

**AURUM LAKE MINING CORPORATION**  
**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**

**For the Three Months Ended March 31, 2025 and 2024**

(Expressed in Canadian Dollars)

## **Notice of Disclosure of Non-Auditor Review of Unaudited Interim Condensed Financial Statements**

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the unaudited interim condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of Aurum Lake Mining Corporation (the "Company") for the period ended March 31, 2025, have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's independent auditors, MNP LLP, have not performed a review of the unaudited interim condensed financial statements for the period ended March 31, 2025 in accordance with the standards established by the Chartered Professional Accountants Canada for a review of interim financial statements by an entity's auditor.

# AURUM LAKE MINING CORPORATION

## Unaudited Interim Condensed Statements of Financial Position As at March 31, 2025 and December 31, 2024

(Expressed in Canadian dollars)

	Notes	March 31, 2025	December 31, 2024
		\$	\$
<b>Assets</b>			
Current assets			
Cash and cash equivalents		622,007	702,504
HST receivable		12,714	103,070
Prepaid expenses	7	-	10,035
		634,721	815,609
Mineral exploration and evaluation	5	392,961	325,461
		1,027,682	1,141,070
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities		53,248	34,345
		53,248	34,345
<b>Shareholders' equity</b>			
Common shares	6(a)	2,973,699	2,943,699
Warrants	6(b)	53,379	53,379
Reserves	6(c)	116,214	116,214
(Deficit)		(2,168,858)	(2,006,567)
		974,434	1,106,725
		1,027,682	1,141,070

Nature of operations and going concern (Note 1)

Commitments (Note 10)

Approved on behalf of the Board

"Harry Tian", Director

"Patrick Sapphire", Director

*The accompanying notes are an integral part of the unaudited interim condensed financial statements.*

# AURUM LAKE MINING CORPORATION

## Unaudited Interim Condensed Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars)

	3 months ended March 31, 2025	3 months ended March 31, 2024
	\$	\$
Bank charges	141	522
Business development	35,962	25,717
Consulting fees	7 75,000	155,692
Promotion expenses	18,750	51,250
Insurance	6,200	12,878
Office and administration	6,509	26,982
Filing and transfer agent expenses	7,691	18,984
Professional fees	15,411	22,874
	<u>165,664</u>	<u>314,899</u>
(Loss) from operations	(165,664)	(314,899)
Interest income	3,373	29,793
Other income	6(a) -	24,000
<b>Net loss and comprehensive loss</b>	<u>(162,291)</u>	<u>(261,106)</u>
Net loss per share		
Basic and diluted	<u>(0.007)</u>	<u>(0.012)</u>
Weighted average number of shares outstanding		
Basic and diluted	<u>22,445,833</u>	<u>22,010,879</u>

*The accompanying notes are an integral part of the unaudited interim condensed financial statements.*

## AURUM LAKE MINING CORPORATION

### Unaudited Interim Condensed Statements of Changes in Equity For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars)

	Notes	Common shares		Warrants	Reserves	Deficit	Total
		Number	Amount				shareholders'
			\$	\$	\$	\$	equity
							\$
<b>Balance at December 31, 2023</b>		<b>21,740,000</b>	<b>2,831,725</b>	<b>68,369</b>	<b>148,948</b>	<b>(907,638)</b>	<b>2,141,404</b>
Shares issued on exercise of options	6(a)	362,500	68,984	-	(32,734)	-	36,250
Net loss		-	-	-	-	(261,106)	(261,106)
<b>Balance at March 31, 2024</b>		<b>22,102,500</b>	<b>2,900,709</b>	<b>68,369</b>	<b>116,214</b>	<b>(1,168,744)</b>	<b>1,916,548</b>
<b>Balance at December 31, 2024</b>		<b>22,382,500</b>	<b>2,943,699</b>	<b>53,379</b>	<b>116,214</b>	<b>(2,006,567)</b>	<b>1,106,725</b>
Shares issued for property	6(a)	300,000	30,000	-	-	-	30,000
Net loss		-	-	-	-	(162,291)	(162,291)
<b>Balance at March 31, 2025</b>		<b>22,682,500</b>	<b>2,973,699</b>	<b>53,379</b>	<b>116,214</b>	<b>(2,168,858)</b>	<b>974,434</b>

*The accompanying notes are an integral part of the unaudited interim condensed financial statements.*

# AURUM LAKE MINING CORPORATION

## Unaudited Interim Condensed Statements of Cash Flows For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars)

	Notes	3 months ended March 31, 2025 \$	3 months ended March 31, 2024 \$
<b>Operating activities</b>			
Net loss		(162,291)	(261,106)
Items not involving cash			
Changes in non-cash working capital		119,294	(92,633)
		(42,997)	(353,739)
<b>Investing activities</b>			
Cash paid for mineral exploration and evaluation	5	(37,500)	(184,626)
		(37,500)	(184,626)
<b>Financing activities</b>			
Shares issued for cash	6	-	36,250
		-	36,250
Increase in cash and cash equivalents		(80,497)	(502,115)
Cash and cash equivalents, beginning of period		702,504	2,229,431
<b>Cash and cash equivalents, end of period</b>		<b>622,007</b>	<b>1,727,316</b>
Supplemental cash flow information			
Shares issued for property		\$ 30,000	-

*The accompanying notes are an integral part of the unaudited interim condensed financial statements.*

**Aurum Lake Mining Corporation**  
**Notes to the Unaudited Interim Condensed Financial Statements**  
**For the three months ended March 31, 2025 and 2024**  
**(Expressed in Canadian Dollars)**

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**1. Nature of Operations and going concern**

Aurum Lake Mining Corporation (“Aurum” or the “Company”) was incorporated under the Business Corporations Act of British Columbia, Canada on June 2, 2021. On April 25, 2024 it has completed its continuation from British Columbia into the jurisdiction of the Cayman Islands. The Company’s head office is 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7. Its registered and records office in Cayman Islands is at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands.

The Company was incorporated for the purpose to be a Capital Pool Company (“CPC”) as per the policy 2.4 of the TSX Venture Exchange (the “Exchange”) with a view to complete a Qualifying Transaction. On January 12, 2024, it completed a Qualifying Transaction (See Note 5) and its shares are traded on the Toronto Stock Exchange Venture with a symbol “ARL”. Its main business is mineral properties exploration and evaluation.

These unaudited interim condensed financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not yet achieved profit and incurred a net loss of \$162,291 for the period ended March 31, 2025 (2024 - \$261,106).

The ability of the Company to carry out its business objectives is dependent on its ability to secure continued financial support from related parties, to obtain equity financing, or to ultimately attain profitable operations in the future. Whether and when the Company can attain profitability and positive cash flows is uncertain.

These financial statements do not include adjustments that may result should the Company not be able to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, and the reported net loss and comprehensive loss and classifications used on the statement of financial position. These adjustments could be material.

**2. Basis of presentation and statement of compliance**

**Statement of compliance**

These unaudited interim condensed financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The significant accounting policies applied in these financial statements are presented below.

The policies used for preparation of these unaudited interim condensed consolidated financial statements were the same accounting policies and methods of application as the audited consolidated financial statements of the Company for the year ended December 31, 2024 and were consistently applied to all the periods presented unless otherwise noted below. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2024.

These unaudited interim condensed financial statements were prepared on a going concern basis under the historical cost convention and these financial statements were authorized for issuance by the Board of Directors of the Company on May 28, 2025.

**Aurum Lake Mining Corporation**  
**Notes to the Unaudited Interim Condensed Financial Statements**  
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**3. Critical accounting judgements and estimates**

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. Actual results could differ from these estimates.

The critical accounting estimates and judgements used for preparation of these unaudited interim condensed financial statements were the same as the audited financial statements of the Company for the year ended December 31, 2024.

**4. Recently issued accounting pronouncements**

The Company has determined that new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are either not applicable to the Company or that no material effect is expected on the financial statements as a result of adoption.

**5. Mineral exploration and evaluation assets**

Homathko Gold Project

The Company entered into an agreement dated December 19, 2022 (the "Option Agreement") with Transition Metals Corp. (the "Optionor"). Pursuant to the Option Agreement, the Optionor has granted the exclusive right and option (the "Option") to the Company to acquire a 100% interest of the Optionor's rights to certain mineral claims known as the Homathko Gold Project, located in the Province of British Columbia (the "Property").

Pursuant to the Option Agreement, the Optionor will retain a net smelter royalty of 2.0% on all mineral production on the Property and the Option is also subject to an underlying net smelter royalty of 1.0% to Nova Royalty Corp. In consideration of the grant of the Option, the Company will pay a total of \$470,000 to the Optionor in cash payments per the schedule listed below, incur work program expenditures on the Property totaling \$500,000 over two years, and make a one-time \$5,000,000 lump sum payment to the Optionor upon the commencement of commercial production, in addition to making such payments as necessary to keep the Property in good standing during the term of the Option.

Under the terms of the Option Agreement, the cash payments to be made were as follows: (i) \$20,000 on signing (paid); (ii) an additional \$100,000 three days following the date the Option Agreement is accepted for filing by the Exchange (the "Effective Date") (paid); (iii) an additional \$150,000 on the first anniversary of the Effective Date (See Note 13); and (iv) an additional \$200,000 on the second anniversary of the Effective Date. The work program expenditures will be made in accordance with the following schedule: (i) \$100,000 by the first anniversary of the Effective Date; and (ii) a cumulative total of \$500,000 by the second anniversary of the Effective Date.

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**5. Mineral exploration and evaluation assets (continued)**

On March 6, 2025 the Option Agreement was amended and the \$150,000 cash payment on the first anniversary of the Effective Date (January 13, 2024) was replaced by a cash payment of \$37,500 and the issuance of 300,000 common shares of the Company (the “First Tranche Payment Shares”) on or prior to March 14, 2025 (paid and issued, see Note 13), and a cash payment of \$37,500 and the issuance of 300,000 common shares of the Company (the “Second Tranche Payment Shares”) on or prior to July 10, 2025. The shares issued are under a lock-up period of one year from the date of issuance. The acquisition is a Qualifying Transaction as per the Exchange policies and was closed on January 12, 2024. As of March 31, 2025, the Company has incurred \$392,961 (December 31, 2024 - \$325,461) expenditures on the Homathko Gold Project.

On March 6, 2025, the Option Agreement with Transition Metals Corp. was amended whereby a cash payment of \$37,500 and the issuance of 300,000 common shares (valued at \$30,000) of the Company (the “First Tranche Payment Shares”) on March 12, 2025 and cash payment of \$37,500 and 300,000 common shares of the Company (the “Second Tranche Payment Shares”) on or prior to July 10, 2025. The shares issued are under a lock-up period of one year from the date of issuance.

**6. (a) Share capital**

Authorized: Unlimited common shares at no par value.

Issued and outstanding:

As at March 31, 2025, the Company had 22,682,500 (December 31, 2024 – 22,382,500) common shares issued and outstanding.

On January 23, 2024, a former director of the Company exercised 362,500 options at price of \$0.10 per share for 362,500 common shares of the Company. \$68,984 was recorded as share capital which includes \$32,734 grant date value and \$36,250 cash.

On July 10, 2024, 280,000 Agents Warrants were exercised into 280,000 common shares at \$0.10 per share. \$42,990 was recorded as share capital for the 280,000 shares, including \$14,990 the grant date value and \$28,000 cash.

The Company’s directors and officers have signed an escrow agreement and have placed 13,000,000 common shares into escrow. It will be released from escrow in stages over a period of 18 months from the date of the Final Qualifying Transaction Exchange Bulletin. As at March 31, 2025, there are 3,250,000 (December 31, 2024 – 6,500,000) common shares held in escrow.

On March 12, 2025, the Company issued 300,000 common shares (valued at \$30,000) pursuant to the amended Option Agreement as described in Note 5. The shares issued are under a lock-up period of one year from the date of issuance.

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**(b) Warrants**

Warrants	Number of Warrants	Weighted Average Exercise Price (C\$)	Weighted average remaining contractual life (years)
Balance December 31, 2023	527,500	0.24	1.20
Exercised	(280,000)	0.10	-
Balance December 31, 2024	247,500	0.40	0.93
Balance March 31, 2025	247,500	0.40	0.68

In the year 2024, 280,000 Agents Warrants were exercised into 280,000 common shares.

**(c) Options**

Options	Number of options	Weighted Average Exercise Price (C\$)	Weighted average remaining contractual life (years)
Balance December 31, 2023	1,650,000	0.10	8.75
Exercised	362,500	0.10	
Balance December 31, 2024	1,287,500	0.10	7.73
Balance March 31, 2025	1,287,500	0.10	7.48

As at March 31, 2025 and December 31, 2024, there were 1,287,500 options outstanding that were exercisable at \$0.10 per share before September 26, 2032

**7. Related party transactions**

All transactions with related parties have occurred in the normal course of business operations.

In the period ended March 31, 2025, \$75,000 (2024 - \$152,900) consulting fees were charged by two companies controlled by two directors of the Company. \$12,000 (2024 - \$5,000) professional fees were charged by a company controlled by the Company's CFO.

On January 23, 2024, a former director of the Company exercised 362,500 options at an exercise price of \$0.10 per share for 362,500 common shares of the Company.

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**8. Financial risk management**

*Risk management framework*

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established a risk management strategy, which incorporates development and monitoring of the Company's risk management activities. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Company's approach to risk management is assessed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

*Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash. The Company's maximum exposure to this risk is equal to the carrying amount of these financial asset. The cash is held with a financial institution which is highly rated. The Company has assessed an insignificant loss allowance on these financial instruments.

*Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have access to sufficient liquid assets to meet its current liabilities when they are due, under both normal and stressed conditions, without incurring excessive losses. Further, the Company's management is responsible for ensuring funds exist and are readily accessible to support business opportunities as they arise. The Company is exposed to this risk on its accounts payable and accrued liabilities.

**9. Capital management**

The Company's objectives when managing its capital are to maintain a sufficient capital base to: (i) meet its short-term obligations, (ii) sustain future operations and expansions, (iii) ensure its ability to continue as a going concern, and (iv) retain stakeholder confidence and value. The Company defines capital as its net assets, total assets less total liabilities. The company is not subject to any externally imposed capital requirements. As at March 31, 2025, the Company managed net asset of \$974,434 (December 31, 2024 - \$1,106,725).

**10. Commitment**

See Note 5.