CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2025 and 2024

(Canadian dollars)
(Unaudited)

Prepared by management – See Notice to Reader

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice to this effect. These unaudited condensed consolidated interim financial statements have been prepared by management of the Corporation. Management have compiled the unaudited condensed consolidated interim statements of financial position of Erdene Resource Development Corporation as at March 31, 2025, and December 31, 2024, and the unaudited condensed consolidated interim statements of comprehensive loss, changes in equity and cash flows for the three months ended March 31, 2025 and 2024. The Corporation’s independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the March 31, 2025, and 2024 condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Financial Position
(Canadian dollars)
(Unaudited)

	Notes		March 31, 2025		December 31, 2024
Assets					
Cash and cash equivalents		**$**	**6,235,542**	$	7,298,399
Receivables			**45,162**		14,910
Prepaid expenses			**81,655**		69,988
Current assets			**6,362,359**		7,383,297
Investment in associate	**4**		**53,718,284**		53,109,742
Exploration and evaluation assets	**5**		**2,541,487**		2,468,070
Property, plant and equipment			**33,193**		39,104
Non-current assets			**56,292,964**		55,616,916
Total Assets		**$**	**62,655,323**	**$**	63,000,213
Liabilities and Equity					
Trade and other payables		**$**	**974,554**	$	782,851
Total Liabilities			**974,554**		782,851
Shareholders' Equity					
Share capital	**7**	**$**	**166,145,737**	$	165,589,487
Contributed surplus	**7**		**31,421,386**		30,656,061
Accumulated other comprehensive income			**5,368,275**		2,725,582
Deficit			**(141,254,629)**		(136,753,768)
Total Shareholders' Equity			**61,680,769**		62,217,362
Total Liabilities and Equity		**$**	**62,655,323**	$	63,000,213

Commitments (Note 6)

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

Approved on behalf of the Board:

Signed "Kenneth W. MacDonald"
______________________________ Director

Signed "T. Layton Croft"
______________________________ Director

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Comprehensive Loss
(Canadian dollars)
(Unaudited)

	Notes	For the three months ended March 31, 2025	2024
Operating Expenses			
Exploration and evaluation	**8**	**$ 973,590**	$ 783,156
Corporate and administration	**9**	**1,500,855**	2,777,588
Loss from operating activities		**2,474,445**	3,560,744
Loss from investment in associate	**4**	**2,084,431**	257,016
Finance income		**(55,925)**	(49,018)
Interest expense		**-**	268
Foreign exchange gain		**(2,090)**	(19,900)
Gain on dilution of investment in associate	**4**	**-**	(1,070,737)
Net Loss		**$ 4,500,861**	$ 2,678,373
Other comprehensive (income) loss:			
Foreign currency translation difference arising on translation of foreign subsidiary		**50,280**	(61,695)
Foreign currency translation difference on translation of investment in foreign associate	**4**	**(2,692,973)**	-
Other Comprehensive Income		**(2,642,693)**	(61,695)
Total Comprehensive Loss		**$ 1,858,168**	$ 2,616,678
Basic and diluted loss per share		**$ 0.01**	$ 0.01
Basic weighted average number of shares outstanding		**362,532,514**	344,987,736
Diluted weighted average number of shares outstanding		**362,532,514**	344,987,736

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

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Changes in Equity

(Canadian dollars)

(Unaudited)

	Notes	Number of shares		Share capital		Contributed surplus		Accumulated other comprehensive income (loss)		Deficit		Total equity
Balance at January 1, 2025		**362,136,958**	**$**	**165,589,487**	**$**	**30,656,061**	**$**	**2,725,582**	**$**	**(136,753,768)**	**$**	**62,217,362**
Total comprehensive income for the period:												
Net loss		**-**		**-**		**-**		**-**		**(4,500,861)**		**(4,500,861)**
Other comprehensive income		**-**		**-**		**-**		**2,642,693**		**-**		**2,642,693**
Options exercised	**7**	**970,000**		**556,250**		**(164,850)**		**-**		**-**		**391,400**
Share-based compensation	**7**	**-**		**-**		**930,175**		**-**		**-**		**930,175**
Total transactions with owners		**970,000**		**556,250**		**765,325**		**-**		**-**		**1,321,575**
Balance at March 31, 2025		**363,106,958**	**$**	**166,145,737**	**$**	**31,421,386**	**$**	**5,368,275**	**$**	**(141,254,629)**	**$**	**61,680,769**
Balance at January 1, 2024		344,888,176	$	158,086,286	$	30,147,989	$	(849,598)	$	(128,507,882)	$	58,876,795
Total comprehensive income for the period:												
Net loss		-		-		-		-		(2,678,373)		(2,678,373)
Other comprehensive income		-		-		-		61,695		-		61,695
Options exercised	7	650,000		285,450		(81,450)		-		-		204,000
Share-based compensation	7	-		-		1,039,246		-		-		1,039,246
Total transactions with owners		650,000		285,450		957,796		-		-		1,243,246
Balance at March 31, 2024		345,538,176	$	158,371,736	$	31,105,785	$	(787,903)	$	(131,186,255)	$	57,503,363

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

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Cash Flows
(Canadian dollars)
(Unaudited)

	Notes	For the three months ended March 31, 2025	2024
Cash flows from (used in) operating activities:			
Net loss		**$ (4,500,861)**	$ (2,678,373)
Items not involving cash:			
Depreciation and amortization		**2,701**	9,023
Share-based compensation	**7**	**930,175**	1,039,246
Finance income		**(55,925)**	(49,018)
Foreign exchange not related to cash		**(2,090)**	(19,900)
Loss from investment in associate	**4**	**2,084,431**	257,016
Gain on dilution of investment in associate	**4**	**-**	(1,070,737)
Change in non-cash operating working capital		**149,390**	1,032,222
Cash flows used in operating activities		**(1,392,179)**	(1,480,521)
Cash flows from (used in) financing activities:			
Proceeds on exercise of stock options	**7**	**391,400**	204,000
Repayment of lease liabilities		**-**	(8,490)
Cash flows from financing activities		**391,400**	195,510
Cash flows from (used in) investing activities:			
Expenditures on exploration and evaluation assets	**5**	**(121,704)**	(140,244)
Expenditures on property, plant and equipment		**2,729**	(23,730)
Interest received		**55,925**	49,018
Cash flows used in investing activities		**(63,050)**	(114,956)
Effect of exchange rate changes on cash balances		**972**	22,440
Increase in cash and cash equivalents		**(1,062,857)**	(1,377,527)
Cash and cash equivalents, beginning of period		**7,298,399**	4,349,599
Cash and cash equivalents, end of period		**$ 6,235,542**	$ 2,972,072

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

1. Nature of operations:

Erdene Resource Development Corporation ("Erdene" or the "Corporation") is a Canadian based resource company focused on the exploration and development of precious and base metal deposits in Mongolia. Currently, the Corporation's principal development is the Bayan Khundii Gold Project, located in Bayankhongor province, Mongolia, held by its associate, Erdene Mongol LLC. The Corporation's common shares are listed on the Toronto Stock Exchange under the symbol "ERD" and the Mongolian Stock Exchange under the symbol "ERDN". The address of the Corporation's registered office is 1300-1969 Upper Water Street, Halifax, Nova Scotia, B3J 2V1.

2. Basis of presentation

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025 (the "Interim Financial Statements") have been prepared in accordance with IAS 34 – Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2024 ("Annual Financial Statements"), which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

These unaudited condensed consolidated interim financial statements were authorized for issue on behalf of the Board of Directors on May 12, 2025.

3. Changes in accounting policies

Erdene has adopted the following amendments, effective January 1, 2025. These changes were made in accordance with applicable transitional provisions.

<u>IAS 21 – The Effects of Changes in Foreign Exchange Rates</u>

In August 2023, the IASB issued amendments to IAS 21 Effects of Changes in Foreign Exchange Rates, to help entities assess exchangeability between currencies and to determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The application of the amendment has been made on a prospective basis and did not have an impact on the Corporation.

New accounting standards not yet adopted

<u>IFRS 18 – Presentation and Disclosure in the Financial Statements</u>

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosure in the Financial Statements ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027 and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

(Canadian dollars)

3. Changes in accounting policies (continued)

IFRS 7 & 9 – Financial Instruments and Disclosures

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on its financial statements.

4. Investment in associate

On January 10, 2023, the Corporation entered into Strategic Alliance and Investment Agreements ("Agreements") with Mongolian Mining Corporation ("MMC") for the development of the Bayan Khundii Gold Project. The key economic terms of the Agreements are as follows:

- MMC to invest US$40 million through a series of convertible promissory notes in return for a 50% equity interest in Erdene's primary Mongolian subsidiary, Erdene Mongol LLC ("EM"), which holds the Khundii and Altan Nar mining licenses, as well as the Ulaan exploration license.
- Erdene retains a 50% equity interest in EM and a 5.0% Net Smelter Return ("NSR") royalty on all production from the Khundii, Altan Nar and Ulaan licenses, as well as any properties acquired within 5 kilometres of these licenses, beyond the first 400,000 ounces of gold recovered.

On January 23, 2024, EM issued shares representing 50% of its equity to MMC in connection with the conversion of the convertible promissory notes. At the date MMC subscribed to shares in EM, the Corporation recognized a gain on dilution of its investment retained in EM of $1,256,598, calculated in reference to MMC's investment in EM through the convertible promissory notes. The Corporation continues to have significant influence over EM through its participation in the governance of the EM; however, the Corporation no longer participates directly in the financial reporting functions of EM.

Investment in associate, January 1, 2025	**$**	**53,109,742**
Loss from associate to March 31, 2025		**(2,084,431)**
Effect of movements in exchange rates		**2,692,973**
Investment in associate, March 31, 2025	**$**	**53,718,284**

Investment in associate, January 1, 2024	$	51,248,731
Income from associate to January 23, 2024		54,073
Gain on dilution, January 23, 2024		1,256,598
Loss from associate from January 23, 2024		(3,299,182)
Effect of movements in exchange rates		3,849,522
Investment in associate, December 31, 2024	$	53,109,742

(Canadian dollars)

4. Investment in associate (continued)

The following tables summarize the consolidated financial information of EM on a 100% basis, taking into account fair value adjustments made by the Corporation for equity accounting purposes. A reconciliation of EM's summarized financial information to the Corporation's investment carrying value is as follows:

As at		March 31, 2025		December 31, 2024
Total current assets	**$**	**6,236,667**	$	26,826,631
Total non-current assets		**207,766,321**		190,020,662
Total current liabilities		**(8,039,619)**		(6,993,430)
Total non-current liabilities		**(98,526,801)**		(103,634,379)
Total net assets	**$**	**107,436,568**	$	106,219,484

For the period ended		March 31, 2025		December 31, 2024
Revenue	**$**	**-**	$	-
Net loss		**4,168,861**		6,541,648

As at		March 31, 2025		December 31, 2024
Net assets of EM	**$**	**107,436,568**	$	106,219,484
Erdene Resource Development Corporation ownership		**50.00%**		50.00%
Erdene's share of EM's net assets		**53,718,284**		53,109,742
Carrying value of investment in EM		**53,718,284**		53,109,742

5. Exploration and evaluation assets

The Corporation's Exploration and evaluation assets consist of the Zuun Mod property located in Bayankhongor province in Mongolia, which is comprised of a 6,041-hectare molybdenum-copper mining license, issued in 2011. Mongolian mining licenses are issued for an initial term of 30 years with two 20-year extensions possible. In 2021, the Corporation completed a strategic and economic review of the property which confirmed the potential viability of the property. Recent exploration expanded mineralization at the large porphyry deposit, further demonstrating the potential of the project.

A summary of changes in the Corporation's Exploration and evaluation assets during the three months ended March 31, 2025 and the year ended December 31, 2024 is as follows:

	March 31, 2025	December 31, 2024
Balance, January 1	**2,468,070**	1,961,506
Additions	**121,704**	348,887
Effect of movements in exchange rates	**(48,287)**	157,677
	2,541,487	2,468,070

6. Commitments

Sandstorm Gold Ltd. (“Sandstorm”) holds a 1% net smelter returns royalty (“NSR Royalty”) on the Altan Nar, Khundii and Ulaan licenses held by EM, that is guaranteed by the Corporation. Sandstorm has been given a right of first refusal on future stream or royalty financings related to these licenses.

Sandbox Royalties Corp. holds a 1.5% NSR Royalty on Erdene’s Zuun Mod license. Erdene has the option to buy down a portion of the royalty if certain production milestones are achieved.

On February 8, 2024, Erdene and EM executed financing documents with MMC to develop the Bayan Khundii Gold Project. The financing has been structured as a shareholder loan from MMC to EM, the entity co-owned by Erdene and MMC. The shareholder loan is secured by a 50% guarantee by Erdene and Erdene’s interests in the Bayan Khundii Gold Project, including its shares of EM and net smelter return interest, as well as preferential rights over the Khundii, Altan Nar and Ulaan licenses. For so long as the loan is outstanding, MMC will be granted priority voting rights under the Strategic Alliance agreement between the parties and a right of first refusal over Erdene’s Zuun Mod project. Erdene has the right to purchase 50% of the loan and participate as a lending shareholder on the same terms as MMC for the term of the shareholder loan.

7. Share capital and contributed surplus

<u>Authorized</u>

An unlimited number of common shares with no par value.

<u>Omnibus equity incentive plan and Legacy Plans</u>

The Corporation adopted an omnibus equity inventive plan (the “Omnibus Plan”) which was approved by the shareholders of the Corporation on June 22, 2023. The Omnibus Plan provides the Corporation with share-related mechanisms, including incentive stock options, deferred share units (“DSUs”), restricted share units (“RSUs”), and performance share units (“PSUs”), to attract, retain and motivate qualified directors, employees and consultants of the Corporation and its subsidiaries. The Omnibus Plan replaced legacy plans including an incentive stock option plan and a deferred stock option plan (the “Legacy Plans”). Awards granted under these legacy plans remain in place under the terms of their initial issuance.

The Omnibus Plan is a variable plan and the aggregate number of common shares that may be issued upon the exercise or settlement of awards granted under the Omnibus Plan, together with awards outstanding under the Legacy Plans, shall not exceed 10% of the Corporation’s total issued and outstanding common shares at any time.

For the three months ended March 31, 2025, the Corporation charged a total of $930,175 of stock-based compensation expense to the statement of comprehensive loss (2024 – $1,039,246), reflecting the fair value of options and DSUs granted under the Omnibus Plan. Details on the outstanding awards under the Omnibus Plan and Legacy Plans are included below.

<u>Stock options</u>

The Corporation’s Omnibus Plan and Legacy Plans allow for the grant of options to purchase common shares of the Corporation by directors, officers, employees and consultants of the Corporation. The terms and conditions of each grant of options are determined by the Board of Directors. If there are no terms specified upon grant, options vest immediately on the grant date.

During the three months ended March 31, 2025, 2,625,000 options were granted at a weighted average exercise price of $0.60 (2024 – 5,680,000 options granted at average exercise price of $0.30). During the three months ended March 31, 2025, 970,000 options were exercised at an average price of $0.40, generating proceeds of $391,400 (2024 – 650,000 options exercised at average price of $0.31, for proceeds of $204,000). No options expired unexercised during the three months ended March 31, 2025 (2024 – 250,000 options expired).

(Canadian dollars)

7. Share capital and contributed surplus (continued)

Changes in stock options during the three months ended March 31, 2025, and 2024 were as follows:

	March 31, 2025			March 31, 2024		
	Number of options		Weighted average exercise price	Number of options		Weighted average exercise price
Outstanding at January 1	**22,445,000**	**$**	**0.34**	20,485,000	$	0.35
Granted	**2,625,000**		**0.60**	5,680,000		0.30
Expired	**-**		**-**	(250,000)		0.40
Exercised	**(970,000)**		**0.40**	(650,000)		0.31
Outstanding at March 31	**24,100,000**	**$**	**0.38**	25,265,000	$	0.34
Exercisable at March 31	**24,100,000**	**$**	**0.38**	25,265,000	$	0.34

Deferred share units

During the three months ended March 31, 2025, the Corporation granted 303,084 DSUs with an average fair value, calculated using the five-day volume weighted average price preceding the grant date, of $0.67 per DSU (2024 – 249,366 DSUs with fair value of $0.40 per DSU). The fair value of $203,300 (2024 – $99,746) was charged to share based compensation included in exploration expenses and corporate and administration expenses.

On the grant date, DSUs vest immediately and plan members are credited with the DSUs granted to them. Upon termination or death of the plan member, the Corporation pays the then market value of the plan member's shares either in shares or in cash, at the sole discretion of the Corporation. Since the type of payout is at the discretion of the Corporation, and the Corporation does not intend to cash settle awards under the plan, the plan is accounted for as an equity settled plan. The provisions of DSUs issued under the Omnibus Plan adopted on June 22, 2023, are consistent with those of the legacy DSU plan.

The following table summarizes the continuity of DSUs for the three months ended March 31, 2025, and 2024:

	March 31, 2025	March 31, 2024
	Number of DSUs	Number of DSUs
Outstanding at January 1	**9,991,248**	8,442,250
Granted	**303,084**	249,366
Outstanding at December 31	**10,294,332**	8,691,616

(Canadian dollars)

8. Exploration and evaluation expenses

The following table summarizes exploration and evaluation expenses for the three months ended March 31, 2025, and 2024:

	For the three months ended March 31			
		2025		**2024**
Direct costs	**$**	**109,486**	$	175,712
Employee compensation costs		**841,499**		485,436
Share-based compensation		**330,750**		352,950
Amount reimbursed by associate		**(308,145)**		(230,942)
	$	**973,590**	$	783,156

The Corporation and its associate, EM, are parties to an agreement under which EM reimburses the Corporation US$1 million per annum, less applicable withholding taxes, for the provision of geologic and technical services.

9. Corporate and administration expenses

The following table summarizes corporate and administration expenses for the three months ended March 31, 2025, and 2024:

	For the three months ended March 31			
		2025		**2024**
Administrative services	**$**	**539,450**	$	417,742
Directors fees and expenses		**27,500**		31,250
Financing costs		**-**		1,269,124
Investor relations and marketing		**76,203**		107,875
Office and sundry		**37,576**		36,283
Professional fees		**88,946**		90,298
Regulatory compliance		**72,066**		63,674
Share-based compensation		**599,425**		686,296
Travel and accommodations		**59,689**		75,046
	$	**1,500,855**	$	2,777,588

10. Financial instruments

Credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying Amount			
		March 31, 2025		**December 31, 2024**
Cash and cash equivalents	**$**	**6,235,542**	$	7,298,399
Receivables		**45,162**		14,910
	$	**6,280,704**	$	7,313,309

10. Financial instruments (continued)

The Corporation manages credit risk by holding the majority of its cash and cash equivalents with high quality financial institutions in Canada, where management believes the risk of loss to be low. At March 31, 2025, $79,568 or 1% of the balance of cash was held in banks outside Canada (December 31, 2024 - $121,756 or 2%).

Liquidity risk:

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation's approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. All of the Corporation's financial liabilities are expected to be settled within the next twelve months.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Corporation invests excess cash in interest bearing savings accounts, which are subject to interest rate risk.

b) Foreign currency risk

The functional currency of the Corporation is the Canadian dollar, and the functional currency of the Corporation's subsidiary and associate is the Mongolian tugrik. Additionally, the Corporation incurs expenses in US dollars. Fluctuations of the Canadian dollar in relation to other currencies impacts the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include US dollar denominated cash, accounts payable and accrued liabilities, as well as the Corporation's net investment in its Mongolian associate.

The Corporation's exposure to US dollar currency risk was as follows:

		March 31, 2025		**December 31, 2024**
Cash and cash equivalents	**$**	**340,764**	$	414,149
Trade and other payables		**(74,594)**		(12,461)
	$	**266,170**	$	401,688

A 10% change in the US dollar exchange rate would affect net and comprehensive (gain) loss and deficit by approximately $26,600 (December 31, 2024 - $40,200).

The Corporation's exposure to Mongolian Tugrik currency risk was as follows:

		March 31, 2025		**December 31, 2024**
Cash and cash equivalents	**$**	**13,228**	$	12,341
Trade and other receivables		**15,437**		15,043
Trade and other payables		**(1,936)**		(1,991)
	$	**26,729**	$	25,393

(Canadian dollars)

10. Financial instruments (continued)

A 10% change in the Mongolian Tugrik exchange rate would affect net (income) loss and deficit by approximately $2,700 (December 31, 2024 - $2,500).

c) Price risk

The Corporation’s financial instruments are not exposed to direct price risk other than that associated with commodity price fluctuations impacting the mineral exploration and mining industries as the Corporation has no significant revenues.

Fair Value:

Assets and liabilities measured at fair value in the consolidated statements of financial position, or disclosed in the notes to the financial statements, are categorized using a fair value hierarchy that reflects the significance of the inputs used in determining the fair values:

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

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

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

The fair value of financial assets and liabilities are approximately equal to their carrying values given the short term to maturity of such instruments.

11. Related parties

The Corporation has defined key management personnel as senior executive officers, as well as the Board of Directors. The total remuneration of key management personnel and the Board of Directors was as follows:

	Three months ended March 31,	
	2025	**2024**
Directors' fees and other compensation	**$ 27,500**	$ 31,250
Share-based compensation to directors	**307,050**	536,750
Executive compensation and benefits	**814,590**	665,883
Share-based compensation to key management	**427,250**	377,847
	$ 1,576,390	$ 1,611,730