HM EXPLORATION CORP

Financial Statements

For the years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars unless otherwise stated)

The accompanying audited financial statements of HM Exploration Corp. for the year ended April 30, 2025, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

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Independent Auditor's Report

To the Shareholders of HM Exploration Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HM Exploration Corp. (the "Company"), which comprise the statements of financial position as at April 30, 2025 and 2024, and the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at April 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to the fact that, as described in Note 2 to the financial statements, the Company did not operate as a separate entity during the periods presented. These financial statements are, therefore, not necessarily indicative of results that would have occurred if the Company had been a separate stand-alone entity during the periods presented.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is William Nichols.

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC, Canada
August 22, 2025

HM Exploration Corp.
Statements of Financial Position
As at April 30, 2025 and 2024
(Expressed in Canadian dollars)

		2025		2024
Assets				
Current				
Cash	$	**213,679**	$	**325,030**
Sales tax receivable and other		**19,163**		**8,221**
		232,842		**333,251**
Non-Current				
Exploration and evaluation assets (Note 5)		**235,982**		**129,218**
	$	**468,824**	$	**462,469**
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**71,290**	$	**37,105**
Due to related party (Note 7)		**-**		**9,999**
		71,290		**47,104**
Shareholders' Equity				
Share capital (Note 6)		**692,695**		**450,863**
Special warrants (Note 6)		**-**		**62,947**
Deficit		**(295,161)**		**(98,445)**
		397,534		**415,365**
	$	**468,824**	$	**462,469**

Subsequent event (Note 10)

Approved and authorized by the Board of Directors on August 22, 2025:

"Nicholas Rodway" _____
Director

"Joshua Vann" _____
Director

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

HM Exploration Corp.

Statements of Operations and Comprehensive Loss
For the years ended April 30, 2025 and 2024
(Expressed in Canadian dollars)

		2025		2024
Expenses				
Computer and internet expenses	$	**2,565**	$	**5,551**
General and administration		**9,528**		**287**
Marketing expenses		**19,500**		**-**
Interest expenses		**410**		**-**
Professional fees		**149,491**		**38,298**
Consulting fees (Note 7)		**24,600**		**9,523**
Other income				
Interest income		**9,378**		**-**
Net and comprehensive loss for the year	$	**196,716**	$	**53,659**
Basic and Diluted (Loss) Per Share	**$**	**(0.02)**	**$**	**(0.00)**
Weighted Average Number of Common Shares Outstanding – Basic and Diluted		**11,802,934**		**11,110,000**

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

HM Exploration Corp.

Statements of Changes in Equity
For the years ended April 30, 2025 and 2024
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Reserves	Special Warrants	Deficit	Total
Balance, April 30, 2023	**11,110,000**	**$ 450,863**	**$ 1,325**	**$ -**	**$ (44,786)**	**$ 407,402**
Special warrant (Note 6)	-	-	(1,325)	89,809	-	88,484
Share issuance costs (Note 6)	-	-	-	(26,862)	-	(26,862)
Net loss for the year	-	-	-	-	(53,659)	(53,659)
Balance, April 30, 2024	**11,110,000**	**$ 450,863**	**$ -**	**$ 62,947**	**$ (98,445)**	**$ 415,365**

	Number of Shares	Share Capital	Reserves	Special Warrants	Deficit	Total
Balance, April 30, 2024	**11,110,000**	**$ 450,863**	**$ -**	**$ 62,947**	**$ (98,445)**	**$ 415,365**
Additional contribution	-	31,500	-	-	-	31,500
Shares issued (Note 6)	1,400,000	140,000	-	-	-	140,000
Share issuance costs (Note 6)	-	(2,615)	-	-	-	(2,615)
Shares issued for exploration and evaluation assets (Note 5)	100,000	10,000	-	-	-	10,000
Shares issued on conversion of special warrants	626,227	62,947	-	(62,947)	-	-
Net loss for the year	-	-	-	-	(196,716)	(196,716)
Balance, April 30, 2025	**13,236,227**	**$ 692,695**	**$ -**	**$ -**	**$ (295,161)**	**$ 397,534**

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

HM Exploration Corp.

Statements of Cash Flows
For the years ended April 30, 2025 and 2024
(Expressed in Canadian dollars)

	2025	2024
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss	$ **(196,716)**	$ **(53,659)**
Changes in non-cash working capital items:		
Sales tax receivable and other	**(10,942)**	**(2,287)**
Accounts payable and accrued liabilities	**(40,359)**	**14,375**
Due to related party	**-**	**9,999**
Net cash flows used in operating activities	**(248,017)**	**(31,572)**
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Investment in exploration and evaluation costs	**(59,740)**	**(10,000)**
BC METC refund	**27,521**	**-**
Net cash flows used in investing activities	**(32,219)**	**(10,000)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issue of common shares	**171,500**	**-**
Cash receipts for special warrants	**-**	**88,484**
Share issuance costs	**(2,615)**	**(26,862)**
Net cash flows from financing activities	**168,885**	**61,622**
Increase (decrease) in cash	**(111,351)**	**20,050**
Cash, beginning of year	**325,030**	**304,980**
Cash, end of year	**$ 213,679**	**$ 325,030**

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

HM Exploration Corp. (the "Company") was incorporated in the Province of British Columbia on April 22, 2022. The Company's principal business activities include the acquisition and exploration of mineral property assets in Canada. The Company's registered and records office is located at 6/F, 905 West Pender Street. Vancouver, BC and head office is located at Suite 1450 - 789 West Pender Street, Vancouver, BC.

On October 29, 2024, the Company received a final receipt from the British Columbia Securities Commission for its Long Form Prospectus dated October 28, 2024.

On November 1 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commence trading on an exchange.

On December 6, 2024, the Company's shares were listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "HM".

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with, loans from directors and companies controlled by directors and/or private placements of share capital. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on August 22, 2025.

The Company has no source of operating cash flows, has not yet achieved profitable operations, has working capital of $161,552 at April 30, 2025 (2024: $286,147), has accumulated losses since its inception, expects to incur further losses in the development of its business, and has no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. In recognition of these circumstances, management is pursuing various financial alternatives to fund the Company's exploration and development programs. There is no assurance that these initiatives will be successful.

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS - continued

In the future, the Company may raise additional financing through the issuance of share capital or shareholder loans, however, there can be no assurance that it will be successful in its efforts to do so and that the terms will be favourable to the Company. These financial statements do not include any adjustments to the carrying values of assets and liabilities, the reported expenses and statement of financial position classifications that might be necessary should the Company be unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Management is actively seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests.

2. BASIS OF PRESENTATION

Statement of Compliance

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

Basis of Presentation

These financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this financial statement has been prepared using the accrual basis of accounting.

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and assumptions

Information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The recoverability of the carrying value of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest;
- The inputs used in assessing the recoverability of deferred income tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income; and
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods.

Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements are as follows:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs: Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic information, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.
- Provisions for reclamation: Management assesses its provision for reclamation on an annual basis or when new information becomes available. This assessment includes the estimation of the future rehabilitation costs, the timing of these expenditures, and the impact of changes in discount rates. The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are significant changes in environmental and/or regulatory requirements in the future.
- Going concern: The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Cash and cash equivalents

Cash and cash equivalents comprise cash on deposit with banks and highly liquid short-term interest-bearing investments with a term to maturity at the date of purchase of 90 days or less which are subject to an insignificant risk of change in value.

Mineral exploration, evaluation and development expenditures

All direct costs related to the acquisition of exploration rights are capitalized on a property-by-property basis. The Company assesses the carrying costs for impairment when indicators of impairment exist. All other exploration and evaluation expenditures are charged to operations until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration and evaluation costs and the costs incurred to develop a property are capitalized into mineral properties. On the commencement of production, depletion of each mineral property will be provided on a units-of-production basis using estimated reserves as the depletion base.

Impairment of non-financial assets

Exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. An impairment loss is charged to profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash-general units). As a result, some assets may be tested individually for impairment, and some may be tested at a cash-generating unit level.

Impairment reviews for exploration and evaluation stage mineral properties are carried out on a property-by-property basis, with each property representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the area has expired or will expire in the near future with no expectation of renewal;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the area is neither planned nor budgeted;
- No commercially viable deposits have been discovered, and the decision had been made to discontinue exploration in the area; and
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

4. MATERIAL ACCOUNTING POLICY INFORMATION - continued

Net income (loss) per share

Basic net income (loss) per share includes no potential dilution and is computed by dividing the net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding for the period.

Diluted income per share is computed in a manner similar to basic net income (loss) per share except that the weighted average number of common shares outstanding are increased to include additional shares from the assumed exercise of share options and warrants, if dilutive.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects. The proceeds from the issue of units are allocated between common shares and share purchase warrants based on the residual value method. The fair value of common shares is based on the market closing price on the date the units are issued. Equity instruments issued to agents as financing costs are measured at their fair value at the date of grant. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Financial instruments

(i) Recognition and measurement

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. On initial recognition, all financial assets and liabilities are recorded by the Company at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss ("FVTPL") for which transaction costs are expensed in the period in which they are incurred.

Subsequent to initial recognition, financial assets and financial liabilities are classified and measured as follows:

Financial assets and financial liabilities at amortized cost

Financial assets are classified as and subsequently measured at amortized cost if both of the following criteria are met: (i) the objective of the Company's business model for managing the financial assets is to collect their contractual cash flows; and (ii) the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding ("SPPI").

The Company's financial assets that are classified as and subsequently measured at amortized cost are as follows: cash and cash equivalents, amounts receivable and reclamation deposits.

Accounts payable and accrued liabilities are classified and subsequently measured at amortized cost.

The amortized cost of a financial asset or financial liability is the initial recognition amount minus principal repayments, plus the cumulative amortization using the effective interest method of any difference between the initial recognition amount and the maturity amount. For financial assets, the amortized cost includes the adjustment for any credit loss allowance.

4. MATERIAL ACCOUNTING POLICY INFORMATION - continued

Financial assets at FVPTL

Financial assets are classified and subsequently measured at FVTPL, with changes in fair value recognized in net income or loss, if they are not held within a business model whose objective includes collecting the financial assets' contractual cash flows or the contractual cash flows of the financial assets do not represent SPPI.

The Company does not have any financial assets classified at FVTPL.

Equity instruments at fair value through other comprehensive income ("FVTOCI")

At initial recognition, the Company may irrevocably elect to present in OCI subsequent changes in the fair value of particular investments in equity instruments (on an individual instrument basis) that otherwise would be measured at FVTPL. This election is not permitted on investments in equity instruments that are held for trading. The cumulative gain or loss recognized in OCI is reclassified to retained earnings or deficit upon disposition of the investment in equity instrument.

The Company does not have any financial assets classified as FVTOCI.

Derivative assets and liabilities at FVTPL

A derivative is defined as having the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- It is settled at a future date.

A derivative, other than a derivative that meets the definition of an equity instrument, is initially recognized as a financial asset or financial liability at its fair value on the date the derivative contract is entered into and the related transaction costs are expensed. The fair values of the derivatives are remeasured at the end of each reporting period with changes in fair values recognized in net income or loss.

The Company does not have any derivative financial assets and liabilities measured at FVTPL.

4. MATERIAL ACCOUNTING POLICY INFORMATION - continued

(ii) Derecognition and financial assets and liabilities

The Company derecognizes a financial asset or a part of the financial asset when, and only when (i) the contractual rights to the cash flows from the financial asset expire, or (ii) the Company transfers the financial asset and the transfer qualifies for derecognition. Transfers of a financial asset, either by (i) transferring the contractual rights to the financial asset, or (ii) retaining the contractual rights to receive the cash flows of the financial asset, but assuming a contractual obligation to pay the cash flows collected to one or more recipients without material delay and whereby the Company is prohibited from selling or pledging the financial asset other than as security to the eventual recipients, qualify for derecognition if the Company transfers substantially all the risks and rewards of ownership of the financial asset or control of the financial asset.

The Company derecognizes a financial liability or a part of the financial liability when, and only when, it is extinguished. A financial liability is extinguished when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset or financial liability, the difference between the carrying amount derecognized and the consideration received or paid, respectively, is recognized as a gain or loss in net loss.

(iii) Impairment

The Company recognizes a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

(i) Current income tax

Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred income tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

4. MATERIAL ACCOUNTING POLICY INFORMATION - continued

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

(iii) Exploration tax credits

Exploration tax credits are recorded as a reduction in exploration costs once there is reasonable assurance that they will be received.

5. EXPLORATION AND EVALUATION ASSETS

The following is a description of the Company's property interests and related spending commitments:

DD Project – Port Alberni

On July 28, 2022, the Company entered into a property option agreement ("Option Agreement") to acquire the right to earn up to 100% interest in and to two contiguous mineral claims located in British Columbia known as the "DD Project".

Pursuant to the Option Agreement, the Company acquired an initial 51% interest by:

- making a $10,000 cash payment to the optionor upon signing of the Option Agreement (completed); and
- issuing 100,000 common shares to the optionor upon signing of the Option Agreement (completed).

To earn an additional 49% interest in the DD Project, the Company must:

- make a $10,000 cash payment to the optionor on or before August 2, 2023 (completed);
- incur minimum exploration expenditures of $75,000 on or before August 2, 2023 (completed);
- issue 100,000 common shares to the optionor on or before the date that is 10 calendar days after the date of the initial listing of the Company's common shares on the Canadian Securities Exchange (the "Listing Date") (completed); and
- incur minimum additional exploration expenditures of $125,000 on or before the first anniversary of the Listing Date (completed).

The DD Project is also subject to a 2% Net Smelter Returns Royalty ("NSR") on the claims comprising the property. The Company may repurchase up 1% of the NSR within three years of commercial production for $1,000,000.

5. EXPLORATION AND EVALUATION ASSETS - continued

The following are the expenditures on the DD Project:

		DD Project
Balance, April 30, 2023	$	119,218
Property acquisition costs:		
Cash		10,000
Balance, April 30, 2024	$	129,218

		DD Project
Balance, April 30, 2024	$	129,218
Property acquisition costs:		
Share issued		10,000
Exploration costs:		
UAV Magnetic Survey		81,850
Geological Services		19,415
Geological expenses (Note 7)		10,000
Equipment rental and other costs		13,020
BC METC credit		(27,521)
		106,764
Balance, April 30, 2025	$	235,982

6. SHARE CAPITAL

a) Authorized: Unlimited common shares with no par value.

b) Issued and outstanding: The total issued and outstanding shares of the Company total 13,236,227 as at April 30, 2025 (2024: 11,110,000).

During the year ended April 30, 2025 and 2024, the Company issued the following shares:

i. On July 24, 2024, the Company passed a resolution to increase the cost base price of 2,100,000 common shares from $0.005 per share to $0.02 per share, resulting in gross proceeds of $31,500.
ii. On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commenced trading on an exchange.
iii. On December 9, 2024, the company issued a total of 100,000 common shares with a fair value of $10,000 for the property acquisition (Note 5).
iv. On January 30, 2025, the company issued 1,400,000 flow through shares at $0.10 per share for gross proceeds of $140,000.

c) Special Warrants

During the years ended April 30, 2025 and 2024, the Company issued the following special warrants:

On December 15, 2023, the Company completed the Private Placement and issued 626,227 Special Warrants. Additional share issue costs of $26,862 were paid in connection with the financing.

On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commence trading on an exchange.

d) Warrants

The following is a summary of warrant transactions for the years ended April 30, 2025 and 2024:

	2025		2024	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	-	-	-	-
Granted	626,227	$ 0.30	-	-
Balance, end of year	626,227	$ 0.30	-	-

6. SHARE CAPITAL - continued

The following warrants were outstanding and exercisable as at April 30, 2025:

Expiry Date	Exercise Price	Number of Warrants	Contractual Life (Years)
December 6, 2026	$0.30	626,227	1.60
Total outstanding and exercisable		626,227	1.60

7. RELATED PARTY TRANSACTIONS

During the years ended April 30, 2025 and 2024, the Company incurred the following transactions with officers or directors of the Company or companies with common directors:

Key management compensation*	**2025**	**2024**
Consulting fees	24,600	9,523
Geological expenses (Note 5)	10,000	-
Total	$ 34,600	$ 9,523

* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

As at April 30, 2025, there was $nil (2024: $9,999) due to related parties of the Company.

The terms and conditions of these transactions with key management and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management related entities on an arm's length basis.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

8. FINANCIAL INSTRUMENTS

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is subject to credit risk for a maximum of the amounts shown on the statements of financial position.

As at April 30, 2025, the Company held cash of $213,679 (2024: $325,030) with Canadian chartered banks.

Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

As at April 30, 2025, the Company had total $213,679 (2024: $325,030) in cash to settle current liabilities of $71,290 (2024: $47,104) and, as such, assessed liquidity risk as low.

Market Risk

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

i) Currency Risk
Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Company is in the exploration stage and has not yet developed commercial mineral interests, the underlying commodity price for minerals is impacted by changes in the exchange rate between the Canadian and United States dollar. As all of the Company's transactions are denominated in Canadian dollars, the Company is not significantly exposed to foreign currency exchange risk at this time.

8. FINANCIAL INSTRUMENTS - continued

ii) Commodity Price Risk
Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk at this time.

iii) Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates.

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Capital Management

Capital is comprised of the Company's shareholders' equity and any debt it may issue. As at April 30, 2025, the Company's shareholders' equity was $397,534 (2024: $415,365). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration of its mineral properties. Therefore, the Company monitors the level of risk incurred in its mineral property expenditures relative to its capital structure which is comprised of working capital and shareholders' equity.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares annual expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Company's Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties. The Company is not subject to any externally imposed capital requirements and there were no changes in the Company's approach to capital management during the year.

9. INCOME TAXES

The Company is subject to income taxes in Canada. The reconciliation of the income tax provision computed at the statutory rate is as follows:

	2025	2024
Net loss before tax	(196,716)	(53,659)
Statutory tax rate	27.00%	27.00%
Expected income tax recovery	(53,113)	(14,488)
Net adjustments for deductible and non-deductible amounts	(9,029)	(7,253)
Change in valuation allowance	62,142	21,741
Deferred income tax expense per financial statements	-	-

There are no deferred tax assets/(liabilities) presented in the statement of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/ (liabilities) have been recognized are attributable to the following:

	2025	2024
Non-capital loss carry forward	329,674	109,122
Exploration and evaluation assets	(6,307)	(21,844)
Share issue costs	23,514	29,447
Deferred tax assets/(liabilities)	346,881	116,725

The Company has non-capital losses of approximately $330,000 available for Canadian income tax purposes which may be carried forward to reduce taxable income in future years. If not utilized, the non-capital losses expire as follows:

Expiry	$
2043	63,000
2044	62,000
2045	205,000
Total	330,000

10. SUBSEQUENT EVENT

On July 30, 2025, the Company granted 1,300,000 stock options (“Options”) to certain directors, officers, employees and consultants of the Company pursuant to the Company’s stock option plan. The Options are exercisable at a price of $0.23 per common share for a term of ten years, vesting in four equal tranches over four years.