CALLINEX MINES INC.

Condensed Interim Financial Statements
Three and Six months ended March 31, 2025 and 2024

(Unaudited - Presented in Canadian dollars)

Notice of no Auditor Review of condensed interim financial statements

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

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 auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

CALLINEX MINES INC.

Condensed Interim Statements of Financial Position
As at March 31, 2025 and September 30, 2024
(Unaudited - Presented in Canadian dollars)

	Note	March 31, 2025	September 30, 2024
		$	$
Assets			
Current			
Cash and cash equivalents		**130,433**	1,402,013
Other receivables		**59,845**	129,834
Prepaid expenses and other assets		**162,819**	366,595
		353,097	1,898,442
Non-current			
Deposits		**28,192**	28,192
Property and equipment	**5**	**196,472**	203,992
Exploration and evaluation assets	**6**	**42,941,116**	41,611,828
		43,518,877	43,742,454
Liabilities			
Current			
Accounts payable and accrued liabilities	**7,12**	**1,115,691**	1,133,287
		1,115,691	1,133,287
Non-current			
Loan payable	**8**	**40,000**	40,000
Deferred income tax liability	**9**	**2,431,144**	2,435,269
Flow-Through premium liability	**10**	**-**	102,808
		3,586,835	3,711,364
Shareholders' Equity			
Capital stock	**11**	**82,480,209**	82,354,209
Equity reserve	**11(e)**	**10,487,838**	10,233,507
Accumulated other comprehensive loss		**(353,995)**	(353,995)
Deficit		**(52,682,010)**	(52,202,631)
		39,932,042	40,031,090
		43,518,877	43,742,454

Going Concern – Note 2
Subsequent events – Note 17

APPROVED BY THE BOARD OF DIRECTORS

Michael Louie ("signed") Director *Nico Civelli ("signed")* Director

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

CALLINEX MINES INC.

Condensed Interim Statements of Loss and Comprehensive Loss
Three and six months ended March 31, 2025, and 2024
(Unaudited - Presented in Canadian dollars)

		Three months ended		Six months ended	
	Note	**March 31, 2025**	March 31, 2024	**March 31, 2025**	March 31, 2024
		$	$	**$**	$
Corporate development		**42,983**	58,306	**138,504**	146,807
Depreciation	**5**	**4,781**	4,796	**9,755**	13,250
Listing and filing fees		**21,021**	40,608	**70,033**	112,792
Management and consulting fees	**12**	**67,796**	70,413	**130,196**	130,813
Office, administration and other		**55,646**	70,089	**144,142**	125,520
Professional fees	**12**	**55,901**	76,309	**101,342**	153,072
Share-based compensation	**11(c),12**	**89,752**	85,848	**201,094**	183,170
		(337,880)	(406,369)	**(795,066)**	(865,424)
Lease finance charges		**-**	-	**-**	(87)
Interest income		**259**	421	**641**	846
Other income	**5**			**230,000**	-
Foreign exchange loss		**(569)**	(780)	**(1,887)**	(2,609)
Flow-through premium recovery	**10**	**-**	-	**102,808**	479,942
Write-down of exploration and evaluation assets	**6**	**-**	-	**(20,000)**	-
Loss before income taxes		**(338,190)**	(406,728)	**(483,504)**	(387,332)
Income tax recovery (expense)	**9**	**55,678**	82,777	**4,125**	(73,600)
Loss and total comprehensive loss for the period		**(282,512)**	(323,951)	**(479,379)**	(460,932)
Loss per share					
- Basic and diluted loss per share		**(0.01)**	(0.02)	**(0.03)**	(0.03)
Weighted average number of shares outstanding					
- Basic and diluted		**19,062,390**	17,391,614	**18,994,148**	17,305,431

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

CALLINEX MINES INC.

Condensed Interim Statements of Cash Flows
Six months ended March 31, 2025, and 2024
(Unaudited - Presented in Canadian dollars)

	2025	2024
	$	$
Cash flows (used in) provided by		
Operating activities		
Income (Loss) for the period	**(479,379)**	(460,932)
Items not affecting cash		
Depreciation	**9,755**	13,250
Share-based compensation	**201,094**	183,170
Lease finance charges	**-**	87
Interest income	**-**	(846)
Flow-through premium recovery	**(102,808)**	(479,942)
Write-off of exploration and evaluation assets	**20,000**	-
Income tax expense/(recovery)	**(4,125)**	73,600
Net change in non-cash working capital items		
Other receivables	**69,989**	(6,577)
Prepaid expenses and other assets	**203,776**	52,398
Accounts payable and accrued liabilities	**252,815**	239,469
Net cash provided by (used in) operating activities	**171,117**	(386,323)
Investing activities		
Investment in exploration and evaluation assets	**(1,564,742)**	(1,624,703)
Receipt of government assistance for exploration and evaluation assets	**125,000**	250,000
Receipt of interest income	**-**	-
Acquisition of property and equipment	**(2,955)**	-
Net cash used in investing activities	**(1,442,697)**	(1,374,703)
Financing activities		
Proceeds from exercise of options	**-**	150,000
Lease payments	**-**	(5,300)
Net cash used in financing activities	**-**	144,700
Decrease in cash and cash equivalents	**(1,271,580)**	(1,616,326)
Cash and cash equivalents, beginning of period	**1,402,013**	2,150,673
Cash and cash equivalents, end of period	**130,433**	534,347
Cash and cash equivalents consist of:		
Cash	**97,433**	501,347
Cash equivalents	**33,000**	33,000

Supplemental Cash Flow Information – Note 15

CALLINEX MINES INC.

Condensed Interim Statements of Changes in Equity
Six months ended March 31, 2025, and 2024
(Unaudited - Presented in Canadian dollars)

	Common shares	Capital Stock	Equity Reserve	AOCL[1]	Deficit	Total
	#	$	$	$	$	$
Balance, September 30, 2023	**17,220,185**	**80,660,077**	**9,755,584**	**(353,995)**	**(51,201,216)**	**38,860,450**
Shares issued in consideration for:						
Exercise of options	300,000	266,581	(116,581)	-	-	150,000
Share-based compensation - stock options	-	-	211,109	-	-	211,109
Comprehensive income for the period	-	-	-	-	(460,932)	(460,932)
Balance, March 31, 2024	**17,520,185**	**80,926,658**	**9,850,112**	**(353,995)**	**(51,662,148)**	**38,760,627**
Shares issued in consideration for:						
Cash, pursuant to private placement	1,297,112	2,094,409	-	-	-	2,094,409
Less: Issue costs - cash	-	(26,165)	-	-	-	(26,165)
Acquisition of Mineral Property	70,093	69,392	-	-	-	69,392
Allocation of private placement proceeds to warrants	-	(272,394)	272,394	-	-	-
Allocation of private placement proceeds to Flow-through premiums	-	(473,019)	-	-	-	(473,019)
Exercise of options	40,000	35,328	(15,328)	-	-	20,000
Share-based compensation – stock options	-	-	126,329	-	-	126,329
Comprehensive loss for the period	-	-	-	-	(540,483)	(540,483)
Balance, September 30, 2024	**18,927,390**	**82,354,209**	**10,233,507**	**(353,995)**	**(52,202,631)**	**40,031,090**
Shares issued in consideration for:						
Acquisition of mineral property	150,000	126,000	7,236	-	-	126,000
Issuance of warrants for acquisition of mineral property	-	-	7,236	-	-	7,236
Share-based compensation - stock options	-	-	247,095	-	-	247,095
Comprehensive loss for the period	-	-	-	-	(479,379)	(479,379)
Balance, March 31, 2025	**19,077,390**	**82,480,209**	**10,487,838**	**(353,995)**	**(52,682,010)**	**39,932,042**

1 Accumulated Other Comprehensive Loss

1. Nature of operations

Callinex Mines Inc. ("Callinex" or the "Company") was incorporated on April 21, 2011, under the British Columbia Business Corporations Act for the purpose of receiving certain cash, equipment, common shares, and exploration and evaluation assets from Callinan Royalties Corporation (formerly Callinan Mines Limited) ("Callinan") in exchange for common shares of the Company by way of a plan of arrangement as approved by the shareholders of Callinan on June 7, 2011. The effective date of the transaction with Callinan was July 13, 2011. Since the plan of arrangement, the Company has been directly engaged in the exploration of mineral properties in Canada.

The Company's head office and registered and records office address is 1100 – 1199 West Hastings Street, Vancouver, British Columbia, Canada V6E 3T5.

2. Basis of presentation and going concern

These condensed interim financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) applicable to the preparation of annual financial statements ("IFRS Accounting Standards"). These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended September 30, 2024 which have been prepared in accordance with IFRS as issued by the IASB.

The condensed interim financial statements of the Company are presented in Canadian dollars, which is also the functional currency of the Company.

These condensed interim financial statements were approved by the Board of Directors for use on May 30, 2025.

Going Concern

The Company has primarily incurred losses since inception and expects to incur further losses in the development of its business. As of March 31, 2025, the Company had a working capital deficit of $762,594 (September 30, 2024 – working capital of $765,155) and at that date, the Company also had an accumulated deficit of $52,682,010 (September 30, 2024 – $52,202,631) which has been funded primarily by the issuance of equity. For the six months ended March 31, 2025, the Company realized a decrease in cash of $1,271,580 (2024 - $1,616,326).

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These factors give rise to material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

3. New and future accounting standards and pronouncements

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1 – Presentation of Financial Statements. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.. It will be effective for the Company for the annual period beginning September 1, 2027, and will be required to be applied retrospectively. The Company is currently assessing the effect of this new standard on its financial statements.

Apart from IFRS 18, other new standards or amendments to existing standards issued but which have not yet been applied by the Company based on the effective date are not currently expected to have a material impact on the Company's financial statements.

4. Accounting policy judgements and estimation uncertainty

a) Accounting policy judgments

The preparation of these condensed interim financial statements requires making judgments that affect the amounts reported. Accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Going concern

The Company's management has assessed the Company's ability to continue as a going concern. The factors considered by management include, among other things, the Company's cash position on March 31, 2025; its projected exploration and general operating costs; its ability to raise financing and its intention to continue operating the Company.

Impairment assessment of exploration and evaluation assets

At the end of each reporting period, management applies judgement in assessing whether there are any impairment indicators relating to exploration and evaluation assets When assessing whether there are impairment indicators management considers whether (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and (iv) whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. In considering these factors, management did not identify any impairment indicators for the six months ended March 31, 2025.

b) Significant estimates

There were no key assumptions made concerning the future or other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next fiscal year.

5. Property and equipment

	Equipment	Office Furniture	Computer Equipment	Buildings, Furniture & Fittings	Right of Use Asset	Total
	$	$	$	$	$	$
Cost						
Balance, September 30, 2023	131,706	12,898	101,928	236,672	179,212	662,416
Additions	15,436	-	-	-	-	15,436
Disposals					(179,212)	(179,212)
Impairment	(24,275)	(425)	-	-		(24,700)
Balance, September 30, 2024	122,867	12,473	101,928	236,672	-	473,940
Additions	2,236	-	-	-	-	2,236
Balance, March 31, 2025	**125,103**	**12,473**	**101,928**	**236,672**	**-**	**476,176**
Accumulated depreciation						
Balance, September 30, 2023	117,510	9,171	86,416	54,149	175,746	442,992
Depreciation	3,752	671	3,792	10,565	3,466	22,246
Disposals	-	-	-	-	(179,212)	(179,212)
Impairment	(15,906)	(172)	-	-	-	(16,078)
Balance, September 30, 2024	105,356	9,670	90,208	64,714	-	269,948
Depreciation	2,851	274	1,476	5,155	-	9,755
Balance, March 31, 2025	**108,207**	**9,944**	**91,684**	**69,869**	**-**	**279,703**
Net book value						
September 30, 2024	17,511	2,803	11,720	171,958	-	203,992
March 31, 2025	**16,896**	**2,529**	**10,244**	**166,803**	**-**	**196,472**

Impairment of property and equipment

During the year ended September 30, 2024, a wildfire in the Flin Flon, Manitoba region affected certain property and equipment on Callinex's Pine Bay project. Accordingly, an impairment charge of $8,622 was recognized in profit or loss reducing the carrying value of the destroyed property and equipment to $nil.

During the six months ended March 31, 2025, the Company received $230,000 in funds from the insurance claim relating to the wildfire, such amounts relating to buildings and equipment which had destroyed, as well as compensation for other costs previously expensed directly to profit and loss.

6. Exploration and evaluation assets

Exploration expenditures incurred during the year ended September 30, 2024, and the six months ended March 31, 2025, are as follows:

	Flin Flon	Point Leamington	Nash Creek	Superjack	Other	Total
	$	$	$	$	$	$
September 30, 2023	**32,390,844**	**1,123,334**	**4,743,968**	**1,123,254**	**119,392**	**39,500,792**
Acquisition	69,392	-	-	-	-	69,392
Assaying	217,049	-	-	-	-	217,049
Camp costs	79,209	-	2,263	970	-	82,442
Consulting	42,249	-	-	-	-	42,249
Drilling	1,246,996	-	-	-	-	1,246,996
Geologists	250,738	15,000	30,000	-	-	295,738
Geophysical	166,006	-	-	-	-	166,006
Other	180,375	-	-	-	-	180,375
Permitting	9,965	62,590	16,210	-	3,650	92,415
Surveying	43,771	-	-	-	-	43,771
Share-based compensation	49,603	-	-	-	-	49,603
	2,355,353	77,590	48,473	970	3,650	2,486,036
Government assistance	(375,000)	-	-	-	-	(375,000)
	1,980,353	77,590	48,473	970	3,650	2,111,036
September 30, 2024	**34,371,197**	**1,200,924**	**4,792,441**	**1,124,224**	**123,042**	**41,611,828**
Acquisition	133,955	-	-	-	-	133,955
Assaying	31,913	-	-	-	-	31,913
Camp costs	18,290	-	1,018	634	-	19,942
Consulting	70,735	-	-	-	-	70,735
Drilling	887,945	-	-	-	-	887,945
Geologists	115,005	5,865	11,731	-	-	132,601
Geophysical	38,316	-	-	-	-	38,316
Other	31,955	-	-	-	-	31,955
Permitting	9,818	32,425	16,670	3,200	2,163	64,276
Surveying	16,649	-	-	-	-	16,649
Share-based compensation	45,618	246	137	-	-	46,001
	1,400,199	38,536	29,556	3,834	2,163	1,474,288
Government assistance	(125,000)	-	-	-	-	(125,000)
Write-down of exploration and evaluation assets	-	-	-	-	(20,000)	(20,000)
	1,275,199	38,536	29,556	3,834	(17,837)	1,329,288
March 31, 2025	**35,646,396**	**1,239,460**	**4,821,997**	**1,128,058**	**105,205**	**42,941,116**

Flin Flon Area

Pine Bay project

The Company owns a 100% interest, with certain mineral leases and claims within the Pine Bay Project being subject to a Net Smelter Return ("NSR") royalty ranging from 0%-1% (of which 0.5% NSR can be repurchased for $500,000) and a Net Profit Interest.

On August 23, 2023, the Company entered into a Grant Agreement with the Manitoba Mineral Development Fund (the "MMDF") for a grant of $500,000 to support exploration on the Company's 100% owned Pine Bay Project in Flin Flon, MB, of which $250,000 was received during the year ended September 30, 2023. The remaining $250,000 was received by the Company during the year ended September 30, 2024.

On June 18, 2024, the Company entered into a Grant Agreement with the Manitoba Mineral Development Fund (the "MMDF") for a grant of $250,000 to support exploration on the Company's 100% owned Pine Bay Project in Flin Flon, MB. The first tranche of $125,000 was received by the Company during the year ended September 30, 2024. The second tranche of $125,000 was received by the Company during the six months ended March 31, 2025.

Flin Flon project

The Company owns a 100% interest in the project, subject to a 2% NSR royalty of which 1% may be purchased for $1,000,000.

Gossan Gold project

The Company owns a 100% interest in the project, subject to a 2% NSR royalty.

Alberts Lake project

On August 8, 2024, the Company announced the closing of its option agreement with Voyageur Mineral Explorers Corp. ("Voyageur") whereby the Company has optioned a 100% interest in the Alberts Lake Project, Manitoba. Under the terms of the option agreement, Callinex will acquire a 100% interest in the Alberts Lake Project by making the following share issuances to Voyageur:

- $75,000 of common shares on August 6, 2024 (issued 70,093 common shares as full satisfaction of the consideration);
- $125,000 of common shares on the first anniversary;
- $150,000 of common shares on the second anniversary; and
- $150,000 of common shares on the third anniversary.

The number of shares to be issued on each applicable date will be based upon the greater of (i) the 5-day volume weighted average trading price of the common shares calculated 2 days prior to the applicable date; and (ii) $1.07. The Company can, at its sole discretion, elect to (i) pay the cash value of an anniversary payment indicated above, in lieu of issuing common shares; and/or (ii) accelerate the payment or issuance of any common shares prior to the particular anniversary payment date.

Upon Callinex acquiring a 100% interest in the Alberts Lake Project, Voyageur will be granted a 1.5% net smelter return royalty, of which 0.5% may be repurchased with a one-time payment of $500,000.

On December 23, 2024, Callinex into a termination and assumption agreement (the "Termination Agreement") with Teck Resources Limited ("Teck") and Voyageur, and on the same date entered into

an Amending Agreement with Voyageur, whereby Teck (as a successor to Aur Resources Inc.) agreed to terminate its back-in right to acquire up to an additional 90% of certain mineral claims of the Alberts Lake project. In consideration thereof, Callinex issued to Teck, on January 10, 2025: (i) 150,000 common shares of the Company (the "Shares") and (ii) 75,000 common share purchase warrants (the "Warrants"). Each Warrant is exercisable at price of $2.00 per share for a period of two years. In addition, Teck will receive a one-time cash payment of $1,000,000 within sixty (60) days of a decision being made to commence construction of a mine on the Alberts Lake property (the "Milestone Payment"). The Milestone Payment will be the responsibility of the owner of the property (i.e. either Voyageur or Callinex as the case may be). Under the Amending Agreement, Voyageur agreed to waive its right to the originally receivable fourth anniversary payment of $150,000 of common shares of the Company.

Nash Creek and Superjack projects

The Company owns a 100% interest in the projects.

Pt. Leamington project

The Company owns a 100% interest in the project, subject to a 1% NSR royalty which may be purchased for $1,000,000.

Other

The Company has an interest in other properties. The other properties are in good standing and do not require any further commitments. These include the Sneath Lake property, Moak Lake property, Herblet Lake property, Headway North claim, and the Island Lake properties.

Headway Project

The Company wrote off $20,000 representing the previously capitalized costs associated with the Headway Project as the Company did not renew the claims in the Headway project thereby ceasing to hold the project.

Headway North claim

The Company owns a 100% interest in the project, which expands the Headway Project, subject to a 1% NSR royalty, of which half can be purchased at any time for $500,000.

7. Accounts payable and accrued liabilities

	March 31, 2024	September 30, 2024
	$	$
Accounts payable	**711,117**	1,074,178
Accrued liabilities	**404,574**	59,109
	1,115,691	1,133,287

8. Loan payable

During May 2020, the Company received $40,000 in the form of a Canada Emergency Business Account ("CEBA") loan. CEBA was part of the economic assistance program launched by the Government of Canada to ensure that businesses had access to capital during the COVID-19 pandemic and could only be used to pay non-deferrable operating expenses. During the period from receipt of the CEBA loan to December 31, 2023 (previously December 31, 2022), the "Initial Term", no interest was charged on the amount outstanding. An extension to the interest free period was announced by the Government of Canada to extend the Initial Term to January 18, 2024 (the "Government Announcement"). The Company did not repay the CEBA loan as of January 18, 2024, accordingly, from January 19, 2024, to December 31, 2026 (the "Extended Term"), interest is payable monthly at a rate of 5% per annum on the outstanding balance and has been paid monthly as incurred. The balance of the CEBA loan is fully repayable on or before the end of the Extended Term.

As at March 31, 2025, management determined that the loan would not be repaid until the end of the Extended Term and, accordingly, presented the outstanding balance as non-current.

9. Deferred Income Tax Liability

A reconciliation between the Company's income tax provision computed at statutory rates to the reported income tax provision is as follows:

	March 31, 2025	March 31, 2024
Statutory tax rate	**27%**	27%
	$	$
Income (loss) for the period before taxes	**(483,504)**	(387,332)
Expected income tax expense (recovery) at statutory rate	**(130,546)**	(104,580)
Add (deduct) reconciling items:		
Non-temporary differences and other	**(30,554)**	(162,468)
Impact of flow through shares	**67,641**	292,953
(Recognition)/non-recognition of net tax assets	**89,334**	47,695
Income tax expense	**(4,125)**	73,600

	March 31, 2025	September 30, 2024
	$	$
Deferred tax assets:		
Equipment	**66,138**	58,936
Issuance Costs	**147,026**	190,644
Capital losses and other	**143,000**	143,000
Non-refundable mining ITC	**47,721**	47,721
Non-capital losses	**5,806,196**	5,668,162
Deferred tax assets	**6,210,081**	6,108,463
Unrecognized deferred tax assets	**(143,000)**	(143,000)
Net deferred tax assets	**6,067,081**	5,965,463
Deferred tax liabilities:		
Resource property	**(8,498,225)**	(8,400,732)
Deferred tax liabilities	**(8,498,225)**	(8,400,732)
Net deferred tax liabilities	**(2,431,144)**	(2,435,269)

The potential benefit of deferred tax assets arising from the carry forward of capital losses are not recognized in these financial statements when it is not considered probable that sufficient future taxable capital gains will allow the deferred tax asset to be recovered.

As of March 31, 2025, the Company has approximately $1,059,000 of capital losses without any expiry that are available to be carried forward to reduce any future taxable capital gains.

In addition, as of March 31, 2025, the Company has approximately $21,503,000 (September 30, 2024 - $20,992,000) of non-capital losses for Canadian income tax purposes that may be carried forward to reduce taxable income derived in future years. Their expiry dates range from 2031 – 2045 (September 30, 2024 (2031 – 2044)).

10. Flow-through premium liability

With respect to a flow-through share financing completed during July 2024, the Company is committed to incurring, on or before December 31, 2025, qualifying Canadian exploration expenses as defined under the *Income Tax Act (Canada)* (the "Qualifying Expenditures") in the amount of $1,152,644. None of the qualifying CEE will be available to the Company for future deduction from taxable income.

As of March 31, 2025, the Company had completed this commitment to incur Qualifying Expenditures.

With respect to a flow-through share financing completed during March 2023, the Company was committed to incurring, on or before December 31, 2024, qualifying Canadian exploration expenses as defined under the *Income Tax Act (Canada)* (the "Qualifying Expenditures") in the amount of $5,879,223. None of the qualifying CEE will be available to the Company for future deduction from taxable income. As of March 31, 2025, the Company had completed this commitment to incur Qualifying Expenditures.

During the three-month periods ended March 31, 2025 and 2024, the Company did not recognise any flow-through premium. However, $102,808 of previously recognized flow-through premiums was outstanding at September 30, 2024 (September 30, 2023 - $479,942), which were recognized during the six-month periods ended March 31, 2025 and 2024 as flow-through premium recoveries of $102,808 and $479,942, respectively, in profit or loss, with the flow-through premium recoveries representing the pro-rata portion of Qualifying CEE incurred during the period from the prior issuance of the flow-through shares.

11. Share capital

a) Authorized

Unlimited common shares with no par value

b) Financings

During the six months ended March 31, 2025 and 2024, the Company did not complete any financings.

c) Stock options

On December 13, 2023, the Company's shareholders approved an amendment to the Company's stock option plan (the "Plan") to amend the Plan from a fixed plan to a "rolling" stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant (the "Rolling Plan"). Under the Rolling Plan, if an Option is surrendered, terminated, or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under the Rolling Plan.

The number of Common Shares reserved for issuance in any 12 month period under the Rolling Plan and any other share compensation arrangement to (a) any one Person, shall not exceed 5% of the outstanding Common Shares at the time of the grant (unless the Company has obtained disinterested shareholder approval to exceed such limit); (b) any one Consultant or Person employed to provide Investor Relations Activities, shall not exceed 2% of the outstanding Common Shares at the time of the grant; and (c) to Insiders, shall not exceed 10% of the outstanding Common Shares at any point in time.

The balance of options outstanding and related information for the six months ended March 31, 2025, are as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance September 30, 2024	1,817,167	$2.58	3.27
Expired	(183,500)	$2.61	-
Balance March 31, 2025	1,633,667	$2.57	2.78
Unvested	(480,000)	$1.25	4.43
Exercisable, March 31, 2025	**1,153,667**	**$3.12**	**2.10**

The balance of options outstanding as of March 31, 2025, was as follows:

Expiry date	Exercise price	Remaining life (years)	Options Outstanding	Unvested	Exercisable
September 14, 2025	$3.50	0.46	307,500	-	307,500
March 4, 2026	$5.00	0.93	140,000	-	140,000
August 8, 2026	$3.80	1.36	102,500	-	102,500
April 27, 2027	$3.11	2.07	151,667	-	151,667
March 27, 2028	$3.15	2.99	202,000	-	202,000
May 29, 2028	$3.00	3.16	10,000	-	10,000
September 3, 2029	$1.25	4.43	720,000	480,000	240,000
			1,633,667	**480,000**	**1,153,667**

For the three and six months ended March 31, 2025, the Company recorded aggregate share-based compensation expense, arising from options, of $92,486 and $247,095, respectively, (2024 – $98,632 and $211,109, respectively,) of which $46,001 (2024 – $12,784 and $27,939, respectively,) was capitalized to exploration and evaluation assets.

d) Share purchase warrants

The balance of warrants outstanding and related information for the six months ended March 31, 2025, are as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance September 30, 2024	1,837,536	$3.33	0.92
Issued	75,000	$2.00	-
Expired	(1,188,980)	$4.05	-
Balance March 31, 2025	**723,556**	**$2.00**	**1.36**

The balance of warrants outstanding as of March 31, 2025, was as follows:

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding	Exercisable
July 23, 2026	$2.00	1.31	648,556	648,556
January 10, 2027	$2.00	1.78	75,000	75,000
			723,556	**723,556**

During the six months ended March 31, 2025, 1,188,980 warrants with an exercise price of $4.05 expired unexercised. Amounts previously recognized with respect to expired warrants are not reclassified within equity.

e) Equity reserve

	Funding by Callinan	Options and warrants	Total
Balance, September 30, 2024	2,660,523	7,572,984	10,233,507
Warrants issued for acquisition of mineral property	-	7,236	7,236
Share-based compensation – stock options	-	247,095	247,095
Balance, March 31, 2025	**2,660,523**	**7,827,315**	**10,487,838**

f) Diluted earnings per share

1,633,667 options and 723,556 warrants (2024 – 1,169,667 and 1,898,703, respectively), that could potentially dilute basic earnings per share in the future were not included in the calculation of diluted earnings per share because they are antidilutive for each of the three and six months ended March 31, 2025 and 2024.

12. Related party transactions

Compensation paid or payable to the Company's key management, being the Company's Board of Directors, corporate officers, and Exploration Manager, for services provided during the six months ended March 31, 2025, and 2024 was as follows:

	Three months ended		Six months ended	
	Mar 31, 2025	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024
	$	$	**$**	$
Professional fees	**9,224**	9,881	**19,516**	25,569
Management fees	**83,554**	99,900	**183,454**	197,800
Share-based compensation	**56,586**	50,098	**166,195**	106,978
	149,364	159,879	**369,165**	330,347

Professional fees represent fees charged by a company controlled by the Chief Financial Officer ("CFO") of the Company for the provision of CFO services.

Management fees for the three and six months ended March 31, 2025, and 2024 include salary earned by (i) the Chief Executive Officer ("CEO"), and (ii) the Exploration Manager of the Company. Management fees of $21,154 and $58,654, respectively, (2024 - $37,500 and $75,000, respectively,) have been capitalised to exploration and evaluation assets during the three and six months ended March 31, 2025.

During the three and six months ended March 31, 2025, the Company incurred professional fees of $12,273 and $28,134, respectively, (2024 - $9,000 and $18,000, respectively,) for the provision of non-CFO accounting and advisory support services charged by a company controlled by the CFO of the Company.

During the three and six months ended March 31, 2025, the Company incurred office rental expense of $9,000 and $18,000, respectively, (2024 - $9,000 and $18,000, respectively,) for the provision of office space sub-let to the Company by the CEO of the Company, which replaced a prior third-party office rental agreement with a monthly cost of $5,450.

Included in accounts payable and accrued liabilities as of March 31, 2025, are amounts due to related parties of $104,343 (September 30, 2024 - $15,452) owing to the CEO, Exploration Manager of the Company, and to a company controlled by the CFO for the provision of CFO, and non-CFO accounting and advisory support services. These amounts are non-interest bearing and due on normal commercial terms.

13. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, deposits, accounts payable and accrued liabilities and loan payable. The Company's cash and cash equivalents, and deposits are measured at amortized cost. The accounts payable and accrued liabilities and loan payable are designated as amortized cost. The carrying value of the Company's financial instruments approximates their fair value due to their short-term nature and no material impact of changes in credit risk since initial recognition. Accordingly, the fair value hierarchy of the financial instruments where carrying value approximates fair value has not been disclosed.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and deposits balances. The Company's cash and cash equivalents are held at a Schedule I Canadian bank in interest bearing accounts. As at March 31, 2025, the Company does not believe it is exposed to significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management as outlined in Note 14 to these financial statements. Accounts payable relating to exploration and evaluation assets and other accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The CEBA loan is required to be repaid on December 31, 2026. As of March 31, 2025, the Company had a cash balance of $130,433 (September 30, 2024 - $1,402,013) to settle current liabilities of $1,115,691 (September 30, 2024 - $1,133,287) (see Note 2).

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and the price of publicly traded marketable securities.

a) Interest rate risk

The Company has cash balances and no debt liabilities which are currently interest-bearing, other than the CEBA loan which carries interest at a fixed rate of 5% per annum. The Company's current policy is to invest excess cash in short-term deposit certificates issued by its banking institutions. The Company does not believe it is exposed to significant interest rate risk.

b) Foreign currency risk

The Company conducts all its business in Canada and is therefore not exposed to significant foreign currency risk.

14. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to pursue the exploration and evaluation of its exploration and evaluation assets, to acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, warrants, options, equity reserve and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditure program. The Company is not subject to externally imposed capital requirements.

The Company's mineral property interests are in the exploration stage. As such, the Company is dependent on external financing to develop its properties and fund its activities. To carry out its planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed and if available, may even dispose of some or all of its mineral property interests.

Management reviews its capital management policies on an ongoing basis. There were no changes in the Company's approach to capital management during the six months ended March 31, 2025.

15. Supplemental cash flow information

	2025	2024
	$	$
Financing transactions		
Interest	992	27,939
Non-cash investing and financing transactions		
Share-based compensation included in exploration and evaluation assets	46,001	
Change in exploration and evaluation assets included in accounts payable and accrued liabilities	(270,410)	(76,786)
Reclassification of option fair value from equity reserve to share capital on exercise of options	-	(116,581)

16. Segmental information

The Company operates in one reportable segment, being the acquisition and exploration of exploration and evaluation assets in Canada. All the Company's assets and operations are in Canada.

17. Subsequent events

Other than disclosed elsewhere in these condensed interim financial statements, there were no significant events after March 31, 2025.