GT RESOURCES INC.

(Expressed in Canadian Dollars)

Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

Index

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
GT Resources Inc.

Opinion

We have audited the accompanying consolidated financial statements of GT Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of operations and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Zachary Faure

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 28, 2025

GT RESOURCES INC.
Consolidated Statements of Financial Position
As at December 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Note(s)	December 31 2024	December 31 2023
Assets			
Current assets:			
Cash		**$ 9,128,391**	$ 10,669,641
Sales tax recoverable		**30,741**	274,056
Prepaid expense and deposits	9	**100,522**	210,796
Marketable securities	7	**52,000**	52,000
Total current assets		**9,311,654**	11,206,493
Non-current assets:			
Other assets		**41,087**	-
Reclamation deposits		**32,096**	31,449
Total non-current assets		**73,183**	31,449
Total assets		**$ 9,384,837**	**$ 11,237,942**
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities	8, 16	**$ 246,401**	$ 500,156
Sales tax payable		**-**	34,761
Total liabilities		**246,401**	534,917
Shareholders' equity:			
Capital Stock	12	**49,011,102**	47,552,895
Obligation to issue shares	6	**-**	102,000
Reserves	12	**2,981,276**	3,060,107
Deficit		**(42,853,942)**	(40,011,977)
Total shareholders' equity		**9,138,436**	10,703,025
Total liabilities and shareholders' equity		**$ 9,384,837**	**$ 11,237,942**

Nature and continuance of operations (Note 1)
Subsequent events (Note 18)

On behalf of the Board:

"Derrick Weyrauch" Director *"Lawrence Roulston"* Director

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

GT RESOURCES INC.

Consolidated Statements of Operations and Comprehensive Loss
For the years ended December 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Note(s)	Year ended December 31 2024	Year ended December 31 2023
Expenses			
Exploration and evaluation	4, 5, 6, 16	**$ 2,510,748**	$ 8,355,143
Management and consulting	16	**764,810**	803,016
Share-based compensation	12, 16	**367,189**	302,088
Investor relations		**306,201**	397,657
General and administrative	16	**216,350**	292,519
Professional fees		**191,330**	196,096
Corporate development		**113,791**	120,130
Transfer agent and filing fees		**99,887**	80,791
Foreign exchange loss (gain)		**1,863**	(745)
Total expenses		**(4,572,169)**	(10,546,695)
Other items			
Amortization of flow-through premium liability	10	**$ 882,869**	$ 1,894,806
Government grants	11	**340,000**	60,000
Interest income		**507,335**	625,493
Unrealized gain on investments	7	**-**	(30,000)
Total other items		**1,730,204**	2,550,299
Loss and comprehensive loss for the year		**$ (2,841,965)**	$ (7,996,396)
Loss per share – basic and diluted		$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding – basic and diluted		**375,630,297**	334,756,329

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

GT RESOURCES INC.

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Year ended December 31, 2024	Year ended December 31, 2023
Operating activities		
Loss for the year	$ **(2,841,965)**	$ (7,996,396)
Items not requiring an outlay of cash:		
Amortization of flow-through premium liability	**(882,869)**	(1,894,806)
Foreign exchange loss	**(647)**	(360)
Unrealized loss (gain) on investments	**-**	30,000
Shares issued for Tyko II property acquisition	**-**	93,500
Deferred property acquisition costs	**-**	102,000
Shares issued for earn-in agreement	**1,350**	2,250
Share-based compensation	**367,189**	302,088
Non-cash exploration and evaluation expense from acquisition of Metalcorp	**-**	2,748,788
	(3,356,942)	(6,612,936)
Net change in non-cash working capital balances		
Accounts payable and accrued liabilities	**(253,755)**	(756,921)
Prepaid expense and deposits	**69,187**	(46,973)
Sales tax recoverable	**243,315**	285,113
Sales tax payable	**(34,761)**	34,761
Net cash used in operating activities	**(3,332,956)**	(7,096,956)
Financing activities		
Proceeds from private placements	**1,840,000**	5,070,348
Private placement share issuance costs	**(48,294)**	(229,749)
Net cash provided by financing activities	**1,791,706**	4,840,599
Investing Activities		
Redemption of short-term investments	**-**	1,028,164
Cash received on acquisition of Metalcorp Limited	**-**	716,618
Cash paid for acquisition of Metalcorp	**-**	(206,846)
Net cash provided by investing activities	**-**	1,537,936
Increase in cash	**(1,541,250)**	(718,421)
Cash - beginning of the year	**10,669,641**	11,388,062
Cash - end of the year	$ **9,128,391**	$ 10,669,641
Non-cash items:		
Share issuance costs included in accounts payable and accrued liabilities	$ **26,100**	$ 26,100

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

GT RESOURCES INC.

Consolidated Statements of Changes in Shareholders' Equity
For years ended December 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Number of shares	Capital stock	Obligation to issue shares	Reserves	Deficit	Shareholder's equity
Balance at December 31, 2022	**283,753,807**	**$ 38,422,785**	**$ -**	**$ 2,577,509**	**$ (32,015,581)**	**$ 8,984,713**
Private placements	35,786,071	5,070,348	-	-	-	5,070,348
Share issuance costs - cash	-	(97,288)	-	-	-	(97,288)
Shares issued for Metalcorp acquisition	38,679,050	4,061,300	-	-	-	4,061,300
Shares issued for Tyko II property acquisition	1,100,000	93,500	-	-	-	93,500
Shares issued for earn-in agreement	30,000	2,250	-	-	-	2,250
Obligation to issue shares for Tyko II property acqusition	-	-	102,000	-	-	102,000
Options issued for Metalcorp acquisition	-	-	-	180,510	-	180,510
Share-based compensation	-	-	-	302,088	-	302,088
Loss for the year	-	-	-	-	(7,996,396)	(7,996,396)
Balance at December 31, 2023	**359,348,928**	**$ 47,552,895**	**$ 102,000**	**$ 3,060,107**	**$ (40,011,977)**	**$ 10,703,025**
Private placements	26,666,667	1,840,000	-	-	-	1,840,000
Share issuance costs - cash	-	(48,294)	-	-	-	(48,294)
Shares issued for Tyko II property acquisition	1,200,000	102,000	(102,000)	-	-	-
Shares issued on RSUs vesting	1,697,131	446,020	-	(446,020)	-	-
Share-based compensation	-	-	-	367,189	-	367,189
Shares issued for earn-in agreement	30,000	1,350	-	-	-	1,350
Flow-Through premium	-	(882,869)	-	-	-	(882,869)
Loss for the year	-	-	-	-	(2,841,965)	(2,841,965)
Balance at December 31, 2024	**388,942,726**	**$ 49,011,102**	**$ -**	**$ 2,981,276**	**$ (42,853,942)**	**$ 9,138,436**

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

1. Nature and continuance of operations

GT Resources Inc. ("GT Resources" or the "Company") is a mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "GT". The Company was incorporated under the *Business Corporations Act of British Columbia* on January 16, 2007. The Company's head office is located at Suite 3704-88 Scott Street, Toronto, ON, M5E 0A9. The Company's registered and records office is 25th floor, 666 Burrard Street, Vancouver, BC, V6C 2X8.

These consolidated financial statements were authorized for issue by the Company's Board of Directors on April 28, 2025.

Going concern

The Company's ability to continue as a going concern is dependent upon its ability to fund its exploration and evaluation programs. These consolidated financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of business operations. Such adjustments could be material.

Management has applied judgement in the assessment of the Company continuing as a going concern by taking into account all available information. Management estimates that the going concern assumption is appropriate for at least the next twelve months following the reporting date of these statements.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

2. Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Statement of Compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements, including comparative financial information have been prepared using accounting policies consistent with IFRS Accounting Standards.

3. Summary of material accounting policies

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries: Tyko Resources Inc., Nortec Mineral Oy ("Nortec"), and MetalCorp Limited. All inter-company transactions and balances have been eliminated upon consolidation.

A subsidiary is an entity which the Company controls. The Company has control over an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

A subsidiary is fully consolidated from the date on which control is obtained by the Company and is deconsolidated from the date that control ceases.

3. Summary of material accounting policies (continued)

Name of subsidiary	Country of incorporation	Proportion of ownership interest	Principal activity
Tyko Resources Inc.	Canada	100%	Mineral exploration
Nortec Minerals Oy.	Finland	100%	Mineral exploration
MetalCorp Limited	Canada	100%	Mineral exploration

Cash and cash equivalents

Cash and cash equivalents of the Company are comprised of bank balances and short-term money market instruments with original maturities of less than 90 days, which are readily convertible into a known amount of cash. The company held no cash equivalents in the years ended December 31, 2024 and 2023.

Mineral exploration and evaluation expenditures

Exploration and evaluation costs are recognized in profit or loss. Costs incurred before and after the Company has obtained the legal rights to explore an area of interest are recognized in profit or loss until such time the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, after which such costs are capitalized. Upon achieving production, costs for a producing property will be amortized on a unit of-production method based on the estimated life of the ore reserves. The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

Government grants

Government grants are recognized when there is reasonable assurance that a) the Company will comply with the conditions attached to them and b) the grants will be received. Government grants are recognised in other income, in profit or loss, on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Financial instruments

The Company's financial instruments are classified and subsequently measured in the following categories: amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). The classification is determined at initial recognition. A financial asset is derecognized when the contractual rights to cash flows from the financial asset expire, or when all associated risks and rewards of ownership of the asset are transferred. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

i) Financial assets and liabilities at amortized cost

Financial assets and liabilities categorized as amortized costs are initially recognized at fair value, adjusted for transaction costs, and subsequently carried at amortized cost less any impairment. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. Gains and losses on derecognition of financial assets and liabilities categorized as amortized costs are recognized in the statements of operating and comprehensive loss.

ii) Financial assets at FVTOCI

Investments in equity instruments categorized as FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income, and with gains and losses on derecognition of such assets remaining in accumulated other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

3. Summary of material accounting policies (continued)

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities categorized as FVTPL are recorded initially at fair value and transaction costs are expensed in the statements of operations and comprehensive loss. Realized and unrealized gains and losses arising from changes in financial assets and liabilities classified as FVTPL are recognized in the statements of operations and comprehensive loss in the period they are realized.

Impairment of Financial Instruments

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Income taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred taxes are recognized in net income except to the extent that they relate to a business combination or items recognized directly in equity or profit or loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is possible that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Provisions

Provisions are recognized for liabilities of uncertain timing or amounts that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is expensed in the statements of operations and comprehensive loss along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

3. Summary of material accounting policies (continued)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the year.

For the years presented the Company has no provisions for environmental rehabilitation.

Contingent Consideration

Contingent consideration from an asset acquisition is recognized when: (i) the conditions associated with the contingency are met; (ii) the Company has a present legal or constructive obligation that can be estimated reliably; and (iii) it is probable that an outflow of economic benefits will be required to settle the obligation.

Capital stock

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, restricted share units, deferred share units, share options and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company uses the residual approach when allocating the fair value of the share purchase warrants issued in conjunction with the offering of units through a private placement. The Company determines the fair value of the common share and the residual value is allocated to the share purchase warrant for unit offerings that contain a common share and a share purchase warrant. For warrants issued to brokers or agents as a part of a financing transaction, fair value is determined using the Black Scholes Option Pricing Model and recorded in share capital and reserves as issuance costs.

Flow-through shares

The Company will from time-to-time issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) capital stock. The flow through liability is amortized based on the eligible flow through expenditures in the period as a percentage of flow through expenditures required and is recognized as amortization of flow-through premium liability in profit or loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Share-based compensation

The Company applies the fair value method of accounting for all stock option awards. Under this method, share-based compensation expense attributed to the award of options to employees is measured at the fair value of the award on the date of grant and is recognized over the vesting period of the award. Share-based compensation to non-employees are valued based on the fair value of the service received, if reliably determinable, otherwise based on the fair value of the award granted. Valuation is calculated based on the date at which the Company receives the service. If and when the stock options are ultimately exercised, the applicable amounts of other equity reserves are transferred to capital stock.

3. Summary of material accounting policies (continued)

The fair value of instruments granted is measured using the Black-Scholes Option Pricing Model, taking into account the terms and conditions under which the instruments are granted. The fair value of the awards is adjusted by an estimate of the number of awards that are expected to vest as a result of non-market conditions. At each statement of financial position date, the Company revises its estimates of the number of options that are expected to vest based on the non-market conditions including the impact of the revision to original estimates, if any, with corresponding adjustments to equity.

Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiaries is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the functional currency for an entity are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the profit or loss.

Loss per share

Basic and diluted loss per share data for its common shares is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares, if dilutive. When the Company is incurring losses, basic and diluted loss per share are the same since including the exercise of outstanding options and warrants in the diluted loss per share calculation would be anti-dilutive.

Critical accounting estimates and judgments

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

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

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

Significant judgements

Going Concern

In the preparation of these consolidated financial statements, the Company made judgements related to the going concern of the Company as discussed in Note 1.

3. Summary of material accounting policies (continued)

Critical estimates

Share-based Compensation Transactions

The Company measures the cost of options granted for goods and services with reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Acquisition of Assets

The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits. The acquisition of MetalCorp Limited (Note 4) was determined to constitute acquisitions of net assets. In addition, estimates are made as to the fair value of assets and liabilities acquired. The Company measures all the assets acquired and liabilities assumed at their acquisition-date fair values.

New accounting standards and interpretations

The International Accounting Standards Board continually issues new and amended standards and interpretations which may need to be adopted by the Company. The Company continually assesses the impact that the new and amended standards and interpretations may have on its financial statements or whether to early adopt any of the new requirements.

Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in October 2022 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024 and has been adopted by the Company.

New accounting standards issued but not yet adopted

IFRS 18 – Presentation and disclosure in the financial statements was issued in April 2024 to provide requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure a company provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The standard is effective for annual periods beginning on or after January 1, 2027 and has not yet been adopted by the Company and is being evaluated to determine the impact.

(Expressed in Canadian Dollars)

4. Acquisition of MetalCorp Limited

On May 2, 2023, the Company completed an acquisition of 100% of the outstanding shares of MetalCorp Limited ("MetalCorp") structured as a statutory plan of arrangement under the Business Corporations Act (Ontario) (the "Transaction"). Under the terms of the Transaction, former shareholders of MetalCorp received 0.30 (the "Exchange Ratio") of a common share in the capital of the Company in exchange for each common share in the capital of MetalCorp held. Outstanding options to acquire MetalCorp shares outstanding immediately prior to the closing of the transaction were exchanged for stock options to purchase common shares of the Company at the Exchange Ratio. A total of 38,679,050 common shares of the Company were issued in exchange for the outstanding shares of MetalCorp as well as 3,585,000 stock options to purchase common shares of the Company were exchanged for outstanding options to purchase MetalCorp Shares (Note 12c ii). As a result of the Transaction, MetalCorp became a wholly-owned subsidiary of the Company.

This Transaction has been accounted for as an asset acquisition under IFRS 3 Business Combinations where the purchase price has been allocated to assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. As per the policies of the Company, the fair value of the acquired mineral properties were charged as acquisition costs to exploration and evaluation expenditures (Note 5).

The allocation of the purchase price to the estimated fair value of the assets of MetalCorp is as follows:

Purchase price	
38,679,050 common shares at $0.105 per share	$4,061,300
3,585,000 replacement stock options	180,510
	4,241,810
Cost of acquisition	
Purchase price	4,241,810
Transaction costs	206,846
	4,448,656
Estimated fair values of assets and liabilities acquired	
Cash	716,618
Sales tax recoverable	50,625
Prepaid expense and deposits	37,344
Short-term investments	1,028,164
Marketable securities	82,000
Accounts payable and accrued liabilities	(214,883)
Mineral property asset, charged to exploration and evaluation	2,748,788
	$4,448,656

(Expressed in Canadian Dollars)

5. Exploration and evaluation expenditures

The Company incurred the following expenditures on its properties during the years ended December 31, 2024 and 2023:

E&E Expenditures Year ended December 31, 2024	Tyko I	Tyko II	Canalask Project	LK Project	North Rock Project	Sturgeon Project	Total
Acquisition costs	$ 37,350	$ -	$ -	$ -	$ 25,000	$ 200,000	**$ 262,350**
Cost recoveries	-	-	-	(21,329)	-	-	**(21,329)**
Drilling and assays	18,944	30,382	1,125,236	-	1,046	-	**1,175,608**
Equipment rental	11,212	1,260	155,318	-	8,443	-	**176,233**
Exploration camp and field costs	11,018	-	194,077	652	1,393	61	**207,201**
Geological consulting	-	-	38,983	16,750	-	-	**55,733**
Geological salaries	80,072	19,145	104,457	4,597	16,694	5,892	**230,857**
Geophysical surveys	6,800	11,250	95,365	-	43,583	39,050	**196,048**
Permits and reservations	1,100	-	108,790	82,361	-	-	**192,251**
Travel and support	-	-	34,900	896	-	-	**35,796**
	$ 166,496	**$ 62,037**	**$ 1,857,126**	**$ 83,927**	**$ 96,159**	**$ 245,003**	**$ 2,510,748**

E&E Expenditures Year ended December 31, 2023	Tyko I	Tyko II	Canalask Project	LK Project	Metalcorp acquired and other projects	Total
Acquisition costs	$ 14,250	$ 297,420	$ -	$ -	$ 2,793,788	**$ 3,105,458**
Cost recoveries	-	-	-	(161,757)	-	**(161,757)**
Drilling and assays	505,429	324,805	-	-	-	**830,234**
Environmental	-	-	-	48,255	-	**48,255**
Equipment rental	263,424	62,577	2,984	1,056	-	**330,041**
Exploration camp and field costs	619,325	278,350	72,367	317	-	**970,359**
Geological consulting	730,919	268,182	5,475	28,855	2,663	**1,036,094**
Geological salaries	192,221	23,216	-	-	-	**215,437**
Geophysical surveys	1,155,296	319,322	105,608	-	-	**1,580,226**
Land management	2,174	5,460	-	-	-	**7,634**
Metallurgical	-	-	-	4,283	-	**4,283**
Permits and reservations	15,980	-	60,464	49,893	15,750	**142,087**
Travel and support	187,185	53,752	-	5,855	-	**246,792**
	$ 3,686,203	**$ 1,633,084**	**$ 246,898**	**$ (23,243)**	**$ 2,812,201**	**$ 8,355,143**

Tyko I and Tyko II Projects

The Company holds a 100% interest in the Tyko I and Tyko II Projects, located in Northwestern Ontario.

Canalask Project

The Company holds a 100% interest in the Canalask project located approximately 300 kilometers northwest of Whitehorse, Yukon.

5. Exploration and evaluation expenditures (continued)

LK Project

The Company holds a 100% interest in the Lantinen Koillismaa Platinum Group Element-Copper-Nickel (PGE-Cu-Ni) project ("LK Project") located in North-central Finland.

MetalCorp Projects

As a result of the acquisition of MetalCorp on May 2, 2023 (Note 4), the Company holds 100% interest in Hemlo East, Big Lake, North Rock and Black Bear Projects in Ontario.

North Rock Project

During the year ended December 31, 2024, the Company granted an option to Nortec Minerals Corp. ("Nortec") to acquire a 10% interest in the North Rock Project by spending $80,000 in qualified expenditures by May 31, 2025.

Sturgeon Lake Project

During the year ended December 31, 2024, the Company entered into an option agreement with Nortec, the sole holder of the Sturgeon Lake Property, for the right for the Company to earn a 51% interest in the Property by incurring $3,000,000 in qualified expenditures by October 2, 2027, including a $200,000 payment in respect of the initial work program funded by Nortec as well, the Company shall loan Nortec up to $200,000 in cash for an agreed upon initial exploration program. The loan will bear no interest and have a term of one year. As at the year ended December 31, 2024, Nortec has drawn down $nil on the loan as these funds were not needed by Nortec to execute the initial exploration program.

6. Acquisition of the Tyko II property

On September 11, 2023, the Company acquired the Tyko II property through a combination of staking and claim purchases. The claim purchases include aggregate consideration of

- $100,000 cash due at closing (paid)
- 2.3 million common shares of the Company as follows:
  - 1.1 million common shares which were issued on September 26, 2023,
  - 0.4 million shares which were issued on January 25, 2024,
  - 0.4 million shares which were issued on May 28, 2024,
  - 0.4 million shares which were issued on September 25, 2024.
- A Net Smelter Return Royalty ("NSR") in respect of certain claims

As at December 31, 2024, the Company has no obligation to issue common shares in connection with these agreements.

7. Marketable securities

Marketable securities consist of equity instruments in publicly traded junior mining companies with a cost of $82,000 which were acquired by the Company as a component of the acquisition of MetalCorp. The fair value of marketable securities as at December 31, 2024 was $52,000 (December 31, 2023 - $52,000) with an unrealized gain of $nil recognized in the Company's consolidated statement of operations for the year ended December 31, 2024 (unrealized loss of $30,000 for the year ended December 31, 2023).

The Company records investments at fair value through profit and loss. Unrealized gains and losses or changes in fair value are reflected in the consolidated statements operations.

(Expressed in Canadian Dollars)

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of payables to vendors. The breakdown of accounts payable and accrued liabilities is as follows:

	December 31, 2024	December 31, 2023
Accounts payable	$ 134,374	$ 263,007
Accrued liabilities	112,027	237,149
	$ 246,401	$ 500,156

9. Prepaid expenses and deposits

The breakdowns of prepaid expense and deposits are as follows:

	December 31, 2024	December 31, 2023
Exploration prepaids	$ 41,363	$ 102,297
Conferences, investor relations, and insurance	41,573	94,190
Other	17,586	14,309
	$ 100,522	$ 210,796

10. Flow-through premium liability

Transactions related to the recognition and amortization of the flow-through premium liability are summarized as follows:

	December 31, 2024	December 31, 2023
Balance, beginning of year	$ -	$ 1,894,806
Deferred premium liability recognized on flow-through issuances	882,869	-
Income recognized based on corresponding eligible expenditures	(882,869)	(1,894,806)
Balance, end of year	$ -	$ -

As at December 31, 2024, the Company has an obligation to spend $Nil (December 31, 2023 - $Nil) in relation to flow-through proceeds.

11. Government grants

Government grants recognized are amounts received through the Government of Ontario and covered 50% of eligible exploration costs incurred in 2023 for the Tyko I and Tyko II project. At December 31, 2024 and 2023, there were no unfulfilled conditions or other contingencies related to government grants. Government grants of $340,000 were received in the year ended December 31, 2024 (year ended December 31, 2023 - $60,000).

12. Capital stock and reserves

Authorized capital

The authorized capital stock of the Company consists of an unlimited number of common shares with no par value. As at December 31, 2024, the Company had 388,942,726 (December 31, 2023 – 359,348,928) common shares issued and outstanding.

12. Capital stock and reserves (continued)

a) Shares

Transactions for the year ended December 31, 2024 were as follows:

Private placement

On June 13, 2024, the Company completed a $1,840,000 non-brokered private placement financing (the "Private Placement", with a wholly owned subsidiary of Glencore plc ("Glencore"). Pursuant to the Private Placement, the Company issued 26,666,667 flow-through common shares ("Flow-through Common Shares") at $0.069 per Flow-through Common Share. The shares are subject to a four-month hold period. No commissions or finder fees were involved.

Flow through premium of $906,666 was recognized with respect to the Company's share financing during the year ended December 31, 2024.

Legal fees and exchange fees related to the private placements in 2024 were $48,294 with $23,797 being allocated to the flow-through premium liability.

Other issuances

On January 25, 2024, the Company issued 400,000 common shares in relation to the acquisition of the Tyko II property discussed in Note 6. A total of $34,000 was reduced from "obligation to issue shares" on the issuance.

On March 15, 2024, the Company issued 1,037,931 shares in relation to the vesting of restricted share units ("RSUs"). A total of $301,000 was reallocated from reserves to capital stock in connection with RSUs vested.

On May 28, 2024, the Company issued 400,000 common shares in relation to the acquisition of the Tyko II property discussed in Note 6. A total of $34,000 was reduced from "obligation to issue shares" on the issuance.

On July 30, 2024, the Company issued 30,000 common shares with a fair value of $1,350 in relation to an earn-in agreement entered into in the year ended December 31, 2021.

On September 25, 2024, the Company issued 400,000 common shares in relation to the acquisition of the Tyko II property discussed in Note 6. A total of $34,000 was reduced from "obligation to issue shares" on the issuance.

On November 15, 2024, the Company issued 659,200 shares in relation to the vesting of restricted share units ("RSUs"). A total of $145,024 was reallocated from reserves to capital stock in connection with RSUs vested.

Transactions for the year ended December 31, 2023 were as follows:

Private placements

On April 11, 2023, the Company completed a $4,252,050 non-brokered private placement financing (the "Private Placement") with a wholly owned subsidiary of Glencore plc ("Glencore"), where the Company issued 28,347,000 common shares at $0.15 per common share.

In connection with the Private Placement, the Company and Glencore entered into an investor rights agreement, pursuant to which Glencore is entitled to certain customary rights including participation rights on future equity security issuances and a right to nominate an individual to the technical committee of Company. Under this agreement, Glencore will agree to certain customary transfer and standstill restrictions.

(Expressed in Canadian Dollars)

12. Capital stock and reserves (continued)

On May 12, 2023, pursuant to the terms of the investor rights agreement, and subsequent to the Acquisition of MetalCorp, Glencore elected to exercise its pro-rata equity participation rights and subscribed for 7,439,071 common shares in the capital of the Company to maintain its ownership interest in the Company. The common shares were issued at a price of $0.11 per common share for aggregate proceeds of $818,298.

Professional fees and exchange fees related to private placements in 2023 were $97,288.

Other issuances

On May 2, 2023, the Company issued 38,679,050 common shares with a fair value of $4,061,300 as per the Arrangement Agreement (Note 4).

On July 18, 2023, the Company issued 30,000 common shares with a fair value of $2,250 in relation to an earn-in agreement entered into in the year ended December 31, 2021.

On September 26, 2023, the Company issued 1,100,000 common shares with a fair value of $93,500 in relation to the acquisition of the Tyko II property (Note 6).

b) Warrants

The number and weighted average exercise prices of warrants are as follows:

	Number of Warrants		Weighted average exercise price
Outstanding warrants, December 31, 2022	42,936,167	$	0.35
Expired	(28,676,000)		0.43
Outstanding warrants, December 31, 2023	14,260,167		0.19
Expired	(3,760,167)		0.18
Outstanding warrants, December 31, 2024	10,500,000	$	0.20

As at December 31, 2024, warrants enabling the holders to acquire common shares are as follows:

Expiry date	Number of warrants	Weighted average remaining life in years		Weighted average exercise price
12/23/2025	10,500,000	0.98	$	0.20

c) Equity incentive plan

The Company adopted a new equity incentive plan (the “New Plan”) on July 24, 2023. The New Plan is a “rolling up to 10%” share-based compensation plan and allows the board of directors (“the Board”) to grant stock options (“Options”), restricted share units (“RSUs”) and deferred share units (“DSUs”) of the Company (collectively, “Awards) to employees, officers, directors and consultants of the Company. Awards are non-assignable and non-transferrable. Awards issued are subject to vesting terms determined by the Board with RSUs and DSUs not vesting until at least 12 months from the date of grant.

Options may be granted for a term not exceeding that permitted by the Exchange, currently ten years and the exercise price shall be fixed by the Board but shall not be less than the market value of the Company’ common shares at the time of grant. Award outstanding under the Company’s previous share-based compensation plans will remain outstanding and be governed by the previous plans, however new Award grants will be subject to the New Plan.

(Expressed in Canadian Dollars)

12. Capital stock and reserves (continued)

i. Restricted share unit plan

On May 2, 2023, 275,000 RSUs were issued to directors, officers, consultants, and advisors respectively, with a three-year vesting period, thereby vesting on May 2, 2026.

On March 8, 2024, 650,000 RSUs were issued to consultants and advisors, with a three-year vesting period, thereby vesting on March 8, 2027.

During the year ended December 31, 2024, 236,400 RSUs were forfeited (year ended December 31, 2023 – 310,059).

For the year ended December 31, 2024, the Company recognized share-based compensation expense related to RSUs in the amount of $57,737 (year ended December 31, 2023 - $132,243).

The summary of changes in RSUs are as follows:

	Number of restricted share units
Outstanding restricted share units, December 31, 2022	2,143,590
Granted	275,000
Forfeited	(310,059)
Outstanding restricted share units, December 31, 2023	2,108,531
Granted	650,000
Forfeited	(236,400)
Vested	(1,697,131)
Outstanding restricted share units, December 31, 2024	825,000

ii. Stock options

In May 2023, 2,075,000 options were issued to directors, officers, consultants and advisors, exercisable at a price of $0.11 per common share with 1/3 vesting immediately and 1/3 every year thereafter with a five-year term.

In May 2023, MetalCorp stock options were exchanged for 3,585,000 stock options to purchase common shares of the Company (Note 4).

On March 8, 2024, 4,550,000 stock options were issued to certain officers and directors, exercisable at a price of $0.05 per common share with 1/3 vesting immediately and 1/3 every 6-months thereafter with a five-year term.

For the year ended December 31, 2024, the Company recognized share-based compensation expense related to stock options in the amount of $186,650 (year ended December 31, 2023 - $169,845).

Stock option valuations in the year ended December 31, 2024 and the year ended December 31, 2023 were based on the following assumptions:

	2024	**2023**
Forfeiture rate	0.00%	0.00%
Estimated risk-free rate	3.42%	2.95% - 3.63%
Expected volatility	90%	83% - 90%
Stock price at date of grant	$0.05	$0.11
Estimated annual dividend yield	0.00%	0.00%
Expected life of options	5 years	0.32 - 5 years
Fair value	$0.04	$0.01 - $0.07

(Expressed in Canadian Dollars)

12. Capital stock and reserves (continued)

The number and weighted average exercise prices of the stock options are as follows:

	Number of options	Weighted average exercise price
Outstanding options, December 31, 2022	11,675,000	$ 0.17
Granted	2,075,000	0.11
Replacement options issued (Note 4)	3,585,000	0.19
Expired	(160,000)	0.20
Forfeited	(50,000)	0.22
Outstanding options, December 31, 2023	17,125,000	0.16
Granted	4,550,000	0.05
Expired	(7,508,333)	0.13
Forfeited	(66,667)	0.07
Outstanding options, December 31, 2024	14,100,000	$ 0.15

As at December 31, 2024, the Company had outstanding and exercisable stock options as follows:

Expiry date	Number of options outstanding	Weighted average remaining life in years	Exercise price	Number of options Exercisable
3/15/2026	700,000	1.20	$0.29	700,000
8/27/2026	1,035,000	1.65	0.23	1,035,000
11/15/2026	3,550,000	1.87	0.22	3,550,000
5/26/2027	2,490,000	2.40	0.17	2,490,000
5/2/2028	1,850,000	3.34	0.11	1,233,333
3/8/2029	4,475,000	4.19	0.05	2,983,333
	14,100,000	**2.84**	$0.15	**11,991,666**

iii. Deferred share unit plan

On March 8, 2024, 3,000,000 DSUs were issued to certain officers and directors.

For the year ended December 31, 2024, the Company recognized share-based compensation expense related to DSUs in the amount of $122,802. (year ended December 31, 2023 - $Nil).

The summary of changes in DSUs are as follows:

	Number of deferred share units
Outstanding deferred share units, December 31, 2023 and 2022	-
Granted	3,000,000
Outstanding deferred share units, December 31, 2024	3,000,000

(Expressed in Canadian Dollars)

13. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2024	2023
Net loss for the year	$ (2,841,965)	$ (7,996,396)
Expected income tax (recovery)	$ (753,000)	$ (2,119,000)
Change in statutory, foreign tax, foreign exchange rates and other	77,000	(46,000)
Permanent differences	(137,000)	257,000
Impact of flow through share	495,000	1,312,000
Share issue cost	(13,000)	(26,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	708,000	539,000
Impact of acquisition of Metalcorp	-	(4,386,000)
Change in unrecognized deductible temporary differences	(377,000)	4,469,000
Total income tax expense (recovery)	**$ -**	**$ -**

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2024	2023
Deferred tax assets (liabilities)		
Exploration and evaluation assets	$ 4,329,000	$ 4,308,000
Share issue costs	134,000	224,000
Allowable capital losses	9,000	9,000
Non-capital losses available for future period	5,328,000	5,641,000
	9,804,000	10,182,000
Unrecognized deferred tax assets	(9,804,000)	(10,182,000)
Net deferred tax assets	**$ -**	**$ -**

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2024	Expiry Date Range	2023	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	$ 16,335,000	No expiry date	$ 16,256,000	No expiry date
Property and equipment	1,000	No expiry date	1,000	No expiry date
Share issue costs	507,000	2044 to 2048	848,000	2043 to 2047
Allowable capital losses	34,000	No expiry date	34,000	No expiry date
Non-capital losses available for future periods	23,005,000	2028 to 2044	24,080,000	2027 to 2043
Canada	7,215,000	2028 to 2044	12,672,000	2027 to 2043
Finland	11,816,000	2029 to 2034	11,408,000	2028 to 2033

14. Nature and extent of risks arising from financial instruments

The fair values of financial assets and financial liabilities carried at amortized cost approximate their carrying amounts due to the short-term maturity of the instruments. As at December 31, 2024, the Company held cash, sales tax recoverable and accounts payable and accrued liabilities at amortized cost.

14. Nature and extent of risks arising from financial instruments (continued)

Financial instruments measured at fair value are classified in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value, as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
Level 3 – Inputs that are not based on observable market data

As at December 31, 2024, the Company held marketable securities which are measured at fair value and are based on Level 1 inputs of the fair value hierarchy.

The Company is exposed to a varying degree of risks related to financial instruments. Management actively monitors and manages these risks. How management mitigates these risks are discussed below:

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. Financial instruments that potentially subject the Company to credit risk consist of cash, marketable securities and sales tax recoverable. The Company's cash balance was $9,128,391 as at December 31, 2024 (December 31, 2023 - $10,669,641) and is held through large financial institutions in Canada and Finland. The fair value of the Company's marketable securities was $52,000 as at December 31, 2024 (December 31, 2023 - $52,000), and consists of equity instruments in a publicly traded junior mining company. At December 31, 2024, the Company's sales tax receivables are due from the Governments of Canada and Finland of $30,741 (December 31, 2023 - $274,056). The carrying value of the Company's financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. Management believes the risk of loss to be not significant.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds and meeting obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure, as outlined in Note 15. As at December 31, 2024, the Company had working capital of $9,065,253 (December 31, 2023 - $10,671,576). However, the Company has an accumulated deficit of $42,853,942 (December 31, 2023 - $40,011,977). The continuation of the Company depends upon the support of its equity investors, which cannot be assured.

Other Market Price Risk

The Company is exposed to price risk with respect to equity and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of copper, nickel, palladium and platinum, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. A 10% increase or decrease in the price of marketable securities held by the Company would increase or decrease net loss by $5,200 (December 31, 2023 - $5,200).

Currency risk

The Company has transactions internationally and is exposed to foreign exchange risk from the Euro currency. Foreign exchange risk arises from financing and purchase transactions that are denominated in currency other than the Canadian Dollar, which is the functional currency of the Company. As at December 31, 2024, the Company held in Euros the Canadian dollar equivalent of $70,793 (December 31, 2023 - $202,286) in cash, $32,095 in reclamation deposits (December 31, 2023 - $31,449), $8,551 in sales tax recoverable (December 31, 2023 - $61), $17,933 in accounts payable and accrued liabilities (December 31, 2023 - $7,210), and $Nil in sales tax payable (December 31, 2023 - $34,762). A 10% increase or decrease in the Euro would increase or decrease net loss by $9,300 (December 31, 2023 - $19,200).

(Expressed in Canadian Dollars)

14. Nature and extent of risks arising from financial instruments (continued)

Interest 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. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. The Company earns interest based on market interest rates from the cash and cash equivalents it holds through Canadian financial institutions. The interest earned by the Company will fluctuate based on changes in market interest rates.

15. Capital management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include all components of equity. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in the Company's approach to capital management during the year ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements.

16. Related party transactions

a) Key management compensation

Key management consists of the Company's directors and officers. In addition to management and consulting fees paid to these individuals, or companies controlled by these individuals, the Company provides stock options, RSUs and DSUs. Remuneration of key management includes the following:

		Year ended December 31, 2024		Year ended December 31, 2023
Management and consulting (1)	$	555,309	$	605,125
Share based compensation (2)		246,974		186,770
Total remuneration	$	802,283	$	791,895

(1) Director, executive and officer compensation
(2) Represents the fair-value of stock options, RSUs and DSUs granted to directors and officers.

b) Related party transactions and balances not disclosed elsewhere in these consolidated financial statements are as follows:

As at December 31, 2024, the Company owed $32,768 (December 31, 2023 - $78,904) and during the year ended December 31, 2024, has paid or accrued $131,769 (year ended December 31, 2023 - $1,585,438) to Fladgate Exploration Consulting Corp, a corporation which is related to the Vice President - Exploration, which was related to exploration and evaluation expenses and for project management services. The amount owing was included in accounts payable and accrued liabilities and is unsecured, non-interest bearing and is expected to be repaid under normal trade terms.

As at December 31, 2024, the Company owed $Nil (December 31, 2023 - $Nil), has $20,000 (December 31, 2023 - $20,000) in prepaid expenses and during the year ended December 31, 2024, has paid or accrued $31,500 (year ended December 31, 2023 - $82,877) to Weyrauch & Associates Inc., a corporation related to the CEO, for equipment rental related to exploration and evaluation activities. The amount owing was included in accounts payable and accrued liabilities and is unsecured, non-interest bearing and is expected to be repaid under normal trade terms.

16. Related party transactions (continued)

As at December 31, 2024, the Company owed $Nil (December 31, 2023 - $2,325) and during the year ended December 31, 2024, has paid or accrued $8,912 (year ended December 31, 2023 - $5,475) to Xploration Solutions, a corporation related to a member of the board of directors, for consulting services.

During the year ended December 31, 2024, the Company paid $36,000 (year ended December 31, 2023 - $36,000) to a person related to the CEO for costs related to office rental in Toronto.

As at December 31, 2024, the Company owed officers of the Company $7,128 (December 31, 2023 - $Nil) for various expenses, including but not limited to exploration & evaluation expenses, marketing and travel costs and accrued payroll. The amount owing was included in accounts payable and accrued liabilities and is unsecured, non-interest bearing and is expected to be repaid under normal trade terms.

17. Segmented information

The Company has one reportable operating segment being the acquisition, exploration and evaluation of mineral properties. For the years presented, the Company's non-current assets are $32,096 from reclamation deposits located in Finland and $41,087 from other assets located in Canada.

18. Subsequent events

Subsequent to the year ended December 31, 2024, the following were granted in respect to the Company's equity incentive plan:

- 875,000 RSUs were issued to certain employees, advisors, and consultants, with a three-year vesting period;
- 3,000,000 DSUs were issued to certain officers and directors, exercisable upon departure from the Company, with a one-year vesting period;
- 5,400,000 Options were issued to certain officers and directors, exercisable at a price of $0.05 per common share with 1/3 vesting immediately and 1/3 every 6 months thereafter with a 5-year term; and
- 700,000 Options were issued to certain employees, advisors, and consultants, exercisable at a price of $0.05 per common share with 1/3 vesting immediately and 1/3 every 6 months thereafter with a 5-year term.