		(403)	333
Increase (decrease) in accounts payable and accrued liabilities		1,123	(653)
Total cash used in operating activities		(16,237)	(14,645)
Investing activities			
Acquisition of property, plant and equipment	7	(72)	(88)
Acquisition of Nighthawk	9, 12	-	22,479
Restricted cash	5	(70)	(330)
Acquisition of exploration and evaluation assets	8	(140)	(21)
Proceeds from sale of exploration and evaluation asset	8	250	-
Reduction in provision for service obligation	11	(86)	(22)
Total cash (used in) provided from investing activities		(118)	22,018
Financing activities			
Payment on lease liabilities	13	(111)	-
Common shares issued, net of issue costs		-	(161)
Cash used in financing activities		(111)	(161)
Net (decrease) increase in cash and equivalents		(16,466)	7,212
Cash and equivalents, beginning of period		32,314	12,052
Cash and equivalents, end of period		15,848	19,264
<i>The accompanying notes are an integral part of these condensed interim consolidated financial statements.</i>			
Supplemental disclosure		\$	\$
Shares issued to acquire Nighthawk	9	-	39,738
Shares issued - asset acquisition cost of Nighthawk	9	-	1,250
Shares issued to settle accounts payable	12	-	1,565
Options issued to acquire Nighthawk	9, 12	-	1,340
Total		-	43,893

STLLR GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended June 30, 2025, and 2024
(Presented in thousands of dollars, except per share amounts)
Unaudited



1. Nature of operations and going concern

Nature of operations

STLLR Gold Inc. (“STLLR” or the “Company”) is a public Company listed on the Toronto Stock Exchange (TSX: STLR) (OTCQX: STLRF) (FSE: O9D) and incorporated under the laws of the Province of Ontario on October 14, 1910. STLLR Inc. as referred to in this document, is “STLLR Inc.”. STLLR is a mineral resource exploration and development Company actively advancing high-potential gold projects on its land package in the Timmins Camp in Timmins, Ontario (Canada) and in the Northwest Territories (Canada). The Company’s head office is Suite 2410, 161 Bay St., Toronto, Ontario, M5J 2S1. STLLR, a former gold producer, is currently an exploration and development stage Company and has no properties in current production and no production revenues at the present time.

The Company announced on November 28, 2023, that it had entered into an arm’s length arrangement agreement for an at-market merger (the “Arrangement”) whereby the Company agreed to acquire all the issued and outstanding common shares of Nighthawk Gold Corp. (“Nighthawk” or “the Company’s subsidiary”) in exchange for common shares of the Company, by way of a plan of arrangement. Pursuant to the terms of the arrangement agreement, Nighthawk Shareholders received 0.21 shares of the Company. The Arrangement was approved by the Shareholders of the Company and Nighthawk Shareholders on January 29, 2024, and closed on February 6, 2024.

As a result of the Arrangement, Nighthawk became a wholly owned subsidiary of STLLR, and the Nighthawk shares were delisted from the Toronto Stock Exchange at market close on February 8, 2024 (See note 9 for more details). These financial statements have consolidated the activities of Nighthawk from February 6, 2024 (the date of acquisition).

Going concern

These condensed interim consolidated financial statements, including comparatives, have been prepared using IFRS® applicable to a going concern organization. Continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future is assumed, at least, but not limited to, one year from June 30, 2025. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is material uncertainty that may raise significant doubt as to the Company’s ability to continue as going concern. There is no assurance that the Company’s funding initiatives will continue to be successful.

These condensed interim consolidated financial statements do not reflect the adjustments that would be necessary if the going concern assumption was inappropriate. Adjustments to the carrying values of assets, liabilities, reported expenses and statements of financial position classifications could be material. To advance its exploration and development efforts, the Company will have to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Basis of preparation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and follow the same accounting policies and methods of application as the annual consolidated financial statements of the Company for the year ended December 31, 2024. These condensed interim consolidated financial statements should be read in conjunction with the 2024 annual consolidated financial statements and the notes thereto. The Company operates in one segment defined as the cash generating unit which is Canada. These condensed interim consolidated financial statements were approved by the Board of Directors (the "Board of Directors" or the "Board") of the Company on August 13, 2025.

Basis of measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

All amounts are expressed in Canadian dollars unless otherwise noted.

3. Material accounting policies

The financial framework and accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those that applied to the Annual Financial Statements except as disclosed below:

a) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset. This may be specific, explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the earlier of lease commencement or occupancy date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Where the Company is expected to exercise a purchase option the right-of-use asset is depreciated using the straight-line method over the useful life of the asset, otherwise it is depreciated to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of the plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statements of loss and comprehensive loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. Key sources of estimation uncertainty and judgement

In the application of the Company's accounting policies described in note 3 of the annual consolidated financial statements of the Company for the year ended December 31, 2024, management is required to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year.

Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the areas involving estimates made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognized in the consolidated financial statements.

a) Share based payments

Management measures the fair value of granted stock options using the Black-Scholes option valuation model. The fair value of stock options using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions which include volatility, interest rates and expected life of the options.

Management measures the fair value of RSUs and DSUs based on the market price of STLLR's shares.

b) Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future production or sale of the property, or where exploration activities are not adequately advanced to support a gold resource assessment. The determination is an estimation process that requires varying degrees of uncertainty, and these estimates directly impact the deferral of exploration and evaluation expenditures.

c) Impairment of long-lived assets

The carrying amounts of property, plant & equipment and exploration and evaluation assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on the basis of cash-generating units. The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, future capital requirements, resource estimates, and exploration potential. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the exploration and evaluation assets.

d) Reclamation provisions

The Company records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding expense for the related property, is reported in the year in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction

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and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Company subsequently allocates the cost to expense using a systematic and rational method over its useful life and records the accretion of the liability as a charge to the Statement of Net Loss and Comprehensive Loss.

e) Contingent liabilities

Contingent liabilities are not recognized in the financial statements unless reliably estimated and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

f) Accounting for acquisitions

The Company assesses whether an acquisition is an asset acquisition or a business combination. The Company accounts for an acquisition as a business combination if the assets acquired and liabilities assumed constitute a business and the Company obtains control of the business. When the cost of a business combination exceeds the fair value of the identifiable assets acquired or liabilities assumed, such excess is recognized as goodwill. Transaction related costs are expensed as incurred.

If an acquisition does not meet the definition of a business combination, the Company accounts for the acquisition as an asset acquisition. The February 6, 2024 acquisition of Nighthawk (note 9) was accounted for as an asset acquisition.

5. Restricted cash

Nighthawk maintains irrevocable standby letters of credit with a Canadian chartered bank, in the amount of \$1,299, to provide security under its land use permit and water access license for the existing reclamation work associated with the Damoti Reclamation Obligation (see note 10), as well as for its exploration activities at the Indin Lake Gold Property in the Northwest Territories, Canada. In March 2024, Nighthawk posted additional security of \$167 upon receiving approval for its updated territorial land use permit, which supports its expanded exploration activities on the Indin Lake Gold Property. Nighthawk also posted \$147 as additional security upon receiving its renewed Federal water access license, thereby authorizing its exploration activities. The licenses have been renewed for 15 years and expire in 2038.

On January 26, 2012, as part of the agreement to acquire full ownership of the Colomac Gold Project's mineral claims and leases (see note 11), Nighthawk initiated two letters of credit at a Canadian chartered bank. These were in favor of Crown-Indigenous Relations and Northern Affairs Canada (formerly Aboriginal Affairs and Northern Development Canada) to ensure Nighthawk's commitment to carrying out reclamation services. Specifically, the amounts were \$3,000 for the Diversified site and \$1,000 for the Spyder Lake site which are collectively referred to as the "Restricted LOC's". Additionally, a \$60 letter of credit was established to secure corporate credit card facilities. During the six months ended June 30, 2025, an extra \$70 was added to the letter of credit to further enhance the corporate credit facility.

The Restricted LOC's totaling \$4,000 are secured by guaranteed investment certificates (the "Colomac GIC's") at a Canadian chartered bank for the same amounts. Upon completion of the service obligation with respect to each reclamation site to the satisfaction of an independent third-party engineer, the Restricted LOC's with respect to each site will be released and the hold restriction on the related Colomac GIC will be eliminated. At any time, the Company may terminate the liability relating to this service obligation, but as a consequence would relinquish the related Colomac GIC still held as security against the Restricted LOC's at that time.

	Permit Security	Restricted LOC	Total
Balance as at December 31, 2024	\$ 1,299	\$ 4,060	\$ 5,359
Corporate credit card facility	-	70	70
Balance as at June 30, 2025	\$ 1,299	\$ 4,130	\$ 5,429

6. Reclamation deposits

The Company has cash and bond reclamation deposits of \$192 (December 31, 2024 - \$192) with the Ministry of Mines as financial guarantees covering the cost of mine reclamation related to the Company's historical mine and tailings.

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**7. Property, plant, and equipment**

As a direct result of the acquisition of Nighthawk (note 9) during the year ended December 31, 2024, the Company has obtained property, plant and equipment with a net book value of \$127, which is included in the continuity table below.

The following table summarizes information regarding the Company property, plant, and equipment as at June 30, 2025:

June 30, 2025									
Cost (\$)						Accumulated depreciation (\$)			
Class	Amortization Period (Years)	Beginning Balance	Additions	Ending Balance	Opening Balance	Depreciation	Ending Balance	Net Book Value	
Land	-	\$ 33	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ 33	
Building	5-20	725	48	773	165	30	195	\$ 578	
Vehicles	5	184	-	184	85	17	102	\$ 82	
Equipment	3-5	357	23	380	105	31	136	\$ 244	
Furniture	3-7	12	1	13	2	1	3	\$ 10	
Right of Use Assets ⁽¹⁾	4-15	-	1,289	1,289	-	33	33	\$ 1,256	
Total		\$ 1,311	\$ 1,361	\$ 2,672	\$ 357	\$ 112	\$ 469	\$ 2,203	

⁽¹⁾ Includes solar farm equipment and corporate head office right of use assets. For further details on the lease liabilities associated with the right of use assets, please refer to note 13

December 31, 2024									
Class	Amortization Period (Years)	Cost (\$)			Accumulated depreciation (\$)				Net Book Value
		Beginning Balance	Additions	Ending Balance	Beginning Balance	Acquisition Depreciation	Depreciation	Ending Balance	
Land	-	\$ 33	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ -	\$ 33
Building	5-20	725	-	725	105	-	60	165	\$ 560
Vehicles	5	184	-	184	44	-	41	85	\$ 99
Equipment	3-5	104	253	357	31	23	51	105	\$ 252
Furniture	3-7	-	12	12	-	-	2	2	\$ 10
Total		\$ 1,046	\$ 265	\$ 1,311	\$ 180	\$ 23	\$ 154	\$ 357	\$ 954

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Notes to the Condensed Interim Consolidated Financial Statements

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**8. Exploration and evaluation expenditures**

For the six months period ended June 30,	Beginning 2025	Additions (Reductions)	Ending 2025
Garrison	\$ 51,528	\$ -	\$ 51,528
Golden Highway	1,793	-	1,793
Loveland	713	(713)	-
Buffonta	205	-	205
North Tisdale	203	-	203
Other	153	-	153
Kayorum	136	-	136
Pike	52	-	52
Nighthawk Lake	34	-	34
Hollinger	-	100	100
Indin Lake Gold	33,997	40	34,037
Total	\$ 88,814	\$ (573)	\$ 88,241

For the year ended December 31,	Beginning 2024	Additions (Reductions)	Ending 2024
Garrison	\$ 51,497	\$ 31	\$ 51,528
Golden Highway	1,793	-	1,793
Loveland	713	-	713
Buffonta	205	-	205
North Tisdale	203	-	203
Other	164	(11)	153
Kayorum	136	-	136
Pike	52	-	52
Nighthawk Lake	33	1	34
Indin Lake Gold ⁽¹⁾	-	33,997	33,997
Total	\$ 54,796	\$ 34,018	\$ 88,814

(1) Mineral properties obtained during acquisition of Nighthawk was \$33,987. The remainder were additions from February 6, 2024 to December 31, 2024.

On June 27, 2025, the company sold its non-core Loveland asset for gross proceeds of \$250 cash and receipt of \$50 in marketable securities. The marketable securities received are for Loyalist Exploration Limited (PNGC.CN) shares listed on the Canadian Stock Exchange. A loss of \$413 was recorded on the sale of the Loveland asset.

There were no indications of impairment of exploration and evaluation assets during the period ended June 30, 2025 (December 31, 2024 – \$nil).

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Notes to the Condensed Interim Consolidated Financial Statements

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(Presented in thousands of dollars, except per share amounts)

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Exploration and evaluation expenditures for the three and six months ended June 30, 2025, and 2024, of \$5,500 and \$13,965, respectively (three and six months ended June 30, 2024 - \$6,972 and \$11,878), were charged to the Condensed Interim Consolidated Statements of Net Loss & Comprehensive Loss. Exploration expenditures were incurred as follows:

Exploration and evaluation expenses	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Geological & consultant fees	\$ 2,973	\$ 2,121	\$ 5,445	\$ 4,671
Drilling	1,167	1,836	4,363	3,089
Assaying & analytical	610	193	1,074	292
Camp & site	245	1,189	1,066	1,572
Environmental, baseline & other	365	132	761	329
Transportation	101	1,080	693	1,067
Licenses & permits	(17)	367	451	702
Surveying	56	47	112	128
Geophysics	-	7	-	28
Total exploration and evaluation expenses	\$ 5,500	\$ 6,972	\$ 13,965	\$ 11,878

9. Acquisition of Nighthawk Gold Corp.

On January 29, 2024, the shareholders of the Company and Nighthawk approved the arrangement agreement to form STLLR Gold Inc. and the common share consolidation. On January 30, 2024, Nighthawk obtained the final court order from the Ontario Superior Court of Justice for the proposed transaction.

On February 6, 2024, the effective date for the Arrangement, STLLR acquired all issued outstanding common shares of Nighthawk. Former holders of Nighthawk shares received 0.21 of a common share of STLLR for each Nighthawk share held.

In aggregate, 31,538,239 STLLR shares were issued to former Nighthawk shareholders as consideration for their Nighthawk shares. As a result of the Arrangement, Nighthawk has become a wholly owned subsidiary of STLLR.

As the acquisition of Nighthawk does not meet the definition of a business in accordance with IFRS 3 – Business Combinations, STLLR has accounted for the transaction as an asset acquisition, measured under IFRS 2, Share-based Payments. The fair value of the consideration will be allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the date of acquisition.

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Current allocation of the purchase price to the estimated fair value of the assets and liabilities of Nighthawk is as follows:

Purchase Price		
Issuance of 31,538,239 shares of STLLR to Nighthawk shareholders	\$	39,738
Issuance of 2,195,550 options of STLLR to Nighthawk option holders		1,340
Fair Value of 4,024,185 Nighthawk warrants assumed by STLLR		-
Total Purchase Price	\$	41,078
Fair Value of assets and liabilities acquired		
Cash	\$	22,479
Receivables		112
Prepaid expenses		1,555
Deferred financing costs		161
Restricted cash		5,029
Property, plant and equipment		127
Accounts payable and accrued liabilities		(3,923)
Subscription receipt payable, net of issue costs		(12,105)
Provision for service obligation		(3,012)
Reclamation provision		(1,302)
Fair Value of Net Assets and Liabilities Acquired	\$	9,121
Difference to increase Exploration and Evaluation Assets	\$	31,957
Acquisition of exploration and evaluation assets		
Exploration and evaluation assets	\$	31,957
968,500 shares issued for advisory fees at \$1.2907 per share		1,250
Acquisition costs paid in cash		780
Acquisition of exploration and evaluation assets	\$	33,987
Fair Value of Net Assets and Liabilities Acquired & E&E	\$	43,108
Less acquisition costs and shares issued for advisory fees		(2,030)
Total Purchase Price	\$	41,078

The fair value of the shares issued to Nighthawk shareholders and advisory fees were based on the fair value of a STLLR common share on the day they were issued.

The fair value of the replacement options was calculated using the Black Scholes option pricing model with the following weighted average assumptions:

- Expected volatility: 45.69-70.09%
- Risk free interest Rate: 3.24-4.86%
- Expected life of 0.5 - 4.7 years
- Exercise Price: \$1.381-\$10.00
- Share Price: \$1.26

The replacement options are fully exercisable.

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The Company also assumed 4,024,185 Nighthawk warrants (convertible into 4,024,185 STLLR shares). The fair value of the Nighthawk warrants on February 6, 2024, was calculated using the Black Scholes option pricing model with the following weighted average assumptions:

- Expected volatility: 42.28%
- Risk free interest Rate: 4.86%
- Expected life of 0.3 years
- Exercise Price: \$3.33-\$5.00
- Share Price: \$1.26

The Nighthawk replacement warrants above have a value of \$nil.

In connection with closing of the transaction, the escrow release conditions in respect of an aggregate of 38,235,294 subscription receipts (the "Subscription Receipts") of Nighthawk issued on December 19, 2023, at a price of \$0.34 per Subscription Receipt (the "Subscription Receipt Financing") were satisfied and the gross proceeds in the amount of approximately \$13 million were released. Upon the escrow release, 8,029,412 STLLR shares were issued. See note 12 below for further details.

10. Reclamation provisions

The Company's reclamation provisions are estimated based on the Company's site remediation and restoration plan and the estimated timing of the costs to be paid in future years. The total amount of cash flows required to settle the Company's reclamation provisions are as follows:

	June 30, 2025	December 31, 2024
Northwest Territories	\$ 1,302	\$ 1,302
Ontario	909	909
Reclamation provisions	\$ 2,211	\$ 2,211

Northwest Territories

As a result of the acquisition of Nighthawk (note 9), a reclamation provision has been recognized for its property in the Northwest Territories which includes the Damoti Lake Property and Colomac.

Nighthawk has carried out assessments using a third-party specialist and currently estimates the cost of the Damoti Reclamation Obligation and the Colomac Exploration Project Reclamation to be \$1,302.

To date, Nighthawk has posted the Permit GIC's and security for an amount of \$1,299 (note 5) to provide security under its land use permit and water access licence for the Damoti Reclamation Obligation as well as for exploration activities relating to the Indin Lake Gold Property.

The Company is currently unable to reliably estimate when the reclamation activities will be completed.

Ontario

The Company continues to carry out environmental monitoring using third party specialists and estimates the total cost of reclamation across all its Ontario sites to be \$909 at June 30, 2025 (December 31, 2024 – \$909). This amount is secured with a reclamation deposit of \$192 at June 30, 2025 (December 31, 2024 – \$192) held by the Ministry of Mines.

The Company is currently unable to reliably estimate when the reclamation activities will be completed.

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11. Provision for service obligation

As a result of the acquisition of Nighthawk (note 9), a provision for service obligation was recognized. As consideration for the Colomac Gold Project, Nighthawk agreed to perform reclamation services on three other sites within the Indin Lake Gold Property land package which are the responsibility of Crown-Indigenous Relations and Northern Affairs Canada (the "CIRNAC"): Diversified, Chalco Lake (service obligation completed in 2013), and Spyder Lake. The obligation for the reclamation services was to be carried out on behalf of CIRNAC to a maximum of \$5,000, of which \$1,000 of the reclamation activities related to the Chalco Lake site were relinquished in 2013 upon approvals of the third-party engineer. Nighthawk has the Restricted LOC's totaling \$4,000 in favour of CIRNAC to secure Nighthawk's obligation to perform the services for each site. The Restricted LOC's are secured by the Colomac GIC's at a Canadian chartered bank for the same amounts (note 5).

Nighthawk did not assume the reclamation liabilities of these sites. Upon completion of the service obligation with respect to each site to the satisfaction of an independent third-party engineer, the Restricted LOC's with respect to each site will be released and the hold restriction on the related Colomac GIC will be eliminated. At any time, the Company may terminate the liability relating to this service obligation, but as a consequence would relinquish the related Colomac GIC still held as security against the Restricted LOC's at that time.

The following table summarizes the provision for service obligation:

Balance as of December 31, 2024	\$	2,719
Additions		-
Reductions ⁽¹⁾		(86)
Balance as of June 30, 2025	\$	2,633

⁽¹⁾ Reclamation work relates to Spyder Lake

12. Capital stock

The Company is authorized to issue an unlimited number of Class A preferred shares, Class B preferred shares, common shares, and non-voting shares. Class A preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over Class B preferred shares, common shares, and non-voting shares. Class B preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over common shares and non-voting shares. The non-voting shares shall rank equally with common shares in all respects except that the holders are not entitled to vote at shareholder meetings.

As at June 30, 2025, the Company has 123,938,874 common shares issued and outstanding. There are no Class A preferred shares, Class B preferred shares and non-voting shares outstanding.

Share Capital transactions

Fiscal Year 2024

On February 6, 2024, the effective date for the Arrangement, STLLR acquired all issued outstanding common shares of Nighthawk. Former holders of Nighthawk shares received 0.21 of a common share of STLLR for each Nighthawk share held.

In aggregate, 31,538,239 STLLR shares were issued to former Nighthawk shareholders as consideration for their Nighthawk shares. As a result of the Arrangement, Nighthawk has become a wholly owned subsidiary of STLLR.

On February 6, 2024, concurrent to the closing of the acquisition of Nighthawk (note 9), Nighthawk released from escrow the proceeds from its Subscription Receipt Financing. STLLR issued 8,029,412 units ("Units") at \$1.62 per Unit, for aggregate gross proceeds of \$13 million. Share issue costs related to the financing totalled \$1,056 for legal fees and commission paid to brokers. Net proceeds from the Subscription Receipt Financing were \$11,944. Each Unit was composed of one common share and half of one common share purchase warrant ("Warrant"). Each whole warrant entitles the holder thereof to acquire one common share at a price of \$2.19 until February 6, 2027.

During the year, the Company issued 968,500 common shares to settle acquisition costs of Nighthawk amounting to \$1,250. The common shares issued had a fair value of \$1,162.

On November 26, 2024, the Company closed an offering of 11,518,860 Hard Dollar Units (“Hard Dollar Units”), 4,167,000 FT Units (“FT Units”) and 4,793,000 Premium FT Units (“Premium FT Units”) on a bought deal basis for aggregate proceeds of approximately \$25.7 million.

The Hard Dollar Units were sold at a price of \$1.10 per Hard Dollar Unit, the FT Units were sold at a price of \$1.32 per FT Unit, and the Premium FT Units were sold at a price of \$1.565 per Premium FT Unit.

Each Hard Dollar Unit was composed of one non-flow-through common share and half of one Warrant. Each FT Unit was composed of one flow-through common share and half of one Warrant, issued on a flow-through basis. Each Premium FT Unit was composed of one flow-through common share and half of one Warrant, issued on a flow-through basis.

Each Warrant underlying the Hard Dollar Units, FT Units and Premium FT Units entitles the holder thereof to acquire one Warrant share on a non flow-through basis at an exercise price of \$1.54 until November 26, 2026. The Warrant shares acquired upon exercise of the Warrants comprising part of the Premium FT Units and FT Units will not qualify as flow-through shares.

As part of the November 26, 2024 financing, the Company also issued 614,356 broker warrants with an exercise price of \$1.10 that will expire on November 26, 2026.

A non-cash deferred premium on flow-through share’s liability of \$3,145 was reported representing the premiums of \$0.47 and \$0.22 received over the hard dollar share price of \$1.10, on the shares issued on a flow-through basis.

During the year, the Company issued 1,301,438 common shares to settle accounts payable of \$1,500. The common shares issued had a fair value of \$1,653.

During the year, the Company issued 610,371 shares to settle RSUs and DSUs to former directors and officers of the Company. The 610,371 share units in aggregate were worth \$1,218, resulting in a reduction in contributed surplus and in addition to share capital.

Stock Options

On June 2, 2022, the Company adopted a new omnibus share incentive plan (the “Share Incentive Plan”) consisting of stock options (the “Options”), restricted share units (“RSUs”), deferred share units (“DSUs”) and performance share units (“PSUs”). Each award is subject to the terms and conditions set forth in the Share Incentive Plan and to those other terms and conditions specified by the Board or the Corporate Governance, Nominating, and Compensation Committee. Up to 10% of the Shares issued and outstanding from time to time (including shares issued under any other security-based compensation arrangement of the Company) may be issued pursuant to awards under the Share Incentive Plan. Options granted have a maximum term of ten years and vest immediately or over time at the discretion of the Board.

The Company previously established a stock option plan whereby the Board granted options to directors, officers, employees, and consultants to acquire common shares of the Company. Following the approval of the Share Incentive Plan, no further options were permitted to be granted under the Company’s stock option plan.

In connection with the Arrangement, all options to acquire Nighthawk shares then outstanding under Nighthawk’s legacy option plan (the “Nighthawk Legacy Option Plan”) were exchanged for options to acquire shares of the Company. No further options will be granted under the Nighthawk Legacy Option Plan.

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The following table summarizes the outstanding stock options:

	Number of Options	Weighted Average Exercise Price
Balance as of December 31, 2024	6,915,687	\$1.61
Granted	3,125,000	\$0.90
Exercised	-	-
Expired	(242,500)	\$2.00
Forfeited	(408,667)	\$1.09
Balance as of June 30, 2025	9,389,520	\$1.38

Options granted were calculated using the Black Scholes option pricing model with the following assumptions:

Grant Date ⁽¹⁾	Number of options	Volatility	Exercise Price ⁽²⁾	Risk free interest rate
February 28, 2025	3,050,000	66.7%	\$ 0.90	2.70%
June 5, 2025	75,000	65.8%	\$ 0.89	2.86%
Total grants	3,125,000	66.65%	\$ 0.90	2.70%

⁽¹⁾ Grants have a five year term and vest over a three year period as follows: 1/3 vesting immediately; 1/3 on the first anniversary; and 1/3 on the second anniversary.

⁽²⁾ Exercise price for the grant was the closing share price the day prior to the grant date.

The summary of the Company's outstanding and exercisable stock options as at June 30, 2025 is presented below:

Grant Date	Options Outstanding	Options Exercisable	Exercise Price	Remaining Contractual Life (years)
October 9, 2020	125,000	125,000	\$ 1.80	0.3
November 9, 2020	41,666	41,666	\$ 1.80	0.4
March 29, 2021	37,499	37,499	\$ 4.20	0.5
June 30, 2021	33,333	33,333	\$ 4.38	1.0
November 8, 2021	131,869	131,869	\$ 3.44	1.4
March 21, 2022	223,582	223,582	\$ 4.66	1.5
June 2, 2022	33,333	33,333	\$ 4.58	1.6
June 6, 2022	62,500	62,500	\$ 4.42	1.6
December 5, 2022	33,333	33,333	\$ 3.30	1.6
June 1, 2023	145,971	145,971	\$ 2.22	2.5
February 6, 2024	2,165,100	2,165,100	\$ 1.71	2.3
March 18, 2024	2,790,000	1,901,670	\$ 1.25	3.5
April 1, 2024	250,000	166,667	\$ 1.21	3.8
July 2, 2024	250,000	250,000	\$ 1.21	0.2
September 17, 2024	100,000	33,334	\$ 1.20	4.2
February 28, 2025	2,891,334	1,016,672	\$ 0.90	4.5
June 5, 2025	75,000	75,000	\$ 0.89	0.3
Total and weighted average total	9,389,520	6,476,529	\$ 1.38	3.2

Compensation expense for the three and six months ended June 30, 2025, related to the vesting and forfeiture of options was \$231 and \$1,109, respectively (three and six months ended June 30, 2024 - \$411 and \$1,718, respectively) and was recorded as share based compensation in the Condensed Interim Consolidated Statement of Net Loss and Comprehensive Loss.

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**Warrants**

The following table summarizes the outstanding warrants:

	Number of Warrants	Allocated Value
Balance as of June 30, 2025 and December 31, 2024	14,868,501	\$ 2,083

The summary of the Company's outstanding warrants at June 30, 2025 is presented below:

Grant and Issue Date ⁽¹⁾	Number of warrants	Exercise Price ⁽²⁾	Expiry Date
February 6, 2024	4,014,706	\$ 2.19	February 6, 2027
November 26, 2024	10,239,430	\$ 1.54	November 26, 2026
November 26, 2024	614,365	\$ 1.10	November 26, 2026
Total and weighted average total	14,868,501	\$ 1.70	

⁽¹⁾ Excludes the 4,024,185 replacement warrants from Nighthawk (Note 9) which ultimately expired on May 3, 2024 .

⁽²⁾ Closing price on the grant and issue date

Restricted Share Units (RSUs)

Compensation expense for the three and six months ended June 30, 2025, related to the vesting of RSUs was \$nil and \$nil, respectively (three and six months ended June 30, 2024 - \$nil and \$817, respectively) and was recorded as share-based payments in the Statement of Net Loss & Comprehensive Loss.

	Number of RSUs
Balance as of June 30, 2025 and December 31, 2024	278,180

All RSUs have fully vested and are exercisable as at June 30, 2025.

Deferred Share Units (DSUs)

DSUs will be settled by the Company as soon as practicable following the death, retirement, or loss of office or directorship, or employment of the participant with the Company and/or each of its Affiliates terminates, no later than the end of the first calendar year following the year in which event occurs.

During the three and six months ended June 30, 2025, 70,000 and 584,587 DSUs were granted, respectively, to directors. The fair value of the DSUs at the time of grant was \$62 and \$525 for the three and six months ended June 30, 2025, respectively (three and six months ended June 30, 2024 - \$334 and \$nil, respectively).

Compensation expense for the three and six months ended June 30, 2025, related to the vesting and exercise of DSUs, was \$139 and \$185, respectively (three and six months ended June 30, 2024 - \$nil and \$334, respectively) and was recorded as share based compensation in the Condensed Interim Consolidated Statement of Net Loss & Comprehensive Loss.

	Number of DSUs
Balance as of December 31, 2024	33,492
Granted	584,587
Exercised	-
Expired	-
Forfeited	(156,473)
Balance as of June 30, 2025	461,606

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Grant Date	DSUs Outstanding	DSUs Vested	Vesting Terms ⁽¹⁾
February 6, 2024	33,492	33,492	Fully vested in 2024
February 28, 2025	358,114	195,405	In equal installments over ten months
June 5, 2025	70,000	10,000	In equal installments over seven months
Balance as of June 30, 2025	461,606	238,897	

⁽¹⁾ Per the DSU plan, all granted DSUs are fully vested and exercisable by the end of the calendar grant year

13. Lease Liabilities

For the six months ending June 30, 2025, the Company entered into two separate leases in Ontario and Northwest Territories for the new head office and solar farm equipment, respectively. These leases met the conditions stipulated under IFRS 16 and as a result, the Company has set up a right of use asset (note 7) with a corresponding lease liability as follows:

	June 30, 2025	December 31, 2024
Lease liabilities, beginning of period	-	-
Addition	1,289	-
Interest expense on lease liabilities	17	-
Payment of lease liabilities	(111)	-
Balance, end of period	1,195	-
Current portion	169	-
Non-current portion	1,026	-
Balance, end of period	1,195	-

The future undiscounted lease payments as at June 30, 2025 was \$1,542 (December 31, 2024 - \$nil). The company uses an incremental borrowing rate of 8.33% to present value the expected lease payments. The incremental borrowing rate was determined by exercising professional judgement and using market comparable loan rates for assets of a similar nature adjusted for the Company's credit risk level.

14. Net loss per share

Net loss per share has been calculated using the weighted average number of shares outstanding during the three and six months ended June 30, 2025 and 2024.

	Three months ended June 30,		For the Six months ended June 30,	
	2025	2024	2025	2024
Net Loss for the period	\$ 7,744	\$ 8,293	\$ 15,263	\$ 10,304
Basic and fully diluted weighted average number of shares outstanding during the period	123,938,874	103,295,788	123,938,874	94,265,996
Basic and fully diluted net loss per share	\$ 0.06	\$ 0.08	\$ 0.12	\$ 0.11

The Company incurred net losses for each of the three and six months ended June 30, 2025, and 2024, therefore all outstanding stock options, warrants, RSUs and DSUs, that could potentially dilute basic earnings per share in the future, have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

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15. Related party transactions

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Salaries & Benefits	\$ 507	\$ 188	\$ 1,033	\$ 684
Director Fees	94	95	189	184
Stock Based Compensation	312	246	1,130	1,763
Total Director & Executive Compensation	\$ 913	\$ 529	\$ 2,352	\$ 2,631

Related parties comprise of the board and key management personnel which include CEO, CFO and all Vice Presidents of the Company. On November 26, 2024, related parties participated in the 2024 Offering through their purchase of 186,540 of the Hard Dollar Units at \$1.10 per Hard Dollar Unit for total proceeds of \$205. Each of these Hard Dollar Units entitled the related party holders to one non-flow-through common share and half of one common share purchase warrant.

All related party transactions were completed in the normal course of business.

There were no loans to directors or officers for the six months ended June 30, 2025 (December 31, 2024 – \$nil). Included in accounts payable and accrued liabilities are \$7 that is due to management (December 31, 2024 – \$832) for miscellaneous expense reimbursements and the annual short term incentive plan based on the estimated achievement of KPIs, respectively.

Agnico Eagle Mines Limited, through its subsidiary, continued to own 12,458,939 common shares of STLLR, representing approximately 10.1% at June 30, 2025 (December 31, 2024 – 10.1%) of the outstanding STLLR shares.

16. Reclassification

Certain comparative figures have been reclassified to conform to the current period's presentation. The reclassification had no impact on the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss.

17. Capital management

The Company manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Company's ability to continue as a going concern, maximizing the funds invested into exploration and development activities, exploring, and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management during the three and six months ended June 30, 2025.

As of June 30, 2025, the Company had a net working capital of \$14,362 (December 31, 2024 – \$31,282), excluding the non-cash deferred premium on flow through share liability of \$nil (December 31, 2024 – \$3,145). Without the current portion of the lease liability related to the right of use assets and excluding the non-cash deferred premium on flow through share liability, the adjusted net working capital was \$14,531 (December 31, 2024 - \$31,282). The Company held cash in bank on June 30, 2025, of \$15,848 (December 31, 2024 – \$32,314).

As at June 30, 2025, the remaining flow-through obligation to be spent by December 31, 2025 is \$2,403.

The Company's capital structure reflects a Company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Company manages capital in proportion to risk and manages the exploration and evaluation assets and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financing to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments. The Company is not subject to any externally imposed capital requirements other than the restricted cash and reclamation deposits held for the asset retirement obligations.

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18. Financial instruments and risk management

The Company's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward are achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, receivables, restricted cash, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Company's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions. There have been no major or significant changes that have had an impact on the overall risk assessment of the Company during the period. The objectives and strategy for the exploration and evaluation of the asset portfolio remains unchanged.

The Company's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including restricted cash, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in these condensed interim consolidated financial statements.

	June 30, 2025	December 31, 2024
Cash held with Canadian financial institutions with an "AA-" credit rating	\$ 15,848	\$ 32,314
Restricted cash	5,429	5,359
Receivables	617	232
Aggregate gross credit risk exposure	\$ 21,894	\$ 37,905

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Company's primary market risk exposures, and how those exposures are currently managed, follows:

Commodity price risk

Commodity prices, and in particular gold spot prices, fluctuate and are affected by factors outside of the Company's control. This risk is not applicable as the Company is not currently in commercial gold production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Company's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding interest-bearing debts. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

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**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Company maintains principally all its assets in cash and equivalents.

The Company's contractual obligations as at June 30, 2025 are as follows:

	Less than 1 year	1 - 3 years	Over 3 years	Total
Accounts payable and accrued liabilities	\$ 3,495	\$ -	\$ -	\$ 3,495
Reclamation provisions	-	233	1,978	2,211
Lease payments associated with ROU assets	254	605	683	1,542
Other operating lease	173	-	-	173
Provision for service obligation	389	-	2,244	2,633
Total contractual obligations	\$ 4,311	\$ 838	\$ 4,905	\$ 10,054

19. Subsequent events

Subsequent to the quarter ending June 30, 2025, the Company issued a total of 179,877 shares to settle 124,241 RSUs and 55,636 DSUs to former directors and officers of the Company. The 179,877 share units in aggregate were worth \$150 resulting in a reduction in contributed surplus and in addition to share capital.

On August 1, 2025, the board also approved an additional grant of 125,000 options under the Share Incentive Plan. These options have a five year term and vest over a three year period as follows: 1/3 on the first anniversary; 1/3 on the second anniversary and the remaining 1/3 on the third anniversary.