METALEX VENTURES LTD

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited - Prepared by Management

Expressed in Canadian dollars

January 31, 2025

Metalex Ventures Ltd.
January 31, 2025

Table of contents

NOTICE TO READER

These condensed consolidated interim financial statements of Metalex Ventures Ltd. ("the Company") for the nine month period ended January 31, 2025 have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by International Financial Reporting Standards for a review of interim financial statements by an entity's auditor.

Metalex Ventures Ltd.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Note	January 31, 2025	April 30, 2024
ASSETS			
Current assets			
Cash		$ 1,210,510	$ 422,113
Receivables	4, 10	11,115	9,819
Prepaid expenses		18,117	26,122
		1,239,742	458,054
Non-current assets			
Investment in private company	5	5,700,000	4,560,000
Exploration and evaluation assets	6	312,500	312,500
Reclamation deposit	6	1,263,975	1,224,313
Advance recoverable	6	21,185	21,185
Long-term deposit		5,000	5,000
Total Assets		$ 8,542,402	$ 6,581,052
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9, 10	$ 2,755,738	$ 2,342,234
Flow-through premium liability	11(b)	210,855	60,258
		2,966,593	2,402,492
SHAREHOLDERS' EQUITY			
Share capital	11	98,975,538	98,139,812
Reserves	11	8,077,516	8,124,851
Deficit		(101,477,245)	(102,086,103)
		5,575,809	4,178,560
Total Liabilities and Shareholders' Equity		$ 8,542,402	$ 6,581,052

Nature and continuance of operations (Note 1)
Commitments (Note 11(b))

Approved by the Board of Directors:

"Chad Ulansky"	*"Lorie Waisberg"*
Chad Ulansky	Lorie Waisberg

See accompanying notes to condensed consolidated interim financial statements.

Metalex Ventures Ltd.

Condensed Consolidated Interim Statements of Operations and Comprehensive Income (Loss)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Note	Three Month Periods Ended January 31, 2025	Three Month Periods Ended January 31, 2024	Nine month period ended January 31, 2025	Nine month period ended January 31, 2024
EXPENSES					
Depreciation	8	$ -	$ 115	$ -	$ 344
Directors fees	10	15,000	15,000	45,000	45,000
Exploration expenditures	7, 10	114,166	559,626	462,167	2,528,865
Foreign exchange (gain) loss		158	23	(178)	192
Office and administrative	10	26,833	63,376	70,798	123,405
Professional fees		8,257	4,949	56,468	68,178
Share-based compensation, net of unrealized DSU (gain) loss	10, 11(c)	(635)	(3,635)	(9,405)	(1,405)
Transfer agent and filing fees		11,909	13,151	20,056	23,375
Travel and promotion		371	735	1,375	1,106
		(176,059)	(653,340)	(646,281)	(2,789,060)
Unrealized gain on investment in private company	5	-	-	1,140,000	-
Flow-through premium	11(b)	9,641	71,491	59,402	343,316
Interest income		17,176	31,789	55,737	111,692
		26,817	103,280	1,255,139	455,008
Income (loss) and comprehensive income (loss) for the period		$ (149,242)	$ (550,060)	$ 608,858	$ (2,334,052)
Income (loss) per share (Basic and Diluted)		$ (0.01)	$ (0.01)	$ 0.00	$ (0.01)
Weighted average number of shares outstanding - basic		254,991,396	234,447,918	234,447,918	241,295,744
Weighted average number of shares outstanding - diluted		254,991,396	234,447,918	255,343,732	241,295,744

See accompanying notes to condensed consolidated interim financial statements.

Metalex Ventures Ltd.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital	Reserves	Deficit	Total
Balance at April 30, 2023	224,047,918	$ 97,755,692	$ 8,404,440	$ (99,852,197)	$ 6,307,935
Share issuance for cash	10,400,000	520,000	-	-	520,000
Share issuance costs	-	(31,880)	-	-	(31,880)
Flow through premium	-	(104,000)	-	-	(104,000)
Share-based compensation	-	-	16,095	-	16,095
Reserves transferred on expired options	-	-	(334,549)	334,549	-
Reserves transferred on settlement of deferred share units	-	-	27,500	-	27,500
Loss for the period	-	-	-	(2,334,052)	(2,334,052)
Balance at January 31, 2024	234,447,918	$ 98,139,812	$ 8,113,486	$ (101,851,700)	$ 4,401,598
Balance at April 30, 2024	234,447,918	$ 98,139,812	$ 8,124,851	$ (102,086,103)	$ 4,178,560
Share issuance for cash	42,000,000	1,050,000	-	-	1,050,000
Share issuance costs	-	(87,204)	-	-	(87,204)
Flow-through premium	-	(210,000)	-	-	(210,000)
Share-based compensation	-	-	16,095	-	16,095
Reserves transferred on expired finders warrants	-	82,930	(82,930)	-	-
Reserves transferred on settlement of deferred share units	-	-	19,500	-	19,500
Loss for the period	-	-	-	608,858	608,858
Balance at January 31, 2025	276,447,918	$ 98,975,538	$ 8,077,516	$ (101,477,245)	$ 5,575,809

See accompanying notes to condensed consolidated interim financial statements.

Metalex Ventures Ltd.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Nine month period ended January 31, 2025	2024
OPERATING ACTIVITIES		
Income (loss) for the period	$ 608,858	$ (2,334,052)
Items not affecting cash:		
Depreciation	-	344
Interest accrued on reclamation deposit	(39,662)	(41,698)
Flow-through premium	(59,403)	(343,316)
Share-based compensation	35,595	43,595
Net change in non-cash working capital items:		
Receivables	(1,296)	(9,138)
Prepaid expenses	8,005	(14,820)
Accounts payable and accrued liabilities	413,504	615,627
Net cash used for operating activities	(174,399)	(2,083,458)
FINANCING ACTIVITIES		
Issuance of share capital	1,050,000	520,000
Issuance cost	(87,204)	(31,880)
Net cash provided by financing activities	962,796	488,120
Change in cash	788,397	(1,595,338)
Cash, beginning of period	422,113	2,323,345
Cash, end of period	$ 1,210,510	$ 728,007
Cash paid for interest during the year	$ -	$ -
Cash paid for taxes during the year	$ -	$ -
Supplemental disclosure:		
Reserves transferred on deferred share unit plan	$ 19,500	$ 27,500
Transfer of reserves on the expiration of options	$ -	$ 334,549
Transfer of reserves on the expiration of finders warrants	$ 82,930	$ -

See accompanying notes to condensed consolidated interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Metalex Ventures Ltd. (the "Company" or "Metalex") is incorporated under the Business Corporations Act, British Columbia and is considered to be in the exploration stage with respect to its mineral properties. To date, the Company has not generated significant revenues from operations and has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The Company's common shares are listed on the TSX Venture Exchange under the trading symbol "MTX". The Company's head office and location of books and records is 203-1634 Harvey Avenue, Kelowna, British Columbia, Canada, V1Y 6G2.

The recoverability of the amounts comprised in mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Continued operations of the Company are dependent on its ability to develop its mineral properties, receive continued financial support, complete equity financings, or generate profitable operations in the future. The condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The Company is not generating operating cash flows and will require additional funding in order to maintain its activities for the coming year. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements (the "Financial Statements"), including comparatives, have been prepared in accordance with IAS 42 – Interim Financial Reporting, using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). As a result, they do not conform in all respects with the disclosure requirements for annual financial statements under IFRS and should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended April 30, 2024. The accounting policies and methods of application are consistent with those used in the Company's consolidated financial statements for the year ended April 30, 2024.

These Financial Statements were approved for issue by the Audit Committee on March 12, 2025.

Basis of Consolidation and Presentation

These Financial Statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. All dollar amounts presented are in Canadian dollars unless otherwise specified.

2. BASIS OF PRESENTATION (*continued*)

Basis of Consolidation and Presentation (*continued*)

These Financial Statements incorporate the financial statements of the Company and its wholly-owned subsidiary (Note 10). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of these Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the Financial Statements, and the reported amounts of revenues and 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 materially and adversely from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on acquisition costs incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

ii) The valuation of the investment in private company. Upon receipt of the shares of a private company, the Company considered the proposed plan for the private company to determine whether the Company had significant influence over the private company, as well as any available market information. As the shares are privately held and not traded on an open market, there may not be readily available information regarding the value of the shares. For the nine month period ended January 31, 2025 and the year ended April 30, 2024, management obtained information about recent share transactions entered into in regards to the private company and revalued the investment based on the most recently available share prices paid.

iii) The inputs used in calculating the fair value for share-based compensation expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based compensation expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Foreign Exchange

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiary is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21 - The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

New Standards Adopted

IAS1 "Classification of Liabilities as Current or Non-current – Deferral of Effective Date" is an amendment to the standard that is applicable to fiscal years beginning on or after January 1, 2024. The amendments to IAS1 affects only the presentation of liabilities in the statement of financial position, and not the amount or timing of recognition of any asset, liability, income or expense, or the information that entities disclose about them. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least one year and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfers to the counterparty of cash, equity instruments, other assets or services.

There was no impact to the financial statements from the adoption of this standard.

New Standards Not Yet Adopted

IFRS 18 "Presentation and Disclosure in Financial Statements" is a standard to help ensure that financial statements provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses, which will be effective for fiscal years beginning on or after January 1, 2027. The standard includes discussion surrounding the following matters:

- General requirements for financial statements, including what will comprise the primary financial statements;
- Aggregation and disaggregation of information in the primary financial statements; and
- Specific requirements for the individual primary financial statements.

The Company is not yet able to determine the impact to the financial statements from the adoption of this standard.

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (*continued*)

New Standards Not Yet Adopted (*continued*)

IFRS 19 “Subsidiaries without Public Accountability: Disclosures” is a standard allowing subsidiaries to keep only one set of accounting records, which will be effective for fiscal years beginning on January 1, 2027. This will meet the needs of both the parent company and the users of their financial statements, and reduces disclosure requirements. Subsidiaries can apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their condensed consolidated interim financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders. The Company is not yet able to determine the impact to the financial statements from the adoption of this standard.

4. RECEIVABLES

The Company’s receivables are as follows:

	January 31, 2025	April 30, 2024
Related party receivables (Note 10)	$ 4,375	$ 6,941
GST receivable	6,740	2,878
Total	$ 11,115	$ 9,819

5. INVESTMENT IN PRIVATE COMPANY

During the year ended April 30, 2020, the Company received 2,780,000 common shares of a private entity (initially valued at $278,000) on the sale of the Company’s 62.5% interest in certain mineral claims in the Ring of Fire region of the James Bay Lowlands, Ontario. This holding was subsequently reduced from the sale of 500,000 shares of the private entity during the year ended April 30, 2022.

As at January 31, 2025, the Company owns 2,280,000 shares or 3.03% of the private entity (April 30, 2024 – 3.61%). Using recent private placement information, the valuation of the Company’s investment has been estimated as $5,700,000 (April 30, 2024 and 2023 – $4,560,000).

6. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The carrying values of the Company's exploration and evaluation assets are as follows:

	Wemindji James Bay, Quebec	Kyle Lake, Ontario	South Africa	Total
Balances as at April 30, 2023 and January 31, 2025	$ 10,500	$ 264,862	$ 37,138	$ 312,500

The Company's one reportable operating segment is the acquisition and exploration of mineral properties; two of the Company's non-current assets are operated in Canada, with the remaining non-current asset operating in South Africa.

Wemindji James Bay Property, Quebec

As at January 31, 2025, the Company has a 77.94% (April 30, 2024 – 77.82%) contributing interest in various mineral claims located in the Wemindji James Bay region of Quebec for the exploration of diamonds and owns 100% of the non-diamond project.

Kyle Lake Project, Ontario

As at January 31, 2025, the Company has a 100% earned interest in certain mineral claims located in the Kyle Lake area of Ontario. These claims are subject to a 10% carried interest in favour of Kel-Ex Development Ltd. ("Kel-Ex"), a company related by virtue of a common director. Pursuant to earn-in agreements, the Company will be required to pay $2,000,000 in circumstances where a mine is put into production on the claims comprising the Kyle Lake project.

As at January 31, 2025, the Company has paid an advanced reclamation deposit valued at $1,263,975 (April 30, 2024 – $1,224,313) for potential disturbance on future development at the Kyle Lake project.

Morocco

In May 2004, the Company entered into an agreement with the Office National de Hydrocarburers et des Mines ("ONHYM") to conduct preliminary exploration work in Southern Morocco in order to identify areas on which to undertake further exploration work. In May 2005, the Company added additional areas for exploration work on the same terms and conditions as the first agreement. The agreements were governed by the laws and regulations of the Kingdom of Morocco and were valid until November 2006.

In April 2011, the Company entered into a new joint venture agreement with the ONHYM for further exploration of the claim areas. The Company will hold a 60% interest while ONHYM will retain a 40% interest in the project. Both parties will be responsible for funding their respective interests.

6. EXPLORATION AND EVALUATION ASSETS *(continued)*

Morocco *(continued)*

During the years ended April 30, 2022 and 2023, the Company received notices which disputed that ONHYM and the government of the Kingdom of Morocco have any jurisdiction over the area in which the Company's claims are located and that the claims lay in Western Sahara. The Company's position is that the territory is under the jurisdiction of the Kingdom of Morocco. As such, the Company continues to work with ONHYM to extend the previous 36 month agreement with them that has expired.

South Africa

In November 2020, the Company reached an agreement to acquire an interest in a prospecting license from Invest in Property 126 (Pty) Ltd ("IIP"). Over a four-stage agreement and the completion of a feasibility study, the Company has the ability to earn up to a 70% interest in the property.

The Company will first fund 250,000 South African Rands to convert the prospecting license to a mining lease to acquire a 20% interest. While the Company is in the process of converting the prospecting license and has funded $24,000 (280,078 South African rand) towards this, the process has not been completed. As such, as at April 30, 2023 and 2024 the Company has not yet earned the 20% initial investment.

The next stage involves the Company funding an airborne geophysical survey and testing known kimberlites and new targets. Completion of this and a $10,000 USD payment to IIP (paid in fiscal 2021 – $13,138) earns the Company a further 15% interest (35% total).

The third stage is drilling of a minimum of 12 holes to test kimberlites which show economic potential. Completion of this work and a payment of $10,000 USD to IIP earns the Company a further 16% (51% total). In the fourth stage, the Company will fund a bulk sampling of a kimberlite. This, along with payment of $100,000 to IIP, earns the Company an additional 10% interest (61% total).

Once the Company has funded the completion of a feasibility study on the project, the Company will earn a final 9% interest bringing its interest to 70%. Upon the decision to proceed with mine construction a further $100,000 payment will be made to IIP. Any joint venture will be subject to a 10% net profits royalty interest.

An advance of $21,185 has been made to the owner of IIP; this amount will be settled with a reduction of the next payment owed to IIP.

Mali

The Company has a 100% interest in two gold exploration licenses. The annual exploration commitments for both permits in CFA Francs ("CFA"), with Canadian Dollar equivalents using exchange rates on January 31, 2025 is estimated at $1,587,296 (CFA 692,000,000). The project is currently under force majeure.

(Expressed in Canadian Dollars)

7. EXPLORATION EXPENDITURES

	James Bay, Quebec	Kyle Lake, Ontario	Morocco	South Africa	Total
Cumulative expenditures, April 30, 2023	$ 11,109,995	$ 47,614,298	$ 6,054,884	$ 202,179	$ 64,981,356
Additions					
Aircraft field transport	151,730	-	-	-	151,730
Camp and field supplies	96,183	-	-	-	96,183
Drill supplies and repairs	69,219	-	-	-	69,219
Equipment rental	164,052	-	-	-	164,052
Fuel	4,526	-	-	-	4,526
Licenses, rent and other	5,399	8,781	-	81,209	95,389
Labour	974,925	1,575	13,506	81,930	1,071,936
Sample laboratory analysis	262,190	-	7,693	-	269,883
Shipping, freight and storage	32,186	91,064	9,235	-	132,485
Telecommunications	3,068	-	-	-	3,068
Travel and accomodation	488,141	-	-	-	488,141
Total additions	2,251,619	101,420	30,434	163,139	2,546,612
Cost recoveries	(17,747)	-	-	-	(17,747)
Net exploration expenditures during the period	2,233,872	101,420	30,434	163,139	2,528,865
Cumulative expenditures, January 31, 2024	13,343,867	47,715,718	6,085,318	365,318	67,510,221
Net exploration expenditures to year end	170,435	36,181	2,111	142	208,869
Cumulative expenditures, April 30, 2024	13,514,302	47,751,899	6,087,429	365,460	67,719,090
Additions					
Aircraft field transport	20,897		-	-	20,897
Camp and field supplies	3,841	300	-	-	4,141
Drill supplies and repairs	8,438	-	-	-	8,438
Equipment rental	2,224	-	-	-	2,224
Fuel	2,619	-	-	-	2,619
Licenses, rent and other	56,707	9,553	-	-	66,260
Labour	92,158	3,329	-	34,723	130,210
Sample laboratory analysis	171,474	-	-	-	171,474
Shipping, freight and storage	17,421	98,916	10,829	-	127,166
Travel and accomodation	14,337	-	-	-	14,337
Total additions	390,116	112,098	10,829	34,723	547,766
Cost recoveries	(85,599)	-	-	-	(85,599)
Net exploration expenditures during the period	304,517	112,098	10,829	34,723	462,167
Cumulative expenditures, January 31, 2025	$ 13,818,819	$ 47,863,997	$ 6,098,258	$ 400,183	$ 68,181,257

(Expressed in Canadian Dollars)

8. EQUIPMENT

	Computer equipment Cost	Accumlated depreciation	Carrying cost
Balance as at April 30, 2023	$ 5,185	$ 4,841	$ 344
Depreciation	-	344	(344)
Balance as at Janaury 31, 2024	5,185	5,185	-
Depreciation	-	-	-
Balance as at April 30, 2024 and January 31, 2025	$ 5,185	$ 5,185	$ -

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are as follows:

	January 31, 2025	**April 30, 2024**
Trade payables	$ 11,100	$ 42,445
Related party payables (Notes 10, 11(d))	2,744,638	2,299,789
Total	$ 2,755,738	$ 2,342,234

10. RELATED PARTY DISCLOSURES

The Financial Statements include the financial statements of Metalex Ventures Ltd. and its 100% owned inactive subsidiary, Mali Gold Mine Ltd. (incorporated in the country of Mali); there has been no change in ownership during the period.

During the nine month periods ended January 31, 2025 and 2024, the Company had related party transactions with the following companies related by way of common directors or shareholders:

- C.F. Mineral Research Ltd. ("CF Minerals") – a private company owned by the Metalex Chairman. CF Minerals provides heavy mineral geochemistry services to the Company.
- Cantex Mine Development Corp. ("Cantex") – a publicly listed company with common directors and management. Metalex and Cantex share office space and thus have certain shared expenditures which get re-billed on a cost-recovery basis.
- Element 29 Ventures Ltd. ("Element 29") – a private company owned by the Metalex CEO. Element 29 provides geological consulting services to the Company.
- FourIrons Consulting ("FourIrons") – a private company owned by the Metalex CFO. FourIrons provides financial consulting services to the Company.
- Kel-Ex Development Ltd. ("Kel-Ex") – a private company owned by the Metalex Chairman. Kel-Ex provides administration, payroll and office services to the Company, as well as being the operator of the Company's Quebec project.

(Expressed in Canadian Dollars)

10. RELATED PARTY DISCLOSURES *(continued)*

The key management personnel of the Company are the Directors, Chief Executive Officer and Chief Financial Officer.

The Company's related party expenses consist of the following:

	Three month periods ended January 31,		Nine month periods ended, January 31,	
	2025	2024	**2025**	2024
Laboratory and mineralogical costs, including storage fees	**$ 45,534**	$ 231,257	**$ 242,585**	$ 300,486
Consulting fees	**11,335**	9,921	**28,466**	46,509
Administration fees (10%)	**9,915**	13,286	**15,395**	136,852
Shared office and administrative costs	**4,650**	4,315	**13,400**	12,811
Shared field expenditures	**2,170**	2,100	**6,670**	6,284
	$ 73,604	$ 260,879	**$ 306,516**	$ 502,942

	Three month periods ended January 31,		Nine month periods ended, January 31,	
	2025	2024	**2025**	2024
C.F. Mineral Research Ltd.	**$ 45,534**	$ 231,257	**$ 242,585**	$ 300,486
Kel-Ex Development Ltd.	**15,315**	18,351	**30,145**	164,603
FourIrons Consulting	**9,172**	9,171	**25,703**	30,015
Element 29 Ventures Ltd.	**3,583**	2,100	**8,083**	7,838
	$ 73,604	$ 260,879	**$ 306,516**	$ 502,942

(Expressed in Canadian Dollars)

10. RELATED PARTY DISCLOSURES *(continued)*

The Company's expenses recovered from related parties consist of the following:

	Three month periods ended January 31,		Nine month periods ended January 31,	
	2025	2024	**2025**	2024
Shared field expenditures	**$ 7,230**	$ 11,293	**$ 42,741**	$ 31,615
Shared office and administrative costs	**4,979**	4,735	**19,469**	15,280
	$ 12,209	$ 16,028	**$ 62,210**	$ 46,895

	Three month periods ended January 31,		Nine month periods ended January 31,	
	2025	2024	**2025**	2024
Cantex Mine Development Corp.	**$ 9,842**	$ 14,363	**$ 51,071**	$ 42,079
Kel-Ex Development Ltd.	**2,367**	1,665	**11,139**	4,816
	$ 12,209	$ 16,028	**$ 62,210**	$ 46,895

Included in accounts payable of the Company are the following amounts due to related parties:

	January 31, 2025	April 30, 2024
C.F. Mineral Research Ltd.	**$ 1,799,145**	$ 1,564,535
Element 29 Ventures Ltd.	**735**	735
FourIrons Consulting	**2,475**	2,445
Kel-Ex Development Ltd.	**927,283**	717,074
Glenn Nolan, independent director	**7,500**	7,500
Lorie Waisberg, independent director	**7,500**	7,500
	$ 2,744,638	$ 2,299,789

Included in receivables of the Company are the following amounts due from related parties:

	January 31, 2025	April 30, 2024
Cantex Mine Development Corp.	**$ 3,461**	$ 2,956
Kel-Ex Development Ltd.	**914**	3,985
	$ 4,375	$ 6,941

(Expressed in Canadian Dollars)

10. RELATED PARTY DISCLOSURES *(continued)*

The remuneration of directors and officers is as follows:

	Three month periods ended January 31,		Nine month periods ended January 31,	
	2025	2024	**2025**	2024
Director fees[1] and share-based compensation[3]	**$ 14,038**	$ 11,038	**$ 34,613**	$ 42,613
Consulting fees[2]	**10,585**	9,171	**27,116**	31,569
	$ 24,623	$ 20,209	**$ 61,729**	$ 74,182

(1) Directors fees are amounts accrued under the Company's deferred share unit plan as described in Note 11 (d). For the nine month periods ended January 31, 2025 and 2024, $15,000 in directors fees was accrued each quarter and included in accrued liabilities to represent the amount entitled by the independent directors as at the period end. These were settled with the issuance of the DSUs in the respective months following the issuances.
(2) Consulting fees includes amounts paid or accrued for geological consulting fees included in exploration expenditures, as well as corporate consulting fees included in office and administrative expenses within profit or loss.
(3) Share-based compensation represents the vested portion of share options issued to management and directors based on the Black-Scholes option pricing model (Note 11(c)), as well as the gain or loss on settlement of the DSUs granted (Note 11(d)).

11. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

b) Issued share capital

The Company incurred a flow-through premium of $372,000 associated with the issuance of flow-through shares in December 2022. During the year ended April 30, 2024, the Company had fulfilled its flow through expenditure commitment for this financing and had recovered the remaining flow through premium of $330,052 in profit or loss.

In July 2023, the Company completed a private placement of flow-through shares ("FT Shares"), which were issued at $0.05 per FT Share. A total of 10,400,000 FT Shares were issued for total proceeds of $520,000; finders fees of $25,900 and other issuance costs of $5,980 were paid in conjunction with this private placement. As at January 31, 2025, the Company had incurred $515,724 (April 30, 2024 – $218,712) in eligible flow through expenditures and had a remaining commitment to spend of $4,276. The Company recognized a flow through premium liability of $104,000 related to this financing; as at January 31, 2025, a total of $103,145 in flow through premium was recovered in profit or loss (nine month period ended January 31, 2025 – $59,403; year ended April 30, 2024 – $43,742).

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

b) Issued share capital *(continued)*

In December 2024, the Company completed a private placement of FT Shares, issuing 42,000,000 FT shares at $0.025/FT Share for total proceeds of $1,050,000; finders fees of $73,500 and other issuance costs of $13,704 were paid in conjunction with this private placement. The Company recognized a flow through premium liability of $210,000 related to this financing; as of January 31, 2025, none of this balance has been recovered and the Company has a commitment to spend the full amount financed ($1,050,000) for its Quebec projects.

c) Stock options and warrants

The Company, in accordance with its shareholder approved stock option plan as amended, is authorized to grant options to directors, officers, employees and consultants, to acquire up to 10% of the issued and outstanding common shares. The exercise price of the options issued under the plan is determined by the Board of Directors at the time the options are granted. The options vest immediately upon grant and are exercisable for up to a period of ten years from the date of grant, unless otherwise determined by the Board of Directors.

During the nine month period ended January 31, 2025, the Company recognized a share-based compensation recovery of $9,405 (nine month period ended January 31, 2024 – recovery of $1,405) in profit or loss; this represents the gain on settlement of the issuance of Deferred Share Units ("DSUs") during the period, offset by the vested portion of share-based compensation granted in June 2021. The options granted on June 30, 2021 did not vest immediately; it was determined by the Board of Directors that these will vest pro-rata over a five year period and will become fully vested on June 30, 2026. They will expire on June 30, 2028. The weighted average fair value of the options granted was valued at $0.05 per option using the Black-Sholes option pricing model. The assumptions used in calculating fair values include an expected life of 5 years, volatility of 131.43%, risk free dividend rate of 0.97% and dividend rate of 0%.

As at January 31, 2025, the Company has recognized forty months of vesting of options granted in June 2021; this has been offset against the fair market value adjustment to the DSU Plan (Note 11(d)):

	Three month periods ended January 31,		Nine month periods ended January 31,	
	2025	2024	**2025**	2024
Unrealized (gain) loss on settlement of DSUs issued during the period	**$ (6,000)**	$ (9,000)	**$ (25,500)**	$ (17,500)
Share-based compensation for vested options	**5,365**	5,365	**16,095**	16,095
	$ (635)	$ (3,635)	**$ (9,405)**	$ (1,405)

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

c) **Stock options and warrants** *(continued)*

Stock option and warrant transactions are summarized as follows:

	Stock Options		Warrants	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, April 30, 2023	6,286,000	$ 0.12	22,051,168	$ 0.08
Expired	(3,756,000)	0.15	-	-
Outstanding, January 31, and April 30, 2024	2,530,000	$ 0.08	22,051,168	$ 0.08
Expired	-	-	(22,051,168)	0.08
Outstanding, January 31, 2025	2,530,000	$ 0.08	-	$ -
Number currently exercisable	1,926,500	$ 0.08	-	$ -

The following stock options were outstanding as at October 31, 2024:

	Number	Exercise Price	Expiry Date
Options	400,000	0.08	January 13, 2026
	2,130,000	0.08	June 30, 2028*
	2,530,000		

* Of the 2,130,000 outstanding options, 1,526,500 of these have vested as of January 31, 2025

d) **DSU plan**

In October 2022, the Company amended and approved a new DSU plan, under which directors will earn compensation quarterly ($7,500 initial value per quarter per director) at which time the number of deferred share units issued will be determined by the Board up to 100% of the compensation based on the volume-weighted average of the Company's trading price for the last five trading days before issuance. Upon leaving the Board, directors will receive an equivalent number of common shares for the deferred compensation.

The initial value of the DSUs issued for the nine month periods ended January 31, 2025 and 2024 were accrued as at January 31, 2025 and 2024, and were issued in February 2025 and 2024, respectively. As at January 31, 2025, the Company has allocated a total of 11,845,872 DSUs (April 30, 2024 – 10,945,872 DSUs).

Directors' fees of $45,000 (2024 – $45,000) reflect the compensation to directors, with the gain on settlement of the DSUs of $25,500 (2024 – $17,500) recognized in profit and loss.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash, receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The Company's reclamation deposit is a cash balance held by the Government of Ontario Ministry of Mines and is comprised of the original deposit paid, plus interest on the balance held to date. The carrying value of reclamation deposit approximates its fair value as the Government of Ontario provides the Company with the amount of interest earned during the year, which is recorded in profit or loss.

Investment in private company is carried at fair market value using a level 2 fair value measurement, which has been based on the last share purchase price used to raise funds. Any adjustments to the value of this investment will be reflected in profit or loss.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

Currency risk - While the Company's capital is raised in Canadian dollars and has limited exposure to fluctuations in the exchange rates. The Company considers this foreign currency risk to be insignificant.

Credit risk – Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is in large Canadian financial institutions. The Company's receivables typically consist mainly of receivables from related parties for shared expenditures and GST receivable due from the Federal Government of Canada.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (*continued*)

As at January 31, 2025, the Company had $4,375 (April 30, 2024 – $6,941) in outstanding related party receivables; the Company has subsequently received all of this balance. The Company is subject to the risk that its joint venture partners will default on amounts owing for their portion of exploration expenditures (January 31, 2025, and April 30, 2024 – $Nil). Any such amounts defaulted would dilute that partners' interest in the exploration joint venture and would require the Company to pick up the proportionate share of future exploration expenditures.

Interest rate risk – Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company holds no material interest bearing financial obligations or assets.

Liquidity risk – Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk through the management of its capital structure and financial leverage as outlined in Note 13. The Company is exposed to liquidity risk.

Price risk – The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of diamonds and other minerals. The Company's input costs are also affected by the price of fuel. Management monitors diamond, precious metal and fuel prices to determine the appropriate course of action to be taken by the Company. The fair value of the investment in private company will fluctuate based on current market prices of its shares. Market prices may significantly impact the fair value of the investment and result in unrealized gains and losses through the Company's statement of profit and loss.

13. CAPITAL RISK MANAGMENT

The Company includes shareholders' equity, comprised of issued common shares, reserves, and deficit, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company is in the exploration stage; as such, it has historically relied on the equity markets to fund its activities. The Company's primary objective with respect to capital management is to ensure adequate liquid capital resources are in place to fund the exploration and development of its mineral properties while maintaining its ongoing operations. To secure the additional capital to pursue these plans, the Company may attempt to raise additional funds through the issuance of debt and or equity. The Company has made no changes to its objective, nor is the Company subject to external capital requirements.

(Expressed in Canadian Dollars)

14. SEGMENTED INFORMATION

The Company manages its business as a single operating segment: mineral exploration. The Company operates in both foreign and domestic countries as follows:

		Nine month periods ended January 31, 2025		2024
Income (loss)				
Canada	**$**	**643,581**	$	(2,170,913)
South Africa		**(34,723)**		(163,139)
	$	**608,858**	$	(2,334,052)

		January 31, 2025		April 30, 2024
Exploration and evaluation assets				
Canada	**$**	**275,362**	$	275,362
South Africa		**37,138**		37,138
	$	**312,500**	$	312,500