



**OreCAP Invest Corp.**

**Condensed Consolidated Interim Financial Statements**

**For the three months ended January 31, 2025 and 2024**

*(Unaudited - Expressed in Canadian Dollars)*

**Notice of No Auditor Review of Interim Financial Statements**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed consolidated interim financial statements of the company have been prepared by and are the responsibility of the company's management. The company's independent auditor has not performed an audit or review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants.

**Orecap Invest Corp.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Unaudited - Expressed in Canadian dollars)

<i>As at</i>	<i>Notes</i>	<b>January 31, 2025</b>	<b>October 31, 2024</b>
<b>ASSETS</b>			
<b>Current</b>			
Cash		<b>\$26,667</b>	\$536,671
Restricted cash	5	<b>647,817</b>	647,817
Investments in public companies	6	<b>15,959,219</b>	14,159,625
Amounts receivable		<b>96,967</b>	66,143
Due from related parties	9	<b>417</b>	-
Prepaid expenses		<b>29,340</b>	23,389
Assets held for sale		-	1,264,921
Total current assets		<b>16,760,427</b>	16,698,566
Property and equipment		<b>28,177</b>	29,495
<b>TOTAL ASSETS</b>		<b>\$16,788,604</b>	\$16,728,061
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		<b>\$97,287</b>	\$142,172
Asset retirement obligation		<b>700,000</b>	700,000
Liabilities held for sale		-	2,975,620
<b>TOTAL LIABILITIES</b>		<b>797,287</b>	3,817,792
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	<b>26,381,121</b>	26,381,121
Reserves	10	<b>4,806,755</b>	4,823,111
Deficit		<b>(15,196,559)</b>	(17,222,978)
Non-controlling Interests		-	(1,070,985)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>15,991,317</b>	12,910,269
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 16,788,604</b>	\$16,728,061

Nature of operations (Note 1)

Going concern (Note 2)

Commitments and contingencies (Note 13)

Subsequent events (Note 14)

Approved on behalf of the Directors:

*"Stephen Stewart"*

Stephen Stewart – Director

*"Alex Stewart"*

Alex Stewart – Director

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

**OreCAP Invest Corp.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

(Unaudited - Expressed in Canadian dollars)

<i>For the three months ended</i>	<i>Notes</i>	<b>January 31, 2025</b>	<b>January 31, 2024</b>
<b>EXPENSES</b>			
Consulting and management fees		\$ 132,433	\$ 155,143
Exploration expenses	7	46,662	23,628
Share-based payments	10	4,029	33,697
Amortization of property and equipment		1,318	1,706
Office, rent and general		11,093	10,174
Accretion expense		-	60,728
Professional fees		15,018	(65,205)
Transfer agent, filing fees and shareholder communications		19,015	25,706
Travel and related costs		896	4,730
<b>TOTAL EXPENSES</b>		<b>\$ 230,464</b>	<b>\$ 250,307</b>
Unrealized loss (gain) on marketable securities	6	2,351,403	(3,733,863)
Gain on disposition of interest in NAK		-	(1,500,000)
Interest income		(2,187)	(9,573)
Income (loss) before tax		<b>(2,579,680)</b>	4,993,129
<b>Net Income (Loss) from continuing operations</b>		<b>\$ (2,579,680)</b>	<b>\$ 4,993,129</b>
<b>Net Income (Loss) from discontinued operations, net of income taxes</b>	<b>8</b>	<b>12,476,934</b>	<b>(205,163)</b>
<b>NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>9,897,254</b>	<b>4,787,966</b>
Shareholders		2,082,146	5,117,008
Non-controlling interest		7,815,108	(123,879)
<b>Net Income (Loss) and Comprehensive Income (Loss) for the Period</b>	<b>8</b>	<b>9,897,254</b>	<b>4,787,966</b>
<b>Weighted average number of shares - basic and diluted</b>		<b>247,714,301</b>	<b>247,714,301</b>
<b>Income (Loss) per share, continuing operations – basic and diluted</b>		<b>\$ (0.01)</b>	<b>\$ 0.02</b>
<b>Income (Loss) per share from discontinued operations – basic and diluted</b>		<b>0.05</b>	<b>(0.00)</b>
<b>Income (Loss) per share, including discontinued operations – basic and diluted</b>		<b>0.04</b>	<b>0.02</b>

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

**OreCAP Invest Corp.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited - Expressed in Canadian dollars)

	<i>Note</i>	Number of shares	Amount	Share-based Reserve	Retained Earnings (Deficit)	Non-controlling Interest	Total Equity
<b>Balance at October 31, 2023</b>		<b>247,714,301</b>	<b>\$26,381,121</b>	<b>\$4,725,730</b>	<b>\$(27,510,810)</b>	<b>(1,183,051)</b>	<b>\$2,412,990</b>
Net loss from continuing operations		-	-	-	4,993,129	-	4,993,129
Net income from discontinued operations		-	-	-	(81,284)	(123,879)	(205,163)
Shares issued in Cuprum Corp.		-	-	118,972	-	211,528	330,500
Share-based payments		-	-	33,697	-	-	33,697
<b>Balance at January 31, 2024</b>		<b>247,714,301</b>	<b>\$26,381,121</b>	<b>\$4,878,399</b>	<b>\$(22,598,965)</b>	<b>\$(1,095,402)</b>	<b>\$7,565,153</b>
<b>Balance at October 31, 2024</b>		<b>247,714,301</b>	<b>\$26,381,121</b>	<b>\$4,823,111</b>	<b>\$(17,222,978)</b>	<b>\$(1,070,985)</b>	<b>\$12,910,269</b>
Net loss from continuing operations		-	-	-	(2,579,680)	-	(2,579,680)
Net income from discontinued operations		-	-	-	4,683,826	7,815,108	12,498,934
Disposal of Cuprum Corp.	8	-	-	(20,384)	(77,727)	(6,744,123)	(6,842,234)
Share-based payments		-	-	4,028	-	-	4,028
<b>Balance at January 31, 2025</b>		<b>247,714,301</b>	<b>\$ 26,381,121</b>	<b>\$4,806,755</b>	<b>\$(15,196,559)</b>	<b>\$-</b>	<b>\$15,991,317</b>

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

**OreCAP Invest Corp.**  
**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)

<i>For the three months ended</i>	<i>Note</i>	<b>January 31, 2025</b>	<b>January 31, 2024</b>
<b>Operating activities</b>			
Income (loss) from continuing operations		<b>\$(2,579,680)</b>	\$4,993,129
Items not involving cash			
Amortization		<b>1,318</b>	1,706
Share-based payments	10	<b>4,029</b>	33,697
Unrealized loss (gain) on marketable securities	6	<b>2,351,403</b>	(3,733,863)
Gain on disposition of interest in NAK	7	-	(1,500,000)
Accretion expense		-	60,728
Changes in working capital items			
Prepaid expenses		<b>(5,951)</b>	(56,923)
Amounts receivable		<b>(30,824)</b>	(19,565)
Accounts payable and accrued liabilities		<b>44,885</b>	(65,364)
Continuing operations operating activities		<b>(214,820)</b>	(286,455)
Discontinued operations		<b>230,567</b>	(205,163)
Net cash provided by (used in) operating activities		<b>\$15,747</b>	\$(491,618)
<b>Investing activities</b>			
Continuing operations investing activities		\$-	\$-
Discontinued operations	8	<b>(525,751)</b>	-
Net cash used in investing activities		<b>\$(525,751)</b>	\$-
<b>Financing activities</b>			
Continuing operations financing activities		\$-	\$-
Discontinued operations		-	330,500
Net cash used in financing activities		<b>\$-</b>	<b>\$330,500</b>
<b>Net (decrease) in cash</b>		<b>(510,004)</b>	(161,118)
<b>Cash, beginning of period</b>		<b>536,671</b>	1,140,181
<b>Cash, end of period</b>		<b>\$26,667</b>	<b>\$979,063</b>

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

## **OreCAP Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

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### **1. NATURE OF OPERATIONS**

OreCAP Invest Corp. (“OreCAP” or the “Company”) formerly Orefinders Resources Inc, was incorporated under the Business Corporations Act (British Columbia) on July 26, 2011 was initially focused on exploration, development and production of exploration and evaluation assets in Canada. On December 17, 2012, the Company completed an Initial Public Offering (“Offering”), and its shares were listed for trading on the TSX Venture Exchange (“TSX-V”). In May 2023, the company changed its name and listing status to an investment and mining issuer. OreCAP's new focus is on special situation investments in the natural resources sector, offering shareholders diverse exposure to high returns on investments in precious and critical metal assets and businesses.

The head and principal office of the Company is located at 141 Adelaide Street West, Suite 1102 Toronto, Ontario M5H 3L5.

### **2. GOING CONCERN**

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these consolidated financial statements. Such adjustments could be material.

The Company has not raised funds during the three months ended January 31, 2025 and year ended October 31, 2024. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to sell investments, relinquish rights to certain of its interests or terminate its operations.

As at January 31, 2025, the Company had working capital of \$15,963,140 (October 31, 2024 - \$12,880,774) and an accumulated deficit of \$15,196,559 (October 31, 2024 - \$17,222,978). The Company has no proven history of performance, earnings or success. Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful. These factors indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern.

### **3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION**

#### **a) Statement of compliance and basis of measurement**

These unaudited condensed consolidated interim financial statements (“interim financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) with interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) which the Canadian Accounting Standards Board has approved for incorporation into Part I of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”). These interim financial statements should be read in conjunction with the October 31, 2024, consolidated annual financial statements. These interim financial statements were authorized for issuance in accordance with a resolution of the Board of Directors on March 31, 2025.

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

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These interim financial statements follow the same accounting principles and methods of application as disclosed in the consolidated financial statements as at and for the year ended October 31, 2024. The interim consolidated financial statements may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS.

**b) Significant accounting judgments and sources of estimation uncertainty**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period reported.

Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. However, actual results could differ materially from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed consolidated interim financial statements are the same as those described in the Company's annual financial statements for the year ended October 31, 2024.

**c) Significant accounting policies**

The Company's accounting policies applied to all periods presented in these Financial Statements are the same as those applied by the Company in its annual consolidated financial statements as at and for the year ended October 31, 2024, except as details in note 4.

**4. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS**

At the date of authorization of these consolidated interim financial statements, the IASB has issued new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact to the Company. Management is currently evaluating the impact of these pronouncements on the Company's consolidated interim financial statements.

**5. RESTRICTED CASH**

At January 31, 2025, restricted cash totaled \$647,817 (October 31, 2024 - \$647,817). This is comprised of funds placed by the Company with the Ontario government in the amount of \$101,877 (October 31, 2024 - \$101,878) to be applied toward the reclamation of the Mirado stockpile area, \$545,940 (October 31, 2024 - \$545,940) in funds placed by the Company with the Ontario government related to the McGarry Project.

**6. INVESTMENTS IN PUBLIC COMPANIES**

As at January 31, 2025, the Company held fair value investments with a total carrying value of \$15,959,219 (October 31, 2024 - \$14,159,625). The Company has determined that it exerts significant influence over all its investments in public companies.

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

The Company's investments as at January 31, 2025 included the following:

<b>Company</b>	<b>Security</b>	<b>Quantity</b>	<b>Fair Value</b>	<b>Unrealized gain/(loss)</b>
American Eagle Gold Corp. <sup>1</sup>	Shares	11,783,748	5,656,199	(2,592,425)
XXIX Metal Corp. <sup>1</sup>	Shares	39,096,852	4,496,138	(107,627)
Awalé Resources Limited <sup>1</sup>	Shares	7,389,833	3,547,120	480,339
Awalé Resources Limited <sup>2</sup>	Warrants	4,166,666	1,424,529	226,436
Mistango River Resources <sup>1</sup>	Shares	24,708,975	617,724	(370,635)
Metal Energy Corp. <sup>1</sup>	Shares	5,125,000	179,375	(25,625)
Metal Energy Corp. <sup>3</sup>	Warrants	2,562,500	38,134	38,134
			<b>15,959,219</b>	<b>(2,351,403)</b>

<sup>1</sup>Investment valued based on the quoted market price at January 31, 2025.

<sup>2</sup>Investment valued using Black Scholes for the warrants with the following inputs: \$0.48 share price, \$0.20 exercise price, 120% volatility based on comparable companies, 2.7% risk free rate and a life of 1.3 years.

<sup>3</sup>Investment valued using Black Scholes for the warrants with the following inputs: \$0.35 share price, \$0.08 exercise price, 120% volatility based on comparable companies, 2.7% risk free rate and a life of 1.9 years.

The Company's investments in 2024 included the following:

<b>Company</b>	<b>Security</b>	<b>Quantity</b>	<b>Fair Value as at October 31, 2024</b>	<b>Unrealized gain three months ended January 31, 2024</b>
American Eagle Gold Corp. <sup>1,2</sup>	Shares	11,783,748	\$8,248,624	\$3,377,775
American Eagle Gold Corp.	Warrants	100,000	-	18,550
XXIX Metal Corp. <sup>1</sup>	Shares	5,059,752	657,768	126,494
Awalé Resources Limited <sup>1,4</sup>	Shares	7,389,833	3,066,781	(83,333)
Awalé Resources Limited <sup>3</sup>	Warrants	4,166,666	1,198,093	(76,259)
Mistango River Resources <sup>1</sup>	Shares	24,708,975	988,359	370,635
			<b>\$14,159,625</b>	<b>\$3,733,862</b>

<sup>1</sup>Investment valued based on the quoted market price at October 31, 2024.

<sup>2</sup>In the year ended October 31, 2024, the Company exercised 100,000 warrants into common shares for \$30,000.

<sup>3</sup>Investment valued as at October 31, 2024, using Black Scholes for the warrants with the following inputs: \$0.415 share price, \$0.20 exercise price, 112% volatility based on historical trading, 3.07% risk free rate and a life of 1.56 years.

<sup>4</sup>As at October 31, 2024, the Company recognized a realized gain on sale of Awale Resources Limited securities for \$362,028.

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

**7. EXPLORATION EXPENSES**

The following are details of the Company's exploration and evaluation:

	Three months ended January 31,		Accumulated From
	2025	2024	Property Inception
Mirado Project, Ontario	\$-	-	\$6,194,457
Knight Project, Ontario	4,750	3,307	3,662,357
McGarry Project, Ontario	41,912	20,321	1,419,371
	<b>\$46,662</b>	<b>\$23,628</b>	<b>\$11,276,185</b>

As of January 31, 2025 and 2024, the Company has projects located in Ontario, British Columbia, and Quebec. These projects are subject to various NSRs ranging from 1.5% to 4%.

As of January 31, 2025, the Company does not hold a direct interest in the NAK property, which was repurchased by American Eagle in November 2023. The 20% interest was repurchased by American Eagle at a value of \$1.5 million, settled through the issuance of 6,976,744 common shares of American Eagle (see Note 6). The transaction resulted in a gain of \$1,500,000, recognized in the Interim Condensed Statement of Income (Loss) and Comprehensive Income (Loss).

**8. ASSET HELD FOR SALE AND DISCONTINUED OPERATIONS****Cuprum Corp.**

In October 2024, Orecap entered into a definitive agreement to sell its investment in Cuprum Corp. On December 9, 2024, Cuprum was 100% acquired by XXIX Metal Corp. (formerly QC Copper and Gold Inc.). Shareholders in Cuprum prior to the acquisition received common shares in XXIX Metal Corp. for their interest in Cuprum. As part of this transaction, Orecap exchanged its 29,500,000 Cuprum shares, representing a 37.5% ownership interest, for 1.1538 common shares of XXIX per Cuprum share, based on an XXIX Metal Corp. share price of \$0.13. Prior to the transaction, Orecap held 5,059,752 XXIX shares, representing 2.9% of the outstanding shares. Following the completion of the acquisition, Orecap now holds 39,096,852 XXIX Metal Corp. shares, increasing its ownership to 15.1% of XXIX Metal Corp.'s outstanding shares.

Major classes of assets and liabilities included as part of Cuprum Corp. were as follows as at the date of disposal:

	December 9, 2024
Cash	525,751
Amounts receivable	144,392
Prepays	21,749
Restricted cash	417,021
Accounts payable	(1,181,945)
Share-based payment reserve	(269,010)
Asset retirement obligation	(1,439,497)
Net carrying amount	(1,781,539)
Consideration received (100%)	
Shares in XXIX Metal Corp.	\$10,761,030
Less: Cash disposed	525,751
Net proceeds from disposal	\$10,235,279

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

The following are the financial results of discontinued operations for the quarter ended January 31:

	2025	2024
Expenses	\$(76,635)	\$(205,163)
Flow-through share premium liability renunciation	11,000	-
Net (loss) from discontinued operations before disposal	(65,635)	(205,163)
Gain on disposal of discontinued operations	12,542,569	-
Net earnings (loss) from discontinued operations	\$12,476,934	\$(205,163)

Net cash flow from (used in) discontinued operations and cash held for sale:

	2025	2024
Cash flow from (used in)		
Operating activities	\$(208,269)	\$(125,000)
Investing activities	-	-
Financing activities	-	415,500
Net cash flow from (used in) discontinued operations	(208,269)	290,500
Cash and cash equivalents held for sale	\$-	\$303,473

During the quarter ended January 31, 2025, discontinued operations had earnings attributable to a non-controlling interest of \$7,815,108 (2024 – loss of \$123,879).

**9. RELATED PARTY TRANSACTIONS*****Key management personnel compensation***

Key management includes directors and executive management. The remuneration of the key management of the Company during the three months ended January 31, 2025 and 2024 was as follows:

	January 31,	
	2025	2024
Geological consulting included in exploration expenses	\$-	\$-
Management and consulting fees	113,258	170,167
Share-based payments	4,029	28,868
	\$117,287	\$199,035

Standard Ore Corporation (“Standard Ore”) is a company controlled by a director of Orecap Invest Corp. and provides corporate and administrative services to the Company. For the three months ended January 31, 2025, Standard Ore charged the Company \$30,000 of management fees (three months ended January 31, 2024 - \$30,000), which is included in the amounts in the chart above.

***Related Party Balances***

The following are the balances due from (to) associates and related parties as at January 31, 2025 and October 31, 2024:

	January 31, 2025	October 31, 2024
Due from XXIX Metal Corp.	\$417	\$-
	\$417	\$-

All of the amounts due to and from related parties are unsecured, non-interest bearing with no fixed terms of repayment.

**OreCAP Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

**10. SHARE CAPITAL****Authorized share capital**

Unlimited number of voting common shares without par value.

**Stock options**

The Board of Directors of the Company has adopted a stock option plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and be exercisable for a period of up to five years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Otherwise specified otherwise by the Board of Directors options vest on the date of grant.

A summary of the changes in the Company's stock options is set out below:

<i>For the period and year ended</i>	January 31, 2025			October 31, 2024		
	Number of options	Weighted average exercise price	Weighted average life (years)	Number of options	Weighted average exercise price	Weighted average life (years)
Outstanding, beginning of period	8,450,000	\$ 0.08	2.8	11,575,000	\$0.09	1.7
Granted	-	-	-	-	-	-
Expired	-	-	-	(3,125,000)	0.07	-
Outstanding, end of period	8,450,000	\$ 0.08	2.6	8,450,000	\$0.08	2.8
Exercisable, end of period	8,450,000	\$ 0.08	2.6	8,450,000	\$0.08	2.8

During the three months ended January 31, 2025, the Company recorded share-based compensation of \$4,029 (2024 - \$33,697).

The following incentive stock options were outstanding and exercisable at January 31, 2025:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
1,725,000	1,725,000	\$0.13	14-Aug-25
50,000	50,000	\$0.17	21-Oct-25
1,400,000	1,400,000	\$0.10	20-Dec-26
400,000	400,000	\$0.06	01-Apr-27
4,875,000	4,875,000	\$0.05	03-Aug-28
<b>8,450,000</b>	<b>8,450,000</b>	<b>\$0.08</b>	

## **Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

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### **11. FINANCIAL RISK MANAGEMENT**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

#### ***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts, restricted cash and investments in Public Companies. Cash is held with major banks in Canada. Restricted cash is on deposit with an Ontario government agency. All marketable securities are held in a brokerage account. Management assesses the credit risk of cash as remote.

#### ***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities are due in 30 days and are subject to normal trade terms. Refer to note 2.

#### ***Market risk***

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk, currency risk, market price risk, and commodity price risk, affect the fair value of financial assets and liabilities.

##### ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debt. The Company's current policy is to deposit excess cash in interest-bearing accounts at its Canadian banking institutions.

##### ***Currency risk***

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar as the majority of its transactions and operations are in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

##### ***Market price risk***

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may impact the Company's ability to raise equity financing for its long-term working capital requirements.

The Company was also exposed to market risk relating to its investments in public companies and unfavourable market conditions could result in dispositions of marketable securities at less than favourable prices. The Company's marketable securities were comprised of investments in publicly traded corporations.

##### ***Commodity price risk***

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

Based on management's knowledge and experience of the financial markets, the Company believes that movements at  $\pm 10\%$  are "reasonably possible" over a one-year period:

(iii) The Company does not hold significant balances in foreign currencies to give rise to significant exposure to foreign exchange risk.

(ii) Price risk is remote since the Company is a non-producing entity.

(iii) The Company's investments in Public Companies are subject to fair value fluctuations. As at January 31, 2025, if the fair value of the marketable securities fluctuated by 50% all other factors held constant, net loss would have changed by approximately \$8,000,000 (October 31, 2024 - \$7,250,000).

The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The carrying value of the Company's financial instruments approximates fair value due to their short-term or demand nature.

**Classification of financial instruments**

Financial assets included in the consolidated statement of financial position are as follows:

	January 31, 2025	October 31, 2024
Financial assets at amortized cost:		
Cash	\$26,667	\$ 536,671
Restricted cash	647,817	647,817
Due from related parties	417	-
Financial assets at FVPL:		
Investments in Public Companies	15,959,219	14,159,625
	<b>\$16,634,120</b>	<b>\$ 15,344,113</b>

Financial liabilities included in the consolidated statement of financial position are as follows:

	January 31, 2025	October 31, 2024
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	\$97,287	\$ 142,172
	<b>\$97,287</b>	<b>\$ 142,172</b>

The Company held financial instruments as level 1 and level 2, as noted below:

	January 31, 2025	October 31, 2024
Level 1	\$14,496,556	\$12,961,532
Level 2	1,462,663	1,198,093
	<b>\$15,959,219</b>	<b>\$14,159,625</b>

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

**12. OPERATING SEGMENTS**

As of January 31, 2025, the Company has allocated expenses between Exploration and Evaluation and Investments as follows:

	<b>E&amp;E<sup>1</sup></b>	<b>Investments<sup>2</sup></b>
Consulting and management fees	-	132,433
Exploration expenses	46,662	-
Share-based payments	-	4,029
Amortization of property and equipment	1,318	-
Office, rent and general	-	11,093
Accretion expense	-	-
Professional fees	-	15,018
Transfer agent, filing fees and shareholder communications	-	19,015
Travel and related costs	-	896
<b>Total Expenses</b>	<b>\$47,980</b>	<b>\$182,484</b>
Unrealized loss on marketable securities	-	2,351,403
Interest income	(1,094)	(1,093)
<b>NET Loss from continuing operations</b>	<b>\$46,886</b>	<b>\$2,532,794</b>

As of January 31, 2024, the Company has allocated expenses between Exploration and Evaluation and Investments as follows:

	<b>E&amp;E<sup>1</sup></b>	<b>Investments<sup>2</sup></b>
Consulting and management fees	\$-	\$155,143
Exploration expenses	23,628	-
Share-based payments	-	33,697
Amortization of property and equipment	1,706	-
Office, rent and general	-	10,174
Accretion expense	60,728	-
Professional fees	-	(65,205)
Transfer agent, filing fees and shareholder communications	-	25,706
Travel and related costs	-	4,730
<b>Total Expenses</b>	<b>\$86,062</b>	<b>\$164,245</b>
Unrealized (gain) on marketable securities	-	(3,733,862)
Gain on disposition of interest in NAK	(1,500,000)	-
Interest income	-	(9,573)
<b>NET INCOME (LOSS) from continuing operations</b>	<b>\$1,413,938</b>	<b>3,579,191</b>

<sup>1</sup> E&E - The Company has projects in the exploration and evaluation stages located in Ontario, British Columbia, and Quebec.

<sup>2</sup> Investments - Investment activities primarily include holding interests in junior resource companies.

**13. COMMITMENTS AND CONTINGENCIES**

- (i) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- (ii) The Company is party to certain management and consulting agreements. These agreements contain minimum commitments of approximately \$45,000 per month.

**Orecap Invest Corp.**

Notes to condensed consolidated interim financial statements

For the periods ended January 31, 2025 and 2024

(Expressed in Canadian dollars)

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**14. SUBSEQUENT EVENTS**

Subsequent to January 31, 2025, the Company granted 2,250,000 stock options. 1,900,000 stock options were granted to directors and officers of the Company. Each option is exercisable for one common share of the Company at a price of \$0.07 for five years from the date of grant, vest one year from the date of grant with the exception of 50,000 option which vest two years from the date of grant.