# Cartier Resources Inc.

(an exploration company)

*Interim Condensed Financial Statements (unaudited)*

***First quarter ended March 31, 2025***

The interim condensed financial statements for the period ended March 31, 2025 have not been reviewed by the Company's independent auditor.

# Cartier Resources Inc.

(an exploration company)

## Statements of financial position (unaudited)

(In Canadian dollars)

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| **Assets** | | |
| **Current** | | |
| Cash (note 3) | **660,367** | 1,228,177 |
| Other short-term financial assets (note 4) | **54,000** | 144,600 |
| Receivables (note 5) | **817,231** | 973,779 |
| Prepaid expenses | **141,084** | 21,467 |
| | **1,672,682** | 2,368,023 |
| **Non-current** | | |
| Property, plant and equipment | **12,626** | 10,751 |
| Right-of-use assets (note 6) | **72,968** | 82,089 |
| Mining assets and deferred exploration costs (note 7) | **35,636,247** | 35,350,120 |
| **TOTAL ASSETS** | **37,394,523** | 37,810,983 |
| **Liabilities** | | |
| **Current** | | |
| Accounts payable and accrued liabilities | **124,306** | 162,466 |
| Current portion of lease obligations (note 8) | **36,473** | 36,201 |
| Liability related to flow-through shares (note 14) | **258,268** | 346,154 |
| | **419,047** | 544,821 |
| **Non-current** | | |
| Lease obligations (note 8) | **37,582** | 46,803 |
| Deferred income and mining taxes | **3,961,599** | 3,756,043 |
| **TOTAL LIABILITIES** | **4,418,228** | 4,347,667 |
| **Equity** | | |
| Share capital and warrants (note 9) | **60,556,122** | 60,556,122 |
| Contributed surplus | **4,587,073** | 4,468,031 |
| Deficit | **(32,022,815)** | (31,406,293) |
| Accumulated other comprehensive loss | **(144,085)** | (154,544) |
| **TOTAL EQUITY** | **32,976,295** | 33,463,316 |
| **TOTAL LIABILITIES AND EQUITY** | **37,394,523** | 37,810,983 |

**Basis of preparation and going concern** (note 1)
**Contingencies and commitments** (note 14)
**Subsequent event** (note 17)

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

Approved on behalf of the Board of Directors

(Signed) Philippe Cloutier, Director          (Signed) Alain Laplante, Director

# Cartier Resources Inc.

(an exploration company)

## Statements of changes in equity (unaudited)

(In Canadian dollars)

| | Number of shares | Share capital and warrants | Contributed surplus | Deficit | Accumulated other comprehensive loss | Total equity |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ |
| **BALANCE AS AT DECEMBER 31, 2024** | **364,611,087** | **60,556,122** | **4,468,031** | **(31,406,293)** | **(154,544)** | **33,463,316** |
| **Net loss for the period** | **-** | **-** | **-** | **(616,522)** | **-** | **(616,522)** |
| **Other comprehensive loss** | **-** | **-** | **-** | **-** | **10,459** | **10,459** |
| **Total comprehensive loss** | **-** | **-** | **-** | **(616,522)** | **10,459** | **(606,063)** |
| **Share-based payments (note 9)** | **-** | **-** | **119,042** | **-** | **-** | **119,042** |
| **BALANCE AS AT MARCH 31, 2025** | **364,611,087** | **60,556,122** | **4,587,073** | **(32,022,815)** | **(144,085)** | **32,976,295** |
| | | | | | | |
| BALANCE AS AT DECEMBER 31, 2023 | 351,800,077 | 59,443,625 | 4,100,303 | (21,264,579) | (160,944) | 42,118,405 |
| Net loss for the period | - | - | - | (293,460) | - | (293,460) |
| Other comprehensive loss | - | - | - | - | 25,400 | 25,400 |
| Total comprehensive loss | - | - | - | (293,460) | 25,400 | (268,060) |
| Share-based payments (note 9) | - | - | 86,050 | - | - | 86,050 |
| BALANCE AS AT MARCH 31, 2024 | 351,800,077 | 59,443,625 | 4,186,353 | (21,558,039) | (135,544) | 41,936,395 |

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

# Cartier Resources Inc.

(an exploration company)

## Statements of loss and comprehensive loss (unaudited)

(In Canadian dollars)

| | Three-month periods ended March 31, 2025 | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| **Administrative expenses** | | |
| Salaries (note 10) | **145,438** | 146,885 |
| Consultants | **653** | 925 |
| Share-based payments (note 9) | **94,366** | 65,323 |
| Professional fees | **52,644** | 36,879 |
| Business development expenditures (analysts and brokers) | **30,740** | 51,773 |
| Road shows and gold shows | **89,591** | - |
| Investor relations | **27,773** | 13,863 |
| Insurance, taxes and permits | **8,748** | 7,446 |
| Depreciation of property, plant and equipment | **573** | 768 |
| Depreciation of right-of-use assets | **5,393** | 4,917 |
| Loss on disposal of property, plant and equipment | **56** | - |
| Office supplies | **18,783** | 12,990 |
| Telecommunications | **1,627** | 1,499 |
| Training and travel | **4,845** | 8,310 |
| Advertising and sponsoring | **1,988** | 1,170 |
| Information to shareholders | **12,532** | 12,298 |
| Part XII.6 tax related to flow-through shares | **5,220** | 15,970 |
| | **500,970** | 381,016 |
| **Other expenses (income)** | | |
| Other exploration costs | **1,473** | 410 |
| Financial expenses (note 11) | **1,296** | 1,785 |
| Interest income | **(4,887)** | (41,979) |
| **Loss before deferred income and mining taxes** | **(498,852)** | (341,232) |
| **Deferred income and mining taxes** | **117,670** | (47,772) |
| **Net loss for the period attributable to shareholders** | **(616,522)** | (293,460) |
| Change in fair value of other short-term financial assets (note 4) | **10,459** | 25,400 |
| **Comprehensive loss for the year attributable to shareholders** | **(606,063)** | (268,060) |
| **Loss per share basic and diluted** | **(0.00)** | (0.00) |
| **Weighted average number of common shares outstanding basic and diluted** | **364,611,087** | 351,800,077 |

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

# Cartier Resources Inc.

(an exploration company)

## Statements of cash flows (unaudited)

(In Canadian dollars)

| | Three-month periods ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| **OPERATING ACTIVITIES** | | |
| Net loss | **(616,522)** | (293,460) |
| Adjustments for: | | |
| Deferred income and mining taxes | **117,670** | (47,772) |
| Share-based payments (note 9) | **94,366** | 65,323 |
| Interest on lease obligations | **355** | 33 |
| Depreciation of property, plant and equipment | **573** | 768 |
| Depreciation of right-of-use assets | **5,393** | 4,917 |
| Loss on disposal of property, plant and equipment | **56** | - |
| Interest paid on lease obligations capitalized as mining assets and deferred exploration costs (note 8) | **(600)** | (56) |
| Interest income | **(4,887)** | (41,979) |
| Interest received | **4,887** | 41,979 |
| | **(398,709)** | (270,247) |
| Net change in non-cash working capital items | | |
| Receivables | **156,548** | (96,174) |
| Prepaid expenses | **(119,617)** | 9,112 |
| Accounts payables and accrued liabilities | **(2,162)** | 5,542 |
| Cash flows used in operating activities | **(363,940)** | (351,767) |
| **FINANCING ACTIVITIES** | | |
| Shares issue expenses | **(14,399)** | (7,603) |
| Payments on lease obligations (note 8) | **(8,949)** | (9,214) |
| Cash flows from (used in) financing activities | **(23,348)** | (16,817) |
| **INVESTING ACTIVITIES** | | |
| Disposal of other short-term financial assets (note 4) | **101,059** | - |
| Tax credits received | **(2,969)** | (2,210) |
| Acquisition of mining assets and deferred exploration costs (note 7) | **(278,612)** | (675,049) |
| Cash flows used in investing activities | **(180,522)** | (677,259) |
| **Net change in cash** | **(567,810)** | (1,045,843) |
| **Cash at the beginning of the period** | **1,228,177** | 4,739,698 |
| **Cash at the end of the period** | **660,367** | 3,693,855 |

**Additional information** (note 12)

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

## Incorporation and nature of operations

Cartier Resources Inc. (the "Company"), initially incorporated under Part 1 A of the Québec *Companies Act* on July 17, 2006, has been governed by the *Business Corporations Act* (Québec) since February 14, 2011. The head office is at 1740, chemin Sullivan, Suite 1000, Val-d'Or, Québec. Its activities primarily include the acquisition and exploration of mining properties in Canada.

The Company has not yet determined whether these properties contain economically recoverable ore reserves. Although, at the current stage of the exploration work, the Company is taking all industry standard measures to ensure that the mining property titles in which it has a financial interest are in good standing, these measures in place do not guarantee property titles to the Company. Property titles may be subject to prior unregistered agreements or non-compliance with regulatory requirements.

The recoverability of amounts reported for mining properties and deferred exploration expenses is dependent on the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and future profitable production, or the proceeds of the transfer of such property. At the date of the financial statements, the carrying value of mining properties and deferred exploration expenses represents, in management's opinion, the best estimate of their net recoverable value. This value could however be reduced in the future.

On May 22, 2025, the Company's Board of Directors approved these annual financial statements.

## 1. Basis of preparation and going concern

Cartier Resources Inc. Is an exploration companies with activities in Canada.

These unaudited interim condensed financial statements have been prepared by the Company’s management in accordance with IFRS accounting standards issued by the International Accounting Standard Board and with IAS 34,, “Interim Financial Reporting”. They do not include all the information required in annual financial statements in accordance with IFRS. These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2024.

These unaudited interim financial statements were prepared on a going concern basis, using historical costs method, except for "Other short-term financial assets" which are measured at fair value and equity classified share-based payment arrangements which are measured at fair value at grant date pursuant to IFRS 2, Share-based payment.

The unaudited interim financial statements have been prepared on a going concern basis, meaning that the Company will be able to realize its assets and discharge its commitments and liabilities in the normal course of operations. To date, the Company has not earned revenues and is in the exploration and development stage. The Company has incurred a net loss and negative cash flow from operations of $616,522 and $363,940, respectively, during the period closed March 31, 2025, and has a deficit of $32,022,815 as at March 31, 2025. The Company's ability to continue as a going concern depends on its ability to to obtain the necessary financing to complete exploration and development, and its ability to realize future profitable production or proceeds from the disposition thereof. While it has been successful in raising financing to date, there can be no assurance that it will be able to do so in the future. Management expects that the working capital (current assets less current liabilities) available to the Company, combined with the financing completed on April 23, 2025 (see note 18), will provide the Company with adequate funding to cover its budgeted general administrative expenses and to meet its short-term obligations for the next 12 months. The Company has not yet determined whether its properties contain economically recoverable ore reserves. The recoverability of the amounts shown for mining properties is dependent on a number of factors outside the Company's control, including the existence of economic ore reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and future profitable production or proceeds from the disposal of properties. The above conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These unaudited interim condensed financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material.

## 1. Basis of preparation and going concern (continued)

In preparing these unaudited interim condensed consolidated financial statements, the critical judgments that were made by management in applying the Company's accounting policies and the main sources of estimation uncertainty were the same as those described in the audited financial statements for the year ended December 31, 2024, with the exception of the accounting policies presented in note 2.

## 2. Standards and new or revised interpretations

### 2.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Company.

Management provides that all new accounting pronouncements will be adopted in the Company's accounting policies during the first period following the effective date of each pronouncement. New standards, amendments and interpretations that have not been adopted in the current year have not been presented, with the exception of IFRS 18, as they are not expected to have a material impact on the Company's financial statements.

**IFRS 18 *Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18, which replaces IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations.

IFRS 18 also requires disclosure of newly defined management-defined performance measures in a single note and, subtotals of income and expenses, and it includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest.

IFRS 18 and the amendments to the other standards are effective for reporting periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 will apply retrospectively with specific transition provisions.

The Company is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

(In Canadian $)

## 3. Cash

As at Mach 31, 2025 and December 31, 2024, cash included an account bearing interest and an account without interest, as shown below:

| | **March 31, 2025** | | December 31, 2024 | |
|---|---|---|---|---|
| | $ | **Interest rate** | $ | Interest rate |
| Banck account bearing interest | **578,402** | **2.45%-3.05%** | 62,701 | 3.05%-4.55% |
| Bank account without interest | **81,965** | **-** | 1,165,476 | - |
| Total | **660,367** | | 1,228,177 | |

## 4. Other short-term financial assets

Marketable securities of a quoted mining exploration company, at fair value through other comprehensive loss.

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Balance at the beginning of the period | **144,600** | 110,200 |
| Additions (note 7) | **-** | 28,000 |
| Disposal | **(101,059)** | - |
| Change of value | **10,459** | 6,400 |
| Balance at the end of the period | **54,000** | 144,600 |

## 5. Receivables

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Credit on mining rights refundable and refundable tax credit for resources | **782,637** | 782,637 |
| Commodity taxes | **34,594** | 191,142 |
| | **817,231** | 973,779 |

## 6. Right-of-use assets

| | **Building Total** |
|---|---|
| | **$** |
| Balance as at December 31, 2023 | **117,768** |
| Depreciation | **(35,679)** |
| Balance as at December 31, 2024 | **82,089** |
| Depreciation | **(9,121)** |
| **Balance as at March 31, 2025** | **72,968** |

(In Canadian $)

## 7. Mining assets and deferred exploration costs (continued)

| | Cadillac | Wilson | Fenton | Total |
|---|---|---|---|---|
| *Ownership interest* | 100% | 100% | 100% | |
| | $ | $ | $ | $ |
| **Mining assets** | | | | |
| **Balance as at March 31, 2025 and December 31, 2024** | **7,346,773** | **72,000** | **724,644** | **8,143,417** |

| | Cadillac | Wilson | Fenton | Total |
|---|---|---|---|---|
| **Deferred exploration costs** | | | | |
| Balance as at December 31, 2024 | 24,617,500 | 498,016 | 2,091,187 | 27,206,703 |
| **Additions** | | | | |
| Geology | 237,726 | 243 | 332 | 238,301 |
| Drilling | 11,842 | - | - | 11,842 |
| Geochemistry | (2,104) | - | - | (2,104) |
| Exploration office expenses | 5,332 | - | - | 5,332 |
| Duties, taxes and permits | 2,838 | 670 | 134 | 3,642 |
| Depreciation of exploration leasehold improvements | 465 | - | - | 465 |
| Depreciation of right-of-use assets | 3,728 | - | - | 3,728 |
| Interest on lease obligations | 245 | - | - | 245 |
| Share-based payments (note 9) | 24,676 | - | - | 24,676 |
| **Additions during the period** | 284,748 | 913 | 466 | 286,127 |
| **Total deferred exploration costs as at March 31, 2025** | **24,902,248** | **498,929** | **2,091,653** | **27,492,830** |
| **Total mining asset and deferred exploration costs as at March 31, 2025** | **32,249,021** | **570,929** | **2,816,297** | **35,636,247** |

All mining properties held by the Company are located in northwestern Québec.

The Company is subject to royalties on certain properties.

## 8. Lease obligations

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| Lease obligations included in the statement of financial position | **$** | $ |
| Balance at the beginning of the period | **83,004** | 118,666 |
| Interests | **600** | 2,255 |
| Payments | **(9,549)** | (37,917) |
| Balance at the end of the period | **74,055** | 83,004 |
| Current portion of lease obligations | **(36,473)** | (36,201) |
| **Lease obligations** | **37,582** | 46,803 |

Maturity analysis - contractual undiscounted cash flows

| | | |
|---|---|---|
| Less than one year | 38,196 | 38,196 |
| One to five years | 38,196 | 47,745 |
| **Total undiscounted lease obligations** | **76,392** | 85,941 |

(In Canadian $)

## 9. Share capital and warrants

Authorized
Unlimited number of common shares, without par value, voting and participating

| | **March 31, 2025** | | December 31, 2024 | |
|---|---|---|---|---|
| | **Number** | **Amount** | Number | Amount |
| | | **$** | | $ |
| **Balance at the beginning of the period** | **364,611,087** | **60,556,122** | 351,800,077 | 59,443,625 |
| Shares issued and paid | | | | |
| Flow-through private placements | **-** | **-** | 8,379,808 | 1,059,950 |
| Renouncement of tax deductions on flow-through shares | **-** | **-** | - | (346,154) |
| Private placements | **-** | **-** | 4,431,202 | 487,432 |
| | **-** | **-** | 12,811,010 | 1,201,228 |
| Share issue expenses | **-** | **-** | - | (88,731) |
| **Balance at the end of the period** | **364,611,087** | **60,556,122** | 364,611,087 | 60,556,122 |

### Share option plan

The Company has a share option plan that has been approved by the shareholders. The maximum number of common shares which may be reserved under the plan is limited to 10% of the number of common shares issued and outstanding (on a non-diluted basis). The options granted to any optionee cannot exceed 5% of the issued and outstanding common shares. The options are vested over a period of 12 months and are exercisable over a maximum of five years.

The following table summarizes the information about the outstanding share options:

| | **March 31, 2025** | | December 31, 2024 | |
|---|---|---|---|---|
| | **Number** | **Weighted average exercise price** | Number | Weighted average exercise price |
| | | **$** | | $ |
| **Outstanding at the beginning of the period** | **22,225,000** | **0.16** | 19,900,000 | 0.16 |
| Granted - employees | **-** | **-** | 7,250,000 | 0.08 |
| Expired | **-** | **-** | (4,925,000) | 0.14 |
| **Outstanding at the end of the period** | **22,225,000** | **0.14** | 22,225,000 | 0.16 |
| **Exercisable at the end of the period** | **18,512,500** | **0.15** | 16,700,000 | 0.15 |

(In Canadian $)

## 9. Share capital and warrants (continued)

The following table summarizes certain information for share options outstanding and exercisable:

| | **Outstanding options March 31, 2025** | | | **Exercisable options March 31, 2025** | | |
|---|---|---|---|---|---|---|
| Exercise price | **Number of options** | **Weighted average remaining life** | **Weighted average exercise price** | **Number of options** | **Weighted average remaining life** | **Weighted average exercise price** |
| | | **(years)** | **$** | | **(years)** | **$** |
| $0.065 to $0.125 | **14,375,000** | **3.85** | **0.09** | **10,662,500** | **3.60** | **0.09** |
| $0.135 to $0.185 | **2,250,000** | **2.16** | **0.15** | **2,250,000** | **2.16** | **0.15** |
| $0.195 to $0.245 | **3,800,000** | **0.45** | **0.22** | **3,800,000** | **0.45** | **0.22** |
| $0.255 to $0.305 | **1,800,000** | **1.15** | **0.31** | **1,800,000** | **1.15** | **0.31** |
| $0.065 to $0.305 | **22,225,000** | **2.88** | **0.14** | **18,512,500** | **2.58** | **0.15** |

The weighted average fair value of share options granted was estimated using the Black-Scholes model at $0.06 in 2024 per option using the following assumptions:

| | 2024 |
|---|---|
| Risk-free interest rate | 3.18% |
| Expected volatility | 93% |
| Dividend yield | Nil |
| Weighted average expected life | 5 years |

During the period ended March 31, 2025, the share-based payment expense was $119,042 ($86,050 as at March 31, 2024). An amount of $94,366 was presented in the statement of loss ($65,323 as at March 31, 2024) and an amount of $24,676 was presented in mining assets and deferred exploration costs ($20,727 as at March 31, 2024).

**Warrants**

The following table presents the changes that occurred during the period:

| | **March 31, 2025** | | | December 31, 2024 | | |
|---|---|---|---|---|---|---|
| | **Number** | **Weighted average exercise price** | **Weighted average remaining contractual life** | Number | Weighted average exercise price | Weighted average remaining contractual life |
| | | **$** | **(years)** | | $ | (years) |
| **Outstanding at the beginning** | **11,431,202** | **0.16** | **1.35** | 7,000,000 | 0.16 | 1.39 |
| Granted - private placements [1] | **-** | **-** | **-** | 4,431,202 | 0.16 | 2.87 |
| **Outstanding at the end** | **11,431,202** | **0.16** | **1.10** | 11,431,202 | 0.16 | 1.35 |

[1] At issuance, the warrants are subject to a four months and one day statutory hold period. These warrants have a maximum term of 36 months following their date of issue.

(In Canadian $)

## 9. Share capital and warrants (continued)

### Warrants (continued)

The outstanding warrants are as follows:

| Maturity date | Exercise price | Number |
|---|---|---|
| | $ | |
| May 2025 | 0.16 | **7,000,000** |
| November 2027 | 0.16 | **4,431,202** |
| | | **11,431,202** |

## 10. Employee remuneration

Employee benefits recognized are detailed below:

| | Three-month periods ended March 31, 2025 | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| Salaries and fees | **305,836** | 226,694 |
| Fringe benefits | **24,469** | 23,267 |
| Share-based payments | **119,042** | 86,050 |
| Defined contribution pension plan | **9,061** | 12,254 |
| | **458,408** | 348,265 |
| Less: salaries and share-based payments capitalized in exploration and evaluation assets | **(204,771)** | (131,032) |
| Employee benefits | **253,637** | 217,233 |

| | Three-month periods ended March 31, 2025 | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| Salaries | **145,438** | 146,885 |
| Share-based payments | **94,366** | 65,323 |
| Road shows and gold shows | **13,726** | - |
| Training and travel | **107** | 5,025 |
| | **253,637** | 217,233 |

(In Canadian $)

## 11. Financial expenses

| | Three-month periods ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| Interest and bank charges | **941** | 1,752 |
| Interests on lease obligations | **355** | 33 |
| Total of financial expenses | **1,296** | 1,785 |

## 12. Cash flows

| Additional information | Three-month periods ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| **Items not affecting cash related to operating, financing and investing activities** | | |
| Variation of share issue expenses included in accounts payable and accrued liabilities | **(14,399)** | 7,603 |
| Variation of deferred exploration costs included in accounts payable and accrued liabilities | **21,599** | 177,504 |

## 13. Financial instruments

### Objectives and policies for managing financial risks

The Company is exposed to various financial risks resulting from its operations and investment activities. The directors and officers of the Company manage these risks.

The Company does not enter into speculative derivative financial instruments.

### Financial risk

The following paragraphs describe the main financial risks the Company is exposed to and its risk management policies.

### Interest risk

Interest rate risk is the risk that a financial instrument's fair value or future cash flows will fluctuate because of changes in market interest rates. Cash bears interest at a fixed rate. In relation to these, the Company is exposed, to a limited extent, to a change in fair value because the Company plans to use it in the short term for its operations.

### Liquidity risks

The Company establishes cash forecasts to ensure it has the necessary funds to fulfill its obligations. As indicated in note 1, the Company's ability to continue as a going concern depends, among other things, on obtaining the necessary financing to carry out exploration and development. Although the Company has been successful in obtaining financing in the past, there can be no assurance of success in the future.

(In Canadian $)

## 13. Financial instruments (continued)

### Liquidity risk analysis

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

During the three-month period ended March 31, 2025, the Company has financed its exploration expense commitments, working capital requirements and acquisitions through private and flow-through financings.

All financial liabilities mature in less than 12 months.

### Sensitivity to credit risk

The Company's exposure to credit risk is limited to the carrying value of its financial assets at the date of presentation of the financial information as disclose below:

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Cash | **660,367** | 1,228,177 |

The Company’s financial assets are not secured by collateral or other credit enhancements.

The credit risk for cash is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings.

### Fair value of financial instruments

The Company discloses the fair value hierarchy by which the financial instruments are evaluated and assigned to the following levels: Level 1 features a valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3 includes inputs for the asset or liability that are not based on observable market data. Marketable securities of a quoted mining exploration company are classified under Level 1.

The carrying amount of cash and accounts payable and accrued liabilities approximate their fair value based on the close date.

(In Canadian $)

## 14. Contingencies and commitments

The Company is partially financed through the issuance of flow-through shares. However, there is no guarantee that its expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors. Moreover, tax rules regarding flow-through placements set deadlines for carrying out the exploration work no later than the first of the following dates:

– one year following the flow-through placements; or
– one year after the Company has renounced the tax deductions relating to the exploration work.

If the Company does not incur eligible exploration expenditures, it will be required to indemnify the holders of such shares against all taxes and other expenses incurred as a result of the Company not incurring the required exploration expenses.

During the year ended December 31, 2024, the Company receive an amount of $1,000,000 from a flow-through financing. Of the total 2024 flow-through financing, an amount of $253,892 was used as deferred exploration expenses as at March 31, 2025 ($nil as at December 31, 2024). The Company renounced tax deductions in connection with this flow-through financings and a liability related to the flow-through shares issued in 2024 totalling $346,154 which was recorded as a liability related to the flow-through shares at the time of the issuances. Management is required to incur eligible exploration expenditures by December 31, 2025. As at March 31, 2025, the portion of the liability related to flow-through shares is $258,268 ($346,154 as at December 31, 2024).

## 15. Transactions with key management personnel

The Company's key management personnel are members of the Board of Directors, the president, the vice-president and chief financial officer. The remuneration of key management personnel includes the following expenses:

| | Three-month periods ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| Short-term employee benefits | | |
| Salaries and fees including bonuses and benefits | **273,898** | 192,172 |
| Social security costs and contributions to the pension plan | **28,038** | 28,737 |
| Total short-term employee benefits | **301,936** | 220,909 |
| Share-based payments | **107,527** | 75,831 |
| Total remuneration | **409,463** | 296,740 |

During the three-month periods ended March 31, 2025 and 2024, no key management personnel exercised share options granted through the share-based payment plans.

## 16. Capital disclosures

The Company's objectives in managing its capital are to ensure sufficient liquidity to pursue its organic growth strategy and undertake selective acquisitions. The Company manages its capital structure and makes adjustments to it in 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 new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company's capital is composed of shareholders' equity. The Company's primary uses of capital are to finance exploration expenditures and acquire properties. To effectively manage the Company's capital requirements, the Company has in place a rigorous planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives.

The Company expects that its current capital resources and its ability to obtain additional financing will support further exploration and development of its mineral properties for the next 12 months.

The Company is not subject, with regards to external rules, to any requirements regarding its capital, unless the Company completes a flow-through financing for which the cash must be reserved for exploration. As of March 31, 2025, the Company must spend an amount of $746,108 in connection with a flow-through financing completed in 2024. ($1,000,000 as of December 31, 2024).

## 17. Subsequent event

On April 23, 2025, the Company completed a private placement for aggregate gross proceeds of $8,395,176, through a combination of: (i) 27,473,627 units of the Company issued on a flow-through at $0.182 per flow-through unit for gross proceeds of $5,000,200; and (ii) 26,115,200 units of the Company issued at $0.13 per unit for gross proceeds of $3,394,976.

Each flow-through unit will consist of one common share in the capital of the Company and one common share purchase warrant.

Each unit will consist of one common share of the Company and one common share purchase warrant.

Each warrant will entitle the holder thereof to acquire one common share of the Company at an exercise price of $0.18 for a period of five years following the closing date of the offering.

In connection with Agnico Eagle Mines Limited’s (“Agnico Eagle”) right to participate in certain equity offerings by the Company, the Company is entering into a subscription agreement with Agnico Eagle to provide for a concurrent non-brokered private placement of 23,103,226 units of the Company (the "IRA Units") at $0.13 per IRA Unit for additional gross proceeds for $3,003,419 (the "Concurrent Offering"). Each IRA Unit will consist of one common share of the Company and one warrant.