PACIFIC EMPIRE
MINERALS CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED DECEMBER 31, 2024

(Unaudited - Expressed in Canadian Dollars)

Pacific Empire Minerals Corp.
804 – 525 Seymour Street
Vancouver, BC, V6B 3H6

March 3, 2025

To the Shareholders of
Pacific Empire Minerals Corp.

The accompanying unaudited condensed interim financial statements of Pacific Empire Minerals Corp. (the "Company") for the nine months ended December 31, 2024 and 2023 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

Yours truly,

"Brad Peters"

President and Chief Executive Officer

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expreseed in Canadian Dollars)

ASSETS	December 31, 2024	March 31, 2024
Current assets		
Cash	$ 357,181	$ 256,913
Receivables (Note 3)	183,505	176,726
Prepaid expenditures	23,560	62,472
Marketable securities (Note 4)	53,798	70,445
Total current assets	618,044	566,556
Non-current assets		
Restricted cash (Note 5)	17,500	23,000
Property and equipment (Note 6)	72,004	34,012
Reclamation deposits (Note 7)	62,942	62,942
Exploration and evaluation assets (Note 8)	12,563	12,563
Total non-current assets	165,009	132,517
TOTAL ASSETS	$ 783,053	$ 699,073
LIABILITIES		
Current liabilites		
Accounts payable and accrued liabilities	$ 76,106	$ 168,915
Due to related parties (Note 10)	225,813	205,525
Lease liability (Note 11)	23,121	16,205
Flow through share liability (Note 12)	33,440	64,150
Total current liabilities	358,480	454,795
Non-current		
Lease liability (Note 11)	24,117	-
Total non-current liabilities	24,117	-
SHAREHOLDERS' EQUITY		
Share capital (Note 12)	7,726,740	7,079,510
Reserves (Note 12)	243,066	96,990
Deficit	(7,569,350)	(6,932,222)
TOTAL SHAREHOLDERS' EQUITY	400,456	244,278
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 783,053	$ 699,073

Nature of Operations and Ability to Continue as a Going Concern (Note 1)

Approved on behalf of the Board of Directors on March 3, 2025.

"Brad Peters" , Director *"Peter Schloo"* , Director

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expreseed in Canadian Dollars)

	Number of common shares	Share capital	Reserves	Deficit	Total
Balance as at March 31, 2023	90,348,196	$ 6,751,013	$ 410,619	$ (6,619,217)	$ 542,415
Shares issued for cash	9,000,000	90,000	-	-	90,000
Flow-through shares issued for cash	10,999,999	165,000	-	-	165,000
Flow-through share premium	-	(55,000)	-	-	(55,000)
Share issue costs - cash	-	(7,000)	-	-	(7,000)
Share issue costs - finders warrants	-	(6,993)	6,993	-	-
Stock options expired during the period	-	-	(270,442)	270,442	-
Finders warrants expired during the period	-	48,633	(48,633)	-	-
Loss for the period	-	-	-	(351,390)	(351,390)
Balance as at December 31, 2023	110,348,195	$ 6,985,653	$ 98,537	$ (6,700,165)	$ 384,025

	Number of common shares	Share capital	Reserves	Deficit	Total
Balance as at March 31, 2024	125,348,195	$ 7,079,510	$ 96,990	$ (6,932,222)	$ 244,278
Shares issued for cash	14,450,000	722,500	-	-	722,500
Share issue costs - cash	-	(48,709)	-	-	(48,709)
Share issue costs - finders warrants	-	(26,561)	26,561	-	-
Share - based compensation	-	-	119,515	-	119,515
Loss for the period	-	-	-	(637,128)	(637,128)
Balance as at December 31, 2024	139,798,195	$ 7,726,740	$ 243,066	$ (7,569,350)	$ 400,456

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
EXPLORATION EXPENDITURES (Note 9)	$ 4,954	$ 3,400	$ 58,155	$ 13,882
Less: Recoveries (Note 9)	-	-	(1,952)	-
Net exploration expenditures	4,954	3,400	56,203	13,882
GENERAL AND ADMINISTRATIVE EXPENSES				
Administrative and office	12,845	16,863	38,019	50,362
Amortization (Note 6)	7,705	6,822	22,442	20,528
Consulting and directors fees (Note 10)	66,500	57,500	227,500	150,500
Investor relations and shareholder communication	10,910	19,754	67,769	58,561
Management fees (Note 10)	22,500	22,500	67,500	67,500
Professional fees	30,527	1,563	53,557	25,833
Share - based compensation (Note 10 & 12)	31,393	-	119,515	-
Total general and administrative expenses	182,380	125,002	596,302	373,284
Loss from operations	(187,334)	(128,402)	(652,505)	(387,166)
Option income	-	-	$ -	57,500
Foreign exchange (gain) loss	(151)	-	(807)	-
Interest income and other	-	-	2,121	1,457
Fair value adjustments on marketable securities (Note 4)	19,760	20,573	(16,647)	(23,181)
Recovery of flow through share liability	-	-	30,710	-
Loss and comprehensive loss for the period	$ (167,725)	$ (107,829)	$ (637,128)	$ (351,390)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	139,798,195	90,782,979	137,906,559	90,493,651

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

PACIFIC EMPIRE MINERALS CORP.

(An Exploration Stage Company)
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended December 31, 2024	December 31, 2023
Cash flows used in operating activities		
Loss for the period	$ (637,128)	$ (351,390)
Item not affecting operating activities:		
Interest income	(2,121)	(1,457)
Items not affecting cash:		
Amortization	25,467	24,576
Interest on lease liability	876	1,997
Fair value adjustments on marketable securities	16,647	23,181
Shares - based compensation	119,515	(22,500)
Recovery of flow through share liability	(30,710)	-
Accrual for exploration tax credits	(1,952)	-
Changes in non-cash working capital items:		
Receivables	(4,827)	(20,998)
Prepaid expenditures	38,912	(49,394)
Accounts payable and accrued liabilities	(92,809)	8,974
Due to related parties	20,288	139,700
Total cash used in operating activities	(547,842)	(247,311)
Cash used in investing activities		
Acquisition of exploration and evaluation assets	-	(10,273)
Interest received on cash	2,121	1,457
Purchase of property and equipment, net	(14,396)	-
Refund of restricted cash	5,500	-
Total cash used in investing activities	(6,775)	(8,816)
Cash provided by (used in) financing activities		
Proceeds from the sale of common shares	722,500	90,000
Proceeds from the sale of flow-through shares	-	165,000
Repayment of lease liability	(18,906)	(18,219)
Share issue costs	(48,709)	(7,000)
Total cash provided by (used in) financing activities	654,885	229,781
Change in cash	100,268	(26,346)
Cash, beginning of the period	256,913	313,539
Cash, end of the period	$ 357,181	$ 287,193

Supplemental disclosure with respect to cash flows (Note 16)

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

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Pacific Empire Minerals Corp. (the "Company") was incorporated on July 13, 2012, under the Business Corporations Act (British Columbia). The Company's principal business activities are the acquisition and exploration of mineral properties in Canada. The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "PEMC". The Company's head office address is at Suite 804, 525 Seymour Street, Vancouver, British Columbia V6B 3H7, Canada and its registered and records office is located at Suite 1700, 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9, Canada.

These condensed interim financial statements have been prepared using IFRS Accounting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets, discharge its liabilities and continue in operation for the following twelve months.

Realization values may be substantially different from the carrying values shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company's continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing and to find joint venture partners. At the date of these financial statements, the Company has not identified whether any of its properties contain ore reserves that are economically recoverable. At December 31, 2024, the Company has not achieved profitable operations and has accumulated losses since inception.

As at December 31, 2024, the Company had working capital of $259,564, accumulated deficit of $7,569,350 and cash of $357,181. With its current plans for the year and the budgets associated with those plans, in order to continue funding its administrative and exploration expenditures from the date of these financial statements, the Company may need to obtain additional cash and anticipates either financing or selling one or more of its assets. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Reclassification

Certain comparative figures have been reclassified to conform to the current year presentation.

Summary of Material Accounting Policies

These condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements, except as described below, and should be read in conjunction with the annual audited financial statements of the Company for the year ended March 31, 2024.

(Unaudited - Expressed in Canadian Dollars)

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Critical Accounting Judgments and Significant Estimates and Uncertainties

The critical judgments and estimates applied in the preparation of the Company's unaudited condensed interim financial statements for the nine months ended December 31, 2024, are consistent with those applied in the Company's March 31, 2024 audited financial statements.

New Accounting Policies Issued But Not Yet Effective

Certain pronouncements have been issued by the IASB or IFRIC that are not mandatory for the current period and have not been early adopted. The amendments are effective for accounting periods beginning on or after January 1, 2025, with earlier application permitted. The Company has reviewed these updates and the amendment that is applicable to the Company is discussed below:

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statement aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is currently assessing the impact of the new standard.

3. RECEIVABLES

The Company's receivables arise from goods and services tax ("GST"), mineral exploration tax credits ("METC") from government taxation authorities, and reclamation deposits settled and being returned to the Company.

As at December 31, 2024 and March 31, 2024, the current receivables consisted of the following:

	December 31, 2024	March 31, 2024
Goods and services tax receivable	$ 68,950	$ 50,218
Mineral exploration tax credits	114,555	112,603
Reclamation deposits settled	-	13,905
	$ 183,505	$ 176,726

During the nine months ended December 31, 2024, the Company received $Nil (2023 - $Nil) from GST refunds.

(Unaudited - Expressed in Canadian Dollars)

4. MARKETABLE SECURITIES

As at December 31, 2024, and March 31, 2024, the Company had the following marketable securities:

	December 31, 2024	March 31, 2024
Fair value through profit or loss		
Cost	$ 81,711	$ 81,711
Accumulated unrealized gain (loss)	(27,913)	(11,266)
Fair value	$ 53,798	$ 70,445

5. RESTRICTED CASH

As at December 31, 2024, the Company classified $17,500 (March 31, 2024 - $23,000) as restricted cash. This amount is comprised of a GIC held as a deposit for its corporate credit cards.

6. PROPERTY AND EQUIPMENT

During the nine months ended December 31, 2024, amortization of $3,023 (2023 - $4,048) has been included in exploration expenditures (Note 9).

	Office furniture and computer equipment	Field equipment	Vehicles and related equipment	Right-of-use assets	Total
Cost					
As at March 31, 2024	$ 44,080	$ 29,906	$ 19,949	$ 45,139	$ 139,074
Additions	14,396	-	-	49,063	63,459
As at December 31, 2024	58,476	29,906	19,949	94,202	202,533
Accumulated amortization					
As at March 31, 2024	33,730	21,291	19,949	30,092	105,062
Additions	5,354	3,022	-	17,091	25,467
As at December 31, 2024	39,084	24,313	19,949	47,183	130,529
Net book value					
As at March 31, 2024	$ 10,350	$ 8,615	$ -	$ 15,047	$ 34,012
As at December 31, 2024	$ 19,392	$ 5,593	$ -	$ 47,019	$ 72,004

Right-of-use assets consists of leased office space (Note 11) and is amortized on a straight-line basis over the term of the lease.

7. RECLAMATION DEPOSITS

Reclamation deposits are held as security towards future exploration work and the related future potential cost of reclamation of the Company's land and unproven mineral interests. Once reclamation of the properties is complete, the deposits will be returned to the Company. As at December 31, 2024, $62,942 (March 31, 2024 - $62,942) is being held as security on the Company's mineral titles.

As at December 31, 2024, the Company has no material reclamation obligations.

(Unaudited - Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

There were no changes to the Company's explorationa and evaluation assets during the nine months ended December 31, 2024.

9. EXPLORATION EXPENDITURES

During the nine months ended December 31, 2024, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Trident	Pinnacle	Target Generation*	Total
Administration costs	$ -	$ 704	$ 10,871	$ 11,575
Amortization	-	922	2,101	3,023
Field costs	19,470	550	13,073	33,093
Geophysics	8,245	2,219	-	10,464
Total Expenditures	27,715	4,395	26,045	58,155
Exploration tax credits**	(1,285)	(667)	-	(1,952)
Total Recoveries	(1,285)	(667)	-	(1,952)
Net Expenditures	$ 26,430	$ 3,728	$ 26,045	$ 56,203

* Substantially all expenditures included in "Target Generation" are not project specific and are general exploratory expenditures for the period ended December 31, 2024.

During the nine months ended December 31, 2023, the Company incurred the following exploration expenditures, which were expensed as incurred:

	Target Generation*	Total
Administration costs	$ 4,253	$ 4,253
Amortization	4,048	4,048
Field costs	4,732	4,732
Personnel	849	849
Net Expenditures	$ 13,882	$ 13,882

* Substantially all expenditures included in "Target Generation" are not project specific and are general exploratory expenditures for the period ended December 31, 2023.

** All of the Company's exploration activities are located in British Columbia, Canada. As such, the Company is eligible for the Mining Exploration Tax Credits on qualifying expenditures. The credit is 20% of the qualifying expenditures, and an enhanced 30% credit is available for expenditures incurred in Mountain Pine Beetle affected areas. All the Company's current projects are in areas qualifying for the 30% enhanced credit.

The Company has accrued a credit at the 30% qualifying rate on expected qualifying expenditures. Actual credits and refunds are subject to review and potential adjustment by tax authorities.

(Unaudited - Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS AND BALANCES

The Company entered into certain transactions with key management personnel, which the Company has defined as Officers and Directors of the Company. The aggregate value of these transactions and outstanding balances are as follows:

For the nine months ended December 31, 2024	Management & Consulting fees	Share-based Payments	Total
Management*	$ 121,500	$ 18,096	$ 139,596
Outside Directors	26,000	18,820	44,820
Seabord Management Corp.**	67,500	1,448	68,948
	$ 215,000	$ 38,364	$ 253,364

For the nine months ended December 31, 2023	Management & Consulting fees	Share-based Payments	Total
Management*	$ 121,500	$ -	$ 121,500
Outside Directors	18,000	-	18,000
Seabord Management Corp.**	67,500	-	67,500
	$ 207,000	$ -	$ 207,000

Amounts due to related parties as of December 31, 2024 and March 31, 2024 are as follows:

Related party liabilities	Items or services	December 31, 2024	March 31, 2024
President *	Management fees and reimbursable expenses	$ 125,375	$ 115,250
Seabord Management Corp.**	Management fees and reimbursable expenses	71,288	70,875
Directors	Fees	29,150	19,400
		$ 225,813	$ 205,525

*BJP Consulting is controlled by Brad Peters, President and Chief Executive Officer.

** Seabord Management Corp. ("Seabord") is partially controlled by the Chief Financial Officer ("CFO") and provides the following services: A CFO, a Corporate Secretary, accounting and administration staff, and office space to the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

During the nine months ended December 31, 2024, the Company appointed Mr. Andrew Lee to the Board of Directors.

(Unaudited - Expressed in Canadian Dollars)

11. LEASE LIABILITY

The Company's right-of-use asset consists of office space and is included in property and equipment (Note 6).

	December 31, 2024	March 31, 2024
Lease liabilty net carry amount - Opening balance	$ 16,205	$ 38,275
Additions	49,063	-
	65,268	38,275
Lease payments made	(18,906)	(24,492)
Interest expense on lease liabilities	876	2,422
	47,238	16,205
Less: current portion	(23,121)	(16,205)
Non-current - Ending balance	$ 24,117	$ -

In May 2021, the Company entered into a lease agreement with 525 Seymour Inc. for office space in Vancouver, BC. The lease was for 18 months until November 30, 2022. On December 1, 2022, the Company extended the lease agreement with 525 Seymour Inc. for 2 additional years until November 30, 2024, and on December 1, 2024, the extended the lease for a further 2 additioanl years until November 30, 2026. As a result of the most recent extension, the Company recognized an additional $49,063 in right-of-use assets as at December 1, 2024. As at December 31, 2024, the expected remaining cash commitments were $51,398.

12. EQUITY

Authorized

The Company is authorized to issue an unlimited number of common shares and preferred shares without par value.

Share Capital

No preferred shares have been issued from incorporation to December 31, 2024.

During the nine months ended December 31, 2024:

The Company completed a private placement raising an aggregate of $722,500, by issuing 14,450,000 units at a price of $0.05 per unit. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share at an exercise price of $0.08 per common share for a period of 36 months from the closing date of the offering.

In consideration of the private placement, an aggregate total of $26,075 in cash finder’s fees were paid and 521,500 finder’s warrants valued at $26,561 were issued to qualified parties. The finder’s warrants are subject to the same terms as the warrants issued as part of the units. The weighted average fair value of the finder’s warrants issued as part of the private placement was estimated as of the date of the issuance using the Black-Scholes pricing model with the following assumptions: risk-free interest rate of 4.03%, dividend yield of 0%, volatility of 213% and an expected life of 3 years.

The Company paid an additional $13,533 in legal and filing fees included in share issue costs.

Pursuant to the application of the residual value method with respect to the measurement of shares and warrants issued as private placement units. The Company determined the fair value of the share component to be the more easily measurable component and determined there was no residual fair value to allocate to the warrant component.

12. EQUITY (continued)

During the nine months ended December 31, 2023:

In December 2023, the Company completed the first tranche of a private placement raising an aggregate of$225,000, of which $90,000 was raised on the issuance of 9,000,000 common shares and $165,000 was raised onthe issuance of 10,999,999 flow-through shares. Each common share was issued at a price per share of $0.01 andeach flow-through share was issued at a price of $0.015 per share.

Pursuant to the application of the residual value method with respect to the measurement of any flow-through sharepremium on the issuance of flow-through shares, a flow-through premium liability of $55,000 or $0.005 per sharerelated to the difference between the subscription price of a flow-through share compared to non-flow throughshares issued concurrently.

Funds raised from the issuance of flow-through shares require the Company to spend the funds from theseplacements on qualified exploration expenditures and renounce the expenditures and income tax benefits to theflow-through shareholders, resulting in no exploration deductions for tax purposes to the Company. As at December31, 2023, the Company had $55,000 remaining of qualifying exploration expenditures to be incurred within 24months from the date of the flow-through agreement.

In consideration for arranging the private placement, the Company paid $7,000 in cash commissions and issued 466,666 finder's warrants valued at $6,693. Each finder's warrant entitles the holder to purchase one common shareof the Company at an exercise price of $0.02 per share until December 29, 2024 and $0.10 per share for a futher 24months until December 29, 2026. The fair value of the finder's warrants issued as part of the private placement wasestimated as of the date of the issuance using the Black-Scholes pricing model with the following assumptions: riskfree interest rate of 3.88%, dividend yield of 0%, volatility of 255% and an expected life of three years.

Subsequent to the nine months ended December 31, 2023, the Company closed the second tranche of the nonbrokered private placement. Under the second tranche of the private placement, the Company issued 11,000,000common shares at a price of $0.01 per share, and 4,000,000 flow through shares at a price of $0.015 per flow throughshare for aggregate gross proceeds of $170,000. As with the first tranche, in connection with the second tranche,the Company paid a commission equal to 7% of the gross proceeds raised from the shares and flow through sharessold to the purchasers by the finder payable in cash and also issued finders warrants the number of common sharepurchase warrants equal to 7% of the aggregate number of shares and flow through shares placed by the finder.Each broker warrant will entitle the finder to purchase one common share at an exercise price of $0.05 for a periodof 12 months from closing and at a price of $0.10 for the period from January 16, 2025 to January 16, 2027.

Stock Option Plan

As at December 31, 2024, the Company had a stock option plan that allows the Board of Directors to grant incentive stock options to the Company's officers, directors, related company employees and consultants to purchase up to that number of common shares equal to 10% of its outstanding shares for a term of up to ten years. The exercise price of each option is to be not less than the fair market value of the Company's stock as determined by the Plan administrator. The vesting terms are determined at the time of the option grant.

(Unaudited - Expressed in Canadian Dollars)

12. EQUITY (Continued)

During the nine months ended December 31, 2024, the change in stock options outstanding is as follows:

	Number of Options		Weighted Average Exercise Price
Balance, March 31, 2024	5,000,000	$	0.05
Granted	1,000,000		0.06
Balance, December 31, 2024	6,000,000	$	0.05
Exercisable as at December 31, 2024	2,000,000	$	0.05

The following table summarizes the stock options outstanding and exercisable as at December 31, 2024:

Date Granted	Number of Options	Exercisable		Exercise Price	Expiry Date
March 1, 2024	5,000,000	1,250,000	$	0.05	March 1, 2027
May 7, 2024	1,000,000	750,000		0.06	May 7, 2027
	6,000,000	2,000,000			

The weighted average remaining life of the exercisable stock options is 2.23 years (March 31, 2024 - 2.92 years).

During the nine months ended December 31, 2024, Nil (2023 - 1,750,000) options expired unexercised and $Nil (2023 - $270,442) was reallocated from reserves to deficit related to the fair value of the expired options.

Share-based Payments

During the nine months ended December 31, 2024, the Company recorded a share-based compensation expense of $119,115 (2023 - $Nil), which represents the fair value of options vested during the period with the offsetting amount credited to reserves. The weighted average fair value of the stock options granted during the nine months ended December 31, 2024 was $0.05 per stock option (2023 - $Nil per stock option). The fair value of stock options granted was estimated using the Black-Scholes option pricing model with weighted average assumptions as follows: risk-free interest rate of 4.03% (2023 - Nil), dividend yield of Nil (2023 - Nil), volatility of 213% (2023 - Nil), forfeiture rate of Nil (2023 - Nil), and an expected life of 3 years (2023 - Nil).

Warrants

During the nine months ended December 31, 2024, the change in warrants outstanding is as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, March 31, 2024	1,481,666	$	0.04
Issued	14,971,500		0.08
Balance, December 31, 2024	16,453,166	$	0.08

12. EQUITY (Continued)

The following table summarizes the warrants outstanding as at December 31, 2024:

Date Granted	Number of Warrants*	Exercise Price	Expiry Date
December 29, 2023 Finders' Warrants*	466,666	$ 0.02	December 29, 2026
January 16, 2024 Finders' Warrants**	1,015,000	0.05	January 16, 2027
May 7, 2024 Finders' Warrants	521,500	0.08	May 6, 2027
May 7, 2024	14,450,000	0.08	May 6, 2027
	16,453,166		

*Each finders' warrant is exercisable at a price of $0.02 per common share for a period of 12 months from the date of issue and at a price of $0.10 for the period from December 29, 2024 to December 29, 2026.

**Each finders' warrant is exercisable at a price of $0.05 per common share for a period of 12 months from the date of issue and at a price of $0.10 for the period from January 16, 2025 to January 16, 2027.

During the nine months ended December 31, 2024, Nil (2023 - 27,847,039) warrants expired unexercised, and $Nil (2023 - $48,633) has been reallocated from reserves to share capital related to the fair value of the expired warrants.

13. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition and exploration of mineral properties. As such, all of the Company's property and equipment and exploration and evaluation assets are located in Canada.

14. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk, interest rate risk, and market risk.

Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. Although the Company operates only in Canada and all expenditures are incurred in Canadian dollars, U.S. dollars are sometimes held by the Company. As at December 31, 2024, the Company did not hold a significant balance of U.S. dollars. Therefore, a change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar would have an immaterial effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

Credit Risk

Credit risk arises from cash as well as credit exposures to counterparties of outstanding receivables and committed transactions. There is no concentration of credit risk other than on cash deposits and receivables. The Company's cash deposits are primarily held with a Canadian chartered bank. Further, receivables comprise amounts due from the federal government. Therefore, credit risk is considered low.

14. FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to pay obligations as they fall due. Financial liabilities, at December 31, 2024, included $76,106 of accounts payable and accrued liabilities, $225,813 in amounts due to related parties and $23,121 of current lease liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Interest Rate Risk

When the Company has sufficient cash, it will invest in term deposits which can be reinvested without penalty after thirty days should interest rates rise. As at December 31, 2024, the Company did not have any interest-bearing loans. Accordingly, the Company does not have a significant interest rate risk.

Market Risk

The Company is exposed to market risk because of the fluctuating values of its publicly traded marketable securities. The markets in which the Company holds equity investments are subject to volatility and price changes. The Company has no control over these fluctuations and does not hedge its investments. Based on the December 31, 2024 value of marketable securities a 10% increase or decrease in the share prices of these companies would have an immaterial impact on loss and comprehensive loss.

Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity. The Company also has receivables including mineral exploration tax credits, GST, and reclamation deposits to be received. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. There have been no changes in the approach to managing capital during the nine months ended December 31, 2024. Management believes that it will need to seek additional capital to continue its exploration programs and general and administrative costs. The Company is not subject to externally imposed capital requirements.

(Unaudited - Expressed in Canadian Dollars)

15. FINANCIAL INSTRUMENTS BY CATEGORY

The Company classified its financial instruments as follows:

	December 31, 2024	March 31, 2024
Financial assets		
Amortized cost:		
Cash	$ 357,181	$ 256,913
Restricted cash	17,500	23,000
Reclamation deposits	62,942	62,942
Fair value through profit or loss:		
Marketable securities	53,798	70,445
	$ 491,421	$ 413,300
Financial liabilities		
Amortized cost:		
Accounts payable and accrued liabilities	$ 76,106	$ 168,915
Due to related parties	225,813	205,525
	$ 301,919	$ 374,440

Fair Values

The Company characterizes inputs used in determining fair value using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The six levels of the fair value hierarchy are as follows:

- Level 1: inputs represent quoted prices in active markets for identical assets or liabilities. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: inputs other than quoted prices that are observable, either directly or indirectly. Level 2 valuations are based on inputs, including quoted forward prices for commodities, market interest rates, and volatility factors, which can be observed or corroborated in the marketplace.
- Level 3: inputs that are less observable, unavoidable or where the observable data does not support the majority of the instruments' fair value.

As at December 31, 2024, there were no changes in the levels in comparison to the year ended March 31, 2024.

Financial instruments which are measured using the fair value hierarchy include marketable securities, which are categorized as Level 1.

The carrying values of cash, restricted cash, receivables, reclamation deposits, accounts payable and accrued liabilities and due to related parties approximate their fair value because of the short-term nature of these instruments.

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing and financing transactions during the nine months ended December 31, 2024 included:

- The reduction of share capital by $Nil (2023 - $55,000) related to the flow-through share premium (Note 12);
- The recording of $26,561 (2023 - $6,993) in share capital and reserves related to the fair value of finders' warrants issued (Note 12); and
- The reallocation of $Nil (2023 - $48,633) from reserves to share capital for warrants expired in the period (Note 12);
- The reallocation of $Nil (2023 - $270,442) from reserves to deficit for stock options expired in the period;
- The reallocation of $Nil (2023 - $16,205) from non-current lease liabilities to current lease liabilities; and
- The recognition of $49,063 (2023 - $Nil) of right-to-use assets and lease liabilities related to the extension of an office lease (Note 11).