STERLING METALS CORP.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Expressed in Canadian Dollars

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of the company have been prepared by and are the responsibility of the Company's management. The Company's independent auditors have not performed a review of these condensed interim financial statements.

MANAGEMENT'S RESPONSIBILITY

To the Shareholders of Sterling Metals Corp.:

Management is responsible for the preparation and presentation of the accompanying unaudited condensed interim financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the unaudited condensed interim financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of unaudited condensed interim financial statements.

The Audit Committee are composed primarily of directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information presented. The board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Audit Committee has the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of the Company's external auditors.

We draw attention to Note 1 in the unaudited condensed interim financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements were approved by the Board of Directors on May 16, 2025.

"Mathew Wilson"
Mathew Wilson, CEO

"Dennis Logan"
Dennis Logan, CFO

--The accompanying notes form an integral part of the financial statements.--

STERLING METALS CORP.

Expressed in Canadian Dollars

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	As of March 31, 2025	As of December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	$2,624,538	$1,417,285
Sales tax receivable	46,967	88,799
Interest receivable on GIC investment	-	16,890
Prepaid expenses	43,618	44,662
Total Current Assets	**2,715,123**	**1,567,636**
Vehicle and equipment (Note 7)	73,074	83,994
Property rights, evaluation and exploration assets (Note 8, Note 13)	13,140,245	12,885,861
	13,213,319	**12,969,855**
Total Assets	**$15,928,442**	**$14,537,491**
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (Note 9, Note 13)	$224,994	$266,610
Flow-through share premium liability (Note 10)	153,457	162,465
Total Current Liabilities	**378,451**	**429,075**
Total Liabilities	**378,451**	**429,075**
Shareholders' Equity		
Share capital (Note 11)	50,783,470	49,759,150
Warrants (Note 11)	13,448,688	12,989,679
Share-based payment reserve (Note 11)	17,403,257	16,652,457
Deficit	(66,085,424)	(65,292,870)
Total Shareholders' Equity	**15,549,991**	**14,108,416**
Total Liabilities and Shareholders' Equity	**$15,928,442**	**$14,537,491**

Nature of operations and going concern (Note 1)
Commitments (Note 8 and 10)

The financial statements were approved by the Board of Directors on May 16, 202524, and were signed on its behalf by:

"Stephen Keith"
Stephen Keith, Director

"Mark Goodman"
Mark Goodman, Director

--The accompanying notes form an integral part of the financial statements.--

STERLING METALS CORP.

Expressed in Canadian Dollars

UNAUDITED CONDENSED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
General and Administrative Expenses		
General and administration	$65,982	$54,632
Investor relations	31,979	96,411
Management and Director fees (Note 13)	83,405	97,179
Share-based compensation (Note 11, Note 13)	750,800	-
Exploration costs	3,635	-
Professional fees	41,017	27,299
Loss before other income (expense)	**(976,818)**	**(275,521)**
Other income (expense)		
Government Grant (Note 15)	200,000	-
Recovery of flow-through premium liability (Note 10)	9,008	42,030
Interest income (expense)	(24,744)	6,210
Net loss and comprehensive loss for the year	**($792,554)**	**($227,281)**
Net loss and comprehensive loss for the year	**(792,554)**	**(227,281)**
Net loss per share for the period		
Basic and diluted loss per share	**($0.03)**	**($0.02)**
Weighted Average Number of Shares Outstanding	24,848,346	11,249,943

--The accompanying notes form an integral part of the financial statements.--

STERLING METALS CORP.

Expressed in Canadian Dollars

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

	Number of shares outstanding	Share Capital	Warrants	Share Based Payment Reserve	(Deficit)	Total Equity
Balance at January 1, 2024	**11,249,928**	**$42,215,341**	**$12,965,442**	**$16,652,457**	**($54,573,918)**	**$17,259,322**
Net loss and comprehensive loss for the period	-	-	-	-	(227,281)	(227,281)
Balance at March 31, 2024	**11,249,928**	**$42,215,341**	**$12,965,442**	**$16,652,457**	**($54,801,199)**	**$17,032,041**
Balance at April 1, 2024	**11,249,928**	**$42,215,341**	**$12,965,442**	**$16,652,457**	**($54,801,199)**	**$17,032,041**
Shares and warrants issued on private placement (Note 11)	1,583,600	791,800	-	-	-	791,800
Share issuance costs (Note 11)	-	(80,703)	-	-	-	(80,703)
Issuance of broker warrants (Note 11)	-	-	24,237	-	-	24,237
Shares issued on property option acquisition (Notes 8, 11)	10,808,767	5,944,822	-	-	-	5,944,822
Shares issued on property option acquisition (Notes 8, 11)	850,000	680,000	-	-		680,000
Share-based compensation - Finder's fee (Notes 8, 11)	206,484	123,890	-	-	-	123,890
Share-based compensations - Option holder payments (Notes 8, 11)	140,000	84,000	-	-	-	84,000
Net loss and comprehensive loss for the period	-	-	-	-	(10,491,671)	(10,491,671)
Balance at December 31, 2024	**24,838,779**	**$49,759,150**	**$12,989,679**	**$16,652,457**	**($65,292,870)**	**$14,108,416**
Balance at January 1, 2025	**24,838,779**	**$49,759,150**	**$12,989,679**	**$16,652,457**	**($65,292,870)**	**$14,108,416**
Shares and warrants issued on private placement (Note 11)	6,082,000	1,057,891	462,609	-	-	1,520,500
Issuance costs (Note 11)	-	(33,571)	(14,567)	-	-	(48,138)
Issuance of Broker Warrants (Note 11)	-	-	10,967	-	-	10,967
Share-based compensation - grant of stock options (Notes 8, 11, 15)	-	-	-	750,800	-	750,800
Net loss and comprehensive loss for the period	-	-	-	-	(792,554)	(792,554)
Balance at December 31, 2024	**30,920,779**	**$50,783,470**	**$13,448,688**	**$17,403,257**	**($66,085,424)**	**$15,549,991**

--The accompanying notes form an integral part of the financial statements.--

STERLING METALS CORP.

Expressed in Canadian Dollars

UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Operating activities		
Net loss for the period	($792,554)	($227,281)
Add (deduct) non-cash items:		
Share-based compensation	$750,800	-
Non-cash recovery of flow-through share premium liability (Note 10)	(9,008)	(42,030)
	(50,762)	(269,311)
Net change in non-cash working capital		
Sales tax receivable	41,832	90,537
Interest receivable on GIC investment	16,890	31,130
Prepaid expenses	1,044	97,896
Accounts payable and accrued liabilities	(41,616)	(81,004)
Cash used in operating activities	**(32,612)**	**(130,752)**
Investing activities		
Property rights, evaluation and exploration costs (Note 8)	(243,464)	(372,868)
Cash used in investing activities	**(243,464)**	**(372,868)**
Financing activities		
Issuance of common shares and warrants and share premium liability (Note 11)	1,520,500	-
Issuance costs allocated to shares and warrants (Note 11) and share premium liability (Note 10)	(37,171)	-
Cash provided by financing activities	**1,483,329**	**-**
Net increase in cash and cash equivalents during the year	**1,207,253**	**(503,620)**
Cash and cash equivalents at beginning	1,417,285	3,811,689
Cash and cash equivalents at ending	**$2,624,538**	**$3,308,069**

Cash and cash equivalents consists of :				
Cash	$	2,624,538	$	3,308,069
GIC investment certificate		-		-
	$	2,624,538	$	3,308,069
Supplementary Cash Flow Information				
Accrued interest on GIC as of December 31, 2023 received January 15, 2024	$	-	$	31,130
Accrued interest on GIC as of December 31, 2024 received March 31, 2025	$	16,890	$	-
Interest received on GIC investment	$	5,505	$	6,210
Taxes paid	$	-	$	-
Interest paid	$	(30,249)	$	-
Depreciation and amortization capitalized to mineral properties	$	10,920	$	9,897

--The accompanying notes form an integral part of the financial statements.--

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1) Nature of operations and going concern

Sterling Metals Corp. ("SAG" or "the Company") was incorporated under the Canada Business Corporations Act on December 9, 2003. The Company's principal business activity is the exploration and development of resource properties. The head office of the Company is located at Suite 401, 217 Queen Street West, Toronto, ON, M5V 0R2. The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol SAG.

These unaudited condensed interim financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company realized a net loss of $792,554 for the three months ended March 31, 2025 (three months March 31, 2024 net loss of $227,281). As of March 31, 2025, the Company had an accumulated deficit of $66,085,424 (December 31, 2024: $65,292,870). In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. On March 31, 2025, the Company had a total of $2,715,123 of current assets and a working capital balance of $2,336,672 and had flow through expenditure commitments of $774,902 to be incurred prior to December 31, 2025.

While the Company has been successful in obtaining the necessary financing to cover its corporate operating costs and advance the development of its projects through the issuance of common shares and the exercise of warrants in the past, there is no assurance it will be able to raise funds in this manner in the future. There remain material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

2) Statement of compliance and basis of presentation

These unaudited condensed interim financial statements were prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim financial statements were approved and authorized for issuance by the Board of Directors on May 16, 2025.

3) Material accounting policies

These unaudited condensed interim financial statements were prepared on an historical cost basis using the accrual basis of accounting, except for the cash flow statement.

These financial statements are presented in Canadian dollars. The functional currency was determined using the currency of the primary economic environment in which the entity operates. The functional currency, as determined by management, of the Company is the Canadian dollar. All amounts are rounded to the nearest dollar.

The accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2024.

4) Critical accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in which the estimates are revised and in any future period affected.

The critical judgements and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the financial statements are further detailed in note 4 of the Company's audited financial statements for the year ended December 31, 2024.

5) New accounting standards issued and adopted in the current period and Recent accounting pronouncements not yet adopted

Recent Accounting Pronouncements not yet Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2025, and have not been early adopted in preparing these consolidated financial statements.

IFRS 9 Financial Instruments ("IFRS 9") and IFRS 7, Financial Instruments: Disclosures ("IFRS 7")

IFRS 9 requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard is being clarified to provide better guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring based on the timing of payments on financial liabilities as compared to the actual settlement of those debts. This clarification may result in a change in the derecognition timing of financial liabilities in situations where electronic payments are involved. These amendments are effective for annual periods beginning on or after January 1, 2026, with earlier adoption permitted.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. In addition, IFRS 18 requires entities to classify income and expenses into five categories, three of which are new – i.e. operating, investing and financing – and the income tax and discontinued operation categories. The new standard sets out detailed requirements for classifying income and expenses into each category. These amendments are effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted. IFRS 18 requires retroactive application with certain transition provisions.

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11, which contains amendments to Hedge Accounting by a First-time Adopter (Amendments to IFRS 1), Gain or Loss on Derecognition (Amendments to IFRS 7), Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7), Determination of a 'De Facto Agent' (Amendments to IFRS 10), Derecognition of Lease Liabilities (Amendments to IFRS 9) and Cost Method (Amendments to IAS 7). The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The extent of the impact of the amendments on the Company's consolidated financial statements has not yet been determined.

6) Financial instruments and risk management

a) Fair value hierarchy

Financial instruments recorded at fair value are measured using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of hierarchy has the following levels:

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in the markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company does not have any financial instruments measured at fair value. The Company's financial instruments include cash and cash equivalents, interest receivable on GIC investment, accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate their fair values due to their short-term nature.

b) 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. Credit risk arises from cash with banks and financial institutions. It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments. The Company limits credit risk by entering into business arrangements with high credit-quality counterparties. There have not been any changes in the exposure to risk or the Company's objectives, policies, and processes for managing the risk from the prior year.

c) Market risk

Market risk is the risk that changes in market prices will affect the fair value or future cash flows of a financial instrument. Market risk is comprised of interest rate risk, currency risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. On March 31, 2025, management believes that the Company was not subject to material interest rate, currency risk or other price risk. There have not been any changes in the exposure to risk or the Company's objectives, policies, and processes for managing the risk from the prior year.

d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management involves maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company's commitments as they arise. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations. As of March 31, 2025, all accounts payable and accrued liabilities are due within 45 days and the Company has sufficient cash resources to meet these obligations as they come due.

As of March 31, 2025, the Company had positive working capital of $2,336,672. Available funds from cash and cash equivalents on hand and working capital are expected to be sufficient to cover a portion of the Company's planned expenditures for the next twelve months. Any shortfall in available funds may be made up of possible proceeds of possible equity financings, loans, lease financing and entering into joint venture agreements, or any combination thereof. There have not been any changes in the exposure to risk or the Company's objectives, policies, and processes for managing the risk from the prior year.

Expressed in Canadian Dollars

NOTES TO THE FINANCIAL STATEMENTS

7) Vehicles and Equipment

	Vehicles	Equipment	Total
Cost			
Balance December 31, 2024	$ 111,313	$ 78,350	$ 189,663
Additions	-	-	-
Disposals	-	-	-
Balance March 31, 2025	**$ 111,313**	**$ 78,350**	**$ 189,663**
	111313	78350	189663
Accumulated Amortization			
Balance December 31, 2024	**$ (66,344)**	**$ (39,325)**	**$ (105,669)**
Amortization	(6,091)	(4,829)	(10,920)
Disposals	-	-	-
Additions	-	-	-
Balance March 31, 2025	**$ (72,435)**	**$ (44,154)**	**$ (116,589)**
Carrying Amounts			
At December 31, 2024	44,969	39,025	83,994
Balance March 31, 2025	**$ 38,878**	**$ 34,196**	**$ 73,074**

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Expressed in Canadian Dollars

NOTES TO THE FINANCIAL STATEMENTS

8) Property rights, evaluation and exploration assets

	Sail Pond	Adeline	Copper Road	Total
Carrying amount				
Balance January 1, 2024	**$ 10,231,114**	**$ 3,429,927**	**$ -**	**$ 13,661,041**
Acquisitions				
Cash	$ -	$ 200,000	$ 460,000	$ 660,000
Common shares issued	-	680,000	6,152,713	6,832,713
Exploration				
Drilling	-	-	-	-
Field and administration	31,055	58,722	390,603	480,380
Geological and Geophysical services	24,500	219,272	1,237,850	1,481,622
Assays	15,069	3,173	15,110	33,352
Prospecting	-	-	-	-
Depreciation and amortization capitalized	3,063	11,523	26,967	41,553
Impairment of mineral property carrying value	(10,304,800)	-	-	(10,304,800)
Balance December 31, 2024	**$ 1**	**$ 4,602,617**	**$ 8,283,243**	**$12,885,861**
Acquisitions				
Cash	**$ -**	$ -	$ -	$ -
Common shares issued	-	-	-	-
Exploration				
Drilling	-	-	26,200	26,200
Field and administration	-	822	124,323	125,145
Geological and Geophysical services	-	-	87,249	87,249
Assays	-	-	4,870	4,870
Prospecting	-	-	-	-
Depreciation and amortization capitalized	-	-	10,920	10,920
Impairment of mineral property carrying value	-	-	-	-
Balance March 31, 2025	**$ 1**	**$4,603,439**	**$8,536,805**	**$13,140,245**

Sail Pond Silver-Copper-Lead-Zinc Project

On September 23, 2020, the Company entered into an option agreement ("Sail Pond Property Option Agreement") with Altius Resources Inc. to purchase from Altius Resources Inc., 100% of the Sail Pond silver-copper-lead-zinc project ("Project") on the Great Northern Peninsula of Newfoundland. In consideration for the purchase of the Project, on signing of the Definitive Agreement (the "Agreement"), the Company issued 589,913 common shares of the Company, representing approximately 19.9% of the then outstanding shares of the Company, to Altius Resources Inc. Altius also holds a 2% NSR royalty over the project. Other key conditions of the option purchase agreement include a minimum expenditure commitment on the project of $500,000 within the first 12 months and $1,000,000 within the first 3 years of entering into the agreement. Additionally, the Company was committed to issue Altius Resources Inc. an additional $200,000 in common shares on the earlier of 12 months from the date of signing or on the completion of an equity financing of at least $2,000,000. On February 1, 2021, the Company issued an additional 60,606 common shares valued at $200,000 to Altius in satisfaction of this commitment.

The Company has met the conditions under the property option purchase agreement and now holds a 100% interest in the project.

As of December 31, 2024, the Company recorded an impairment loss of $10,304,800 against the carrying value of the Sail Pond Project after concluding that due to the lack of recent exploration activities and lack of planned exploration activities for the Project, indicated that the carrying value of the Project would not be recoverable. As such, the Project was impaired to a nominal amount of $1. The impairment charge is a non-cash charge and may be reversed in future periods should market conditions warrant.

Expressed in Canadian Dollars

Adeline Copper-Silver Project

On March 6, 2023, the Company entered into an option agreement ("Adeline Property Option Agreement") with Chesterfield Resources Plc, and its wholly owned subsidiary, Chesterfield (Canada) Inc. (collectively "**Chesterfield**") to purchase from Chesterfield, 100% of the Adeline Copper-Silver project in Labrador. In consideration for the purchase of the Project, on signing of the Definitive Agreement (the "Agreement"), the Company made a cash payment of $100,000. On approval of the transaction by the TSX Venture Exchange, the Company issued 450,000 common shares of the Company, to Chesterfield Resources Plc., and made an additional cash payment of $300,000 to Chesterfield (Canada) Inc. On June 18, 2024, the Company completed the renegotiation of the option agreement and paid $200,000 in cash (paid July 4, 2024) and issued an additional 850,000 common shares valued at $680,000 to Chesterfield Resources Plc. (issued July 10, 2024) acquiring a 100% interest in the Adeline Copper-Silver Project.

Copper-Road Copper Project

On February 13, 2024 the Company entered into a definitive share purchase agreement (the "Agreement"), with Copper Road Resources Inc. (the "Vendor") and its wholly-owned subsidiary, 100797918 Ontario Inc. (the "Subsidiary") to acquire 100% interest in the Copper Road Project ("Copper Road" or the "Project"), from Copper Road Resources Inc. (TSXV: CRD), arm's length parties to the Company (the "Transaction"). Copper Road is located 80km north of Sault Ste. Marie, Ontario, Canada.

In order to effect the Transaction, the Vendor assigned all its right, title and interest to the Project, including two option agreements (the "Option Agreements"), to the Subsidiary. The Company acquired, by way of an exempt takeover bid, all of the issued and outstanding common shares (the "Purchased Shares") in the capital of the Subsidiary from the Vendor, in consideration, of the issuance to the Vendor of 10,808,767 common shares (the "Common Shares") in the capital of the Company (valued at $5,944,822) which was equal to 49% of the issued and outstanding Common Shares immediately upon closing of the Transaction on May 10, 2024, and made aggregate cash payments of $460,000 to the Vendor, comprised of $200,000 upon execution of the Agreement (paid on March 1, 2024) and $260,000 (paid May 10, 2024) upon closing of the Transaction. All claims were subsequently transferred directly to the Company. As of December 31, 2024, the Company held a 100% direct interest in the Copper Road Project, an exploration stage property that has been accounted for as an asset acquisition by the Company. The Transaction was approved by shareholders of the Vendor on April 30, 2024, by a shareholder vote, and approved by the TSX Venture Exchange on May 10, 2024. The Company paid a finder's fee of 206,484 common shares valued at $0.60 per share for a total of $123,890 and issued 140,000 common shares valued at $0.60 per share for a total of $84,000 for option payments owed by Copper Road on certain mineral claims.

9) Accounts payable and accrued liabilities

	March 31, 2025	December 31, 2024
Accounts payable	$ 202,092	$ 234,602
Accrued liabilities	22,902	32,008
Total	**$ 224,994**	**$ 266,610**

Expressed in Canadian Dollars

10) Flow-through share premium liability

A summary of the changes in the Company's flow-through share premium liability was as follows:

Flow-Through Share Premium Liability	
Balance December 31, 2023	**$ 396,863**
Flow-through share premium on the issuance of flow-through common share units (Note 11 (b))	237,540
Issuance costs allocated to the flow-through share premium liability	(24,210)
Settlement of flow-through share premium liability on incurrence of eligible expenditures	(447,728)
Balance December 31, 2023	**$ 162,465**
Flow-through share premium on the issuance of flow-through common share units (Note 11 (b))	-
Issuance costs allocated to the flow-through share premium liability	-
Settlement of flow-through share premium liability on incurrence of eligible expenditures	(9,008)
Balance March 31, 2025	**$ 153,457**

As of March 31, 2025, the Company had yet to settle all of the flow-through share liability by renouncing eligible exploration expenditures on the October 2024 flow through issuance. The Company received a grant of $200,000 from the Government of Ontario on February 7, 2025, for eligible expenditures incurred on its Copper Road Project in 2024 and received a further grant of $58,634 from the Government of Newfoundland & Labrador on April 3, 2025 for eligible expenditures incurred on its Adeline project in 2024. The Company must incur an additional $799,080, inclusive of the grant money received, in eligible expenditures by December 31, 2025, to satisfy its expenditure renunciation commitments. During the three months ended March 31, 2024 the Company also paid $30,249 in interest to the Canada Revenue Agency on Flow Through funds not spent by December 31, 2023 from the April 20-23 flow through share issuance.

11) Share capital

a) Authorized

Unlimited number of common shares without par value. There are no restrictions on the Company's common shares with respect to issuance, transfer, distribution of dividends, the repayment of capital or voting rights.

b) Issued

<u>Three Months ended March 31, 2025</u>

On March 25, 2025, the Company announced it closed a non-brokered private placement of 6,082,000 units (each, a "**Unit**") at a price of $0.25 per Unit for aggregate gross proceeds of $1,520,500. Each Unit is comprised of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant shall entitle the holder thereof to acquire one common share in the capital of the company at a price of $0.40 per common share for a period of two (2) years form the closing of the private placement. The total gross proceeds were allocated to common shares and warrants in the amounts of $1,057,891 and $462,609 respectively. In connection with the private placement, the Company paid certain eligible persons ("Finders") a cash commission of $8,250 equal to 6% of the gross proceeds of the private placement introduced by the finders and issued 33,000 broker warrants. Equal to 6% of the number of units issued pursuant to the private placement that were introduced by the Finders. Each Broker Warrant entitles the holder thereof to acquire one Common Share at a price of $0.40 per Common Share in the capital of the Company for a period of two (2) years from the closing of the private placement. The March 25, 2025 Broker Warrants were valued at $10,967.

Expressed in Canadian Dollars

	Broker Warrants	Warrants
Assumption	**March 25, 2025**	**March 25, 2025**
Share price	**$0.34**	**$0.34**
Strike Price	**$0.40**	**$0.40**
Risk-free rate	**2.61%**	**2.61%**
Expected dividend yield	**0.00%**	**0.00%**
Expected volatility	**216.76%**	**216.76%**
Warrant life in years	**2.00**	**2.00**

Year ended December 31, 2024

On October 23, 2024, the Company closed a non-brokered private placement through the issuance of 1,583,600 common shares in the capital of the Company issued on a flow-through basis (each a "**FT Share**") at a price of $0.65 per FT Share. Total gross proceeds of $1,029,340 were allocated to common shares and share premium liability in the amounts of $791,800 and $237,540 respectively. The Company paid certain eligible persons (the "**Finders**") a cash commission of $63,838 equal to 7% of the gross proceeds delivered by the Finders and incurred $16,865 in other fees and disbursements related to the share issuance. The Company issued 98,213 Broker Warrants with a strike price of $0.65 and a term of one year. The October 23, 2024 Broker Warrants were valued at $24,237.

	Broker Warrants
Assumption	**October 23, 2024**
Share price	**$0.50**
Strike Price	**$0.65**
Risk-free rate	**3.25%**
Expected dividend yield	**0.00%**
Expected volatility	**149.58%**
Warrant life in years	**1.00**

During the year ended December 31, 2024, the Company issued 10,808,767 common shares valued at $5,944,822 ($0.55 per common share) on the acquisition of the Copper Road project that closed on May 10, 2024, issued 206,484 common shares valued at $123,890 in lieu of a cash finder's fee on the acquisition of Copper Road and issued 140,000 common shares valued at $84,000 as payment in lieu of cash for option payments owed by Copper Road on certain mineral rights that were acquired by the Company (in each case the shares were valued at $0.60 per common share, the market price of the Company's shares on the date the shares were issued). On July 10, 2024, the Company issued 850,000 common shares valued at $680,000 ($0.80 per share) to Chesterfield Plc. as final payment on the acquisition of a 100% interest in the Adeline Project.

c) Stock options

The Company has established an incentive stock option plan (the "Plan") for management, directors, and consultants of the Company, as designated and administered by a committee of the Company's Board of Directors. Under the Plan, the Company may grant options for up to 10% of the issued and outstanding common shares of the Company. The plan is approved annually by shareholders and was last approved on July 10, 2024, at the Annual and Special Meeting of Shareholders

During the three months ended March 31, 2025

On March 26, 2025, the Company granted 2,430,000 incentive stock options to Officers, Directors, Employees and Consultants of the Company that vested immediately. These options are exercisable at a price of $0.40 per common

Expressed in Canadian Dollars

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share for a period of two years from the grant date. The Company recognized $750,800 in share-based compensation for the stock options that were granted.

During the year ended December 31, 2024

No incentive stock options were granted during the year ended December 31, 2024.

The weighted average assumptions used were as follows:

Weighted Average	March 27, 2025
Share price	**$0.34**
Exercise price	**$0.40**
Risk-free rate	**2.61%**
Expected dividend yield	**0.00%**
Expected volatility	**216.76%**
Warrant life in years	**2.00**

The following table summarizes information about stock options outstanding and exercisable as of March 31, 2025:

Expiry date	Exercise Price	March 31, 2025 Outstanding	March 31, 2025 Exercisable
May-8-2025	$1.50	628,000	628,000
August-29-2025	$1.50	17,500	17,500
March-26-2027	$0.40	2,430,000	2,430,000
		3,075,500	**3,075,500**

	March 31, 2025
The outstanding options have a weighted-average exercise price of:	$0.63
The weighted average remaining life in years of the outstanding options is:	1.59

The following table reflects the continuity of stock options for the periods presented:

Stock option activity	March 31, 2025	Weighted Average Exercise price	December 31, 2024	Weighted Average Exercise price
Balance – beginning	845,500	$1.64	1,058,000	$1.90
Granted	2,430,000	$0.40	-	$0.00
Expired	(200,000)	$2.10	(212,500)	$3.20
Balance – ending	3,075,500	$0.63	845,500	$1.64

Expressed in Canadian Dollars

d) Warrants

The following table summarizes warrants outstanding on March 31, 2025:

Date of Issuance	Date of Expiry	Exercise Price	March 31, 2025 Outstanding
April-17-2023	April-17-2025	$2.50	3,823,917
April-17-2023	April-17-2025	$1.50	177,583
October-23-2024	October-23-2025	$0.65	98,213
March-25-2027	March-25-2027	$0.40	3,041,000
March-25-2027	March-25-2027	$0.40	33,000
			7,173,713

	March 31, 1905
The outstanding warrants have a weighted-average exercise price of:	$1.55
The weighted average remaining life in years of the outstanding warrants is:	0.87

The following table reflects the continuity of warrants for the periods presented:

Warrant activity	March 31, 2025	Weighted Average Exercise price	December 31, 2024	Weighted Average Exercise price
Balance – beginning	4,099,713	$2.41	6,248,762	$2.98
Issued on private placements	3,041,000	$0.40	-	-
Issued to brokers	33,000	$0.40	98,213	$0.65
Expired	-	-	(2,247,262)	$3.90
Balance – ending	**7,173,713**	**$1.55**	4,099,713	$2.41

12) Capital management

The Company's capital structure, as of March 31, 2025, consists of all components of shareholders' equity in the amount of $15,549,991. The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of resource properties and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

The Company invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

Expressed in Canadian Dollars

13) Related party transactions

Related party transactions are summarized as follows:

Name and principal position	Year	Remuneration or fees (1)	Share based compensation (1)	Included in accounts payable (1)
Mathew Wilson, CEO - management fees[2]	**2025**	**$54,334**	**$123,588**	**-**
	2024	57,500	-	-
Dennis Logan, CFO - management fees[2]	**2025**	**$27,000**	**$77,243**	**-**
	2024	27,000	-	-
Jeremy Niemi, VP Exploration [2,3]	**2025**	**$45,000**	**$108,140**	**-**
	2024	45,000	-	-
Mark Goodman, Director - director fees	**2025**	**$1,500**	**$46,346**	**$1,500**
	2024	-	-	-
Richard Patricio, Director - director fees	**2025**	**$0**	**$0**	**-**
	2024	6,000	-	-
Stephen Kieth, Director - director fees	**2025**	**$1,500**	**$46,346**	**-**
	2024	6,000	-	-

(1) Amounts disclosed were paid or accrued to the related party during the three months ended March 31, 2025 and 2024.

(2) Amounts paid to the individuals indirectly through companies controlled by the related party.

(3) Amounts paid have been capitalized to Property rights, exploration and evaluation assets.

14) Segmented operations

The Company primarily operates in one reportable operating segment, being the acquisition and development of exploration and evaluation assets in Canada.

15) Subsequent Events

On April 17, 2025, 3,823,917 warrants to acquire common shares at a strike price of $2,50 per common share expired unexercised. On April 17, 2025, 177,583 broker warrants to acquire common shares at a strike price of $1.50 per common share expired unexercised.