1911 Gold Corporation

Consolidated Annual Financial Statements

(Expressed in thousands of Canadian dollars)

For the years ended December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 1911 Gold Corporation:

Opinion

We have audited the consolidated financial statements of 1911 Gold Corporation and its subsidiary (together the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other 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

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of the existence of impairment indicators for mineral properties	
Refer to notes 4(b) and 8	Our approach to addressing the matter involved the following procedures, among others:
As at December 31, 2024, the carrying amount of the Company's mineral properties was $30,329,000. At each reporting period, management assesses mineral properties to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Management assesses mineral properties for impairment based on, at minimum, the presence of any of the following indicators: (i) the period for which the Company has the right to explore in the specific area has expired during the year 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) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or (iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at December 31, 2024. We considered this a key audit matter due to the magnitude of the mineral properties and the judgments made by management in their assessment of impairment indicators related to the mineral properties. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.	Evaluating the judgments made by management in determining the impairment indicators, which included the following: • Obtained, for a sample of claims by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates. • Read the board of directors' minutes and resolutions and observed evidence supporting the continued and planned exploration expenditures, which included evaluating results of the Company's work programs. • Assessed whether available data indicates the potential for commercially viable mineral resources. • Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

Key audit matter	How our audit addressed the key audit matter
Assessment of the valuation, accuracy and completeness of the reclamation obligations related to the True North Gold Mine and Mill	
Refer to note 4(a) and 12	Our approach to addressing the matter involved the following procedures, among others:
As at December 31, 2024, the carrying amount of the Company's reclamation obligations was $2,905,000. At each reporting period, management estimates the present value of the costs for site closure and reclamation activities based on expected cash outflows, effects of inflation, discount rates, and risks specific to the obligations We considered this a key audit matter due to the significant assumptions applied and judgments made by management, which were required in: • Estimation of costs and expected timing of rehabilitation work; and • Discount rates and inflation rates, as applicable, for cash outflows. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the significant assumptions applied and judgments made by management.	Evaluating the significant assumptions applied and judgments made by management in determining the nature and extent of rehabilitation work which included the following: • Evaluated the qualifications, competence and objectivity of management's expert. • Obtained the True North Gold Mine Closure Plan prepared by management's expert related to the expected rehabilitation cash outflows, and the estimated timing when the activities are expected to occur, evaluated the methods and assumptions, and assessed the appropriateness of the expert's work as audit evidence. • Tested the mathematical accuracy of the calculation of the reclamation obligations. • Assessed the reasonableness of the discount and inflation rates based on available independent economic data. • Evaluated the adequacy of the Company's disclosures related to the reclamation obligations.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information 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 in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Doris Yingying Cen.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
March 12, 2025

Consolidated Statements of Financial Position

(Expressed in thousands of Canadian dollars, except for per share amounts)

	Note	December 31, 2024	December 31, 2023
		$	$
ASSETS			
Current			
Cash and cash equivalents		7,412	3,099
Marketable securities	**5**	18	71
Inventories	**6**	-	423
Prepaid expenses and other		679	354
		8,109	3,947
Non-current			
Restricted cash	**18**	400	400
Plant and equipment, net	**7**	763	891
Mineral properties	**8**	30,329	30,325
TOTAL ASSETS		**39,601**	**35,563**
LIABILITIES			
Current			
Accounts payable and accrued liabilities	**9**	896	1,929
Accrued compensation and benefits		309	311
Flow-through share premium liability	**11**	1,406	80
		2,611	2,320
Non-current			
DSU liability	**10**	15	–
Reclamation obligations	**12**	2,905	2,719
TOTAL LIABILITIES		**5,531**	**5,039**
SHAREHOLDERS' EQUITY			
Share capital	**13**	44,207	35,997
Share-based payment reserve	**13**	1,597	1,465
Other reserves		130,106	130,106
Deficit		(141,840)	(137,044)
TOTAL SHAREHOLDERS' EQUITY		**34,070**	**30,524**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**39,601**	**35,563**

Nature of operations and going concern – Note 1
Commitments and Contingencies – Note 19
Subsequent events – Note 20

On behalf of the Board:

/s/ Gary O'Connor	/s/ Blair Schultz
Chairman	Director

Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31, 2024 and 2023

(Expressed in thousands of Canadian dollars, except for per share amounts)

	Note	2024 $	2023 $
REVENUES		–	731
Expenses			
Administrative and office		1,062	640
Consulting	**16**	404	397
Depreciation		292	406
Director fees	**16**	76	136
Exploration and evaluation	**16**	1,812	1,067
Fuel and utilities		3,542	2,798
Professional fees	**16**	254	347
Property tax and insurance		230	174
Salaries and benefits	**16**	1,087	737
Share-based payments	**10,13,16**	158	116
Shareholder communications		277	48
Loss before other items		(9,194)	(6,135)
Rental revenues and other	**7**	4,324	3,826
Gain on disposal of equipment	**7**	500	310
Flow-through premium recovery	**11**	216	–
Interest income (expense)		22	(5)
Write-down of inventory	**6**	(423)	(481)
Reclamation obligations accretion	**12**	(182)	(179)
(Loss) gain on marketable securities	**5**	(53)	36
Foreign exchange (loss) gain		(6)	7
Gain on disposal of mineral property	**8**	–	600
Gain on shares issued for debt		–	15
Net loss for the year		(4,796)	(2,006)
Other comprehensive income for the year			
Currency translation adjustment		–	7
Comprehensive loss for the year		(4,796)	(1,999)
Loss per share			
Basic and diluted		(0.03)	(0.03)
Weighted average number of shares outstanding			
Basic and diluted		140,425,021	70,122,595

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023

(Expressed in thousands of Canadian dollars, except for per share amounts)

	Note	2024 $	2023 $
CASH (USED IN) PROVIDED BY:			
Operating activities			
Net loss for the year		(4,796)	(2,006)
Depreciation and depletion		292	406
Reclamation obligations accretion	**12**	182	179
Loss (gain) on marketable securities	**5**	53	(36)
Share-based payments	**10,13**	158	116
Foreign exchange loss		6	–
Flow-through premium recovery	**11**	(216)	–
Gain on disposal of equipment	**7**	(500)	(310)
Gain on disposal of mineral property	**8**	–	(600)
Gain on shares issued for debt		–	(15)
Write-down of inventory	**6**	423	482
Changes in non-cash working capital items			
Prepaid expenses and other		(325)	46
Accounts payable and accrued liabilities		(1,039)	(535)
Accrued compensation and benefits		(2)	(289)
		(5,764)	(2,562)
Investing activities			
Expenditures on plant and equipment		(114)	–
Proceeds on disposal of equipment		450	363
Proceeds on disposal of mineral property		–	800
		336	1,163
Financing activities			
Proceeds from private placement, net of share issuance costs		7,737	3,868
Proceeds from exercise of warrants		2,004	–
		9,741	3,868
Increase in cash		4,313	2,469
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		**3,099**	**630**
CASH AND CASH EQUIVALENTS - END OF YEAR		**7,412**	**3,099**
Cash and cash equivalents was comprised of:			
Cash		7,377	3,064
Cash equivalents		35	35
Total cash and cash equivalents		7,412	3,099

Supplemental cash flow information – Note 18

Consolidated Statements of Changes in Equity

(Expressed in thousands of Canadian dollars, except for per share amounts)

	Note	Number of common shares	Share capital	Share-based Payment and warrant reserve	Accumulated other comprehensive loss	Other reserves	Deficit	Total
			$	$	$	$	$	$
Balance, December 31, 2022		**68,216,155**	**31,776**	**1,423**	**(7)**	**130,106**	**(135,112)**	**28,186**
Shares issued by private placement	**13**	60,489,882	3,898	–	–	–	–	3,898
Share issuance costs		–	(30)	–	–	–	–	(30)
Flow-through share premium	**11**	–	(80)	–	–	–	–	(80)
Shares issued for debt	**13**	5,775,458	433	–	–	–	–	433
Share-based payments	**13**	–	–	116	–	–	–	116
Expiry of warrants		–	–	(74)	–	–	74	–
Net loss for the year		–	–	–	–	–	(2,006)	(2,006)
Cumulative translation adjustment		–	–	–	7	–	–	7
Balance, December 31, 2023		**134,481,495**	**35,997**	**1,465**	**–**	**130,106**	**(137,044)**	**30,524**
Shares issued by private placement	**13**	37,706,128	7,776	–	–	–	–	7,776
Share issuance costs		–	(39)	–	–	–	–	(39)
Flow-through share premium	**11**	–	(1,542)	–	–	–	–	(1,542)
Shares issued from warrant exercises	**13**	20,029,967	2,004	–	–	–	–	2,004
Shares issued from settlement of DSUs	**13**	88,412	11	–	–	–	–	11
Share-based payments	**13**	–	–	132	–	–	–	132
Net loss for the year		–	–	–	–	–	(4,796)	(4,796)
Balance, December 31, 2024		**192,306,002**	**44,207**	**1,597**	**–**	**130,106**	**(141,840)**	**34,070**

1. NATURE OF OPERATIONS

1911 Gold Corporation ("1911 Gold" or the "Company") is engaged in the exploration and extraction of precious metals. The Company owns and operates the Rice Lake property which holds the True North gold mine and mill ("True North"), as well as the Apex property near Snow Lake, Manitoba and the Denton-Keefer property near Timmins, Ontario. The Company was incorporated under the British Columbia Business Corporations Act on May 3, 2018 and its common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "AUMB" and are quoted on the OTCQB under the symbol "AUMBF". The Company's principal place of business is located at 400 Burrard Street, Suite 1050, Vancouver, BC V6C 3A6.

Going concern

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for at least twelve months from the year end. At December 31, 2024 the Company had working capital (current assets less current liabilities) of $5,498 (December 31, 2023 –$1,627). During the year ended December 31, 2024 the Company incurred a loss of $4,796 (2023 - $2,006) and used cash for operating activities of $5,764 (2023 - $2,562).

The Company has a history of operating losses, has limited financial resources, and no assurance that sufficient funding will be available to enable the Company to continue exploration activities. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of common shares, through entering into joint ventures or by realizing proceeds from the disposition of its mineral interests. Management plans to continue to secure the necessary financing through a combination of equity financing and divesting of non-core property holdings; however, there can be no assurance that the Company will be successful in these actions. There is a material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern, and the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

These consolidated financial statements do not give effect to adjustments to the carrying amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance and functional currency

These consolidated financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") effective for the Company's reporting for the year ended December 31, 2024. These consolidated financial statements were approved by the Board of Directors on March 12, 2025. These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

These consolidated financial statements include the financial statements of the Company's subsidiary, 1911 Gold USA Ltd. until August 29, 2023 when the subsidiary was dissolved. These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company's Canadian entity. The functional currency of the Company's foreign entity, 1911 Gold USA Ltd., was US dollars. The accounts of the subsidiary were prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions were eliminated on consolidation.

3. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared using the following accounting policies:

Cash and cash equivalents

Cash and cash equivalents is unrestricted as to use and consists of cash on hand and demand deposits held in Canadian financial institutions as well as short-term interest-bearing investments which can be readily liquidated to known amounts of cash.

Foreign currency

These consolidated financial statements are presented in Canadian dollars, which was the functional currency of the Company's Canadian entity, 1911 Gold Corporation. The functional currency of the Company's foreign subsidiary, 1911 Gold USA Ltd., was US dollars.

Transactions in currencies other than the functional currency of an entity are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

The functional currency of 1911 Gold USA Ltd. was translated into the presentation currency using the period-end rates for assets and liabilities while items of profit or loss were translated using average rates of exchange. Exchange adjustments arising when equity items and items of profit or loss are translated into the presentation currency are taken into a separate component of equity and reported in other comprehensive income (loss).

Financial Instruments

a) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company's financial instruments consist of cash and cash equivalents, restricted cash, marketable securities, accounts payable and accrued liabilities, and accrued compensation and benefits. Cash and cash equivalents, restricted cash, accounts payable and accrued liabilities, and accrued compensation and benefits are classified as financial assets and liabilities at amortized cost and are measured at amortized cost. Marketable securities are classified and measured as FVTPL.

b) Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently measured at amortized cost using the effective interest method, less any impairment. The 'effective interest rate' is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period. Interest expense is recorded in profit or loss.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss during the period in which they arise.

Financial instruments at FVTOCI are initially recognized at fair value plus or minus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

c) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

d) Derecognition

- **Financial assets -** The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.
- **Financial liabilities -** The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

Inventories

Inventory consists of supplies and commodity consumables used in the mining, milling, and refining processes. Inventory is measured and carried at the lower of average cost or net realizable value.

Plant and equipment

Plant and equipment are carried at cost, less accumulated depletion, depreciation, and accumulated impairment losses (if any). Cost includes the fair value of consideration given to acquire or construct an asset and includes all charges associated with bringing an asset to the location and condition necessary for its intended use. Estimated costs of decommissioning, dismantling, and removing assets are capitalized to the cost of the asset to which they relate.

Plant and equipment assets are recorded at cost and depreciated over their estimated useful lives. Cost also includes the expenditures directly attributable to the acquisition of the asset and the cost of major overhauls of parts of an asset if such part extends the productive capacity or useful economic life of the asset to which it relates. Estimated costs of decommissioning, dismantling, and removing assets are capitalized to the cost of the asset to which they relate. The costs of the day-to-day servicing of plant and equipment are recognized in profit or loss as incurred.

Depreciation on plant and equipment is calculated using either the straight-line method based on the asset's expected useful life or the units-of-production method at rates sufficient to depreciate such costs over the total estimated recoverable ounces. When components of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment. Depreciation on assets under construction commences when such assets are substantially complete and placed in service for their intended use. An asset's residual value, useful life and depreciation method are reviewed on an annual basis and any adjustments are accounted for as a change in an accounting estimate. The major categories of plant and equipment are depreciated at the following annual rates:

- **Vehicles** – 3 - 5 years
- **Buildings** – 5 - 37 years
- **Computer Software and Hardware** – 3 - 12 years
- **Field Equipment** – 3 - 8 years
- **Mill** – 3 - 14 years
- **Tailings Equipment** – 3 - 5 years

Mineral properties

Mineral properties include the capitalized costs of acquiring mineral property rights and licenses. All exploration and evaluation expenditures are expensed until properties are determined to have economically recoverable resources. These direct expenditures include such costs as materials used, surveying costs, geological studies, drilling costs, payments made to contractors and depreciation of plant and equipment during the exploration phase. Mineral properties are classified as intangible assets.

Impairment of long-lived assets

Non-financial assets are assessed at each reporting date to determine whether any indication of impairment exists. When an indicator of impairment exists, a formal estimate of the recoverable amount is made. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs of disposal the asset is written down to its recoverable amount. An impairment loss is charged to profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statements of loss and comprehensive loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (“cash generating units” or “CGU”s). For 1911 Gold the CGUs are the individual mineral properties.

Reclamation obligations

The Company records a liability and corresponding asset for the present value of the estimated costs of legal and constructive obligations for site closure and reclamation activities where the liability is probable and a reasonable estimate can be made of the obligation amount. Provisions for closure and reclamation liabilities are estimated using expected cash flows, based on engineering and environmental reports prepared by internal and third-party industry specialists, which are adjusted for estimates of inflation for any nominal cash flows and discounted at a rate specific to the estimated term of the liability which reflects risks specific to such liability. The capitalized amount is included within mineral properties and amortized on the same basis as the asset to which it relates. The reclamation obligation is accreted over time to reflect the unwinding of the discount with the resultant accretion expense included in profit or loss. The provision is reviewed at each period end and adjusted for changes in estimates, circumstances, disturbances, and inputs used to compute the underlying liability.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company’s common shares and options are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are measured based on the residual value method and included in share capital with the common shares that were concurrently issued. The residual value method allocates the proceeds from a unit offering first to the common shares based on quoted market price of the common shares on the date of issue, as management has determined this to be the more reliably measurable component of the unit offerings; the residual (if any) is allocated to the warrants. Warrants that are issued as payment for agency fees or other transaction costs are accounted for as share-based payments and are measured at their grant date fair value using the Black-Scholes option pricing model.

Share-based compensation

The Company has a share option plan which is described in Note 13(c). Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Share-based payments to employees and Directors are measured at the grant date fair value of the equity instruments issued, using the Black-Scholes option pricing model, and are recognized in profit or loss over their applicable vesting periods. The offset to the recorded cost is to share-based payment reserves. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payment reserve amount is transferred to share capital.

Flow-through shares

The Company may periodically issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. In the event that warrants are issued with the flow-through common shares, the Company will not assign any of the premium to those warrants. Upon expenditures being incurred, the Company derecognizes the flow-through liability and recognizes other income for the amount of tax reduction renounced to the shareholders.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's reporting year is classified as a flow-through share premium liability in Note 11.

Revenue

The Company produced doré and derived revenue from the sale of doré. The Company's performance obligations relate primarily to the delivery of these products to customers, with each shipment representing a separate performance obligation. Revenue from the sale of bullion is recognized at the point the customer obtains control of the product. Control is transferred when title has passed to the purchaser, the product is physically delivered to the customer, the customer controls the risks and rewards of ownership and the Company has a present right to payment for the product.

The refiner who receives doré from the Company, refines the material on the Company's behalf and arranges for sale of the refined metal on the London Bullion Market. Control over the refined gold or silver produced from doré is transferred to the customer and revenue recognized upon delivery to the customer's bullion account. Refined metals are sold at spot prices on the London Bullion Market and proceeds are collected within two business days of the completion of the sale transaction.

Revenue recognition under an operating lease commences when the tenant has the right to use the leased asset, which is typically when the tenant takes possession of, or controls, the physical use of the leased asset. Generally, this occurs on the lease commencement date.

Income taxes

Income taxes is comprised of both current and deferred tax. Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent that the tax relates to items recognized directly in equity. Current income taxes are the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

The Company uses an asset and liability method which results in the recognition of deferred tax liabilities and assets for the expected future tax consequences or benefits of temporary differences between the financial reporting basis and the tax basis of assets and liabilities, as well as operating loss carry forwards, using enacted tax rates in effect in the years in which the differences are expected to reverse.

In assessing the realizability of deferred tax assets, management considers whether it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Accounting standards adopted during the year

In October 2022, the IASB issued *Non-current liabilities with covenants* (amendments to IAS 1). These amendments increase the disclosure required to enable users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within 12 months. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. These amendments did not have a material effect on the consolidated financial statements.

Accounting standards issued but not yet effective

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure of Financial Statements* (“IFRS 18”), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. We are currently assessing the effect of this new standard on our financial statements.

As at December 31, 2024, there are no other IFRS Accounting Standards or IFRIC interpretations with future effective dates that are expected to have a material impact on the Company.

(Expressed in thousands of Canadian dollars, except for per share amounts)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions, which by their nature are uncertain, affect the carrying value of assets, impact decisions as to when exploration and evaluation costs should be capitalized or expensed. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

These estimates are as follows:

a) Determining amount and timing of rehabilitation costs
At each reporting date, in order to comply with existing laws, regulations and agreements related to the Company's activities, management determines if there have been any changes in assumptions or estimates with respect to future costs of rehabilitation work. Actual costs incurred may differ from those amounts estimated. Future changes to environmental laws and regulations could increase the extent of rehabilitation work required by the Company.

Critical judgments are as follows:

b) Impairment of mineral properties
Management reviews the Company's mineral properties at each reporting date for indicators of impairment which requires management to exercise key judgements, including but not limited to (i) the Company's right to explore the mineral properties, (ii) whether the Company has further plans or budgets for substantive expenditures for the ongoing exploration and evaluation of the mineral properties, (iii) the impact of exploration and evaluation results to date with respect to the mineral properties, and (iv) the likelihood that the carrying amount of the mineral properties will be recovered in the future through development or sale of the assets. If indicators of impairment are identified, management would further review the carrying amounts of the applicable mineral properties to determine if their carrying amounts exceed their fair value. No impairment indicators were identified by management as at December 31, 2024.

5. MARKETABLE SECURITIES

	$
Balance at December 31, 2022	**35**
Mark-to-market adjustment on fair value of marketable securities	36
Balance at December 31, 2023	**71**
Mark-to-market adjustment on fair value of marketable securities	(53)
BALANCE AT DECEMBER 31, 2024	**18**

As at December 31, 2024, the Company held 1,745,550 shares of 55 North Mining Inc. During the year ended December 31, 2024, the Company recorded a mark-to-market adjustment of $53 (2023: $36), bringing the fair value of the shares as at December 31, 2024 to $18 (2023: $71).

(Expressed in thousands of Canadian dollars, except for per share amounts)

6. INVENTORIES

As at December 31, 2023, the inventory consisted of supplies inventory. During the year ended December 31, 2024 a write-down of $423 was taken on inventory for obsolete supplies (year ended December 31, 2023: $481).

7. PLANT AND EQUIPMENT

	Building	Field equipment	Furniture and equipment	Total
	$	$	$	$
COST:				
Balance at December 31, 2022	13,598	–	124	13,722
Disposals	(64)	–	–	(64)
Balance at December 31, 2023	13,534	–	124	13,658
Additions	–	164	–	164
Balance at December 31, 2024	13,534	164	124	13,822
ACCUMULATED DEPRECIATION AND DEPLETION				
Balance at December 31, 2022	(12,292)	–	(80)	(12,372)
Additions	(385)	–	(21)	(406)
Disposals	11	–	–	11
Balance at December 31, 2023	(12,666)	–	(101)	(12,767)
Additions	(266)	(16)	(10)	(292)
Balance at December 31, 2024	(12,932)	(16)	(111)	(13,059)
NET – DECEMBER 31, 2023	**868**	**–**	**23**	**891**
NET – DECEMBER 31, 2024	**602**	**148**	**13**	**763**

During the year ended December 31, 2024, the Company recorded a gain on disposal of plant and equipment of $500 (2023: $310).

Leasing of the True North Mill Complex

On July 18, 2023, the Company entered into a letter agreement (the "Grid Agreement") with Grid Metals Corp. ("Grid") to lease the True North mill complex for future processing of spodumene pegmatite (lithium ore) from Grid's Donner Lake Lithium Project.

Execution of the Grid Agreement included an upfront cash payment of $750 with an additional $1,000 cash payment paid in 90 days upon completion of further technical due diligence. The lease arrangement involved milestone payments, a net smelter royalty of 1% from the sale of any lithium concentrate from ore processed by the True North mill complex, and ongoing payments to cover operating and depreciation costs during the term.

On October 17, 2023, April 24, 2024, and June 10, 2024, certain terms in the Grid Agreement were modified in order to reduce the near-term funding requirements for Grid, while leaving the overall mill lease agreement substantially intact. The terms that were modified were as follows:

- Toll milling agreement terms for the processing of the Company's gold ore during the lease period have been modified to increase the minimum available processing capacity for gold ore.

(Expressed in thousands of Canadian dollars, except for per share amounts)

- The remaining payments to the Company have been modified to the following:
  - $500 to be paid as follows:
    - $100, payment due by June 15, 2024 (paid);
    - $200, payment due by December 31, 2024; and
    - $250 payment due by April 2025; and
  - payments related to operating cost expenses incurred each quarter related to the True North mill including their portion of costs related to security, insurance, administration, and environmental support.

After payments above have been paid, Grid shall have the right to withdraw from the Grid Agreement with no further payment obligations to 1911. Otherwise, Grid shall have the right to continue the agreement by making the following payments:

- $500 cash along with an additional $500 financial assistance payment to the Company's financial security obligations to the Province of Manitoba (relating to the mine closure plan for the True North complex) due by December 31, 2025;
- a $900 financial assistance payment due by December 31, 2026; and
- a $500 financial assistance payment due by December 31, 2027.

During the year ended December 31, 2024, the Company recognized $100 of lease payments from the Grid Agreement in rental revenues and other in profit or loss (2023 - $900).

Leasing of the True North Mill Complex – Subsequent Events
On February 12, 2025, the Company signed an amending agreement to terminate the Grid Agreement. The termination requires Grid to make $450 in additional payments, payable monthly, by October 2025.

Data Centre Agreements
The Company entered into three agreements in June, September and November of 2022 for the lease of a 0.35 hectare parcel of land on the True North site for the purpose of hosting a data processing centre, for a term of 3 to 5 years (the "Data Centre Agreement"). This data center is independently operated and maintained and will utilize excess hydroelectric power available at site for the purposes of providing data processing services to third parties. During the year ended December 31, 2024, the Company recognized $4,090 from the Data Centre Agreements in rental revenues and other in profit or loss (2023 - $2,769).

8. MINERAL PROPERTIES

	Mineral properties $
COST:	
Balance at December 31, 2022	61,242
Additions	82
Disposals	(200)
Balance at December 31, 2023	61,124
Additions	4
Balance at December 31, 2024	61,128
ACCUMULATED DEPRECIATION AND DEPLETION	
Balance at December 31, 2023 and December 31, 2024	(30,799)
NET – DECEMBER 31, 2023	**30,325**
NET – DECEMBER 31, 2024	**30,329**

(Expressed in thousands of Canadian dollars, except for per share amounts)

As a result of the shutdown of mining operations in 2018 and the focus on exploration activity for the foreseeable future, all the Company's mineral properties are considered to be in the exploration phase.

Sale of the Tully Property

On August 8, 2023, the Company entered into a purchase agreement with Fulcrum Metals PLC ("Fulcrum") for the sale of its 100% interest in eleven mining claims and a mining lease of the Tully Property ("Tully"). Pursuant to the terms of the purchase agreement, the Company received total consideration of $800 in cash and a 1.5% net smelter returns royalty ("NSR") on Tully. Fulcrum will have the option to repurchase up to 1% of the NSR with cash payments of $300 for each 0.5% repurchased. The Company recorded a gain on the sale of Tully in the amount of $600, which was included as a gain on disposal of mineral properties in profit or loss during the year ended December 31, 2023.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31 2024	December 31 2023
	$	$
Accounts payable	421	1,671
Accrued liabilities	475	258
	896	**1,929**

10. DEFERRED SHARE UNITS ("DSUs")

On June 26, 2024, the shareholders of the Company approved a new long-term incentive plan, which is a rolling 10% plan that provides for the grant of Stock Options, Restricted Share Units ("RSUs") and DSUs. Under the plan, the DSUs can be granted to directors as part of their long-term compensation package, entitling them to receive the payout in either cash or shares. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of DSUs at the payout date by the closing price of the Company's shares on the day the individual ceased to be a director. Should the payout be in shares, each DSU represents an entitlement to one common share of the Corporation.

The Company's DSUs outstanding as at December 31, 2024 and 2023 and the changes for the years then ended are as follows:

	Number of DSUs
Balance as at December 31, 2023 and 2022	–
Granted April 15, 2024	79,545
Granted July 8, 2024	103,647
Settled August 21, 2024	(88,412)
BALANCE AS AT DECEMBER 31, 2024	**94,780**

All grants under the plan are fully vested upon grant.

During the year ended December 31, 2024, the Company granted 183,192 DSUs (2023: nil) with a market value of $26 (2023: $nil), at the date of grants, to non-executive directors. During the year ended December 31, 2024, 88,412 shares were issued as settlement for the DSUs. As at December 31, 2024, there are 94,780 (2023: nil) DSUs outstanding with a fair value of $15 (2023: $nil). The total share-based payment expense recognized for DSUs during the year ended December 31, 2024 was $26 (2023: $nil).

Subsequent to December 31, 2024, the Company issued 666,665 DSUs to directors of the Company (see Note 20).

(Expressed in thousands of Canadian dollars, except for per share amounts)

11. FLOW-THROUGH SHARE PREMIUM LIABILITY

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share premium liability:

	$
Balance at December 31, 2022	**–**
Liability incurred on flow-through shares issued during the year	80
Balance at December 31, 2023	80
Settlement of flow-through share liability on incurred expenditures	(216)
Liability incurred on flow-through shares issued during the year	1,542
BALANCE AT DECEMBER 31, 2024	**1,406**

During the year ended December 31, 2023, the Company issued 8,927,392 flow through units issued in two tranches with tranche one consisting of 2,260,715 flow-through units ("FT Units") for gross proceeds of $158, with each FT Unit comprised of one flow-through common share ("FT Share") and one flow-through warrant ("FT Warrant") exercisable to purchase one common share of the Company at $0.10 per share for 24 months, and tranche two consisting of 6,666,667 flow-through units ("Manitoba FT units") of the Company issuable to residents in Manitoba at $0.097 per Manitoba FT Unit for total proceeds of $647. Each Manitoba FT Unit comprised of one FT Share and one FT Warrant. No premium was recorded for the FT Units and a premium of $0.01 per share was recorded for the Manitoba FT shares.

During the year ended December 31, 2024, the Company issued 10,645,540 flow-through shares ("FT Shares") at $0.19 per FT Share for gross proceeds of $1,969 and 20,032,760 flow-through shares ("Manitoba FT Shares") of the Company issuable to residents in Manitoba at $0.239 per Manitoba FT Share for total proceeds of $4,788. A premium of $0.02 per share was recorded for the FT Shares and a premium of $0.069 per share was recorded for the Manitoba FT Shares.

During the year ended December 31, 2024, the Company incurred $1,399 of eligible flow-through expenditures and a total flow-through share premium liability of $216 was amortized to flow-through premium recovery in profit or loss (2023 - $nil).

12. RECLAMATION OBLIGATIONS

The reclamation obligations are related to True North and are estimated based upon the present value of expected cash flows using estimates of inflation and a credit-adjusted discount rate. The undiscounted amount of cash flows required to settle the reclamation obligations was estimated at $9,004 as at December 31, 2024 (December 31, 2023 – $8,993).

The key assumptions on which the provision estimates were based in the years ended December 31, 2024 and 2023 are:

- Expected timing of the cash flows occurs between 2039-2044 based on the expected activities of True North.
- The inflation rate used for the year ended December 31, 2024 is 2.00% (year ended December 31, 2023 – 2.00%).
- The discount rate used for the year ended December 31, 2024 is 7.37% (year ended December 31, 2023 – 6.96%).

(Expressed in thousands of Canadian dollars, except for per share amounts)

The following table provides a summary of changes in the reclamation obligations:

	$
Balance at December 31, 2022	2,458
Accretion expense	179
Change in estimate	82
Balance at December 31, 2023	2,719
Accretion expense	182
Change in estimate	4
BALANCE AT DECEMBER 31, 2024	**2,905**

13. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value.

b) Shares issued

During the year ended December 31, 2024:

The Company completed a private placement raising gross proceeds of $7,776 (the "Offering"). The Offering was comprised of 7,027,828 non-flowthrough shares of the Company (the "Shares") at $0.145 per Share for total proceeds of $1,019. The Offering also included 10,645,540 flow-through shares ("FT Shares") at $0.19 per FT Share for gross proceeds of $1,969 and 20,032,760 flow-through shares ("Manitoba FT Shares") of the Company issuable to residents in Manitoba at $0.239 per Manitoba FT Share for total proceeds of $4,788. A premium of $0.02 per share was recorded for the FT Shares and a premium of $0.069 per share was recorded for the Manitoba FT Shares;

The Company issued 20,029,967 common shares from the exercise of share purchase warrants (note 13(d)); and

The Company issued 88,412 shares upon settlement of 88,412 DSUs (note 10).

During the year ended December 31, 2023:

The Company completed a private placement raising gross proceeds of $3,898 (the "Offering"). The Offering was comprised of 51,562,500 non-flowthrough units of the Company (the "Units") at $0.06 per Unit for total proceeds of $3,094. Each Unit consisted of one common share of the Company and one warrant (a "**Warrant**"), with each Warrant exercisable to purchase one common share of the Company at $0.10 per share for 24 months from the closing date of the Offering. The Offering also included 8,927,392 flow through units issued in two tranches with tranche one consisting of 2,260,715 flow-through units ("FT Units") for gross proceeds of $158, with each FT Unit comprised of one flow-through common share ("FT Share") and one flow-through warrant ("FT Warrant") exercisable to purchase one common share of the Company at $0.10 per share for 24 months from the closing date of the Offering, and tranche two consisting of 6,666,667 flow-through units ("Manitoba FT units") of the Company issuable to residents in Manitoba at $0.097 per Manitoba FT Unit for total proceeds of $648. Each Manitoba FT Unit comprised of one FT Share and one FT Warrant.

On November 17, 2023, the Company negotiated the settlement of $357 related to accounts payable in consideration for the issuance of 4,753,333 common shares of the Company at a fair value of $357. On December 27, 2023, the Company negotiated the settlement of $91 related to accounts payable in consideration for the issuance of 1,022,125 common shares of the Company at a fair value of $76. A gain on shares issued for debt of $15 was recorded.

(Expressed in thousands of Canadian dollars, except for per share amounts)

c) Options

The Company has adopted a share option plan that allows for the issuance of up to 10% of the issued and outstanding shares as incentive share options to directors, officers, employees, and consultants to the Company. Share options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

The options vest as to one-third immediately and one-third after the first and second anniversary of the date of grant, with the exception of 825,000 options that vest 100% on the date of grant, 500,000 options that vest ½ immediately and ½ after the first anniversary, and 300,000 options that vest four months after the date of grant.

The Company's share options outstanding as at December 31, 2024 and 2023 and the changes for the years then ended are as follows:

	Number	Weighted average exercise price
		$
Balance as at December 31, 2022	5,536,668	0.43
Granted – August 28, 2023	1,710,000	0.10
Expired	(1,540,000)	0.36
Forfeited	(400,000)	0.49
Balance as at December 31, 2023	5,306,668	0.35
Granted – April 14, 2024	875,000	0.11
Granted – June 14, 2024	400,000	0.09
Granted – July 8, 2024	200,000	0.11
Granted – August 7, 2024	250,000	0.11
Granted – August 27, 2024	200,000	0.14
Expired	(1,406,668)	0.31
BALANCE AS AT DECEMBER 31, 2024	**5,825,000**	**0.27**

The total share-based payment expense recorded during the year ended December 31, 2024 was $132 (2023: 116).

Subsequent to December 31, 2024, 5,700,000 options were granted to officers, directors, employees, and consultants of the Company (see note 20).

The following table summarizes information about the share options as at December 31, 2024:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Weighted average exercise price of options exercisable	Number of options exercisable	Expiry date
$0.77	275,000	0.59	$0.77	275,000	August 5, 2025
$0.78	540,000	0.65	$0.78	540,000	August 27, 2025
$0.35	750,000	2.09	$0.35	750,000	February 2, 2027
$0.40	300,000	2.20	$0.40	300,000	March 15, 2027
$0.38	450,000	2.25	$0.38	450,000	April 1, 2027
$0.09	300,000	2.45	$0.09	300,000	June 14, 2027
$0.10	1,585,000	3.66	$0.10	1,140,000	August 28, 2028
$0.11	875,000	4.29	$0.11	458,333	April 15, 2029
$0.09	100,000	4.45	$0.09	33,333	June 14, 2029
$0.11	200,000	4.52	$0.11	66,666	July 8, 2029
$0.11	250,000	4.60	$0.11	125,000	August 7, 2029
$0.14	200,000	4.66	$0.14	66,666	August 27, 2029

(Expressed in thousands of Canadian dollars, except for per share amounts)

The fair value of options recognized has been estimated using the Black-Scholes Option Pricing Model with the following assumptions on the grant date of the options:

Grant date	Expected Option life (years)	Risk-free interest rate	Dividend yield	Expected volatility[1]	Weighted average fair value
August 28, 2023	5.00	3.90%	Nil	75%	$0.05
April 15, 2024	5.00	3.74%	Nil	75%	$0.07
June 14, 2024	3.00	3.77%	Nil	75%	$0.04
June 14, 2024	5.00	3.41%	Nil	75%	$0.05
July 8, 2024	5.00	3.57%	Nil	75%	$0.07
August 7, 2024	5.00	3.03%	Nil	75%	$0.06
August 27, 2024	5.00	2.97%	Nil	75%	$0.09

[1] The expected volatility was calculated by taking the average volatility of similar junior resource companies.

d) Warrants

The Company's warrants outstanding as at December 31, 2024 and 2023 and the changes for the years then ended are as follows:

	Number	Weighted average exercise price
		$
Balance as at December 31, 2022	1,987,813	1.94
Issued	60,489,882	0.10
Expired	(737,813)	0.50
BALANCE AS AT DECEMBER 31, 2023	**61,739,882**	**0.16**
Exercised	(20,029,967)	0.10
BALANCE AS AT DECEMBER 31, 2024	**41,709,915**	**0.18**

The weighted average share price on the date of warrant exercises in 2024 was $0.16.

The balance of warrants outstanding as at December 31, 2024 is as follows:

Expiry Date	Exercise Price	Remaining Life (Years)	Warrants Outstanding
December 22, 2025	$0.10	0.98	40,459,915
February 11, 2029	$1.52	4.12	625,000
April 3, 2032	$4.24	7.26	625,000

Subsequent to December 31, 2024, 2,891,650 warrants were exercised for a value of $289 (see note 20).

(Expressed in thousands of Canadian dollars, except for per share amounts)

14. INCOME TAXES

No tax expense or benefit was recorded for the years ended December 31, 2024 and 2023.

A reconciliation of the Company's effective tax rate with the statutory tax rate for the years ended December 31, 2024 and 2023 is as follows:

	December 31, 2024	December 31, 2023
	$	$
Loss before tax	(4,796)	(2,006)
Statutory tax rate	27%	27%
Income tax (benefit) at statutory rate	(1,295)	(542)
Reconciling items:		
Share-based payments	43	31
Change in unrecognized deductible temporary differences	977	3,525
Flow-through shares	320	–
Changes in estimates and other	(45)	(3,556)
INCOME TAX EXPENSE	**–**	**–**

At December 31, 2024 and 2023, deductible temporary differences for which no deferred tax assets are recognized are below:

	December 31, 2024	December 31, 2023
	$	$
Net operating losses	129,905	122,135
Deductible temporary differences:		
Mineral properties, plant and equipment	143,233	147,287
Reclamation obligations	2,932	2,829
Provincial mining tax attributes	111,755	110,021
Other tax attributes	164	338
TOTAL DEDUCTIBLE DIFFERENCES	**387,989**	**382,610**

As of December 31, 2024, the Company had net operating loss carry forwards of $129,905 (December 31, 2023 - $122,135) which expire between 2034 and 2044.

(Expressed in thousands of Canadian dollars, except for per share amounts)

15. SEGMENT INFORMATION

The Company's has one operating segment, the Rice Lake property, which is located in Manitoba, Canada. All non-current assets are located within this operating segment. One customer represented 100% of the revenue in 2023.

16. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management includes directors and executive officers of the Company. During the year ended December 31, 2024 and 2023, the Company incurred the following charges by key management of the Company and by companies controlled by them:

	2024 $	2023 $
Salaries and wages	622	413
Consulting fees	63	21
Professional fees	–	60
Director fees	76	136
Share–based payments	70	78
	831	**708**

Of the $622 in salaries and wages, $404 was recorded in salaries and benefits expense and $217 in exploration and evaluation expense (2023 – $230 and $183, respectively).

Of the consulting fees, $21 was recorded in consulting fees and $42 in exploration and evaluation expense (2023 - $21 and $nil, respectively).

As at December 31, 2024, $230 was owing to directors, officers or companies controlled by them related to their director fees, salaries, and professional fees (December 31, 2023 - $245).

Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

17. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders, and to explore and develop assets with a view to building a diversified mineral resource company.

The capital structure of the Company consists of equity attributable to common shareholders of $34,070.

The Company manages the capital structure and adjusts it based on changes in economic conditions and the risk characteristics of the mineral property assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or sell assets to fund activities. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year ended December 31, 2024.

Financial Instruments

Fair value

Financial instrument disclosures establish a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. This section describes three input levels that may be used to measure fair value:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide information on an ongoing basis.

Level 2 – quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – unobservable inputs that are supported by little or no market activity.

The Company's financial instruments consist of cash and cash equivalents, restricted cash, marketable securities, accounts payable and accrued liabilities. The carrying values of cash and cash equivalents, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments. Restricted cash is measured at fair value. Marketable securities are recorded at FVTPL and are measured at fair value using Level 1 inputs. There have been no movements between levels of the fair value hierarchy during the year ended December 31, 2024.

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, credit risk and market risk. These risks are described below and have not changed during the year ended December 31, 2024.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset (see Note 1). The Company closely monitors and reviews its costs incurred and actual cash flows against the approved budget on a monthly basis to ensure the Company's access to funds is adequate to support the Company's operations on an ongoing basis. The Company expects to be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for at least twelve months from year end. At December 31, 2024, the Company had working capital (current assets less current liabilities) of $5,498 (December 31, 2023 – $1,627). Future operations or exploration programs will require additional financing primarily through equity markets or other forms of financing such as joint venture partnerships.

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. Credit risk arises from cash and cash equivalents, and restricted cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial assets. The Company considers credit risk with respect to its cash and cash equivalents, and restricted cash to be immaterial as all of these instruments are held in large Canadian financial institutions.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. There has been no change to this risk during the year ended December 31, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances, interest-bearing bank accounts and no interest-bearing debt. Therefore, the Company considers this risk to be immaterial.

Currency risk

Currency risk is the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant currency risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk in respect of its marketable securities. The Company considers this risk to be immaterial.

18. SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not require the use of cash are excluded from the consolidated statements of cash flows.

During the year ended December 31, 2024:

- $11 from the issuance of common shares as DSU settlement; and
- The change in estimate of the retirement obligation in the amount of $4

During the year ended December 31, 2023:

- Upon the expiry of 737,813 warrants, $74 was transferred from other reserves to deficit;
- The change in estimate of the retirement obligations in the amount of $82; and
- 5,775,458 common shares issued for debt settlement in the amount of $433

The Company paid or accrued $nil for income taxes during the year ended December 31, 2023 (2022 - $nil).

19. COMMITMENTS AND CONTINGENCIES

True North Mine Closure Plan and Financial Security

In connection with the Company's reclamation obligations (Note 12), the Company is obligated to provide financial security to the Province of Manitoba. In 2021 the Company provided partial financial security through the provision of a third-party surety for $800 which included a cash deposit of $400 held by the third-party surety provider with the remaining $400 covered by the surety insurance. This cash deposit is included in restricted cash on the Consolidated Statements of Financial Position. In addition to the financial security amounts to be added to the surety above, the Company will pledge certain physical assets, notably the plant and equipment, as security against the entirety of the reclamation obligations, until such time as the financial security adequately covers the closure costs.

20. SUBSEQUENT EVENTS

Grant of Stock Options

Subsequent to December 31, 2024, the Company granted a total of 5,700,000 incentive stock options have been issued to directors, officers, employees, and consultants. The options have an exercise price of $0.155 per common share, vesting as to one-third immediately and one-third after the first and second anniversaries of the grant date. The stock options expire on January 21, 2030, apart from 800,000 stock options that expire on January 21, 2028.

Issuance of RSUs and DSUs

Subsequent to December 31, 2024, the Company issued 666,665 DSUs and 325,000 RSUs to directors of the Company. Each RSU entitles the holder to receive one share of the Company and vest as to one-third after the first, second and third anniversaries of the date of grant, and each DSU entitles the holder to receive one share of the Company, or in certain circumstances, a cash payment equal to the value of one share of the Company, when the holder ceases to be a director of the Company.

Issuance of common shares from the exercise of warrants

2,891,650 common shares from the exercise of 2,891,650 share purchase warrants for a value of $289.