APEX RESOURCES INC.

(an exploration stage company)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars Unless Noted Otherwise)

NOTICE TO READER

These condensed interim consolidated financial statements have been prepared by the management of Apex Resources Inc. and have not been reviewed by the auditors of Apex Resources Inc.

APEX RESOURCES INC.

Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**March 31, 2025**	December 31, 2024
ASSETS			
Current assets			
Cash		**$ 170,557**	$ 6,908
Receivables		**50,879**	49,391
Prepaid expenses		**2,331**	3,956
Short-term investments	5	**17,417**	30,917
		241,184	91,172
Non-current assets			
Exploration and evaluation assets	4	**4,815,036**	4,815,036
Advance		**2,000**	2,000
Reclamation deposits		**49,620**	49,620
		$ 5,107,840	$ 4,957,828
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**$ 460,759**	$ 492,828
Related party payable and accrued liabilities	7	**146,040**	109,846
		606,799	602,674
Non-current liabilities			
Loans payable	8	**170,000**	170,000
		776,799	772,674
EQUITY			
Share capital	6	**25,675,465**	25,550,094
Warrants reserve	6	**1,331,314**	1,230,821
Share-based payments reserve	6	**4,005,260**	4,005,260
Deficit		**(26,680,998)**	(26,601,021)
		4,331,041	4,185,154
		$ 5,107,840	$ 4,957,828

Nature of opertions and going concern (Notes 1 and 2b)

Approved and authorized for issue by the Board on May 30, 2025.

(Signed) "Ronald Lang"	*(Signed) "Adam Pankratz"*
Director	Director

See the accompanying notes to these iterim consolidated financial statements.

APEX RESOURCES INC.

Interim Consolidated Statements of Operations and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended March 31, 2025	2024
Expenses:			
Insurance		**$ 1,625**	$ 696
Interest and other		**2,266**	105
Legal, accounting and audit		**1,618**	4,104
Office and administration		**7,203**	3,613
Consulting and management fees	7	**49,500**	35,000
Shareholder communications		**4,265**	2,205
Loss before other items		**(66,477)**	(45,723)
Other items:			
Unrealized (loss) gain on short-term investments	5	**(13,500)**	4,500
Net loss and comprehensive loss for the period		**$ (79,977)**	$ (41,223)
Weighted average number of common shares outstanding - basic and diluted		**66,800,889**	36,162,445
Loss per share, basic and diluted		**$ (0.00)**	$ (0.00)

See the accompanying notes to the interim consolidated financial statements.

APEX RESOURCES INC.

Interim Consolidated Statements of Changes in Shareholders’ Equity
(Unaudited - Expressed in Canadian dollars)

		Common shares without par value					
	Note	Number of shares	Share capital	Warrants reserve	Share-based payments reserve	Deficit	Total shareholders' equity
Balance, December 31, 2023		36,162,445	23,710,126	989,135	3,776,124	(25,949,757)	2,525,628
Net loss for the period		-	-	-	-	(41,223)	(41,223)
Balance, March 31, 2024		36,162,445	23,710,126	989,135	3,776,124	(25,990,980)	2,484,405
Balance, December 31, 2024		64,412,445	25,550,094	1,230,821	4,005,260	(26,601,021)	4,185,154
Shares issued for cash	6	4,580,000	229,000	-	-	-	229,000
Share issue costs	6	-	(3,136)	-	-	-	(3,136)
Fair value of warrants from financing	6	-	(100,493)	100,493	-	-	-
Net loss for the period		-	-	-	-	(79,977)	(79,977)
Balance, March 31, 2025		**68,992,445**	**$ 25,675,465**	**$ 1,331,314**	**$ 4,005,260**	**$ (26,680,998)**	**$ 4,331,041**

See the accompanying notes to the interim consolidated financial statements.

APEX RESOURCES INC.

Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Note		**Three months ended March 31, 2025**		Three months ended March 31, 2024
Operating activities					
Net loss for the period		**$**	**(79,977)**	$	(41,223)
Items not involving cash:					
Unrealized loss (gain) on short-term investments	5		**13,500**		(4,500)
Interest expense			**1,650**		-
Changes in non-cash operating working capital					
Receivables			**(1,488)**		29
Prepaid expenses			**1,625**		696
Accounts payable and accrued liabilities			**(33,719)**		300,447
Related party payable and accrued liabilities			**36,194**		(310,550)
			(62,215)		(55,101)
Financing activities:					
Proceeds from share issuance, net of issue costs			**225,864**		40,000
Proceeds from share subscription payable			**-**		21,000
			225,864		61,000
Change in cash during the period			**163,649**		5,899
Cash, beginning of period			**6,908**		34,631
Cash, end of period		**$**	**170,557**	$	40,530

See the accompanying notes to the interim consolidated financial statements.

	Note				
Supplemental information					
Interest received		**$**	**-**	$	-
Non-cash transactions					
Fair value of warrants issued from financing	6	**$**	**100,493**	$	-

1. CORPORATE INFORMATION AND NATURE OF OPERATIONS

Apex Resources Inc. (the "Company" or "Apex"), incorporated in British Columbia, is a public company listed on the TSX Venture Exchange ("TSX-V") and trading under the symbol APX. The address of the Company's registered corporate office and its principal place of business is 625 Howe Street, Suite 615, Vancouver, British Columbia, Canada.

The Company is in the exploration stage and its principal business activity is the exploration and evaluation of mineral properties in Canada and USA. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The amounts shown as exploration and evaluation assets represent costs net of recoveries to date, less amounts written off, and do not necessarily represent present or future values. Recoverability of the amounts shown is dependent upon the discovery of economically recoverable mineral reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain financing necessary to complete the exploration and development of its mineral property interests, and on future profitable production or proceeds from the disposition of the mineral property interests.

2. BASIS OF PREPARATION

a) Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. These unaudited condensed interim consolidated financial statements do not contain all of the information required for full annual consolidated financial statements. Accordingly, these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited December 31, 2024 annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on May 30, 2025.

b) Going concern

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue, has an accumulated deficit of $26,680,998 and a working capital deficit of $365,615 at March 31, 2025. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise sufficient funds as the Company's current assets are not sufficient to finance its operations and administrative expenses. The Company is evaluating financing options including, but not limited to, the issuance of additional equity and debt. The Company has no assurance that such financing will be available or be available on favorable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its projects), the state of international debt and equity markets, tariffs, investor perceptions and expectations and the global financial and metals markets.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

c) Measurement basis

These condensed interim consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2024. All amounts are expressed in Canadian dollars unless otherwise stated.

d) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries 1434001 B.C. Ltd. which is incorporated in British Columbia, Canada and APX Minerals Inc. which is incorporated in Nevada, USA. The financial results of the subsidiaries are included in these consolidated financial statements from the date of acquisition. Intercompany balances and transactions are eliminated on consolidation.

d) Significant accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company does not have any significant accounting estimates.

ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

The going concern assumption

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to,12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

Exploration and evaluation interests

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. In respect of costs incurred for its mineral property interests, management has determined that acquisition costs and exploration and evaluation expenditures that have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities, existing permits, and ability to continue exploration. Management determined that there are no indicators of impairment on its exploration and evaluation interests.

3. RECENT ACCOUNTING PRONOUNCEMENTS

a) Application of new and revised accounting standards - None of the new standards, and amendments to standards and interpretations effective as of January 1, 2025 applied in preparing these interim financial statements had a significant effect on these condensed interim consolidated financial statements.

b) Accounting standards and amendments issued but not yet effective - The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. There were no standards effective for annual periods beginning on or after January 1, 2025 that would significantly affect the Company.

(Expressed in Canadian dollars unless noted otherwise)

4. EXPLORATION AND EVALUATION ASSETS

Expenditures on interests in mineral properties are considered exploration and evaluation assets.

	British Columbia	Nevada, USA	Other	**TOTAL**
Acquisition costs				
As at December 31, 2023	$ 380,500	$ -	$ 2	**$ 380,502**
Incurred during the year	34,000	1,505,501	-	**1,539,501**
As at March 31, 2025 and December 31, 2024	414,500	1,505,501	2	**1,920,003**
Exploration and evaluation assets				
As at December 31, 2023	2,540,332	-	-	**2,540,332**
Assaying	-	20,833	-	**20,833**
Site activities	3,629	155,542	-	**159,171**
Geological consulting	-	174,697	-	**174,697**
As at March 31, 2025 and December 31, 2024	2,543,961	351,072	-	**2,895,033**
Balance, March 31, 2025 and December 31, 2024	**$ 2,958,461**	**$ 1,856,573**	**$ 2**	**$ 4,815,036**

<u>Jersey Emerald and Ore Hill Properties, Salmo, British Columbia, Canada</u>

i) Jersey Emerald Property, Salmo, British Columbia

The Company holds a 100% interest in the Jersey Claim Group located near Salmo, British Columbia. The property is comprised of the original 28 crown granted mineral claims, four 2-post claims and 80 mineral units acquired by option in 1993 and several additional properties acquired by staking or by option.

The property is subject to various NSR's associated with the various claims. In particular, the Jersey Emerald property is subject to a 3.0% NSR that can be reduced to 1.5% by making payments of $500,000 and issuing 50,000 common shares. Annual advance royalty payments of $50,000 commenced in October 2000. In January 2023, the Company reached an amended agreement with the two original vendors in connection to the advance royalty payments on the Jersey Emerald Property in southeastern British Columbia. Under the terms of the amended agreement, the Company issued 500,000 common shares and will make annual advance royalty payments of $26,000 to the optionors commencing in 2022. The amended agreement has received TSXV approval. During the year ended December 31, 2023, 500,000 common shares were issued to the two optionors (at a deemed price of $0.085 per share) and $26,000 was paid to the two original vendors with respect to the year ended December 31, 2022. As at March 31, 2025, $52,000 of royalty payments for the years ended December 31, 2023 and 2024 has been recorded in accounts payable and accrued liabilities. In addition, the Company is required to make annual advance royalty payments of $3,000 to the optionor per the option agreement.

ii) Ore Hill Property, Salmo, British Columbia

The Ore Hill Property was acquired by Margaux Resources Ltd. ("Margaux") on February 27, 2017 but reverted to the Company as part of an Area of Interest Inclusion when Margaux terminated the option agreement on the Jersey Emerald Property in October 2018. In order to complete the acquisition of the

(Expressed in Canadian dollars unless noted otherwise)

Ore Hill Property, the Company must complete remaining outstanding option payments to the original property vendors comprised of $55,000 and 100,000 shares over three years as follows:

	Cash payments	Shares
March 29, 2019 (paid and issued)	$ 15,000	50,000
March 29, 2020 (paid and issued)	$ 10,000	50,000
June 30, 2020 (paid)	$ 10,000	–
March 29, 2022 (paid)	$ 20,000	–
Total	**$ 55,000**	**100,000**

Ore Hill is subject to a 2% NSR royalty which the Company may purchase for $250,000 at any time. The Company is required to make annual advance royalty payments of $5,000 to the vendors until the earlier of commencement of commercial production or the year 2027.

iii) Lithium Creek Property, Nevada, USA

On May 23, 2024, the Company received final acceptance from the TSX Venture Exchange (“TSXV”) of the acquisition of all the shares of 1434001 B.C Ltd. (“1434001”), an arm’s length corporation holding a 100% option over the consolidated mineral rights of the Lithium Creek Property (the “Property”) in Nevada, USA (the “Acquisition”) pursuant to a share purchase agreement dated January 8, 2024, as amended on May 13, 2024 (the “SPA”).

Pursuant to the SPA, the Company acquired all of the shares of 1434001 in exchange for a cash payment of USD $80,000.00 and the issuance of 18,000,000 common shares of Apex (the "Payment Shares"). The Payment Shares will be deposited into a TSXV Tier 2 Value Escrow Agreement and released in accordance with the provisions thereof. Upon completion of issuing all Payment Shares, 1434001, which holds an exclusive option, as amended on September 29, 2024, to acquire a 100% interest in the Property (the “Option”), became a wholly-owned subsidiary of the Company. The terms of the Option provide for 1434001 to acquire 100% of the Property by completing the following:

Date for Completion	Option Payment (USD)	Exploration & Development Expenditures (USD)
Down Payment (non refundable)	$50,000 (Paid by 1434001)	
1st Anniversary of Effective Date*	$100,000 (Paid)	$100,000 (Incurred)
2nd Anniversary of Effective Date	$150,000	$700,000
3rd Anniversary of Effective Date	$300,000	$1,000,000
4th Anniversary of Effective Date	$600,000	$2,000,000
5th Anniversary of Effective Date	$1,200,000	$3,000,000
6th Anniversary of Effective Date	$Nil	$5,000,000
TOTAL	**$2,400,000**	**$11,800,000**

*The Effective Date of the Option is August 25th, 2023.

Following the exercise of the Option and acquiring 100% of the Property, the vendor of the Property (the “Seller”) will be entitled to the following additional consideration on meeting certain milestones:

(1) US$500,000 upon completion of a Preliminary Economic Assessment;
(2) US$1,000,000 upon completion of a Pre-Feasibility Study; and
(3) US$1,000,000 upon completion of a Feasibility Study

The Property is also subject to a 3.0% Gross Overriding Royalty (the “Royalty”) and one-half (1/2) of the Royalty can be purchased after three years following commencement of commercial production on the Property for US$5,000,000 payable to the Seller.

(Expressed in Canadian dollars unless noted otherwise)

5. SHORT-TERM INVESTMENTS

Short-term investments are classified as fair value though profit or loss and measured at fair value with fair value gains and losses recognized in income.

	Number of Shares	Historical Cost	Fair value March 31, 2025	Fair value December 31, 2024
Term deposits – GICs	–	$ 6,000	**$ 6,000**	$ 6,000
Marketable securities:				
Altair Resources Inc.	33,333	257,500	**167**	167
Boundary Gold and Copper Mining Ltd.	9,192	176,251	**4,500**	4,500
West Mining Corp.	150,000	472,500	**6,750**	20,250
Total short-term investments		$ 912,251	**$ 17,417**	$ 30,917

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

<u>During the period ended March 31, 2025</u>

On February 10 and 28, 2025, the Company closed a non-brokered private placement by issuing a total of 4,580,000 units at $0.05 per unit for total gross proceeds of $229,000. Each unit is comprised of one common share in the capital of the Company and one non-transferable share purchase warrant. Consideration received for the private placement units has been allocated between common shares ($128,507) and share purchase warrants ($100,493) on the relative fair value method. The fair value of the warrants issued was calculated using the Black-Scholes pricing model with the following assumptions:

Issuance date	10-Feb-25	28-Feb-25
Share price at date of issue	$0.060	$0.070
Expected life	2 years	2 years
Risk-free interest rate	2.66%	2.57%
Dividend yield	Nil	Nil
Expected volatility	147%	147%
Estimated fair value per warrant	$0.04	$0.05

The warrants are exercisable into one share of the Company for a period of 24 months from the date of issue at an exercise price of $0.10 per share. The warrants are subject to an acceleration clause whereby if the closing price of the shares on the Exchange is $0.20 or more for 10 consecutive trading days commencing four months plus one day after the date of issuance, then the Company may, at its option, accelerate the expiry date of the Warrants to that date which is 30 days from the date of a news release announcing the acceleration.

(Expressed in Canadian dollars unless noted otherwise)

During the year ended December 31, 2024

On May 22, 2024, the Company closed a non-brokered private placement by issuing a total of 9,000,000 units at $0.07 per unit for total gross proceeds of $630,000. Each unit is comprised of one common share in the capital of the Company and one non-transferable share purchase warrant. Consideration received for the private placement units has been allocated between common shares ($388,314) and share purchase warrants ($241,686) on the relative fair value method. The fair value of the warrants issued was calculated using the Black-Scholes pricing model with the following assumptions:

Issuance date	22-May-24
Share price at date of issue	$0.070
Expected life	2 years
Risk-free interest rate	4.19%
Dividend yield	Nil
Expected volatility	145%
Estimated fair value per warrant	$0.04

The warrants are exercisable into one share of the Company for a period of 24 months from the date of issue at an exercise price of $0.12 per Share. The Warrants are subject to an acceleration clause whereby if the closing price of the shares on the Exchange is $0.20 or more for 10 consecutive trading days commencing on September 23, 2024, then the Company may, at its option, accelerate the expiry date of the warrants to that date which is 30 days from the date of a news release announcing the acceleration.

The Company issued 18,000,000 common shares to acquire 1434001 (Notes 4(iii) and 11). The shares had a fair value of $0.07 per share for a total of $1,260,000. As part of the TSXV condition on the Acquisition, 13,500,000 of the 18,000,000 common shares issued to and held by vendors of 1434001 were placed into escrow at closing and will be released in accordance with the provisions of the TSXV Tier 2 Value Escrow Agreement. As at March 31, 2025, 13,500,000 common shares are held in escrow.

The Company issued 1,250,000 common shares from the exercise of stock options for gross proceeds of $100,000.

(c) Stock options

The Company adopted a stock option plan, which authorizes the Board of Directors to grant stock options to acquire up to 10% of the issued and outstanding common shares of the Company. The exercise price of the options will not be less than the discounted market price of the Company’s shares at the date of grant. The options can be granted for a maximum of 10 years and the vesting of the options will be determined by the Board of Directors.

(Expressed in Canadian dollars unless noted otherwise)

Details of issued and outstanding stock options are as follows:

	Number of Options	Weighted Average Exercise Price
Balance – December 31, 2022 and 2023	2,039,000	$0.08
Granted	4,375,000	$0.08
Exercised	(1,250,000)	$0.08
Forfeited	(750,000)	$0.08
Balance – March 31, 2025 and December 31, 2024	**4,414,000**	**$0.08**

At March 31, 2025, the following stock options were exercisable:

Expiry Date	Weighted Average Exercise Price	Number of Options	Weighted Average Remaining Life in Years
April 19, 2027	$0.08	1,289,000	2.05
September 3, 2029	$0.08	3,125,000	4.43
	$0.08	**4,414,000**	**3.74**

d) Share purchase warrants

The following share purchase warrants were outstanding as at December 31, 2024 and 2023:

Details of issued and outstanding share purchase warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance – December 31, 2023	11,142,000	$0.10
Issued	9,000,000	$0.12
Expired	(42,000)	$0.10
Balance – December 31, 2024	20,100,000	$0.11
Issued	4,580,000	$0.10
Expired	(11,100,000)	$0.10
Balance – March 31, 2025	**13,580,000**	**$0.11**

At March 31, 2025, the following share purchase warrants were exercisable:

Expiry Date	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Life in Years
May 22, 2026	$0.12	9,000,000	1.14
February 10, 2027	$0.10	3,800,000	1.87
February 28, 2027	$0.10	780,000	1.92
	$0.11	**13,580,000**	**1.39**

(Expressed in Canadian dollars unless noted otherwise)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors and its two senior officers as its key management personnel. Compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties and on terms and conditions similar to non-related parties as follows:

Key management compensation	Three months ended March 31, 2025	2024
Legal fees	**$ 1,618**	$ -
Management fees	**34,500**	25,000
	$ 36,118	$ 25,000

Balances payable to related parties are included in related party payable and accrued liabilities on the statement of financial position. These amounts are non-interest bearing and are due on demand.

Balances payable for:	March 31, 2025	December 31, 2024
Directors' fees	**$ 7,500**	$ 7,500
Legal fees	**$ 13,540**	$ 11,846
Management fees	**125,000**	90,500
	$ 146,040	$ 109,846

8. LOANS PAYABLE

As at March 31, 2025, $170,000 (December 31, 2024 - $170,000) is the balance of four loans from an unrelated party. The loans bear interest at 6.0% per annum beginning on the first anniversary, are unsecured and are due between June 30, 2026 and October 18, 2027. The Company may repay the loans in advance without any penalty. During the period ended March 31, 2025, $3,600 (December 31, 2024 - $1,950) of interest was accrued.

9. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The notes to these financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized. As at March 31, 2024, the classification of the financial instruments, as well as their carrying values and fair values, with comparative figures for December 31, 2024, are shown in the table below:

	March 31, 2025		December 31, 2024	
	Fair Value ($)	**Carrying Value ($)**	Fair Value ($)	Carrying Value ($)
Financial assets				
Cash	**170,557**	**170,557**	6,908	6,908
Short-term investments	**17,417**	**17,417**	30,917	30,917
Reclamation deposits	**49,620**	**49,620**	49,620	49,620
Financial liabilities				
Accounts payable and accrued liabilities	**460,759**	**460,759**	492,828	492,828
Related party payable	**146,040**	**146,040**	109,846	109,846
Loans payable	**170,000**	**170,000**	170,000	170,000

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

i) Level 1 - Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

ii) Level 2 - Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly, such as quoted prices for similar assets or liabilities in active markets, or indirectly, such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

iii) Level 3 - Applies to assets or liabilities for which there are unobservable market data.

The fair values of the Company's financial instruments measured at March 31, 2025, constitute Level 1 measurements for its cash and short-term investments within the fair value hierarchy.

The Company did not recognize interest income during the three months ended March 31, 2025 and 2024

<u>Credit Risk</u>

Substantially all of the Company's cash is held with major financial institutions in Canada, and management believe the exposure to credit risk with such institutions is not significant. Those financial assets that potentially subject the Company to credit risk are primarily its investment in marketable securities of publicly traded companies. The Company has increased its focus on credit risk given the impact of the current economic climate. The Company considers the risk of material loss to be significantly mitigated due to the financial strength of the major financial institutions where cash and term deposits are held. The Company's maximum exposure to credit risk as at March 31, 2025, is the carrying value of its financial assets.

<u>Liquidity Risk</u>

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 10, in normal circumstances. All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of March 31, 2025 and all of the related party payable and accrued liabilities are non-interest bearing and are due on demand.

<u>Market Risk</u>

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable markets conditions could result in dispositions of investments at less than favourable prices. The Company's investments are accounted for at estimated fair values and are sensitive to changes in markets prices, such that changes in market prices results in a proportionate change in the carrying value of the Company's investments.

Commodity price risk

The Company's ability to raise capital to fund exploration or evaluation activities is subject to risk associated with fluctuations in the market prices of lithium, gold, copper, zinc, lead, molybdenum and tungsten, and the outlook for these metals. The Company's ability to raise capital is affected by the prices of commodities that the Company is exploring for on its mineral property interests. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for these metals have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

Interest Rate Risk

At March 31, 2025, the Company has no significant exposure to interest rate risk through its financial instruments.

Currency Risk

Fluctuations in United States dollars would not significantly impact the operations and the values of its assets and shareholders' equity at this time. If the Company were to go into production, the Company would be subject to more foreign currency risk from fluctuations in the Canadian dollar relative to the United States dollar, due to metals prices and their denomination in United States dollars.

10. MANAGEMENT OF CAPITAL

The Company considers its capital structure to consist of shareholders' equity. The Company's objective in managing capital is to maintain adequate levels of funding to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral property interests in British Columbia and Nevada and to maintain a flexible capital structure which will optimize the costs of capital.

The Company endeavours to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

At March 31, 2025, the Company had working capital deficit of $365,615 (December 31, 2024 - working capital deficit of $511,502) and must rely on equity financings, or forms of joint venture or other types of financing to fund operations and to continue exploration and evaluation work and to meet its administrative overhead costs in future years (Note 2(b)). Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this form of financing due to the current difficult conditions. The Company makes adjustments to its management of capital in the light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its costs of capital while maintaining an acceptable level of risk. There have been no changes in the Company's approach to management of capital during the year.

The Company's investment policy is to invest its cash in highly liquid, short-term interest-bearing investments with maturities allowing the Company to withdraw funds at intervals needed for the expected timing of expenditures in its operations.

(Expressed in Canadian dollars unless noted otherwise)

11. ACQUISITION OF 1434001 BC LTD.

On May 23, 2024, the Company completed the acquisition of 1434001 (Note 4(iii)). As consideration for the acquisition of 1434001, the Company paid a cash payment of US$80,000 and issued 18,000,000 common shares. In accordance with IFRS 3, Business Combinations, the Company was identified as the accounting acquirer and 1434001 as the acquiree. 1434001 was not considered to meet the definition of a business under IFRS 3, and accordingly, the transaction has been accounted for as assets acquired and recorded in the accounts of the Company at its estimated relative fair value determined as follows:

Consideration		
Cash (US$80,000)	$	110,731
18,000,000 common shares issued at $0.07 per share		1,260,000
	$	1,370,731

Identifiable net assets		
Exploration and evaluation assets	$	1,367,389
Other assets		3,342
	$	1,370,731