



## **TinOne Resources Inc.**

### **Consolidated Financial Statements**

**For the years ended June 30, 2025 and 2024**

(Expressed in Canadian dollars)

## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF TINONE RESOURCES INC.

#### *Opinion*

We have audited the consolidated financial statements of TinOne Resources Inc. and its subsidiaries (the "Company"), which comprise:

- ◆ the consolidated statements of financial position as at June 30, 2025 and 2024;
- ◆ the consolidated statements of loss and comprehensive loss for the years then ended;
- ◆ the consolidated statements of changes in shareholders' equity for the years then ended;
- ◆ the consolidated statements of cash flows for the years then ended; and
- ◆ the 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 June 30, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

#### *Basis for Opinion*

We conducted our audits 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 in our audits 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 indicates that the Company incurred a net loss of \$775,514 during the year ended June 30, 2025. As of that date, the Company has an accumulated deficit of \$9,722,009 and a working capital deficiency of \$725,586. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate 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 June 30, 2025. 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.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditor's report.

#### VANCOUVER

1700-475 Howe St  
Vancouver, BC V6C 2B3  
T: 604 687 1231  
F: 604 688 4675

#### LANGLEY

600-19933 88 Ave  
Langley, BC V2Y 4K5  
T: 604 282 3600  
F: 604 357 1376

#### NANAIMO

201-1825 Bowen Rd  
Nanaimo, BC V9S 1H1  
T: 250 755 2111  
F: 250 984 0886

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the 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.

#### **VANCOUVER**

1700-475 Howe St  
Vancouver, BC V6C 2B3  
T: 604 687 1231  
F: 604 688 4675

#### **LANGLEY**

600-19933 88 Ave  
Langley, BC V2Y 4K5  
T: 604 282 3600  
F: 604 357 1376

#### **NANAIMO**

201-1825 Bowen Rd  
Nanaimo, BC V9S 1H1  
T: 250 755 2111  
F: 250 984 0886

- ♦ 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 Sukhjot Gill.

*Smythe LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
October 24, 2025

**VANCOUVER**

1700-475 Howe St  
Vancouver, BC V6C 2B3  
T: 604 687 1231  
F: 604 688 4675

**LANGLEY**

600-19933 88 Ave  
Langley, BC V2Y 4K5  
T: 604 282 3600  
F: 604 357 1376

**NANAIMO**

201-1825 Bowen Rd  
Nanaimo, BC V9S 1H1  
T: 250 755 2111  
F: 250 984 0886

**TINONE RESOURCES INC.**  
**Consolidated Statements of Financial Position**  
(Expressed in Canadian dollars)

|                                                        | Note  | June 30,<br>2025 | June 30,<br>2024 |
|--------------------------------------------------------|-------|------------------|------------------|
|                                                        |       | \$               | \$               |
| <b>ASSETS</b>                                          |       |                  |                  |
| <b>Current</b>                                         |       |                  |                  |
| Cash                                                   |       | 30,049           | 494,357          |
| Amounts receivable                                     |       | 6,169            | 32,211           |
| Current portion of prepaid expenses                    |       | 22,364           | 39,654           |
|                                                        |       | 58,582           | 566,222          |
| Prepaid expenses                                       |       | -                | 9,329            |
| Security deposits on exploration and evaluation assets | 5     | 39,555           | 78,527           |
| Exploration and evaluation assets                      | 6     | 4,326,331        | 4,349,712        |
| Property and equipment                                 |       | 173              | 3,376            |
| <b>Total assets</b>                                    |       | <b>4,424,641</b> | <b>5,007,166</b> |
| <b>LIABILITIES</b>                                     |       |                  |                  |
| <b>Current</b>                                         |       |                  |                  |
| Accounts payable and accrued liabilities               | 7, 10 | 784,168          | 630,632          |
|                                                        |       | 784,168          | 630,632          |
| Convertible debentures                                 | 8     | 680,683          | 545,742          |
| <b>Total liabilities</b>                               |       | <b>1,464,851</b> | <b>1,176,374</b> |
| <b>SHAREHOLDERS' EQUITY</b>                            |       |                  |                  |
| Share capital                                          | 9(b)  | 11,147,783       | 11,147,783       |
| Reserves                                               |       | 1,595,990        | 1,593,967        |
| Accumulated other comprehensive income (loss)          |       | (61,974)         | 35,537           |
| Deficit                                                |       | (9,722,009)      | (8,946,495)      |
| <b>Total shareholders' equity</b>                      |       | <b>2,959,790</b> | <b>3,830,792</b> |
| <b>Total liabilities and shareholders' equity</b>      |       | <b>4,424,641</b> | <b>5,007,166</b> |

Nature of operations and going concern (Note 1)

Subsequent events (Note 15)

Approved and authorized for issue on behalf of the Board of Directors:

|                        |                              |
|------------------------|------------------------------|
| <u>/s/ "Ota Hally"</u> | <u>/s/ "Chris Donaldson"</u> |
| Director               | Director                     |

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

**TINONE RESOURCES INC.**
**Consolidated Statements of Loss and Comprehensive Loss**

(Expressed in Canadian dollars, except number of shares)

|                                                     | Note     | Years ended June 30, |             |
|-----------------------------------------------------|----------|----------------------|-------------|
|                                                     |          | 2025                 | 2024        |
|                                                     |          | \$                   | \$          |
| Bank charges                                        |          | 1,868                | 4,219       |
| Depreciation                                        |          | 3,176                | 3,851       |
| Directors' fees                                     | 10       | 30,000               | 82,500      |
| Filing fees                                         |          | 37,253               | 54,973      |
| Insurance                                           |          | 20,510               | 32,294      |
| Management fees                                     | 10       | 215,667              | 332,000     |
| Marketing expenses                                  |          | 994                  | 111,795     |
| Office expenses                                     | 10       | 28,263               | 138,833     |
| Professional fees                                   |          | 119,224              | 362,644     |
| Property investigation expenses                     |          | 24,474               | 12,797      |
| Salaries, wages, and benefits (recovery)            | 10       | (2,417)              | 2,145       |
| Share-based compensation                            | 9(d), 10 | 2,023                | 73,018      |
| Travel                                              |          | -                    | 34,713      |
|                                                     |          | (481,035)            | (1,245,782) |
| <b>Other income (expenses)</b>                      |          |                      |             |
| Accretion expense                                   | 8        | (59,940)             | (5,819)     |
| Foreign exchange gain                               |          | 8,555                | 13,866      |
| Impairment of exploration and evaluation assets     | 6        | (164,084)            | (1,130,594) |
| Interest expense                                    | 7, 8     | (79,010)             | (8,257)     |
| Loss on extinguishment of debt                      | 9(b)     | -                    | (16,364)    |
| <b>Loss before income tax recovery</b>              |          | (775,514)            | (2,392,950) |
| Income tax recovery                                 | 14       | -                    | 58,950      |
| <b>Net loss</b>                                     |          | (775,514)            | (2,334,000) |
| Gain (loss) on translation to presentation currency |          | (97,511)             | 111,665     |
| <b>Comprehensive loss</b>                           |          | (873,025)            | (2,222,335) |
| <b>Net loss per share</b>                           |          |                      |             |
| Basic and diluted                                   |          | (0.08)               | (0.26)      |
| <b>Weighted average number of common shares</b>     |          |                      |             |
| Basic and diluted                                   |          | 9,274,385            | 8,712,669   |

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

**TINONE RESOURCES INC.**  
**Consolidated Statements of Cash Flows**  
(Expressed in Canadian dollars)

|                                                                                                        | Years ended June 30, |                  |
|--------------------------------------------------------------------------------------------------------|----------------------|------------------|
|                                                                                                        | 2025                 | 2024             |
|                                                                                                        | \$                   | \$               |
| <b>Operating activities</b>                                                                            |                      |                  |
| Net loss for the year                                                                                  | (775,514)            | (2,334,000)      |
| Adjustments for:                                                                                       |                      |                  |
| Depreciation                                                                                           | 3,176                | 3,851            |
| Share-based compensation                                                                               | 2,023                | 73,018           |
| Accretion expense                                                                                      | 59,940               | 5,819            |
| Unrealized foreign exchange                                                                            | 556                  | -                |
| Impairment of exploration and evaluation assets                                                        | 164,084              | 1,130,594        |
| Interest expense                                                                                       | 79,010               | 8,257            |
| Loss on extinguishment of debt                                                                         | -                    | 16,364           |
| Income tax recovery                                                                                    | -                    | (58,950)         |
| Changes in non-cash working capital:                                                                   |                      |                  |
| Amounts receivable                                                                                     | 10,162               | 6,177            |
| Prepaid expenses                                                                                       | 26,499               | 209,005          |
| Accounts payable and accrued liabilities                                                               | 150,927              | 435,493          |
| <b>Cash used in operating activities</b>                                                               | <b>(279,137)</b>     | <b>(504,372)</b> |
| <b>Investing activities</b>                                                                            |                      |                  |
| Expenditure on exploration and evaluation assets                                                       | (212,602)            | (474,330)        |
| Security deposits received on exploration and evaluation assets                                        | 53,789               | 21,001           |
| <b>Cash used in investing activities</b>                                                               | <b>(158,813)</b>     | <b>(453,329)</b> |
| <b>Financing activities</b>                                                                            |                      |                  |
| Proceeds from private placements                                                                       | -                    | 153,000          |
| Unit issuance costs                                                                                    | -                    | (16,200)         |
| Proceeds from issuance of convertible debentures, net of transaction costs                             | -                    | 739,140          |
| <b>Cash provided by financing activities</b>                                                           | <b>-</b>             | <b>875,940</b>   |
| Effect of foreign exchange on cash                                                                     | (26,358)             | 1,383            |
| Change in cash                                                                                         | (464,308)            | (80,378)         |
| Cash, beginning of the year                                                                            | 494,357              | 574,735          |
| <b>Cash, end of the year</b>                                                                           | <b>30,049</b>        | <b>494,357</b>   |
| <b>Supplemental cash flow information:</b>                                                             |                      |                  |
| Cash interest paid                                                                                     | -                    | -                |
| Cash income tax paid                                                                                   | -                    | -                |
| Expenditures on exploration and evaluation assets included in accounts payable and accrued liabilities | 30,770               | 68,275           |
| Common shares issued for settlement of debt                                                            | -                    | 76,364           |

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

**TINONE RESOURCES INC.**
**Consolidated Statements of Changes in Shareholders' Equity**

(Expressed in Canadian dollars, except number of shares)

|                                                              | Common<br>shares | Share<br>capital  | Reserves         | Accumulated<br>other<br>comprehensive<br>income (loss) | Deficit            | Total<br>shareholders'<br>equity |
|--------------------------------------------------------------|------------------|-------------------|------------------|--------------------------------------------------------|--------------------|----------------------------------|
|                                                              | #                | \$                | \$               | \$                                                     | \$                 | \$                               |
| Balance, June 30, 2023                                       | 8,547,680        | 10,838,494        | 1,468,550        | (76,128)                                               | (6,612,495)        | 5,618,421                        |
| Units issued in private placement                            | 127,500          | 114,750           | 38,250           | -                                                      | -                  | 153,000                          |
| Unit issuance costs                                          | -                | (16,200)          | -                | -                                                      | -                  | (16,200)                         |
| Shares issued for settlement of debt                         | 545,455          | 76,364            | -                | -                                                      | -                  | 76,364                           |
| Shares issued on vesting of RSUs                             | 53,750           | 134,375           | (134,375)        | -                                                      | -                  | -                                |
| Share-based compensation                                     | -                | -                 | 73,018           | -                                                      | -                  | 73,018                           |
| Conversion feature of convertible debenture units issued     | -                | -                 | 75,345           | -                                                      | -                  | 75,345                           |
| Warrants issued with issuance of convertible debenture units | -                | -                 | 73,179           | -                                                      | -                  | 73,179                           |
| Gain on translation to presentation currency                 | -                | -                 | -                | 111,665                                                | -                  | 111,665                          |
| Net loss                                                     | -                | -                 | -                | -                                                      | (2,334,000)        | (2,334,000)                      |
| Balance, June 30, 2024                                       | 9,274,385        | 11,147,783        | 1,593,967        | 35,537                                                 | (8,946,495)        | 3,830,792                        |
| Share-based compensation                                     | -                | -                 | 2,023            | -                                                      | -                  | 2,023                            |
| Loss on translation to presentation currency                 | -                | -                 | -                | (97,511)                                               | -                  | (97,511)                         |
| Net loss                                                     | -                | -                 | -                | -                                                      | (775,514)          | (775,514)                        |
| <b>Balance, June 30, 2025</b>                                | <b>9,274,385</b> | <b>11,147,783</b> | <b>1,595,990</b> | <b>(61,974)</b>                                        | <b>(9,722,009)</b> | <b>2,959,790</b>                 |

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

## **1. NATURE OF OPERATIONS AND GOING CONCERN**

TinOne Resources Inc. (the "Company" or "TinOne") was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on February 6, 2019. TinOne's principal business activities are the acquisition and exploration of mineral property assets. The Company is in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development and upon future profitable production. The Company is listed on the TSX Venture Exchange ("TSXV") under the symbol "TORC.V" and on the OTCQB Venture Market under the symbol "TORCF". The Company's head office is located at 6<sup>th</sup> floor, 1111 West Hastings Street Vancouver, BC V6E 2J3.

These audited consolidated financial statements for the years ended June 30, 2025 and 2024 (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at June 30, 2025, the Company has working capital deficiency of \$725,586 (June 30, 2024 - \$64,410) and has an accumulated deficit of \$9,722,009 (June 30, 2024 - \$8,946,495). During the year ended June 30, 2025, the Company incurred a net loss of \$775,514 (2024 - \$2,334,000). These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the going concern assumption was inappropriate. Such adjustments could be material.

## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements have been prepared in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These financial statements were approved by the Board of directors and authorized for issuance on October 24, 2025.

### **b) Basis of presentation**

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for certain cash flow information.

### **c) Functional and presentation currency**

The financial statements are presented in Canadian dollars ("CAD"). The functional currency of the Company and its subsidiaries depend on the currency of the primary economic environment in which a respective entity operates and listed in Note 2(d). References to "AUD" are to Australian dollars and references to "NZD" are to New Zealand dollars.

### **d) Basis of consolidation**

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

## **2. BASIS OF PREPARATION (continued)**

A summary of the Company's subsidiaries included in these financial statements as at June 30, 2025 is as follows:

| <b>Name of subsidiary</b>           | <b>Country of incorporation</b> | <b>Percentage ownership</b> | <b>Functional currency</b> |
|-------------------------------------|---------------------------------|-----------------------------|----------------------------|
| TinOne Resources Subsidiary Inc.    | Canada                          | 100%                        | CAD                        |
| TinOne Resources Australia Pty Ltd. | Australia                       | 100%                        | AUD                        |
| Gondwana Gold NZ Limited            | New Zealand                     | 100%                        | NZD                        |

## **3. MATERIAL ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently in the preparation of these financial statements.

### **a) Cash**

Cash consists of cash on hand and deposits in banks.

### **b) Foreign exchange**

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, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the date of the consolidated statement of financial position. 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.

The results and financial position of all the Company's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the consolidated statements of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transaction); and
- All resulting exchange differences are recognized as a separate component of shareholders' equity.

### **c) Exploration and evaluation assets**

All costs related to the acquisition, exploration and evaluation of mineral properties are capitalized as incurred and deferred until management establishes technical feasibility and economic feasibility of a property. Option payments are capitalized. Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued.

When technical feasibility and commercial viability of a property is demonstrated, exploration and evaluation assets will be reclassified into mining property and development assets within property.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain in profit or loss.

### **3. MATERIAL ACCOUNTING POLICIES (continued)**

Exploration and evaluation assets are assessed for impairment when facts or circumstances suggest that the carrying value of an exploration and evaluation asset may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the greater of an asset's fair value less cost to sell and value in use. The estimated recoverable amount is determined on an asset-by-asset basis, except where such assets do not generate cash flows independent of other assets, in which case the recoverable amount is estimated at the cash-generating unit level. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company will measure, present, and disclose any resulting impairment loss.

#### **d) Impairment of non-current assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating units ("CGU") (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets). The recoverable amount of the asset (or CGU) is the greater of the asset's (or CGU's) fair value less costs to sell and its value in use to which the assets belong.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in profit or loss for the period, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects. Discounted cash flow techniques often require management to make estimates and assumptions on reserves and expected future production revenues and expenses.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **e) Convertible debentures**

The convertible debentures were determined to be a compound instrument, comprising a liability component (debt obligation) and equity components (conversion option and warrants). In accordance International Accounting Standard 32 *Financial Instruments: Presentation*, the liability and equity portion representing the conversion option are presented separately. As the exercise prices of the convertible debentures are fixed in Canadian dollars for a fixed number of common shares, the conversion option is classified as residual equity.

The proceeds received on the issuance of units, comprised of convertible debentures and warrants, are first allocated to the liability component, which is measured at its fair value on initial recognition and the residual, if any, is allocated to reserves on a pro-rata basis based on their relative fair values at the date of issuance.

Upon exercise of the convertible debentures, the proportionate amount of the equity component converted is re-allocated from reserves into share capital. The liability component is accreted using the effective interest rate method over the term of the liability, such that the carrying amount of the financial liability will equal the principal balance at maturity.

### **3. MATERIAL ACCOUNTING POLICIES (continued)**

#### **f) Loss per share**

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share, where applicable, is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

#### **g) Income taxes**

Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using income tax rates and income tax laws that have been enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized.

#### **h) Financial instruments**

IFRS 9 *Financial Instruments* ("IFRS 9") addresses the classification, measurement, and recognition of financial assets and financial liabilities. IFRS 9 requires financial assets to be classified into three measurement categories: those measured at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), and at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

The Company's financial instruments are classified as follows:

| <b>Financial instruments</b>                           | <b>Classification</b> |
|--------------------------------------------------------|-----------------------|
| Cash                                                   | Amortized cost        |
| Security deposits on exploration and evaluation assets | Amortized cost        |
| Accounts payable and accrued liabilities               | Amortized cost        |
| Convertible debentures                                 | Amortized cost        |

A financial asset classified as FVTPL is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value and changes in fair value are recognized in the statement of loss.

A financial asset measured at amortized cost is initially recognized at fair value less transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

All financial liabilities are initially recorded at fair value and designated upon initial recognition as FVTPL or amortized cost.

Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method.

#### **i) Share capital**

Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity as share issuance costs, net of any tax effects. Share issuance costs and other legal fees related to and incurred in advance of share subscriptions are recorded as deferred financing costs.

The proceeds received on the issuance of units, comprised of common shares and warrants, are allocated using the residual value method. Under the residual value method, proceeds are allocated first to share capital up to the fair value of the common share, determined by reference to the quoted market price of the common shares on the issuance date, with the residual amount of proceeds, if any, allocated to reserves for warrants.

### 3. MATERIAL ACCOUNTING POLICIES (continued)

#### j) Share-based compensation

##### Stock options

The fair value of stock options granted is recognized as an expense over the vesting period with a corresponding increase in option reserve. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model (the "BSM"), taking into account the terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. When stock options are exercised, shares are granted and the amount previously recorded in option reserve is credited to share capital less consideration paid on exercise.

#### k) New accounting pronouncements

The IASB continually issues new and amended standards and interpretations which may need to be adopted by the Company. The Company continually assesses the impact that the new and amended standards and interpretations may have on its financial statements or whether to early adopt any of the new requirements. On July 1, 2024, the Company adopted the following new accounting pronouncement:

##### *Classification of liabilities as current or non-current - Amendments to IAS 1*

Additionally, the Company assessed the impacts of the amendments to IAS 1 *Presentation of Financial Statements*, effective for periods beginning on or after January 1, 2024, which clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. Application of the amendments resulted in the reclassification of the Company's convertible debentures from current liabilities to non-current liabilities retrospectively (Note 8).

There were no other recent pronouncements applicable to the Company's financial statements.

##### Pronouncements issued but not yet effective

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the financial statements.

### **3. MATERIAL ACCOUNTING POLICIES (continued)**

The preparation of the financial statements requires management to make judgements, 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. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **4. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

#### **a) Critical accounting estimates**

##### Valuation of share-based compensation

The Company measures the fair value of its share-based payments using the BSM, which requires management to use judgements and estimates in determining the inputs used in the model. These inputs include the exercise price of the option, the life of the option, the current price of the underlying shares, the expected volatility of the share price, the dividends expected on the shares (if appropriate), and the risk-free interest rate for the life of the option. Valuation and allocation of consideration paid to acquire mineral properties.

##### Discount rate

The Company has applied estimates with respect to the discount rate utilized in calculating the present value of future cash flows for the liability components of convertible debentures. Changes in these assumptions could materially affect the recorded amounts.

##### Impairment of exploration and evaluation assets

If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the Company carries out an impairment test at the cash-generating unit or group of cash-generating units' level in the year the new information becomes available. The assessment of impairment indicators, impairment tests, and recoverable value models have a degree of estimation and judgement which may differ in the future.

#### **b) Critical accounting judgements**

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, 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:

##### Going concern assessment

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its operating expenditures, meet its liabilities for the subsequent year, and to fund planned contractual exploration programs, involves significant judgement based on historical experiences and other factors including expectation of future events that are believed to be reasonable under the circumstances.

##### The consideration of whether impairment indicators exist for exploration and evaluation assets

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. The determination of the Company's CGU is subject to management's judgement. Significant judgement is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The retention of regulatory permits and licenses, the Company's ability to obtain financing for exploration and development activities and its future plans on the resource properties, current and future metal prices, and market sentiment are all factors considered by the Company.

**4. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)**

Functional currency

The Company applies judgement in assessing the functional currency of each entity consolidated in these financial statements. The functional currency of the Company and its subsidiaries is determined using the currency of the primary economic environment in which the entity receives funding for operations.

Compound financial instrument

The identification of liability and equity components of convertible debentures is based on interpretations of the substance of the contractual arrangement and therefore requires judgement from management.

**TINONE RESOURCES INC.****Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024**

(Expressed in Canadian dollars, except where noted)

**5. SECURITY DEPOSITS ON EXPLORATION AND EVALUATION ASSETS**

A summary of the Company's security deposits on exploration and evaluation assets is as follows:

| <b>Project</b>                | <b>Glen Innes,<br/>Tingha, and<br/>Emmaville</b> | <b>Aberfoyle,<br/>and Great<br/>Pyramid</b> | <b>Tin Hill</b> | <b>Rattler<br/>Range</b> | <b>Castle Carey<br/>and Vickory<br/>Creek</b> | <b>Other</b> | <b>Total</b>  |
|-------------------------------|--------------------------------------------------|---------------------------------------------|-----------------|--------------------------|-----------------------------------------------|--------------|---------------|
|                               | \$                                               | \$                                          | \$              | \$                       | \$                                            | \$           | \$            |
| Balance, June 30, 2023        | 27,241                                           | 56,454                                      | 9,461           | 26,442                   | 17,628                                        | -            | 137,226       |
| Additions                     | -                                                | -                                           | -               | -                        | -                                             | 1,611        | 1,611         |
| Refunds (Note 6)              | -                                                | (27,393)                                    | -               | (27,853)                 | (8,827)                                       | -            | (64,073)      |
| Foreign exchange gain (loss)  | 243                                              | 2,076                                       | (330)           | 1,411                    | 330                                           | 33           | 3,763         |
| Balance, June 30, 2024        | 27,484                                           | 31,137                                      | 9,131           | -                        | 9,131                                         | 1,644        | 78,527        |
| Refunds (Note 6)              | (27,611)                                         | -                                           | (8,888)         | -                        | -                                             | (1,611)      | (38,110)      |
| Foreign exchange gain (loss)  | 217                                              | (621)                                       | (243)           | -                        | (182)                                         | (33)         | (862)         |
| <b>Balance, June 30, 2025</b> | <b>90</b>                                        | <b>30,516</b>                               | <b>-</b>        | <b>-</b>                 | <b>8,949</b>                                  | <b>-</b>     | <b>39,555</b> |

**TINONE RESOURCES INC.**
**Notes to the Consolidated Financial Statements**
**For the years ended June 30, 2025 and 2024**

(Expressed in Canadian dollars, except where noted)

**6. EXPLORATION AND EVALUATION ASSETS**

Title to mineral properties 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 mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge, all of the Company's properties are properly registered and in good standing.

A summary of the Company's exploration and evaluation assets is as follows:

| <b>Project</b>                       | <b>Glen Innes,<br/>Tingha, and<br/>Emmaville</b> | <b>Aberfoyle,<br/>and Great<br/>Pyramid</b> | <b>Panama</b>       | <b>Tin Hill</b>    | <b>Rattler<br/>Range</b> | <b>Castle Carey<br/>and Vickory<br/>Creek</b> | <b>Nevis River,<br/>Teviot East,<br/>and Glenore</b> | <b>Total</b>     |
|--------------------------------------|--------------------------------------------------|---------------------------------------------|---------------------|--------------------|--------------------------|-----------------------------------------------|------------------------------------------------------|------------------|
| Metal /<br>Location                  | Tin /<br>Australia                               | Tin /<br>Australia                          | Gold /<br>Australia | Tin /<br>Australia | Tin /<br>Australia       | Tin /<br>Australia                            | Gold /<br>New Zealand                                |                  |
|                                      | \$                                               | \$                                          | \$                  | \$                 | \$                       | \$                                            | \$                                                   | \$               |
| <b>Acquisition costs:</b>            |                                                  |                                             |                     |                    |                          |                                               |                                                      |                  |
| Balance, June 30, 2023               | 25,000                                           | 449,009                                     | 28,065              | 10,880             | 100,000                  | -                                             | -                                                    | 612,954          |
| Impairment                           | (25,000)                                         | -                                           | (28,065)            | (10,880)           | -                        | -                                             | -                                                    | (63,945)         |
| Balance, June 30, 2024               | -                                                | 449,009                                     | -                   | -                  | 100,000                  | -                                             | -                                                    | 549,009          |
| Impairment                           | -                                                | -                                           | -                   | -                  | (100,000)                | -                                             | -                                                    | (100,000)        |
| <b>Balance, June 30, 2025</b>        | <b>-</b>                                         | <b>449,009</b>                              | <b>-</b>            | <b>-</b>           | <b>-</b>                 | <b>-</b>                                      | <b>-</b>                                             | <b>449,009</b>   |
| <b>Exploration costs:</b>            |                                                  |                                             |                     |                    |                          |                                               |                                                      |                  |
| Balance, June 30, 2023               | 190,420                                          | 3,264,963                                   | 672,678             | 15,517             | 36,363                   | 3,664                                         | 60,570                                               | 4,244,175        |
| Geological, drilling and field costs | 9,876                                            | 340,634                                     | -                   | 1,510              | 10,916                   | 34,085                                        | 994                                                  | 398,015          |
| Licenses, permits and rental         | 29,717                                           | 20,318                                      | -                   | 11,666             | -                        | 870                                           | 35,940                                               | 98,511           |
| Impairment                           | (231,990)                                        | -                                           | (687,153)           | (28,814)           | (1,509)                  | (20,077)                                      | (97,106)                                             | (1,066,649)      |
| Currency translation differences     | 1,977                                            | 104,972                                     | 14,475              | 121                | 4,957                    | 547                                           | (398)                                                | 126,651          |
| Balance, June 30, 2024               | -                                                | 3,730,887                                   | -                   | -                  | 50,727                   | 19,089                                        | -                                                    | 3,800,703        |
| Geological, drilling and field costs | -                                                | 191,012                                     | -                   | -                  | 848                      | -                                             | -                                                    | 191,860          |
| Licenses, permits and rental         | -                                                | 20,187                                      | -                   | -                  | -                        | -                                             | -                                                    | 20,187           |
| Property investigation               | -                                                | 555                                         | -                   | -                  | -                        | -                                             | -                                                    | 555              |
| Impairment                           | -                                                | -                                           | -                   | -                  | (45,539)                 | (18,545)                                      | -                                                    | (64,084)         |
| Currency translation differences     | -                                                | (65,319)                                    | -                   | -                  | (6,036)                  | (544)                                         | -                                                    | (71,899)         |
| <b>Balance, June 30, 2025</b>        | <b>-</b>                                         | <b>3,877,322</b>                            | <b>-</b>            | <b>-</b>           | <b>-</b>                 | <b>-</b>                                      | <b>-</b>                                             | <b>3,877,322</b> |
| <b>Carrying value:</b>               |                                                  |                                             |                     |                    |                          |                                               |                                                      |                  |
| Balance, June 30, 2024               | -                                                | 4,179,896                                   | -                   | -                  | 150,727                  | 19,089                                        | -                                                    | 4,349,712        |
| <b>Balance, June 30, 2025</b>        | <b>-</b>                                         | <b>4,326,331</b>                            | <b>-</b>            | <b>-</b>           | <b>-</b>                 | <b>-</b>                                      | <b>-</b>                                             | <b>4,326,331</b> |

## **6. EXPLORATION AND EVALUATION ASSETS (continued)**

### **Projects located in Australia:**

#### **a) Glen Innes, Tingha, and Emmaville Projects (Tenements EL8902, EL8913, and EL8903)**

On June 29, 2018, the Company entered into an asset purchase agreement with directors of the Company, whereby the Company acquired 100% title to three mineral claim exploration tenements located in the areas of Glen Innes, New South Wales ("NSW"), Australia, Tingha, NSW, Australia and Emmaville, NSW, Australia. As consideration, the Company issued 500,000 common shares at a fair value of \$25,000. EL8902 and EL8903 are valid until October 21, 2026. EL8913 is valid until November 8, 2026.

The three-year renewal fee estimate for EL8902 is AUD \$4,925, for EL8913 is AUD \$4,100, and for EL8903 is AUD \$3,838.

Security deposits of \$98 (AUD \$100) and \$28,722 (AUD \$30,000) were paid in November 2020 and October 2019, respectively. The security deposits are held with the NSW Government Planning Environment Department, for indemnification of site restoration of the claims comprising the tenements.

During the year ended June 30, 2024, management made a strategic decision to not pursue the project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$256,990 measured in accordance with level 3 of the fair value hierarchy.

During the year ended June 30, 2025, the Company received a refund of the unused security deposits paid to the NSW Government Planning Environment Department for indemnification of site restoration of the claims comprising Tenement EL8902, EL8913, and EL8903 of \$27,611 (AUD \$30,000).

#### **b) Aberfoyle and Great Pyramid Projects (Tenements EL27 2004 and RL2 2009)**

On October 17, 2019, as last amended on June 3, 2020, the Company entered into an agreement (the "Tenement Sale Agreement") to purchase tenements EL27 2004 and RL2 2009. The Company paid \$89,220 (AUD \$100,000) for the initial payment per the Tenement Sale Agreement and initially recorded amount owing on asset acquisition of \$359,789 which was the fair value of future payments of AUD \$600,000 discounted at a rate of 16%. The remaining commitments were accreted over the term of the Tenement Sale Agreement.

The Company paid in aggregate \$276,167 (AUD \$300,000) and issued shares with an aggregate fair value of \$361,040 (AUD \$400,000) as consideration for the tenements. Tenements EL27 2004 and RL2 2009 are subject to an underlying 3.75% net smelter royalty ("NSR"). EL27 2004 and RL2 2009 are valid until November 26, 2025 and August 1, 2026, respectively.

Security deposits of \$98 (AUD \$100), \$24,490 (AUD \$29,000), and \$4,384 (AUD \$5,000) were paid in November 2020, March 2020, and October 2022, respectively. The security deposits are held with the Tasmanian Government Department of State Growth for indemnification of site restoration of the claims comprising the tenements.

#### **c) Panama Project (Tenement EL4 2018)**

On June 7, 2020, the Company entered into an earn-in option agreement with three individuals, the Panama Partners, to acquire up to a 100% beneficial interest in a mining tenement located in Golconda, Tasmania, Australia. Upon execution of the agreement, the Company issued 37,420 common shares at a fair value of \$28,065 (AUD \$30,000) as acquisition costs.

During the year ended June 30, 2024, management made a strategic decision to not pursue the project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$715,218 measured in accordance with level 3 of the fair value hierarchy.

#### **d) Tin Hill Project (Tenement ELA6216 and EL9347)**

On December 29, 2021, pursuant to an exploration license application filed with the government of NSW (ELA6216), the Company made a payment of \$20,341 (AUD \$21,500), for rent, levy, and security on the property. Of the \$20,341, \$10,880 (AUD \$11,500) was recognized as exploration and evaluation assets and \$9,461 (AUD \$10,000) was recognized as security deposits. On January 27, 2022, the license application was approved, and the Company was issued an exploration license (EL9347) that expires on January 27, 2026.

## **6. EXPLORATION AND EVALUATION ASSETS (continued)**

During the year ended June 30, 2024, management made a strategic decision to not pursue the project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$39,694 measured in accordance with level 3 of the fair value hierarchy.

During the year ended June 30, 2025, the Company received a refund of the unused security deposits paid to the NSW Government Planning Environment Department for indemnification of site restoration of the claims comprising Tenement EL 9347 of \$8,888 (AUD \$10,000).

### **e) Rattler Range Project (Tenement EL10 2019, ELC36 2022, and EL39 2022)**

On November 23, 2022, the Company acquired a 100% interest in the Rattler Range tin project in northeastern Tasmania, Australia, through the issuance of 100,000 common shares at a fair value of \$100,000. In addition, the Company granted the vendor a 2% NSR over the project. The Company has the right, at any time upon notice being given to the NSR holder, to repurchase one-half of the NSR for \$1,000,000 in cash. EL10 2019 is valid until June 29, 2025.

During the year ended June 30, 2024, the Company applied for a refund of the unused security deposits paid to the Tasmanian Department of State Growth for indemnification of site restoration of the claims comprising Tenement ELC36 2022 and Tenement EL39 2022 of \$27,853 (AUD \$30,000), of which \$15,679 (AUD \$17,000) was included in amounts receivable as at June 30, 2024. During the year ended June 30, 2025, the Company received the full refund.

During the year ended June 30, 2025, management made a strategic decision to not pursue the Rattler Range Project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$145,539 (2024 - \$1,509).

### **f) Castle Carey and Vickory Creek Project (Tenement EL13 2022 and EL14 2022)**

On December 16, 2022, the Company's exploration license application for tenements EL13 2022 and EL14 2022 was granted for a term of five years. For the years ended December 15, 2023 and 2024, the Company must make minimum expenditures of AUD \$57,000 for EL13 2022 and AUD \$75,000 for EL14 2022 per year. EL13 2022 is valid until December 15, 2027.

Security deposits of \$18,151 (AUD \$20,000) were paid in July 2022 and August 2022. The security deposits are held with the Tasmanian Government Department of State Growth for indemnification of site restoration of the claims comprising the tenements. During the year ended June 30, 2024, the Company received refund of unused security deposit of \$8,827 (AUD \$10,000) on Tenement EL14 2022 and recorded an impairment of exploration and evaluation assets of \$20,077 measured in accordance with level 3 of the fair value hierarchy.

During the year ended June 30, 2025, management made a strategic decision to not pursue Tenement EL13 2022 further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$18,545 (2024 - \$nil).

## **Projects located in New Zealand:**

### **g) Nevis River Project (Tenement 60718)**

On May 13, 2022, the Company was granted a mineral prospecting permit to Nevis River in the Otago region which expires on May 12, 2024. During the year ended June 30, 2025, the Company recognized a pro-rated portion of the annual permit fees of \$nil (AUD \$nil) (2024 - \$7,928 (AUD \$8,925)).

During the year ended June 30, 2024, management made a strategic decision to not pursue the project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$37,586 measured in accordance with level 3 of the fair value hierarchy.

### **h) Teviot East Project (Tenement 60720)**

On May 13, 2022, the Company was granted a mineral prospecting permit to Teviot East in Otago which expires on May 12, 2024. During the year ended June 30, 2025, the Company recognized a pro-rated portion of the annual permit fees of \$nil (AUD \$nil) (2024 - \$15,263 (AUD \$17,183)).

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

During the year ended June 30, 2024, management made a strategic decision to not pursue the project further and concluded that the project was fully impaired. As a result, the Company recorded an impairment of exploration and evaluation assets of \$59,520 measured in accordance with level 3 of the fair value hierarchy.

## 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

|                                   | June 30,<br>2025 | June 30,<br>2024 |
|-----------------------------------|------------------|------------------|
|                                   | \$               | \$               |
| Exploration and evaluation assets | 30,770           | 68,275           |
| Directors' fees                   | 116,250          | 70,500           |
| Filing fees                       | 2,882            | 1,269            |
| Management fees                   | 334,029          | 211,616          |
| Marketing expenses                | -                | 11,465           |
| Professional fees                 | 106,603          | 73,633           |
| Office expenses                   | 171,542          | 193,874          |
| Other payable                     | 22,092           | -                |
|                                   | <b>784,168</b>   | <b>630,632</b>   |

As at June 30, 2025, the other payable balance represents an amount owed to a related party (Note 10) comprised of \$20,000 plus a transaction fee of \$1,500 and accrued interest of \$592. The amount accrues interest at 10.20% per year and is due on July 10, 2025. During the year ended June 30, 2025, the Company recorded interest expense on this balance of \$2,092 (2024 - \$nil).

During the year ended June 30, 2025, the Company was charged interest on overdue accounts payable of \$1,917 (2024 - \$nil).

## 8. CONVERTIBLE DEBENTURES

On May 16, 2024 and June 11, 2024, the Company closed two tranches of a non-brokered, arm's length private placement of aggregate 750 units at \$1,000 per unit for gross proceeds of \$611,000 and \$139,000 respectively. Each unit consists of one unsecured convertible debenture of the Company with a principal amount of \$1,000 and 6,896 warrants. The convertible debentures bear interest at a rate of 10% per annum. The interest obligation may be settled either in cash or in common shares of the Company at the Company's option. The debentures have a term of three years. The principal amount of each debenture is convertible into common shares of the Company at the option of the holder at any time prior to maturity at a conversion price of \$0.145 per share. Each warrant entitles the holder thereof to acquire one common share of the Company for a period of three years from the date of issuance at an exercise price of \$0.16 per share. In connection with the private placement, the Company paid cash finders' fees of \$10,860.

The fair value of the liability component was determined using the rate of interest that would apply to an identical financial instrument without the conversion option. As a result, the total gross proceeds of \$750,000 were allocated as follows: \$531,666 to the liability component, \$104,582 to the equity component representing the conversion feature, and \$102,892 to warrants. In relation to the recognition of the convertible debentures, the Company recognized an income tax recovery of \$58,950 pursuant to IAS 12 *Income Taxes*. As a result, during the year ended June 30, 2024, the equity component representing the conversion feature was adjusted to \$75,345 and the equity component representing warrants was adjusted to \$73,179.

During the year ended June 30, 2025, the Company recorded accretion expense of \$59,940 (2024 - \$5,819) and interest expense of \$75,001 (2024 - \$8,257) on the convertible debentures.

During the year ended June 30, 2025, the Company reclassified its convertible debenture from current liabilities to non-current liabilities to adopt the amendments of IAS 1 *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current* effective for annual reporting periods beginning on or after 1 January 2024. The amendments clarify the requirements for classifying liabilities as current or non-current and are to be applied retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Accordingly, the resulted change in presentation has been applied retrospectively with no impact on total equity, total liabilities, net loss or cash flows for the current or comparative periods.

## **9. SHARE CAPITAL**

### **a) Authorized share capital**

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

### **b) Issued share capital**

During the year ended June 30, 2025, the Company had no share capital transactions.

During the year ended June 30, 2024, the Company had the following share capital transactions:

- On July 14, 2023, the Company closed the third and final tranche of a non-brokered private placement of 127,500 units at \$1.20 per unit for gross proceeds of \$153,000. Each unit comprises one common share and one-half warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of \$2.50 and expires on July 14, 2025. Proceeds were allocated using the residual value method. As a result, \$114,750 was allocated to share capital and \$38,250 was allocated to reserves. In connection with the private placement, the Company paid cash unit issuance costs of \$16,200.
- On June 4, 2024, the Company settled debt in the amount of \$60,000 by issuing 545,455 common shares at \$0.14 per share. As a result, the Company recorded loss on settlement of debt of \$16,364.
- On June 26, 2024, the Company issued an aggregate of 53,750 common shares following the vesting of 53,750 restricted share units. As a result, \$134,375 was transferred from reserves to share capital. During the year ended June 30, 2024, 15,000 RSUs were forfeited following the termination of certain consultants (Note 9(e)).

### **c) Escrow shares**

Under the escrow agreement, 10% of the escrowed shares were released from escrow on the issuance of the final exchange bulletin confirming the completion of the amalgamation agreement during December 2021 by the TSXV, and 15% will be released every six months thereafter. On December 31, 2024, the remaining 311,000 shares were released from escrow.

As at June 30, 2025, the Company had no common shares subject to escrow (June 30, 2024 - 311,000).

### **d) Stock options**

A summary of the Company's stock option activity is as follows:

|                               | <b>Number of<br/>stock options<br/>outstanding</b> | <b>Weighted<br/>average<br/>exercise price</b> |
|-------------------------------|----------------------------------------------------|------------------------------------------------|
|                               | <b>#</b>                                           | <b>\$</b>                                      |
| Balance, June 30, 2023        | 781,500                                            | 2.19                                           |
| Forfeited                     | (239,800)                                          | 2.33                                           |
| Balance, June 30, 2024        | 541,700                                            | 2.13                                           |
| Cancelled                     | (132,500)                                          | 1.47                                           |
| <b>Balance, June 30, 2025</b> | <b>409,200</b>                                     | <b>2.34</b>                                    |

A summary of the Company's stock options outstanding and exercisable as at June 30, 2025 is as follows:

| <b>Expiry date</b> | <b>Number of<br/>options<br/>outstanding</b> | <b>Number of<br/>options<br/>exercisable</b> | <b>Weighted<br/>average<br/>exercise price</b> | <b>Weighted<br/>average<br/>remaining life</b> |
|--------------------|----------------------------------------------|----------------------------------------------|------------------------------------------------|------------------------------------------------|
|                    | <b>#</b>                                     | <b>#</b>                                     | <b>\$</b>                                      | <b>Years</b>                                   |
| February 1, 2026   | 172,500                                      | 172,500                                      | 2.50                                           | 0.59                                           |
| January 19, 2027   | 145,000                                      | 145,000                                      | 2.80                                           | 1.56                                           |
| March 16, 2027     | 17,500                                       | 17,500                                       | 2.70                                           | 1.71                                           |
| August 30, 2027    | 74,200                                       | 74,200                                       | 1.00                                           | 2.17                                           |
|                    | <b>409,200</b>                               | <b>409,200</b>                               | <b>2.34</b>                                    | <b>1.27</b>                                    |

During the year ended June 30, 2025, the Company had no stock option transactions.

## 9. SHARE CAPITAL (continued)

During the year ended June 30, 2025, the Company recognized net share-based compensation of \$2,023 (2024 - \$39,747) relating to the vesting and cancellation of stock options.

### e) Restricted share units

A summary of the Company's RSU activity is as follows:

|                                        | Number of<br>RSUs | Weighted<br>average<br>issue price |
|----------------------------------------|-------------------|------------------------------------|
|                                        | #                 | \$                                 |
| Balance, June 30, 2023                 | 68,750            | 2.50                               |
| Converted                              | (53,750)          | 2.50                               |
| Forfeited                              | (15,000)          | 2.50                               |
| <b>Balance, June 30, 2025 and 2024</b> | <b>-</b>          | <b>-</b>                           |

During the year ended June 30, 2025, the Company had no RSU transactions.

On June 26, 2024, the Company issued 53,750 common shares following the vesting of 53,750 RSUs.

During the year ended June 30, 2025, the Company recognized net share-based compensation of \$nil (2024 - \$33,271) relating to the vesting of the RSUs.

### f) Warrants

A summary of the Company's warrant activity is as follows:

|                               | Number of<br>warrants | Weighted<br>average<br>exercise price |
|-------------------------------|-----------------------|---------------------------------------|
|                               | #                     | \$                                    |
| Balance, June 30, 2023        | 2,604,827             | 2.07                                  |
| Issued                        | 5,235,750             | 0.19                                  |
| Expired                       | (82,760)              | 2.50                                  |
| Balance, June 30, 2024        | 7,757,817             | 0.79                                  |
| Expired                       | (265,467)             | 2.50                                  |
| <b>Balance, June 30, 2025</b> | <b>7,492,350</b>      | <b>0.73</b>                           |

During the year ended June 30, 2025, the Company had no warrant issuances.

During the year ended June 30, 2024, the Company had the following transactions:

- On July 14, 2023, in connection with a private placement, the Company issued 63,750 warrants with an exercise price of \$2.50 per share and an expiry date of July 14, 2025.
- On May 16, 2024, in connection with a private placement, the Company issued 4,213,456 warrants with an exercise price of \$0.16 per share and an expiry date of May 16, 2027.
- On June 11, 2024, in connection with a private placement, the Company issued 958,544 warrants with an exercise price of \$0.16 per share and an expiry date of June 11, 2027.

## 9. SHARE CAPITAL (continued)

A summary of the Company's warrants outstanding as at June 30, 2025 is as follows:

| <b>Expiry date</b>        | <b>Number of<br/>warrants</b> | <b>Weighted<br/>average<br/>exercise price</b> | <b>Weighted<br/>average<br/>remaining life</b> |
|---------------------------|-------------------------------|------------------------------------------------|------------------------------------------------|
|                           | <b>#</b>                      | <b>\$</b>                                      | <b>Years</b>                                   |
| July 14, 2025 (Note 15)   | 63,750                        | 2.50                                           | 0.04                                           |
| August 15, 2025 (Note 15) | 2,115,400                     | 2.00                                           | 0.13                                           |
| August 23, 2025 (Note 15) | 141,200                       | 2.00                                           | 0.15                                           |
| May 16, 2027              | 4,213,456                     | 0.16                                           | 1.88                                           |
| June 11, 2027             | 958,544                       | 0.16                                           | 1.95                                           |
|                           | <b>7,492,350</b>              | <b>0.73</b>                                    | <b>1.34</b>                                    |

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for warrants issued during the year ended June 30, 2024 is as follows:

|                                |            |
|--------------------------------|------------|
| Share price                    | \$0.17     |
| Exercise price                 | \$0.19     |
| Risk-free interest rate        | 4.01%      |
| Expected life                  | 2.99 years |
| Expected volatility            | 196.69%    |
| Expected annual dividend yield | 0.00%      |

The risk-free rate of periods within the expected life of the warrants is based on the Canadian government bond rate. The annualized volatility assumptions are based on the historical results of benchmark companies.

## 10. RELATED PARTY TRANSACTIONS

Key management personnel include those with the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's transactions with key management personnel is as follows:

|                               | <b>Years ended June 30,</b> |                |
|-------------------------------|-----------------------------|----------------|
|                               | <b>2025</b>                 | <b>2024</b>    |
|                               | <b>\$</b>                   | <b>\$</b>      |
| Directors' fees               | 30,000                      | 82,500         |
| Management fees               | 185,667                     | 332,000        |
| Office expenses               | 26,130                      | 74,184         |
| Salaries, wages, and benefits | -                           | 1,902          |
| Share-based compensation      | 1,170                       | 66,084         |
|                               | <b>242,967</b>              | <b>556,670</b> |

As at June 30, 2025, included in accounts payable and accrued liabilities is \$356,455 (June 30, 2024 - \$443,204) owed to directors and companies controlled by directors of the Company. The amounts owing are non-interest bearing, unsecured and have no fixed terms of repayment.

## **10. RELATED PARTY TRANSACTIONS (continued)**

A summary of the Company's related party balances included in accounts payable and accrued liabilities is as follows:

|                 | <b>June 30,<br/>2025</b> | June 30,<br>2024 |
|-----------------|--------------------------|------------------|
|                 | <b>\$</b>                | <b>\$</b>        |
| Directors' fees | <b>84,750</b>            | 75,500           |
| Management fees | <b>256,250</b>           | 211,617          |
| Office expenses | <b>15,455</b>            | 156,087          |
|                 | <b>356,455</b>           | 443,204          |

As at June 30, 2025, the other payable balance of \$22,092 included in accounts payable and accrued liabilities (Note 7) is due to a related company under common control.

## **11. CAPITAL MANAGEMENT**

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the current operations including corporate and administrative functions to support operations. The Company obtains funding primarily through issuing common shares and debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management since June 30, 2025. The Company is not subject to externally imposed capital requirements.

## **12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at June 30, 2025, the Company's financial instruments consist of cash, security deposits on exploration and evaluation assets, accounts payable and accrued liabilities, and convertible debentures all of which are classified as and measured at amortized cost.

The fair values of cash, accounts payable and accrued liabilities approximate their carrying values due to their short-term nature. On initial recognition, the fair values of the convertible debentures were determined using the discounted cash flow method which involves discounting future cash flows at a risk-adjusted discount rate.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

### **a) Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company is exposed to credit risk through cash and security deposits on exploration and evaluation assets. The Company manages its credit risk relating to cash through the use of major financial institutions which have a high credit quality as determined by rating agencies. As at June 30, 2025, the Company had cash of \$30,049 (June 30, 2024 - \$494,357) with large financial institutions, and security deposits on exploration and evaluation assets of \$39,555 (June 30, 2024 - \$78,527) with Australian municipalities. The Company assessed its credit risk as low.

### **b) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2025, the Company is not exposed to interest rate risk.

### **c) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its obligations under financial instruments. The Company is exposed to liquidity risk through accounts payable and accrued liabilities and convertible debentures. The Company's liquidity will be adversely affected if its access to the capital markets is hindered. The Company has no sources of revenue and has obligations to meet its exploration and evaluation commitments and to settle its financial liabilities.

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

As at June 30, 2025, the Company had cash of \$30,049 (June 30, 2024 - \$494,357), accounts payable and accrued liabilities of \$784,168 (June 30, 2024 - \$630,632) and convertible debentures of \$680,683 (June 30, 2024 - \$545,742). The Company will be required to raise additional funding to meet its financial obligations in the near term. There is no assurance that the necessary financing will be available in a timely manner or on terms acceptable to the Company. The Company assesses liquidity risk as high. On September 2, 2025, the Company closed a non-brokered private placement and raised gross proceeds of \$300,000 (Note 15).

### **d) Foreign currency risk**

Foreign currency risk is the risk that the fair value of the Company's assets and liabilities will fluctuate due to changes in foreign exchange rates.

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company and its subsidiaries are not denominated in their functional currencies. The Company does not manage currency risk through hedging or other currency management tools. The sensitivity of the Company's profit or loss to changes in the exchange rate between the Canadian dollar to AUD would be as follows: a 10% change in the Canadian dollar exchange rate relative to AUD would change the Company's net loss by approximately \$2,517 (June 30, 2024 - \$6,327).

A summary of the Company's financial assets and liabilities that are denominated in AUD, presented in Canadian dollars, is as follows:

|                                          | <b>June 30,<br/>2025</b> | June 30,<br>2024 |
|------------------------------------------|--------------------------|------------------|
|                                          | \$                       | \$               |
| Cash                                     | <b>5,424</b>             | 10,092           |
| Security deposits                        | <b>13,424</b>            | 15,340           |
| Accounts payable and accrued liabilities | <b>(44,021)</b>          | (88,706)         |
|                                          | <b>(25,173)</b>          | (63,274)         |

## **13. SEGMENTED INFORMATION**

The Company operates in one reportable segment, being the acquisition, exploration, and development of mineral properties.

A summary of the Company's geographical location of its exploration and evaluation assets as well as property and equipment is as follows:

|           | <b>June 30,<br/>2025</b> | June 30,<br>2024 |
|-----------|--------------------------|------------------|
|           | \$                       | \$               |
| Australia | <b>4,326,504</b>         | 4,353,088        |

**TINONE RESOURCES INC.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended June 30, 2025 and 2024**  
(Expressed in Canadian dollars, except where noted)

**14. INCOME TAXES**

A summary of the Company's reconciliation of income taxes at statutory rates with the reported taxes is as follows:

|                                                                  | Years ended June 30, |             |
|------------------------------------------------------------------|----------------------|-------------|
|                                                                  | 2025                 | 2024        |
|                                                                  | \$                   | \$          |
| Net loss before income tax                                       | (775,514)            | (2,392,950) |
| Tax rate                                                         | 27%                  | 27%         |
| Expected income tax recovery                                     | (209,390)            | (646,097)   |
| Non-deductible expenditures and non-taxable revenues             | 546                  | (8,018)     |
| Impact of foreign tax rates and foreign exchange                 | 5,177                | 6,271       |
| Shares issuance costs                                            | -                    | (7,306)     |
| Non-deductible portion of capital item                           | -                    | 2,209       |
| Adjustment to prior years provision versus statutory tax returns | (100,843)            | 23,390      |
| Temporary differences originated in the year                     | -                    | 6,989       |
| Change in unrecognized deferred income tax assets                | 304,510              | 563,612     |
| <b>Provision for income tax recovery</b>                         | -                    | (58,950)    |

A summary of the Company's significant components of the Company's deferred tax assets and liabilities is as follows:

|                                                 | June 30,         | June 30,         |
|-------------------------------------------------|------------------|------------------|
|                                                 | 2025             | 2024             |
|                                                 | \$               | \$               |
| Deferred income tax assets:                     |                  |                  |
| Share issuance costs                            | 30,087           | 48,964           |
| Allowable capital losses                        | 16,015           | 16,015           |
| Non-capital losses available for future periods | 2,658,012        | 1,373,363        |
| Property and equipment                          | -                | 1,743            |
| Mineral resource properties                     | (729,225)        | 277,654          |
| Foreign exchange                                | (312)            | (463)            |
| Convertible debenture                           | (41,195)         | (88,405)         |
| <b>Deferred tax assets</b>                      | <b>1,933,382</b> | <b>1,628,871</b> |
| Unrecognized deferred income tax assets         | (1,933,382)      | (1,628,871)      |
| <b>Deferred income tax assets, net</b>          | <b>-</b>         | <b>-</b>         |

A summary of the Company's significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position is as follows:

|                                | June 30,          | Expiry date    | June 30,         | Expiry date    |
|--------------------------------|-------------------|----------------|------------------|----------------|
|                                | 2025              | range          | 2024             | range          |
|                                | \$                |                | \$               |                |
| Temporary differences:         |                   |                |                  |                |
| Share issuance costs           | 111,434           | 2045 to 2048   | 181,348          | 2045 to 2048   |
| Allowable capital losses       | 118,627           | No expiry date | 118,630          | No expiry date |
| Non-capital losses             | 6,655,314         | 2038 to 2041   | -                | -              |
| Property and equipment         | -                 | -              | 6,972            | No expiry date |
| Mineral resource properties    | 427,669           | No expiry date | 1,044,772        | No expiry date |
| Non-capital losses by country: |                   |                |                  |                |
| Canada                         | 5,550,011         | 2038 to 2045   | 4,731,878        | 2038 to 2044   |
| Australia                      | 4,636,853         | No expiry date | 29,404           | No expiry date |
| New Zealand                    | 1,055             | No expiry date | -                | -              |
|                                | <b>17,500,963</b> |                | <b>6,113,004</b> |                |

## **15. SUBSEQUENT EVENTS**

On July 14, 2025, 63,750 warrants of the Company with a weighted average exercise price of \$2.50 expired unexercised (Note 9(f)).

On August 15, 2025, 2,115,400 warrants of the Company with a weighted average exercise price of \$2.00 expired unexercised (Note 9(f)).

On August 23, 2025, 141,200 warrants of the Company with a weighted average exercise price of \$2.00 expired unexercised (Note 9(f)).

On September 2, 2025, the Company closed a non-brokered private placement and issued 6,000,000 units at a price of \$0.05 per unit for gross proceeds of \$300,000. Each unit is comprised of one common share and one warrant. Each warrant entitles the holder to purchase one common share at an exercise price of \$0.065 per common share until September 2, 2030. In connection with the non-brokered private placement, the Company paid finders' fees of \$5,580 and issued 111,600 finders' warrants to eligible arm's lengths finders. Each finders' warrant entitles the finder to purchase one common share at a price of \$0.065 per common share until September 2, 2028.