



(Formerly Aardvark 2 Capital Corp.)

**Financial Statements**

**December 31, 2024 and 2023**

(Stated in Canadian Dollars)

# Independent auditor's report

To the Shareholders and the Board of Directors of  
**Nuvau Minerals Inc.**

## Opinion

We have audited the consolidated financial statements of **Nuvau Minerals Inc.** [formerly Aardvark 2 Capital Corp.] and its subsidiaries [the "Group"], which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

## Basis for opinion

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

## Material uncertainty related to going concern

We draw attention to note 1 in the consolidated financial statements, which indicates that the Group has no source of operating cash flows, working capital of \$10,561,008 as at December 31, 2024 and a net loss of \$11,034,613 for the year then ended. 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 Group'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 of the current period. In addition to the matter described in the *Material uncertainty related to going concern* section of our report, we have determined the matter described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Key audit matter	How our audit addressed the key audit matter
<p>Reverse takeover transaction</p> <p>As more fully described in notes 1 and 6 to the consolidated financial statements, on December 12, 2024, Nuvau Minerals Inc. [formerly Aardvark 2 Capital Corp.] completed a reverse takeover transaction ["RTO"]. The transaction resulted in the issuance or modification of various instruments.</p> <p>We considered this a key audit matter as the RTO was significant to the Group, and the nature of the arrangement was complex and non-routine.</p>	<p>Our audit procedures related to the determination of the accounting acquirer and the accounting for instruments issued or modified as part of the transaction. Our procedures included the following, among others:</p> <ul style="list-style-type: none"> <li>• We read the purchase agreement to understand the key terms and conditions in order to evaluate the determination of the accounting acquirer, and conclude on accounting for the transaction as a reverse acquisition;</li> <li>• We evaluated the value ascribed to instruments issued, including share-based payments, by comparing the inputs used against third-party evidence, including transactions supporting the fair value of shares issued, and the annualized volatility of similar publicly traded companies; and</li> <li>• We assessed the adequacy of disclosures involving the RTO and the valuation of the consideration received.</li> </ul>

**Other information**

Management is responsible for the other information. The other information comprises Management’s Discussion and Analysis for the year ended December 31, 2024.

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

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

We obtained Management’s Discussion & 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 in this auditor’s report. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibilities for the audit of the consolidated financial statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 Group 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 Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the 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 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 benefit of such communication.

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

Toronto, Canada  
April 22, 2025

*Ernst & Young LLP*

Chartered Professional Accountants  
Licensed Public Accountants

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)

As at	December 31 2024 \$	December 31 2023 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	12,268,091	2,949,311
Cash held in trust	-	289,649
Amounts receivable [note 4]	1,172,717	1,290,951
Tax credit receivable [note 5]	710,887	1,988,136
Prepaid expenses	109,121	27,576
<b>Total current assets</b>	<b>14,260,816</b>	<b>6,545,623</b>
<b>Non-current assets</b>		
Mineral property interests [note 5]	100,000	100,000
<b>Total non-current assets</b>	<b>100,000</b>	<b>100,000</b>
<b>Total assets</b>	<b>14,360,816</b>	<b>6,645,623</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	2,379,528	1,288,020
Share-based compensation liabilities [note 7]	699,370	-
Deferred premium on flow-through shares [note 7]	620,910	2,172,933
<b>Total current liabilities</b>	<b>3,699,808</b>	<b>3,460,953</b>
<b>Total liabilities</b>	<b>3,699,808</b>	<b>3,460,953</b>
<b>EQUITY</b>		
Share capital [note 7]	30,704,348	13,266,380
Equity settled employee benefits [note 7]	1,359,801	313,004
Broker warrants [note 7]	326,186	-
Share subscriptions [note 7]	-	300,000
Deficit	(21,729,327)	(10,694,714)
<b>Total equity</b>	<b>10,661,008</b>	<b>3,184,670</b>
<b>Total liabilities and equity</b>	<b>14,360,816</b>	<b>6,645,623</b>

Going concern [note 1]

Commitments [note 11]

Subsequent events [note 14]

See accompanying notes to the consolidated financial statements

These consolidated financial statements are authorized for issue by the Board of Directors on April 22, 2025.

They are signed on the Company's behalf by:

"Ewan Downie"  
Director

"Peter van Alphen"  
Director



## CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Stated in Canadian Dollars)

For the year ending December 31,

	2024	2023
	\$	\$
<b>EXPENSES</b>		
Exploration and evaluation <i>[note 5]</i>	7,904,446	7,365,089
General and administrative expenses	1,315,669	851,981
Professional fees	454,612	468,995
Share-based payments - stock options and other <i>[note 7]</i>	1,996,148	313,004
Share-based payments - cash-settled RSUs	(309,981)	-
	11,360,894	8,999,069
<b>Other items</b>		
Interest income	192,719	124,275
	(11,168,175)	(8,874,794)
<b>Loss before the following</b>		
Listing costs <i>[note 6]</i>	(2,039,371)	-
<b>Loss before income taxes</b>	(13,207,546)	(8,874,794)
Deferred tax expense <i>[note 9]</i>	(2,172,933)	(2,724,187)
<b>Loss and comprehensive loss for the year</b>	(11,034,613)	(6,150,607)
<b>Basic and diluted loss per share <i>[note 8]</i></b>	(0.33)	(0.25)

See accompanying notes to the consolidated financial statements

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(Stated in Canadian Dollars)

For the year ending December 31,

	2024 \$	2023 \$
<b>OPERATING ACTIVITIES</b>		
Loss for the year	(11,034,613)	(6,150,607)
Add charges (deduct credits) to earnings not involving a current payment (receipt) of cash		
Share-based payments - stock options and other <i>[note 7]</i>	1,996,148	313,004
Share-based payments - cash-settled RSUs <i>[note 7]</i>	(309,981)	-
Non-cash listing costs <i>[note 6]</i>	824,694	-
Deferred tax recovery	(2,172,933)	(2,724,187)
	<b>(10,696,685)</b>	<b>(8,561,790)</b>
Changes in non-cash working capital balances related to operations		
Amounts receivable	118,234	(174,084)
Tax credit receivable	1,277,249	(167,603)
Prepaid expenses	(81,541)	68,782
Accounts payable and accrued liabilities	954,147	(1,139,839)
<b>Cash used in operating activities</b>	<b>(8,428,596)</b>	<b>(9,974,534)</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of mineral property interests <i>[note 5]</i>	-	(100,000)
Net cash acquired in reverse takeover <i>[note 6]</i>	329,820	-
<b>Cash provided by (used in) investment activities</b>	<b>329,820</b>	<b>(100,000)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from shares issued in private placements <i>[note 7]</i>	8,889,738	11,730,492
Proceeds from share subscriptions <i>[note 7]</i>	-	300,000
Proceeds from conversion subscription receipts <i>[note 7]</i>	9,186,778	-
Share issue costs	(948,609)	(148,858)
<b>Cash provided by financing activities</b>	<b>17,127,907</b>	<b>11,881,634</b>
<b>Increase in cash during year</b>	<b>9,029,131</b>	<b>1,807,100</b>
Cash, beginning of period	3,238,960	1,431,860
<b>Cash, end of year</b>	<b>12,268,091</b>	<b>3,238,960</b>
<b>Represented by</b>		
Cash	12,268,091	2,949,311
Cash held in trust	-	289,649
	<b>12,268,091</b>	<b>3,238,960</b>
<b>Supplemental cash flow information</b>		
Income tax paid	-	-
Interest paid	116,398	6,778
Interest received	192,719	124,275

See accompanying notes to the consolidated financial statements



(formerly Aardvark 2 Capital Corp.)

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Stated in Canadian Dollars)

Issued and Outstanding:	Share Capital			Reserves			Total Equity
	Number of Shares	Share Capital	Shares Subscribed	Equity Settled Employee Benefits	Broker / Finder Warrants	Deficit	
<b>Balance, January 01, 2023</b>	14,505,000	5,639,451	190,000	-	-	(4,544,107)	1,285,344
Shares issued in private placement <i>[note 7]</i>	1,464,000	732,000	(190,000)	-	-	-	542,000
Shares issued in CEE flow-through unit private placement <i>[note 7]</i>	6,264,500	6,107,887	-	-	-	-	6,107,887
Shares issued in CDE flow-through private placement <i>[note 7]</i>	1,105,500	674,355	-	-	-	-	674,355
Shares issued in flow-through share private placement <i>[note 7]</i>	1,930,000	965,000	-	-	-	-	965,000
Shares issued in private placement <i>[note 7]</i>	570,000	285,000	-	-	-	-	285,000
Shares issued in flow-through private placement <i>[note 7]</i>	668,331	501,249	-	-	-	-	501,249
Shares issued in CEE flow-through private placement <i>[note 7]</i>	466,667	665,000	-	-	-	-	665,000
Shares issued in private placement <i>[note 7]</i>	2,255,000	1,691,250	-	-	-	-	1,691,250
Shares issued in flow-through private placement <i>[note 7]</i>	265,000	198,750	-	-	-	-	198,750
Share subscriptions <i>[note 7]</i>	-	-	300,000	-	-	-	300,000
Share issue costs <i>[note 7]</i>	-	(148,858)	-	-	-	-	(148,858)
Share-based payments <i>[note 7]</i>	-	-	-	313,004	-	-	313,004
Flow-through share premium <i>[note 7]</i>	-	(4,044,704)	-	-	-	-	(4,044,704)
Loss and comprehensive loss for the year	-	-	-	-	-	(6,150,607)	(6,150,607)
<b>Balance, December 31, 2023</b>	29,493,998	13,266,380	300,000	313,004	-	(10,694,714)	3,184,670
Shares issued from previous subscription <i>[note 7]</i>	400,000	300,000	(300,000)	-	-	-	-
Shares issued in special warrant private placement <i>[note 7]</i>	7,683,890	6,915,501	-	-	-	-	6,915,501
Shares issued on conversion of subscription receipts <i>[note 7]</i>	10,207,531	9,186,778	-	-	-	-	9,186,778
Issuance of share capital, broker warrants and stock options as part of the Reverse Takeover <i>[note 7]</i>	1,200,000	1,080,000	-	60,000	14,518	-	1,154,518
Shares issued in flow-through private placement <i>[note 7]</i>	1,567,485	1,410,737	-	-	-	-	1,410,737
Shares issued in flow-through private placement <i>[note 7]</i>	547,087	563,500	-	-	-	-	563,500
Share issue costs <i>[note 7]</i>	-	(1,397,638)	-	-	311,668	-	(1,085,970)
Share-based payments <i>[note 7]</i>	-	-	-	1,996,148	-	-	1,996,148
Adjustment for modification of settlement of RSUs from equity to cash settled <i>[note 7]</i>	-	-	-	(1,009,351)	-	-	(1,009,351)
Flow-through share premium <i>[note 7]</i>	-	(620,910)	-	-	-	-	(620,910)
Loss and comprehensive loss for the year	-	-	-	-	-	(11,034,613)	(11,034,613)
<b>Balance, December 31, 2024</b>	51,099,991	30,704,348	-	1,359,801	326,186	(21,729,327)	10,661,008

See accompanying notes to the consolidated financial statements



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ending December 31, 2024 and 2023

### 1. NATURE OF BUSINESS

Nuvau Minerals Inc. (formerly Aardvark 2 Capital Corp.) (the "Company" or "Nuvau") is incorporated under the laws of the Province of Ontario, Canada. The Company is engaged in the business of acquisition, evaluation and exploration of mining properties. The Company's head office is located at 717B Hewitson St., Thunder Bay, ON P7B 6B5.

On December 12, 2024, the Company completed a reverse takeover transaction ("RTO"), pursuant to which Nuvau Minerals Corp. ("NMC") amalgamated with a wholly owned subsidiary of the Company (Note 6) and was subsequently renamed Nuvau Minerals Inc. and has continued as an *Ontario Business Corporation Act* corporation. While the Company is the legal acquirer, as a result of the former NMC shareholders holding a majority interest in the Company post-RTO, the accounting acquirer is NMC and these consolidated financial statements are presented with NMC as the continuing entity (note 6).

#### Going concern

The Company, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours. At December 31, 2024, the Company has no source of operating cash flows. The Company incurred a net loss of \$11,034,613 for the year ended December 31, 2024 (year ended December 31, 2023 - \$6,150,607), the Company had working capital of \$10,561,008 (2023 - \$3,084,670) and the Company's ability to continue as a going concern is dependent upon its ability to raise additional capital to continue the development of its mineral properties. These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

These events and conditions indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable level of operation. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of comprehensive loss classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

### 2. MATERIAL ACCOUNTING POLICIES

#### Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accounting policies are consistently applied to all periods presented.

These consolidated financial statements are authorized for issue by the Board of Directors on April 22, 2025.

#### Basis of Presentation

The consolidated financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. Measurement bases are more fully described in the



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ending December 31, 2024 and 2023

accounting policies below. The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgements and estimates applied in the preparation of the Company's consolidated financial statements are discussed in "significant accounting judgements and estimates" below.

### Basis of Consolidation

The Company's consolidated financial statements consolidate those of its subsidiaries. The Company's subsidiaries are:

	Percentage of ownership	Jurisdiction	Principal activity
Nuvau Minerals Corp.	100%	Canada	Mineral exploration
1001090321 Ontario Inc.	100%	Canada	Mineral exploration

All transactions and balances between the Company and its subsidiaries are eliminated on consolidation, including unrealized gains and losses on transactions between the companies.

### Modification of settlement of Restricted Share Units

During the year ended December 31, 2024, the Company modified the terms of its existing Omnibus Plan in respect of the settlement of Restricted Share Units ("RSUs"). Previously, the RSUs were accounted for as equity-settled share-based payment awards. Effective December 12, 2024, the Company resolved that all outstanding RSUs, as well as any new grants under the plan, will be settled in cash rather than through the issuance of equity instruments.

The Company has applied the requirements for modification of equity-settled awards under IFRS 2 - Share-based Payments. At the date of modification, a liability is recognised based on the fair value of the cash-settled award as at that date and the extent to which the vesting period has expired, and the entire corresponding offset has been recorded to the equity reserve

At the modification date, the cumulative expense recognized in equity for the original equity-settled RSUs was \$1,001,629. This amount was transferred from equity to liabilities. The fair value of the liability for the cash-settled RSUs is remeasured at each reporting date until settlement, with changes in fair value recognized in profit or loss.

As at December 31, 2024, the liability recognized in respect of the cash-settled RSUs was \$699,370 (2023: \$(nil)), and (\$309,981) was recognized in the consolidated statement of comprehensive income during the year in relation to the remeasurement of this liability.

### Financial Instruments

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVTPL"), directly attributable transaction costs. Financial instruments are recognized when the Company become party to the contracts that gives rise to them and are classified as amortized cost, fair value through profit or loss or fair value through other comprehensive income ("FVOCI"), as appropriate. The Company considers whether a contract contains an embedded



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ending December 31, 2024 and 2023

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derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if the host contract is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

### Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income. A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVTPL are measured at fair value with changes in fair value recognized in the consolidated statements of loss and comprehensive loss.

### Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period-end, changes in fair value are recognized in other comprehensive income with no reclassification to the statements of earnings. The election is available on an investment-by-investment basis.

### Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash, cash in trust, amounts receivable, tax credit receivable and certain other assets are classified as and measured at amortized cost.

### Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in net earnings when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the consolidated statements of financial position date. Accounts payable and accrued liabilities, are classified as and measured at amortized cost.

### Derivative instruments

Derivative instruments, including embedded derivatives, are measured at fair value on initial recognition and at each subsequent reporting period. Any gains or losses arising from changes in fair value on derivatives are recorded in net earnings.

### Fair values

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ending December 31, 2024 and 2023

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The fair value of quoted investments is determined by reference to market prices at the close of business on the consolidated statements of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and, pricing models. Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Impairment of financial assets

At each consolidated statements of financial position date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to investment in equity instruments. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

### Derecognition of financial assets and liabilities

A financial asset is derecognised when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate.

A financial liability is derecognised when the associated obligation is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in net earnings.

### **Exploration and evaluation**

The exploration, evaluation and pre-development expenditure policy is to charge exploration and evaluation expenditures within an area of interest as expense until management concludes that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and that future economic benefits are probable. In making this determination, the extent of exploration, as well as the degree of confidence in the



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mineral resource is considered. Once a project has been established as commercially viable and technically feasible and has been subject to an impairment analysis, further expenditures are capitalized and classified as development properties. Exploration, evaluation and pre-development expenditures consist of:

- gathering exploration data through topographical and geotechnical studies;
- exploratory drilling, trenching and sampling;
- determining the volume and grade of the resource;
- test work on geology, metallurgy, mining, geotechnical and environmental; and
- conducting engineering, marketing and financial studies.

Costs of acquiring exploration and evaluation assets are capitalized as mineral property interests within intangible assets on the consolidated statements of financial position.

### Cash and cash held in trust

Cash is comprised of cash on hand and demand deposits. Cash held in trust is comprised of cash received in respect of financings that closed in the subsequent period.

### Impairment of non-financial assets

At each financial position reporting date the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

### Share capital

Share capital represents the fair value of consideration received. Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, reserves, share options and share warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares, options or warrants are shown in equity as a deduction, net of tax, from the proceeds.

The Company may periodically issue units to investors consisting of common shares and warrants in non-brokered private placements. Each whole warrant issued entitles the holder to acquire a common share of the Company, at a fixed Canadian dollar price over a specified term. These warrants are not transferable from the original investor to a new investor. The Company's investor warrants are equity instruments and not financial



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liabilities or financial derivatives. Accordingly, gross investor proceeds received from the issuance of units are accounted for as an increase in share capital. No separate valuation (i.e. bifurcation) of investor warrants is made for accounting purposes at the time of issuance or at any time thereafter.

The Company periodically issues warrants as additional consideration in a brokered financing or purchase transaction. Each whole warrant issued entitles the holder to acquire a common share of the Company, at a fixed dollar price over a specified term. These warrants are considered equity instruments and recorded as share issue costs.

When investor or other warrants are exercised, the proceeds received are added to share capital. When investor or other warrants expire unexercised, no accounting entry is recorded.

### Share-based payment transactions

The Company operates equity-settled share-based remuneration plan for its employees, directors and consultants (collectively, "Participants") for rendering services to the Company.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values or where fair value of the goods and services received is indeterminable estimated using an option pricing model. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is determined at the grant date. All share-based remuneration is ultimately recognized as an expense in profit or loss with a corresponding credit to reserves.

Stock options are equity-settled share-based compensation awards. The fair value of stock options at the grant date is estimated using the Black-Scholes option pricing model. Compensation expense is recognized over the vesting period based on the number of units estimated to vest. Vesting periods may range from immediate to five years. This expense is recognized as share-based compensation expense with a corresponding increase in equity reserves.

Restricted Share Units ("RSUs") are granted to eligible members of the Board of Directors, eligible employees, and eligible contractors as part of the Company's long-term incentive compensation program. RSUs are settled in cash and are therefore accounted for as cash-settled share-based payment awards under IFRS 2.

RSUs vest in accordance with the terms set out in the individual RSU award letters, but no later than December 31 of the third calendar year following the service year, as determined based on the grant date.

The fair value of the RSUs is measured at the grant date and remeasured at each reporting date and at the date of settlement. The corresponding liability is recognized over the vesting period, with changes in fair value recognized in profit or loss. Upon settlement, the liability is extinguished and any difference between the final liability amount and the amount paid is recognized in profit or loss.



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### Income taxes

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

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

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilised against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

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

### Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liabilities are not recognized in the consolidated financial statements, if not estimable and probable, and are disclosed in notes to the financial information unless their occurrence is remote. Contingent assets are not recognized in the consolidated financial statements, but are disclosed in the notes if their recovery is deemed probable.

### Environmental rehabilitation

Provisions for environmental rehabilitation are made in respect of the estimated future costs of closure and restoration and for environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the accounting period when



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the related environmental disturbance occurs. The provision is discounted using a pre-tax rate, and the unwinding of the discount is included in finance costs. At the time of establishing the provision, a corresponding asset is capitalized and is depreciated over future production from the mining property to which it relates. The provision is reviewed on an annual basis for changes in cost estimates, discount rates and operating lives. Changes to estimated future costs are recognized in the consolidated statements of financial position by adjusting the rehabilitation asset and liability.

### Loss per share

The Company presents 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 period. Loss per share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

### Interest

Interest income and expenses are reported on an accrual basis using the effective interest method.

### Flow through shares

Under Canadian income tax legislation, a company is permitted to issue flow through shares whereby the company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the most recent price of the non-flow-through common shares offered and the amount the investor pays for the flow-through shares. A deferred flow through premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in deferred tax expense. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

### Segmented information

The Company has one operating segment which operates in one geographic area Canada.

### Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated 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 the revision affects both current and future periods. Significant judgements, estimates and assumptions include:

- the determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset requires management to make certain judgements as to whether or

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3, *Business Combinations*; ("IFRS3")

- value of shares used to calculate the deferred premium on flow-through shares;
- inputs used in accounting for share-based payments in the consolidated statements of loss and comprehensive loss;
- valuation of the refundable mining duties credit and the refundable tax credit for resources. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until a notice of assessment and payment has been received from the relevant taxation authority. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources and the exploration and evaluation expenses in future periods; and
- the provision for income taxes that is included in the consolidated statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the consolidated statements of financial position which have not yet been confirmed by the taxation authorities.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

#### Recent accounting pronouncements

IASB issued the following standards and amendments to existing standards with an effective date for accounting periods beginning on or after January 1, 2024:

- In January 2020, the IASB issued *Classification of Liabilities as Current or Non-current (Amendments to International Accounting Standards ("IAS") 1)*, which amended IAS 1, *Presentation of Financial Statements ("IAS 1")* to clarify the requirements for presenting liabilities in the consolidated statements of financial position as current or non-current. In October 2022, the IASB issued *Noncurrent Liabilities with Covenants*, which amended IAS 1 to expand the information an entity provides when its right to defer settlement of a liability for at least 12 months after the reporting period is subject to compliance with covenants and to clarify how such compliance affects the classification of the liability as current or non-current. For a liability to be classified as non-current, the amendments removed the requirement for the Company's right to defer settlement of a liability for at least 12 months after the reporting period to be 'unconditional' and instead require that the Company's right must exist at the end of the reporting period. In addition, the amendments clarify that: (a) classification is unaffected by management's intentions or expectations about whether the Company will exercise its right to defer settlement; (b) for loan arrangements that are subject to covenants, only covenants that the Company must comply with on or before the reporting date affect the classification of a liability as current or non-current at such date; (c) if the Company's right to defer settlement is subject to the Company complying with covenants on or before the reporting date, such covenants affect whether the Company's right exists at the end of the reporting period even if compliance with the covenant is assessed only after the reporting period; and (d) the term settlement includes the transfer of the Company's own equity instruments to the counterparty that results in the extinguishment of the liability, except when the settlement of the liability with the Company transferring its own equity instruments is at the option of the counterparty and such option has been

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classified as an equity instrument, separate from the host liability.

The amendments also require new disclosures for non-current liabilities that are subject to future covenants to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The required annual disclosures include (i) the nature of the covenants; (ii) when the Company is required to comply with the covenants; (iii) the carrying amounts of the related liabilities; and (iv) facts and circumstances, if any, that indicate the Company may have difficulty complying with the covenants. The Company applied the above amendments effective January 1, 2024.

The initial application of the amendments on January 1, 2024 did not have any impact on the classification of the Company's liabilities.

International Accounting Standards Board has issued the following new standards and amendments to existing standards before December 31, 2024 with an effective date for accounting periods ending on or after January 1, 2025:

- Amendments to International Financial Reporting Standards ("IFRS") 7 and IFRS 9 (effective on or after January 1, 2026) – These proposed amendments require that a financial liability be derecognized on the 'settlement date' and introduced an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date.
- IFRS 18, *Presentation and Disclosure in Financial Statements* (effective on or after January 1, 2027) – This is a new standard on presentation and disclosure in financial statements with a focus on changes to the structure of the statement of profit or loss, required disclosures in the financial statements for management defined performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes to the financial statements.

The Company has not early adopted any standard, interpretation or amendment that has been issued but are not yet effective as of December 31, 2024. Management is in a process of assessing the impact of these new pronouncements on the financial statements of the Company.

#### 4. AMOUNTS RECEIVABLE

	2024	2023
	\$	\$
Recoverable taxes (i)	1,172,717	1,290,951

(i) Recoverable taxes consist of Canadian harmonized sales tax receivable and the Quebec sales tax receivable.

#### 5. MINERAL PROPERTIES

##### Acquisition costs

	December 31, 2024	December 31, 2023
	\$	\$
Acquisition costs	100,000	100,000

On March 10, 2023, the Company acquired a 100% interest in the Daniel Property, located in the Matagami Mining Camp, Quebec, for total consideration of \$100,000.

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### Mineral property acquisitions and agreements

#### Matagami Claims, Matagami, Quebec

##### *Earn-In and Joint Venture Agreements and Royalties*

On March 25, 2022, the Company entered into an Earn-in Agreement ("Earn-In Agreement") with Glencore Canada Corporation ("Glencore") pursuant to which Nuvau is entitled to earn into up to a 100% undivided interest in certain copper and zinc mining properties held by Glencore in the Province of Québec being (i) the Matagami claims (the "Matagami Claims"), (ii) the mining claims (the "Du Dôme Matagami Claims") subject to the joint venture agreement between Glencore and Soquem Inc. dated November 20, 2019 (the "Du Dôme Matagami Agreement"), and (iii) mining claims (the "Franco Nevada Claims", collectively with the Matagami Claims and Du Dôme Matagami Claims, the "Project") subject to the joint venture agreement between Noranda Exploration Company, Limited and Phelps Dodge Corporation Canada dated May 27, 1980, as amended pursuant to a letter agreement dated August 1, 2007, and an Assignment and Confirmation Agreement between Franco-Nevada Corporation and Glencore dated September 1, 2020 (the "Franco-Nevada Agreement").

Pursuant to the Earn-In Agreement, Nuvau may also acquire certain areas near the Project (the "Excluded Property") and the Bracemac McLeod Mine owned by Glencore (the "Bracemac McLeod Mine"). If Nuvau acquires the Excluded Property and the Bracemac McLeod Mine, Nuvau would assume 100% of Glencore's obligations and liabilities with respect to the Project, the Excluded Property and the Bracemac McLeod Mine (including those obligations and liabilities for environmental conditions, any closure and rehabilitation liabilities and approved closure and rehabilitation plans and requirements to replace and post financial guarantee with the Ministère de l'Énergie et des Ressources Naturelles of Québec or MERN) to extent that they are acquired.

##### *Details of Earn-In Agreement with Glencore*

Subject to the terms and conditions of the Earn-In Agreement, Glencore granted Nuvau the sole, exclusive and irrevocable right during the period commencing on March 25, 2022 ("Effective Date") and ending on the third anniversary of the Effective Date, unless earlier terminated in accordance with the terms of the Earn-In Agreement, to acquire and become the owner of a 100% undivided interest in Glencore's total interest in the Project (the "Earn-In Interest"), subject to the Glencore NSR and the Offtake Right (each term as defined herein), and certain permitted encumbrances (including the Du Dôme Matagami Agreement and the Franco-Nevada Agreement) (the "Earn-In Right").

In order to maintain the Earn-In Right in good standing until Nuvau earns the Earn-In Interest, Nuvau must undertake mining operations and incur expenditures on the Project, the Excluded Property and the Bracemac McLeod Mine as follows:

1. in the aggregate amount of at least \$8,000,000 (the "Guaranteed Amount") on or before the first anniversary of the Effective Date (March 25, 2023) (completed);
2. in the aggregate amount of at least \$18,000,000 (including the Guaranteed Amount) ("Second Anniversary Expenditure Amount") on or before the second anniversary of the Effective Date (March 25, 2024) (completed); and
3. in the aggregate amount of at least \$30,000,000 (including the Second Anniversary Expenditure Amount) ("Aggregate Expenditure Amount") on or before the third anniversary of the Effective Date (March 25, 2025)(see subsequent event note 14).

Nuvau has incurred expenditures up to the Guaranteed Amount prior to March 25, 2023. In the event Nuvau fails to fulfil any of the above expenditure milestones, the Earn-In Agreement would be deemed to be



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terminated, unless Nuvau cures any default in payment within 60 days from notice of such default or, in the event the Earn-In Right is in good standing but Nuvau, for any reason, is unable to undertake mining operations sufficient to satisfy the Guaranteed Amount, the Second Anniversary Expenditure Amount, or the Aggregate Expenditure Amount, provide an alternative payment in cash of up to \$2,000,000 to cover the shortfall and give proper notice to Glencore. Nuvau is fully responsible for funding the required amounts noted above and if it cannot do so it would forfeit all rights and interests in the Project and joint ventures with no further liability.

Upon Nuvau meeting the above Earn-In requirements, Glencore would transfer the Project to Nuvau ("Transfer Date").

In addition to the expenditure requirements to acquire interest to the Project, Nuvau will also have to complete several cash and common share payments to Glencore upon meeting certain milestones including:

1. No later than the date that is sixty (60) days after Transfer Date of the Project, Nuvau shall pay to Glencore:
  - I. a cash payment of \$5,000,000; and
  - II. an additional payment in cash or common shares of Nuvau in the amount of \$5,000,000, or a combination thereof at Nuvau's election, provided Nuvau is a publicly listed company on a recognized exchange (including but not limited to the TSX Venture Exchange, the "TSXV") at the time of the payment and that payment in shares does not result in Glencore owning more than 9.9% of Nuvau's then issued and outstanding common shares.
2. Nuvau shall make an additional cash payment of \$5,000,000 to Glencore within sixty (60) days of a production decision.

In addition, Nuvau cannot transfer any portion of the Project unless the transferee enters into a written and enforceable agreement with Glencore to be bound by the provisions of the said covenant.

Under the terms of the Earn-In Agreement, Nuvau would be the operator of the Project and responsible for, among other things, managing and overseeing all mining operations in respect of the Project for and on behalf of the registered owners of such properties during the earn-in period.

### *Purchase or Right of First Refusal – Bracemac McLeod Mine*

From the date of the first anniversary of the Effective Date until the date that Nuvau earns the Earn-In Right, and in the event and to the extent that there has been no transfer of the Bracemac McLeod Mine to a third party that is not an affiliate of Glencore and provided that Nuvau has satisfied the Guaranteed Amount, Nuvau shall have the right to elect to include the Bracemac McLeod Mine as part of the mining claims subject to the Earn-In Right, at no additional cost, by providing a written notice to Glencore.

Furthermore, Nuvau shall have a right of first refusal, such that if at any time Glencore obtains from a person with whom Glencore is dealing at arm's length a bona fide offer to purchase the Bracemac McLeod Mine (the "Third-Party Offer") and Glencore is willing to accept such Third-Party Offer, Glencore shall provide written notice of the Third-Party Offer to Nuvau. The first refusal notice shall state that Glencore has received a Third-Party Offer which it is willing to accept from a third party and shall be accompanied by a copy of the Third-Party Offer. A first refusal notice shall be irrevocable and shall remain open for acceptance by Nuvau for a period of 30 days following receipt thereof. Nuvau shall have the right, exercisable by written notice given to Glencore within such 30-day period to agree to purchase the sold interest on the same terms and conditions contained in the Third-Party Offer.

### *Purchase or Right of First Refusal – Excluded Property*

From the date of exercise of the Earn-In Right by Nuvau and for a period of 24 months therefrom and to the



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extent that there has been no transfer of the Excluded Property to a third party (which shall be subject to the right of first refusal as outlined below), Nuvau shall have the right, but not the obligation, to purchase all or part of the Excluded Property, exercisable by written notice given to Glencore within such period, to agree to purchase the Excluded Property on the same terms and conditions set out in the Earn-In Agreement, including certain closing conditions and making a cash payment of \$5,000,000 to Glencore. Furthermore, Nuvau shall have a right of first refusal over the Excluded Property, provided that it has satisfied the Guaranteed Amount and for a period of up to 24 months from the exercise of the Earn-In Right.

### *Glencore NSR Royalty and Offtake Agreements*

Glencore shall retain and Nuvau will agree to pay a royalty of 2% net smelter returns from the sale of products and extracted, mined or produced from the Project, or to be derived or to result therefrom (and/or Excluded Property and Bracemac McLeod Mine to the extent subsequently acquired), subject to an aggregate maximum net smelter return on any mining claim of 3.5% inclusive of existing royalties, which shall not be subject to a right of first refusal or any other pre-emptive rights in favour of Nuvau or an affiliate (the "Glencore NSR").

Upon the transfer of the Project, (and/or Excluded Property and Bracemac McLeod Mine to the extent subsequently acquired), Glencore shall have the exclusive and irrevocable right (the "Offtake Right") to purchase or toll process all or any portion of products from the Project upon such terms and conditions as may be determined by good faith negotiation between Nuvau and Glencore (or any of their permitted assignees or transferees) provided that they are consistent with market terms then representative for any such transaction between arms-length parties and reflect Benchmark Terms on a CIF Asia basis, subject however to the purchase price (meaning a combination of payables, penalties, treatment charges, refining charges or any other such terms generally agreed upon on an annual basis) for the quantity of ore, concentrate or minerals in any other form that Glencore elects to purchase to be set for each 12-month period of commercial operation, or such shorter period as may be agreed.

Prior to the transfer of the Project to Nuvau, Glencore and Nuvau will, in good faith, negotiate and agree to the terms and conditions of an offtake agreement with respect to the sale to Glencore or an affiliate of Glencore of 100% of products from the Project in accordance with the foregoing terms. With respect to parts of the Project subject to the Du Dôme Matagami Agreement and the Franco-Nevada Agreement, the Offtake Right retained by Glencore pursuant to the Earn-In Agreement and any subsequent offtake agreement entered into shall only apply to that proportion of total products extracted or derived from the Project subject to the Du Dôme Matagami Agreement and the Franco-Nevada Agreement that Nuvau is entitled to receive by virtue of the Earn-In Interest acquired by Nuvau pursuant to the Earn-In Agreement.

### *Glencore Joint Venture Agreements*

A portion of the Glencore mineral claims included in the Earn-In Agreement with Nuvau are subject to two existing joint venture agreements with SOQUEM and Franco-Nevada and include separate royalty agreements.

The SOQUEM joint venture includes 421 mineral claims (21,133 ha) known as the Du Dôme Matagami claims which are held 56.66% by SOQUEM and 43.34% by Glencore. The Du Dôme Matagami Agreement includes a conversion of any interest in the joint venture to a royalty as per the terms of that specific agreement.

The Franco-Nevada joint venture includes 106 mineral claims (5,095) known as the Franco-Nevada claims, which are held 84% by Glencore and 16% by Franco-Nevada. The Franco-Nevada Agreement includes a conversion of any interest in the joint venture to a royalty as per the terms of that specific agreement.

### *Tax credits receivable*

During the year ended December 31, 2024, the Company received a refund of \$1,801,767 related to 2022

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mineral exploration tax credits (2023 - \$nil). At December 31, 2024, the Company has recorded a total of \$710,887 in expected tax credits, of which \$568,171 is against exploration activity related to 2024, and \$142,715 is against exploration activity related to 2023 (December 31, 2023 - \$1,988,136).

### 6. REVERSE TAKEOVER AND PRIVATE PLACEMENT TRANSACTIONS

On December 12, 2024, Aardvark 2 Capital Corp. ("Aardvark") completed its qualifying transaction (the "Qualifying Transaction" or "Transaction") under Policy 2.4 – *Capital Pool Companies* of the TSXV, by way of a three-cornered amalgamation under the *Business Corporations Act* (Ontario) among Aardvark, NMC, and 1000961682 Ontario Inc., a wholly-owned subsidiary of the Aardvark, incorporated for the purpose of completing the amalgamation (the "Amalgamation"). Pursuant to the Amalgamation, Aardvark acquired all of the issued and outstanding securities of the NMC, resulting in NMC becoming a direct, wholly-owned subsidiary of Aardvark (the "Reverse Takeover" or "RTO"). The Amalgamation constituted a reverse acquisition of Aardvark by NMC (being the legal subsidiary) as the accounting acquirer.

Pursuant to the terms of the Qualifying Transaction:

- On completion of the RTO, Aardvark changed its name to Nuvau Minerals Inc. (the "Resulting Issuer").
- Aardvark's pre-RTO share capital was consolidated on the basis of seven and two-tenths (7.2) pre-consolidation common shares for every one (1) post-consolidation common share (each, a "Post-Consolidation Common Share").
- All share purchase options and warrants in NMC and post-consolidation options and warrants in Aardvark are exercisable for common shares of Nuvau Minerals Inc.
- On closing of the RTO, NMC and 1000961682 amalgamated and retained the name of the amalgamated entity as Nuvau Minerals Corp.
- Nuvau Minerals Corp. is now the subsidiary of Nuvau Minerals Inc.

	\$
The cost of the RTO has been determined as follows:	
Consideration transferred:	
1,000,000 common shares issued [note 7]	(1) 900,000
200,000 common shares issued as finders fee [note 7]	(1) 180,000
100,000 stock options [note 7]	(2) 60,000
34,722 replacement warrants [note 7]	(3) 14,514
<b>Total net assets to be allocated</b>	<b>1,154,514</b>
Net assets acquired:	
Cash	329,820
Accrued liabilities	(108,004)
<b>Total net assets acquired</b>	<b>221,816</b>
<b>Total net assets to be allocated</b>	<b>932,698</b>
Professional fees incurred related to the Transaction	1,106,673
	<b>2,039,371</b>

(1) The fair value of the 1,000,000 common shares issued to pre-Transaction Aardvark shareholders is \$900,000 based on a fair value of \$0.90 per common share, which was the price per share of the concurrent private placement. In addition, a finder fee in the amount of \$180,000 was payable in 200,000 common shares in respect of the Transaction.

(2) The pre-Transaction Aardvark stock option holders were issued replacement options of the Resulting Issuer on the same consolidation basis as the common shares and under the same terms of the original grant. The



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pre-Transaction Aardvark options, totaling 720,000 immediately prior to the Transaction, were subject to adjustment based on an exchange ratio of 7.2 pre-transaction options to 1 Resulting Issuer option, amounting to a total of 100,000 Resulting Issuer options. Each option entitles the holder to acquire one common share of the Company at a price of \$0.36 at any time prior to December 12, 2025.

The estimated fair value of the 100,000 stock option issued to Aardvark option holders is \$60,000, which is based on the Black-Scholes option pricing model using the following assumptions:

Risk-free interest rate	3.016%
Annualized volatility*	100.66%
Expected dividend	NIL
Expected option life	1 year

\* Volatility based on similar publicly traded companies

(3) The pre-Transaction Aardvark warrant holders were issued replacement warrants of the Resulting Issuer (each an "Aardvark Warrant") on the same consolidation basis as the common shares and under the same terms of the original grant. The pre-Transaction Aardvark Warrants, totaling 250,000 immediately prior to the Transaction, were subject to adjustment based on an exchange ratio of 7.2 pre-Transaction warrants to 1 Resulting Issuer warrant, amounting to a total of 34,722 Resulting Issuer warrants. Each warrant entitles the holder to acquire one common share of the Company at a price of \$0.72 at any time on or before December 12, 2025.

The estimated fair value of the 32,722 warrants is \$14,514, which is based on the Black-Scholes option pricing model using the following assumptions:

Risk-free interest rate	3.016%
Annualized volatility*	100.66%
Expected dividend	NIL
Expected option life	1 year

\* Volatility based on similar publicly traded companies

Without significant operating activities, Aardvark did not meet the accounting definition of a business pursuant to IFRS 3 and the Transaction was accounted for as an acquisition of the net assets of Aardvark by NMC in exchange for shares in the Resulting Issuer under IFRS 2, *Share-based Payments* ("IFRS 2"). The excess of the fair value of the consideration provided over the net assets received was expensed in the current period as part of transaction costs. For accounting purposes, these consolidated financial statements reflect a continuation of the financial position, loss and comprehensive loss and cash flows of the Company's legal subsidiary, Nuvau Minerals Corp.

### Concurrent Financing

In connection with the Qualifying Transaction, each Subscription Receipt (as described in note 7) was automatically converted into one (1) common share in the capital of the Company (each, a "Company Share"), immediately before the closing of the Qualifying Transaction upon the satisfaction and/or waiver of certain escrow release conditions specified in the subscription receipt agreement, with each Company Share immediately exchanged for one (1) Post-Consolidation Common Share.

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### 7. SHARE CAPITAL

#### i. Authorized

The Company is authorized to issue an unlimited number of common shares. The shares have no par value.

#### ii. Details of share issuances

		# of shares	Share price (\$)
<b>Issued and outstanding:</b>			
<b>Opening balance, January 1, 2023</b>		14,505,000	
Shares issued in HD unit private placement	(a)	1,464,000	0.50
Shares issued in flow-through unit private placement	(b)	6,264,500	0.98
Shares issued in flow-through unit private placement	(c)	1,105,500	0.61
Shares issued in flow-through unit private placement	(d)	1,930,000	0.50
Shares issued in HD Unit private placement	(e)	570,000	0.50
Shares issued in flow-through private placement	(f)	668,331	0.75
Shares issued in flow-through unit private placement	(g)	466,667	1.43
Shares issued in HD Unit private placement	(h)	2,255,000	0.75
Shares issued in flow-through private placement	(i)	265,000	0.75
<b>Balance, December 31, 2023</b>		<b>29,493,998</b>	
Shares issued in private placement	(j)	<b>400,000</b>	<b>0.75</b>
Shares issued in first tranche of special warrant private placement	(k)	<b>6,818,890</b>	<b>0.90</b>
Shares issued in final tranche of special warrant private placement	(l)	<b>865,000</b>	<b>0.90</b>
Shares issued on conversion of subscription receipts	(m)	<b>10,207,531</b>	<b>0.90</b>
Shares issued in respect of Reverse Takeover	(n)	<b>1,200,000</b>	<b>0.90</b>
Shares issued in flow-through private placement	(o)	<b>1,567,485</b>	<b>0.90</b>
Shares issued in flow-through private placement	(o)	<b>547,087</b>	<b>1.03</b>
<b>Balance, December 31, 2024</b>		<b>51,099,991</b>	

#### 2023

(a) On January 13, 2023 the Company completed a non-brokered private placement of 1,464,000 common share units of the Company at a price of \$0.50 per unit (the "January 2023 HD Unit") for aggregate gross proceeds of \$732,000. Each January 2023 HD Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$0.75, expiring January 13, 2026.

(b) On February 2, 2023 the Company completed a non-brokered private placement of 6,264,500 common shares of the Company that are Canadian Exploration Expense ("CEE") flow-through units (the "CEE Flow-through Unit") within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$0.975 for aggregate gross proceeds of \$6,107,887. Each CEE Flow-through Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$0.75, expiring February 2, 2026.

(c) On February 2, 2023 the Company completed a non-brokered private placement of 1,105,500 common shares of the Company that are Canadian Development Expense ("CDE") flow-through units (the "CDE Flow-through Unit") within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$0.61 for aggregate gross proceeds of \$674,355. Each CDE Flow-through Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$0.75, expiring February 2, 2026.



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(d) On February 17, 2023 the Company completed a non-brokered private placement of 1,930,000 common shares of the Company that are flow-through shares within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$0.50 for aggregate gross proceeds of \$965,000.

(e) On April 28, 2023 the Company completed the final tranche of a non-brokered private placement of 570,000 common share units of the Company at a price of \$0.50 per unit (the "April 2023 HD Unit") for aggregate gross proceeds of \$285,000. Each April 2023 HD Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$0.75, expiring April 28, 2026.

(f) On November 28, 2023 the Company completed a non-brokered private placement of 668,331 common shares of the Company that are flow-through shares within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$0.75 for aggregate gross proceeds of \$501,249.

(g) On November 28, 2023 the Company completed a non-brokered private placement of 466,667 common shares of the Company that are Canadian Exploration Expense ("CEE") flow-through units (the "November 2023 CEE Flow-through Unit") within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$1.425 for aggregate gross proceeds of \$665,000. Each November 2023 CEE Flow-through Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$1.00, expiring November 28, 2026.

(h) November 28, 2023 the Company completed a non-brokered private placement of 2,255,000 common share units of the Company at a price of \$0.75 per unit (the "November 2023 HD Unit") for aggregate gross proceeds of \$1,691,250. Each November 2023 HD Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$1.00, expiring November 28, 2026.

(i) On December 28, 2023 the Company completed a non-brokered private placement of 265,000 common shares of the Company that are flow-through shares within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec) at a price of \$0.75 for aggregate gross proceeds of \$198,750.

(j) On April 3, 2024 the Company completed the final tranche of a non-brokered private placement of 400,000 common share units of the Company at a price of \$0.75 per unit (the "April 2024 HD Unit") for aggregate gross proceeds of \$300,000. The funds related to this financing were received in the previous year and were held as share subscriptions at December 31, 2023. Each April 2024 HD Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, that entitles the holder to purchase one common share of the Company at a price of \$0.75, expiring April 3, 2027.

(k) On July 26, 2024, Nuvau completed the first tranche of a special warrant private placement of an aggregate of 6,818,890 special warrants of Nuvau (each a "Nuvau Special Warrant") at a price of \$0.90 per Nuvau Special Warrant, for aggregate gross proceeds of \$6,137,001 (the "Nuvau Special Warrant Private Placement"). Each Nuvau Special Warrant entitles the holder to receive one common share and one-half of one common share purchase warrant that entitles the holder to purchase one common share at a price of \$1.35, expiring July 26, 2026.

(l) On August 19, 2024, Nuvau completed the final tranche of the Nuvau Special Warrant Private Placement of an aggregate of 865,000 Nuvau Special Warrants at a price of \$0.90 per Nuvau Special Warrant, for aggregate gross proceeds of \$778,500 (the Nuvau Special Warrant Private Placement). Each Nuvau Special Warrant from the final tranche entitles the holder to receive one common share and one-half of one common share purchase warrant that entitles the holder to purchase one common share at a price of \$1.35, expiring August 19, 2026



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(m) On November 26, 2024, Nuvau closed a private placement of subscription receipts of Nuvau (the "Subscription Receipts"), consisting of the issuance of an aggregate of 10,207,531 Subscription Receipts at a price of \$0.90 per Subscription Receipt for aggregate gross proceeds of \$9,186,777.90 (the "Offering"). The Offering was comprised of a brokered and non-brokered component, with the brokered portion completed in accordance with, among other things, the terms of an agency agreement dated November 26, 2024 among Aardvark, Nuvau, Ventum Financial Corp. and Eight Capital, as co-lead agents and joint bookrunners, (together, the "Co-Lead Agents"), Canaccord Genuity Corp., National Bank Financial Inc. and SCP Resource Finance LP (together with the Co-Lead Agents, the "Agents"). The Offering was completed in connection with the arm's length Qualifying Transaction (as such term is defined in the policies of the TSXV).

The Subscription Receipts were created and issued pursuant to the terms of a subscription receipt agreement dated November 26, 2024 (the "Subscription Receipt Agreement") among Nuvau, the Co-Lead Agents, on behalf of the Agents, and TSX Trust Company (the "Subscription Receipt Agent"), as subscription receipt agent. Each Subscription Receipt provided that it would be deemed to be automatically converted, without payment of additional consideration or further action by the holder thereof, into one unit in the capital of Nuvau (each, a "Nuvau Unit"), subject to adjustment in certain events, immediately before the closing of the Qualifying Transaction upon the satisfaction and/or waiver of the Escrow Release Conditions (as defined in the Subscription Receipt Agreement) on or before May 26, 2025. Each Nuvau Unit consisted of one common share (a "Nuvau Share") in the capital of Nuvau and one-half of one Nuvau Share purchase warrant (each whole warrant, a "Nuvau Warrant"). Each Nuvau Warrant would be exercisable into one additional Nuvau Share for a period of 24 months from the closing date of the Qualifying Transaction at an exercise price of \$1.35 per Nuvau Share. Pursuant to the Qualifying Transaction, each outstanding Nuvau Share was to be immediately exchanged for one common share of Aardvark (being the resulting issuer following completion of the Qualifying Transaction, the "Resulting Issuer") and each Nuvau Warrant shall be immediately exchanged for one warrant to purchase common shares of the Resulting Issuer (on substantially the same economic terms as the Nuvau Warrant) for no additional consideration and without any further action by the holders thereof.

In consideration for their services in connection with the brokered portion of the Offering, Nuvau has agreed pay to the Agents an aggregate cash fee of \$259,081 (the "Agent's Fee"), representing 6.0% of the gross proceeds from the sale of the Subscription Receipts sold in the brokered portion of the Offering, excluding the Subscription Receipts sold to certain subscribers. As additional consideration for the services of the Agents, Nuvau issued to the Agents an aggregate of 287,868 compensation options of Nuvau (the "Compensation Options") representing 6.0% of the number of Subscription Receipts sold in the brokered portion of the Offering, excluding the Subscription Receipts sold to certain subscribers. Each Compensation Option would, upon completion of the Qualifying Transaction, be automatically exchanged for one compensation option of the Resulting Issuer (the "Resulting Compensation Options"), with each Resulting Compensation Option exercisable to acquire one common share of the Resulting Issuer, at a price of \$0.90 per Resulting Issuer share for a period of 24 months following the date of closing of the Qualifying Transaction.

On closing of the Offering, 50% of the Agent's Fee together with the expenses of the Agents were paid to the Agents by Nuvau, with the remaining 50% of the Agent's Fee is to be paid to the Agents upon satisfaction and/or waiver of the Escrow Release Conditions in accordance with the provisions of the Subscription Receipt Agreement.

(n) On December 12, 2024, Aardvark and Nuvau completed the Qualifying Transaction (see note 6). Pursuant to the Qualifying Transaction, the Company issued 1,000,000 common shares to pre-Transaction Aardvark shareholders at a fair value of \$0.90 per common share, which was the price per share of the concurrent private placement. In addition, a finder fee in the amount of \$180,000 was payable in 200,000 common shares in respect of the Transaction.

(o) On December 27, 2024, Aardvark, as the issuer resulting from the Qualifying Transaction (being Nuvau



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Minerals Inc. ("Nuvau Inc.") closed a non-brokered private placement (the "FT Offering") pursuant to which Nuvau Inc. issued an aggregate 2,114,572 Flow-Through Shares (as defined herein) for aggregate gross proceeds of \$1,974,236.11.

The FT Offering was comprised of the issuance and sale of an aggregate (i) 1,567,485 Flow-Through Shares issued at a price of \$0.90 per Flow-Through Share (the "National FT Shares") for gross proceeds to Nuvau Inc. of \$1,410,736.50, and (ii) 547,087 Flow-Through Shares issued at a price of \$1.03 per Flow-Through Share to certain purchasers located in or subject to tax in the Province of Québec (the Québec FT Shares and, together with the National FT Shares, the Flow-Through Shares) for gross proceeds to Nuvau Inc. of \$563,499.61. Each Flow-Through Share qualifies as a "flow-through share" as defined in subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act* (Québec), as applicable.

### iii. Warrants

The following table reflects the continuity of warrants as at December 31, 2024:

Expiry date	Opening balance #	Exercise price (\$)	Warrants issued #	Warrants exercised #	Warrants expired #	Closing balance#
December 30, 2025*	1,317,500	\$ 0.75	-	-	-	1,317,500
December 30, 2025**	447,500	0.75	-	-	-	447,500
December 30, 2025***	100,000	0.75	-	-	-	100,000
December 30, 2025****	1,550,000	0.75	-	-	-	1,550,000
January 13, 2026	732,000	0.75	-	-	-	732,000
February 2, 2026	3,685,000	0.75	-	-	-	3,685,000
April 28, 2026	285,000	0.75	-	-	-	285,000
July 26, 2026	-	1.35	3,409,445	-	-	3,409,445
August 19, 2026	-	1.35	432,500	-	-	432,500
November 28, 2026	1,360,832	1.00	-	-	-	1,360,832
April 3, 2027	-	0.75	200,000	-	-	200,000
December 12, 2026	-	1.35	5,103,763	-	-	5,103,763
<b>Total</b>	<b>9,477,832</b>	<b>-</b>	<b>9,145,708</b>	<b>-</b>	<b>-</b>	<b>18,623,540</b>
Weighted average exercise price	\$ 0.79		\$ 1.32	\$ -	\$ -	\$ 0.95

\*The expiration date for this warrant was originally December 30, 2024, and was amended to December 30, 2025 on December 12, 2024.

\*\*The expiration date for this warrant was originally January 7, 2025, and was amended to December 30, 2025 on December 12, 2024.

\*\*\*The expiration date for this warrant was originally March 1, 2025, and was amended to December 30, 2025 on December 12, 2024.

\*\*\*\*The expiration date for this warrant was originally April 6, 2025, and was amended to December 30, 2025 on December 12, 2024.



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The following table reflects the continuity of warrants as at December 31, 2023:

Expiry date	Opening balance #	Exercise price (\$)	Warrants issued #	Warrants exercised #	Warrants expired #	Closing balance#
December 30, 2024	1,317,500	\$ 0.75	-	-	-	1,317,500
January 7, 2025	447,500	0.75	-	-	-	447,500
March 1, 2025	100,000	0.75	-	-	-	100,000
April 6, 2025	1,550,000	0.75	-	-	-	1,550,000
January 13, 2026	-	0.75	732,000	-	-	732,000
February 2, 2026	-	0.75	3,685,000	-	-	3,685,000
April 28, 2026	-	0.75	285,000	-	-	285,000
November 28, 2026	-	1.00	1,360,832	-	-	1,360,832
<b>Total</b>	<b>3,415,000</b>	<b>-</b>	<b>6,062,832</b>	<b>-</b>	<b>-</b>	<b>9,477,832</b>
Weighted average exercise price	\$ 0.75		\$ 0.81	\$ -	\$ -	\$ 0.79

The following table reflects the continuity of broker warrants as at December 31, 2024:

Expiry date	Opening balance #	Exercise price (\$)	Warrants issued #	Warrants exercised #	Warrants expired #	Closing balance #
July 26, 2026 (a)	-	0.90	342,467	-	-	342,467
August 19, 2026 (b)	-	0.90	39,900	-	-	39,900
December 12, 2026 (c)	-	0.90	287,868	-	-	287,868
December 12, 2025 (d)	-	0.72	34,732	-	-	34,732
<b>Total</b>	<b>-</b>	<b>-</b>	<b>704,967</b>	<b>-</b>	<b>-</b>	<b>704,967</b>
Weighted average exercise price			\$ 0.90	\$ -	\$ -	\$ 0.90

- (a) As additional consideration for services in connection with the closing of the first tranche of the Special Warrant Private Placement Offering on July 26, 2024, the Company issued the Agents non-transferable broker warrants of the Company ("Broker Warrants") equal to 6% of the aggregate number of Common Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.90 per share expiring July 26, 2026. The fair value of the Broker Warrants was \$152,055, calculated using the Black-Scholes option pricing model.
- (b) As additional consideration for services in connection with the closing of the final tranche of the Special Warrant Private Placement Offering on August 19, 2024, the Company issued the Agents non-transferable Broker Warrants of the Company equal to 6% of the aggregate number of Common Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.90 per share expiring August 19, 2026. The fair value of the Broker Warrants was \$17,694, calculated using the Black-Scholes option pricing model.
- (c) As additional consideration for services in connection with the closing of the final tranche of the Subscription Receipt financing on November 26, 2024, the Company issued the Agents non-transferable Broker Warrants of the Company equal to 6% of the aggregate number of Common Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.90 per share expiring December 12, 2026. The fair value of the Broker Warrants was \$141,919, calculated using the Black-Scholes option pricing model.

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(d) Replacement warrants issued in respect of the Reverse Takeover Transaction (see note 6).

For purposes of the Broker Warrants issued, the fair value of each Broker Warrant was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	<b>2024</b>
Risk-free interest rate	<b>2.9316% - 3.631%</b>
Annualized volatility*	<b>89.65% - 103.11%</b>
Expected dividend	<b>NIL</b>
Expected option life	<b>1 - 2 years</b>
Share price**	<b>\$0.90</b>

\* Volatility based on similar publicly traded companies

\*\*\* Based on the share price of the most recent common share financing

#### iv. Options

The Company has a omnibus share incentive plan (the "Plan") which is restricted to directors, officers, key employees and consultants of the Company. The number of common shares subject to options granted under the Plan (and under all other management options and employee stock purchase plans) is limited to 10% in the aggregate and 5% with respect to any one optionee of the number of issued and outstanding common shares of the Company at the date of the grant of the option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed ten years.

The continuity of stock options issued and outstanding are as follow:

	<b>Options outstanding (#)</b>	<b>Weighted average exercise price (\$)</b>
<b>Issued and outstanding:</b>		
Outstanding at December 31, 2023	1,000,000	0.50
Granted	1,670,000	0.65
Outstanding at December 31, 2024	<b>2,670,000</b>	<b>0.65</b>

During the period ended December 31, 2024, there were no options exercised.

At December 31, 2024, the following options were outstanding and outstanding and exercisable:

<b>Weighted average exercise price</b>	<b>Outstanding</b>		<b>Outstanding and Exercisable</b>	
	<b>Options #</b>	<b>Weighted average remaining life (years)</b>	<b>Options #</b>	<b>Weighted average remaining life (years)</b>
\$0.36	100,000	0.95	100,000	0.95
\$0.50	1,000,000	3.55	1,000,000	3.55
\$0.75	1,570,000	4.45	1,570,000	4.45
	<b>2,670,000</b>	<b>3.90</b>	<b>2,670,000</b>	<b>3.90</b>



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The Company applies the fair value method for all share-based compensation awards and accordingly, \$1,469,323 (2023 - \$313,004) was recorded for the options that vested during the period. On completion of the RTO, the previously vested stock options were considered to be cancelled and re-issued for shares of the resulting issuer. This is a modification of a share-based payment under IFRS 2. The fair value of the options is determined on the date of the transaction, and compared to the fair value on the date immediately prior to the transaction. If there is excess fair value, the excess must be immediately recognized in share-based payment expense in accordance to the remaining vesting period. For instruments that have already vested, the additional expense is immediately recognized.

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	December 31, 2024
Risk-free interest rate	2.881% - 2.898%
Annualized volatility**	90.60% - 94.50%
Expected dividend	NIL
Expected option life	3.61 - 4.25 years
Expected forfeiture rate	NIL
Share price***	\$0.90

\*\* Volatility based on similar publicly traded companies

\*\*\* Based on the share price of the most recent common share financing.

### v. Restricted Share Unit Plan

The Company's omnibus share incentive plan allows the Board of Directors to grant non-transferable RSUs to eligible employees, based on the value of the Company's share price at the date of grant. The awards have a graded vesting schedule over a three-year period.

Under the plan, RSUs are settled in cash upon vesting and are accounted for as cash-settled share-based payment awards in accordance with IFRS 2. As such, the fair value of the awards is recognized as a liability and remeasured at each reporting date until settlement, with changes in fair value recognized in profit or loss over the vesting period.

The Company no longer expects to settle RSUs through the issuance of common shares from treasury, and accordingly, outstanding RSUs are presented as liabilities rather than within equity.

On July 21, 2023, the Company granted certain employees, directors and consultants RSU awards with a deemed value per RSU of \$0.31, under which the holders have the right to receive an aggregate of 1,315,000 shares of the Company's common stock. The share-based payment related to these RSU's was calculated at \$407,650, to be amortized equally in three separate tranches, with the final tranche vesting November 2025. The Company estimated a forfeiture rate of nil% for RSU's issued during the year, and has recorded \$238,468 (2023 - \$117,833) in share-based payments for the portion of the units that have vested during year ended December 31, 2024.

On March 14, 2024, the Company granted certain employees, directors and consultants RSU awards with a deemed value per RSU of \$0.465, under which the holders have the right to receive an aggregate of 813,000 shares of the Company's common stock. The share-based payment related to these RSU's was calculated at \$378,045, to be amortized equally in three separate tranches, with the final tranche vesting March 2027. The Company estimated a forfeiture rate of nil% for RSU's issued during the period, and has recorded \$288,358 in share-based payments for the portion of the units that have vested during the year ended December 31, 2024.



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For the years ending December 31, 2024 and 2023

### vi. Share-based payments

	Year ended December 31,	
	2024	2023
Stock option	\$ 1,469,322	\$ 195,121
RSUs	526,826	117,883
	<b>\$ 1,996,148</b>	<b>\$ 313,004</b>

The continuity of RSU liability is as follow:

RSU liability		
Valuation of RSUs on modification date	(1)	1,009,351
Revaluation at year end	(2)	(309,981)
RSU liability		<b>699,370</b>

(1) Based on fair value at December 12, 2024, closing share price of \$0.90.

(2) Based on fair value at December 31, 2024, closing share price of \$0.60.

### 8. LOSS PER SHARE

The basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share is the same as basic loss per share as the effect of common share purchase warrants, options and RSU's would be anti-dilutive.

	2024	2023
Numerator:		
Net loss	(11,034,613)	(6,150,607)
Denominator:		
Weighted average number of common shares	33,690,049	24,991,118
<b>Weighted average loss per share</b>	<b>(0.33)</b>	<b>(0.25)</b>

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### 9. INCOME TAXES

The Company's income tax benefit differs from the amount computed by applying the combined federal and provincial income tax rates to loss before income taxes as a result of the following:

	2024 \$	2023 \$
Loss for the year	(13,207,546)	(8,874,794)
Statutory rates	26.50 %	25.00 %
Income tax recovery computed at statutory rates	(3,500,000)	(2,218,699)
Increase in deferred tax assets not recognized	1,864,243	554,838
Non-deductible items	1,071,013	80,665
Effect of change in tax rates	(46,452)	-
Share issue costs	(370,382)	-
Share-based compensation	(267,553)	-
Impact of attributes renounced to shareholders (flow-through shares)	1,286,793	1,583,196
Impact of flow-through share premium	(2,172,933)	(2,724,187)
Other	(37,662)	-
	<b>(2,172,933)</b>	<b>(2,724,187)</b>

#### Deferred tax assets not recognized

Management believes that it is not probable that sufficient taxable profits will be available in future years to allow the benefit of the following deductible temporary differences to be utilized:

Unused operation tax losses expiring 2041 to 2044	5,047,681	2,703,591
Share issue costs	1,262,893	158,566
Share-based compensation	699,652	-
Exploration and evaluation*	2,946,172	234,652

\* The deductible temporary differences related to exploration and development for Québec purposes is \$7,824,965 (2023 - \$5,180,000) which is different from that for Federal tax purposes.

### 10. RELATED PARTIES

Key management personnel remuneration includes the following amounts:

	2024 \$	2023 \$
Salary and wages	722,652	596,705
Share-based payments	1,175,193	244,711
	<b>1,897,845</b>	<b>841,416</b>



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### 11. COMMITMENTS

#### Flow-through renunciation

On February 2, 2023, the Company completed a flow-through financing to raise \$6,107,887. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company had until February 1, 2024 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Company as a result of this income tax legislation are charged to income in the period incurred. Of the \$6,107,887 in flow-through financing raised in the February 2, 2023 financing, the Company has incurred \$6,107,887 in exploration expenses, therefore fulfilling its obligation in relation to these renounced expenditures.

On February 2, 2023, the Company completed a Canadian Development Expense ("CDE") flow-through financing to raise \$674,355. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company has until December 31, 2023 to incur the expenditures. Of the \$674,355 in flow-through financing raised in the February 2, 2023 financing, the Company has incurred \$674,355 in CDE, therefore fulfilling its obligation in relation to these renounced expenditures.

On February 17, 2023, the Company completed a flow-through financing to raise \$965,000. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company had until February 1, 2024 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Company as a result of this income tax legislation are charged to income in the period incurred. Of the \$965,000 in flow-through financing raised in the February 17, 2023 financing, the Company has incurred \$965,000 in exploration expenses, therefore fulfilling its obligation in relation to these renounced expenditures.

On November 28, 2023, the Company completed a flow-through financing to raise \$501,249. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company had until February 1, 2024 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Company as a result of this income tax legislation are charged to income in the period incurred. Of the \$501,249 in flow-through financing raised in the February 2, 2023 financing, the Company has incurred \$501,249 in exploration expenses, therefore fulfilling its obligation in relation to these renounced expenditures.

On November 28, 2023, the Company completed a flow-through unit financing to raise \$665,000. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company had until December 31, 2023 to incur the expenditures. Of the \$665,000 in flow-through financing raised in the February 2, 2023 financing, the Company has incurred \$665,000 in exploration expenses, therefore fulfilling its obligation in relation to these renounced expenditures.

On December 28, 2023, the Company completed a flow-through financing to raise \$198,750. The Company renounced 100% of the flow-through raised in 2023 to investors as at December 31, 2023. The Company has until February 1, 2024 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Company as a result of this income tax legislation are charged to income in the period incurred. Of the \$198,750 in flow-through financing raised in the February 17, 2023 financing, the Company has incurred \$198,750 in exploration expenses, therefore fulfilling its obligation in relation to these renounced expenditures.

On December 27, 2024, the Company completed a flow-through financing to raise \$1,974,236. The Company renounced 100% of the flow-through raised in 2024 to investors as at December 31, 2024. The Company has until February 1, 2025 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Company as a result of this income tax legislation are charged to income in the

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period incurred. Of the \$1,974,236 in flow-through financing raised in the December 27, 2024 financing, the Company has incurred \$Nil in exploration expenses, and thus must incur expenses of \$1,974,236 by December 31, 2025, to fulfil its obligation in relation to these renounced expenditures.

### 12. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's operations include the acquisition and exploration of mineral properties in Canada. The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

#### [a] Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the consolidated financial statements.

##### i) Trade credit risk

The Company is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

##### ii) Cash and cash equivalents

In order to manage credit and liquidity risk the Company invests only in highly rated investment grade instruments that have maturities of three months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.

#### [b] Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

#### [c] 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. The risk that the Company will realize a significant loss as a result of a decline in the fair market value is limited as the Company holds all of its funds in cash and cash equivalents.

The Company does not invest in derivatives to mitigate these risks.

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

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

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



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### 13. MANAGEMENT OF CAPITAL RISK

The Company manages its share capital, equity-settled benefits and share subscriptions as capital, the balance of which is \$32,064,149 at December 31, 2023 (2022 - \$13,879,384). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets or acquire new debt.

### 14. SUBSEQUENT EVENTS

#### *Matagami Earn-in Agreement*

The Corporation completed the \$30 Million Earn-in expenditure requirement pursuant to the Earn-in agreement with Glencore and is proceeding toward closing of the acquisition of the Matagami Earn-in interest, subject to the terms and conditions contained in the Earn-in agreement, including Glencore approval of expenditures and the receipt of all required regulatory and third-party consents.