

KARUS MINING INC.
Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Karus Mining Inc.

Opinion

We have audited the accompanying consolidated financial statements of Karus Mining Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company 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.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had an accumulated deficit of \$9,057,296, had no revenues, and had a loss and comprehensive loss of \$2,378,493. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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



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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

March 27, 2025

KARUS MINING INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	As at December 31, 2024	As at December 31, 2023
Assets		
Current assets		
Cash and equivalents (Note 3)	\$ 546,278	\$ 186,898
Amounts receivable	25,640	79,896
Advances and prepaid expenses	13,167	22,368
	585,085	289,162
Non-current assets		
Reclamation bond (Note 7)	16,715	16,715
Equipment (Note 6)	1,708	-
Exploration and evaluation assets (Note 7)	16,668,335	4,923,065
	16,686,758	4,939,780
Total assets	\$ 17,271,843	\$ 5,228,942
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	\$ 685,806	\$ 68,176
Long-term deferred income tax liability (Note 12)	545,000	579,000
Total liabilities	1,230,806	647,176
Shareholders' equity		
Share capital (Note 8)	21,539,709	5,568,774
Share-based reserves (Note 8)	1,463,643	-
Commitment to issue shares (Note 8)	2,094,981	-
Deficit	(9,057,296)	(987,008)
Total shareholders' equity	16,041,037	4,581,766
Total liabilities and shareholders' equity	\$ 17,271,843	\$ 5,228,942

Nature of operations and going concern (Note 1)

Approved by the Board of Directors:

"Tony Cina"
Director

"Alex Gostevskikh"
Director

KARUS MINING INC.**Consolidated Statements of Loss and Comprehensive Loss**

(Expressed in Canadian dollars)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Expenses		
Depreciation (Note 6)	\$ 1,710	\$ -
Director fees (Note 9)	144,000	-
General and administration	199,214	16,177
Marketing, advisory and investor relations	5,275	-
Professional fees (Note 9)	275,374	59,509
Share-based payments (Note 8)	128,925	-
Travel	-	3,249
Net loss before other items	(754,498)	(78,935)
Other items		
Foreign exchange gain	22,759	-
Interest income	38,422	53,748
Impairment of promissory note receivable (Note 9)	(369,896)	-
Loss on Theia Transaction (Note 5)	(1,366,694)	-
Other income	17,414	-
Net loss before income taxes	(2,412,493)	(25,187)
Deferred income tax recovery (expense) (Note 12)	34,000	(442,000)
Net loss and comprehensive loss for the year	\$ (2,378,493)	\$ (467,187)
Basic and diluted loss per share	\$ (0.08)	\$ (0.02)
Weighted average number of common shares outstanding – basic and diluted	30,603,432	21,141,880

KARUS MINING INC.**Consolidated Statements of Changes in Shareholders' Equity***(Expressed in Canadian dollars)*

	Share capital			Share-based Reserves	Commitment to Issue Shares		Deficit	Total Shareholders' Equity
	Common Shares	Amount						
December 31, 2022	21,141,880	\$ 5,568,774	\$	-	\$	-	\$ (519,821)	\$ 5,048,953
Net loss for the year	-	-		-	-	-	(467,187)	(467,187)
December 31, 2023	21,141,880	5,568,774		-	-	-	(987,008)	4,581,766
Shares issued for Theia transaction	9,166,016	12,374,121		1,334,718	-	-	-	13,708,839
Share capital distribution	2,664,306	3,596,814		-	-	-	(3,596,814)	-
Share-based payments (Note 8)	-	-		128,925	-	-	-	128,925
Shares to be issued (Note 8)	-	-		-	2,094,981	-	(2,094,981)	-
Net loss for the year	-	-		-	-	-	(2,378,493)	(2,378,493)
December 31, 2024	32,972,202	\$ 21,539,709	\$	1,463,643	\$ 2,094,981	\$	(9,057,296)	\$ 16,041,037

KARUS MINING INC.**Consolidated Statements of Cash Flows***(Expressed in Canadian dollars)*

	For the year ended December 31, 2024	For the year ended December 31, 2023
OPERATING ACTIVITIES		
Net loss for the year	\$ (2,378,493)	\$ (467,187)
Items not involving cash and equivalents:		
Depreciation	1,710	-
Interest income	(29,291)	-
Impairment of promissory note receivable	369,896	-
Loss on Theia Transaction	1,366,694	-
Share-based payments	128,925	-
Foreign exchange gain	(17,884)	-
Deferred income tax expense (recovery)	(34,000)	442,000
Changes in non-cash working capital items:		
Amounts receivable	59,597	(40,882)
Advances and prepaid expenses	19,304	74,526
Accounts payable and accrued liabilities	270,906	66,994
Cash and equivalents provided by (used in) operating activities	(242,636)	75,451
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(129,270)	(1,900,810)
Reclamation bond	-	(5,000)
Cash and cash equivalent acquired through Theia transaction	731,286	-
Cash and equivalents provided by (used in) investing activities	602,016	(1,905,810)
Change in cash and equivalents	359,380	(1,830,359)
Cash and equivalents at beginning of the year	186,898	2,017,257
Cash and equivalents at end of the year	\$ 546,278	\$ 186,898
Non-cash investing and financing activities:		
Commitment to issue shares	\$ 2,094,981	\$ -
Share capital distribution, recorded to deficit	\$ 3,596,814	\$ -

KARUS MINING INC.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

1. NATURE OF OPERATIONS AND GOING CONCERN

Karus Mining Inc. (“Karus” or the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) (“BCBCA”) on November 20, 2020, under the name 1275702 B.C. Ltd and subsequently changed its name to Karus Gold Corp. on December 11, 2020, and to Karus Mining Inc. on February 14, 2024. The Company was incorporated as the target company for certain assets and liabilities spun out from KORE Mining Ltd. (“KORE”). On January 25, 2021, KORE completed a Plan of Arrangement pursuant to which KORE transferred to the Company all of KORE’s Canadian exploration properties, which included the FG Gold and Gold Creek projects in the South Cariboo property and related equipment and exploration deposits, in exchange for 53,112,455 shares of the Company, which were distributed to KORE shareholders on the basis of one common share of the Company for every two KORE shares held.

On February 14, 2024, in anticipation of the acquisition of Theia Gold Corp. (“Theia”), Karus completed a consolidation of its outstanding common shares on the basis of one new consolidated share for every 10 outstanding shares, and concurrently changed its name from “Karus Gold Corp.” to “Karus Mining Inc.” On March 13, 2024, the Company closed on an amalgamation agreement (the “Amalgamation Agreement”) to acquire 100% of the issued and outstanding common shares (the “Theia Shares”) of Theia, a private British Columbia incorporated company, by way of a reverse takeover transaction (the “Theia Transaction”). Theia is an exploration stage entity with its main property being the Mineral Creek gold project in British Columbia.

Pursuant to the terms of the Amalgamation Agreement, the Theia Transaction was completed by way of a three-cornered amalgamation under the provisions of the British Columbia Business Corporation Act (“BCBCA”) whereby 1452146 B.C. Ltd. (“Subco”), a wholly-owned subsidiary of Karus, incorporated in December 2023, amalgamated with Theia, and each of the Theia Shares, following the amalgamation, were exchanged for 2.5414 post-consolidated common shares of Karus. Following completion of the Amalgamation Agreement, Theia became a wholly-owned subsidiary of Karus, and the existing shareholders of Karus held approximately 30% in the capital of the Company while the former shareholders of Theia held approximately 70%.

Since the transaction resulted in the shareholders of Theia obtaining control of Karus, the Theia Transaction constituted a reverse acquisition for accounting purposes with Theia identified as the accounting acquirer. The net assets of Karus on the date of the reverse acquisition were deemed to have been acquired by Theia (Note 5). These consolidated financial statements include the results of operations of Karus from March 14, 2024. The comparative amounts presented are those of Theia, prior to the reverse acquisition.

The Company’s registered office is located at 1100 – 1111 Melville Street, Vancouver, BC V6E 3V6.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

As at December 31, 2024, the Company had an accumulated deficit of \$9,057,296 (2023 - \$987,008). For the year ended December 31, 2024, the Company had no revenues and had a loss and comprehensive loss of \$2,378,493. The Company does not generate any operating cash flows.

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

The Company's ability to continue to operate and to carry out its planned exploration activities for the next twelve months is uncertain and dependent upon the continued financial support of its shareholders and on securing additional debt or equity financing. There is no assurance that any such initiatives will be successful or sufficient and, as a result, this gives rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The accounting policies adopted are consistent with those of the previous financial year.

These consolidated financial statements have been authorized for issue by the Board of Directors of the Company on March 27, 2025.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries as at December 31, 2024. Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. All inter-company transactions and balances between the companies are therefore eliminated in full.

Effective March 13, 2024, Karus completed the acquisition of the outstanding Theia Shares (Note 5). As the shareholders of Theia obtained control of the Company through the exchange of their shares for the common shares of Karus, the Theia Transaction was accounted for in these consolidated financial statements as a reverse takeover. Consequently, the consolidated statement of loss and comprehensive loss and cash flows for the year ended December 31, 2024 and 2023 reflect the results of operations of Theia and Karus from March 14, 2024 (Note 5).

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis. The statements are presented in Canadian dollars unless otherwise noted.

3. MATERIAL ACCOUNTING POLICY INFORMATION**Cash and equivalents**

Cash includes cash on hand, and deposits held at call with financial institutions. Cash equivalents include highly liquid investments with original maturities of three months or less, and which are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

Financial Instruments

i) Financial assets

All financial assets are measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial assets' classification, as described below:

Fair value through profit or loss ("FVTPL"): Financial instruments designated at FVTPL are initially recognized and subsequently measured at fair value with changes in those fair values charged immediately to net earnings.

Amortized cost: Financial instruments designated at amortized cost are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest method. Financial instruments under this classification include cash and promissory note receivable.

Fair value through other comprehensive income ("FVOCI"): Financial instruments designated at FVOCI are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax.

ii) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or amortized cost. Financial liabilities classified at amortized cost are initially recognized at fair value less directly attributable transaction costs. The Company's accounts payable, accrued liabilities are classified at amortized cost. The Company does not currently have any FVTPL financial liabilities.

iii) Impairment of financial assets

An entity is required to recognize expected credit losses on financial assets carried at amortized cost, when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standard ("IAS") 21, The Effects of Changes in Foreign Exchange Rates.

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

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

Exploration and Evaluation Assets*Pre-acquisition Costs*

Pre-acquisition costs are expensed in the period in which they are incurred.

Exploration and evaluation costs for mineral properties

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures (“E&E”) are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the consolidated statement of loss and comprehensive loss.

On an annual basis, the Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as ‘mines under construction’. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs. Mineral exploration and evaluation expenditures are classified as intangible assets.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

Basic and Diluted Earnings (Loss) Per Share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

Share-Based Payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the vesting period based on the Company's estimate of shares that will eventually vest.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes Model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Any consideration paid by directors, officers, employees and non-employees on exercise of equity-settled share-based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Rehabilitation Provision

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the amount of the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related asset.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision.

The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to the consolidated statement of loss and comprehensive loss for the year.

As at December 31, 2024 and 2023, the Company has no known obligations relating to rehabilitation.

Flow-Through Shares

The Company may, from time to time, issue flow-through common shares to finance a portion of its exploration programs. Pursuant to the terms of flow-through share agreements, the tax deductibility of qualifying resource expenditures is transferred to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability. The premium is recognized as other income on settlement of flow-through share premium liability.

Proceeds received from the issuance of flow-through shares or units are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The Company may also be subject to Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations.

Impairment of Long-lived Assets

The Company's long-lived assets are reviewed for an indication of impairment at each statement of financial position date. If an indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the consolidated statement of loss and comprehensive loss for the year. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. 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. 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.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

KARUS MINING INC.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars unless otherwise stated)

Adoption of New Accounting Standards and New Accounting Pronouncements

The following amendments were adopted by the Company on January 1, 2024:

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively.

There was no impact on the Company's consolidated financial statements upon the adoption of these amendments.

Accounting Pronouncements Not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements, aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company will be evaluating the impact from future accounting pronouncements.

4. Critical Estimates and Judgments

The Company makes certain estimates and judgments about the future that affect the reported amounts of assets and liabilities. Estimates and judgments assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgments.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Recoverability of Capitalized Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company and the maintenance of good standing of the mineral titles, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

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(Expressed in Canadian dollars unless otherwise stated)

Valuation of Share-Based Payments

Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the stock options granted. This estimate also requires determining the most appropriate inputs to the valuation model including the expected lives of the stock options, volatility, interest rates and dividend yield and making assumptions about them. The model and assumptions used for estimating the fair value of share-based payment transactions are disclosed in Note 8.

Recovery of Deferred Tax Assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods. The Company has not recorded any deferred tax assets.

Going Concern

As at December 31, 2024 and as at the date of this report, the Company had not advanced its mineral properties to commercial production. The Company's continuation as a going concern is dependent not only upon successful results from exploration activities on its mineral properties but also its ability to raise capital and attain profitable operations. In the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants or the issuance of debt securities to fund ongoing operations. The ability of the Company to raise capital will depend on market conditions; it may not be possible for the Company to raise capital on acceptable terms or at all.

5. REVERSE ACQUISITION

On March 13, 2024, Karus and Theia completed the Theia Transaction whereby each Theia Share was exchanged for 2.5414 common shares of Karus. Pursuant to the Theia Transaction, Karus issued 21,141,880 common shares in exchange for 8,318,989 Theia Shares. Immediately after giving effect to the Theia Transaction, the Company was owned approximately 70% by the original shareholders of Theia and 30% by the original shareholders of Karus. The Company also reconstituted its board of directors and management with persons appointed by Theia.

Considering the composition of the board and senior management and the relative ownership interests of the original Theia and Karus shareholders, Theia obtained control of the voting power of the Company and the resulting power to govern its financial and operating policies. The Theia Transaction was therefore accounted for as a reverse acquisition in accordance with guidance provided in IFRS 3, Business Combinations. Karus does not qualify as a business under IFRS 3. The Theia Transaction therefore was not considered a business combination but an issuance of common shares for the net assets of Karus by Theia. For accounting purposes, Theia (the legal subsidiary) was treated as the accounting parent company and Karus (the legal parent) was considered the accounting subsidiary in these consolidated financial statements. As a result, Theia's assets, liabilities, and operations since incorporation are included in these consolidated financial statements at their historical value. Karus' results of operations have been included from March 13, 2024.

The purchase price paid by Theia for the acquisition of the net assets of Karus was determined based on the number of shares (3,606,680), options (115,094) and restricted share units ("RSUs") (312,663) that Theia would have had to issue on March 13, 2024, to give the owners of Karus a 30% interest in Theia. The Theia Transaction resulted in a loss on Theia transaction of \$1,336,694, representing the excess consideration transferred above the fair value of the net assets acquired and the following impact on these consolidated financial statements:

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*(Expressed in Canadian dollars unless otherwise stated)**Consideration transferred:*

Fair value of Shares ¹	\$	12,374,121
Fair value of stock options ²		390,932
Fair value of RSUs ²		943,786
Total Consideration	\$	<u>13,708,839</u>

Fair value of net assets acquired ³

Cash and cash equivalent	\$	731,286
Amounts receivable		12,151
Promissory note receivable		315,623
Advances and prepaid expenses		10,103
Deposits		288
Equipment		3,418
Exploration and evaluation assets		11,616,000
Accounts payable and accrued liabilities		<u>(346,724)</u>
Total fair value of net assets	\$	<u>12,342,145</u>

Loss on Theia Transaction**\$ 1,366,694**

1. The fair value of the Theia Shares was estimated based on the fair value of Karus' common shares after applying the exchange ratio for the Theia Transaction.

Theia is deemed to have issued options and RSUs to the original holders of these Karus securities. The fair value of the RSU consideration was estimated based on the fair value of the Karus common shares, using the number of RSUs earned by the holders and applying the exchange ratio. The fair value of the stock options consideration was determined using the Black-Scholes option pricing model with the following key assumptions:

- Expected life: 1.98 years
- Stock price volatility: 100%
- Discount rate: 4.14%.

Total fair value of the deemed RSUs issued by Theia amounted to \$1,072,711 of which \$943,786 was recognized as consideration due to vesting provisions and the remaining value of \$128,925 will be recognized as share-based payments expense as the compensation is earned.

2. The fair value of the net assets acquired of Karus approximates their book value as at March 13, 2024, except for the fair value of exploration and evaluation assets. The value of the exploration and evaluation assets was estimated through review of comparable transactions and applying a market multiple to the hectares owned by Karus for its South Cariboo Property.

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

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As at March 13, 2024, Karus had 9,166,016 common shares outstanding and issued 21,141,880 common shares to Theia shareholders. Karus also had 292,500 stock options and 794,601 RSUs outstanding. The number of equity instruments of Theia was updated to reflect the outstanding equity instruments of Karus based on the exchange ratio for the Theia Transaction, as follows:

	Theia Shares	Exchange Ratio	Karus Shares
Balance, as at December 31, 2023	8,318,989	2.5414	21,141,880
Deemed issuance for Theia transaction	3,606,680	2.5414	9,166,016
	<u>11,925,669</u>		<u>30,307,896</u>

	Theia Options	Exchange Ratio	Karus Options
Balance, as at December 31, 2023	-	2.5414	-
Deemed issuance for Theia transaction	115,094	2.5414	292,500
	<u>115,094</u>		<u>292,500</u>

	Theia RSUs	Exchange Ratio	Karus RSUs
Balance, as at December 31, 2023	-	2.5414	-
Deemed issuance for Theia transaction	312,663	2.5414	794,601
	<u>312,663</u>		<u>794,601</u>

All references to the number of common shares, options, RSUs and weighted average number of shares outstanding have been adjusted in these consolidated financial statements retrospectively to reflect the Theia Transaction.

6. EQUIPMENT

	Vehicles
Cost	
Balance, December 31, 2022 and 2023	\$ -
Theia transaction acquisition	3,418
Balance, December 31, 2024	\$ 3,418
Accumulated depreciation	
Balance, December 31, 2022 and 2023	\$ -
Addition	1,710
Balance, December 31, 2024	\$ 1,710
Total balance, December 31, 2023	\$ -
Total balance, December 31, 2024	\$ 1,708

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*(Expressed in Canadian dollars unless otherwise stated)***7. EXPLORATION AND EVALUATION ASSETS**

The balance and summary of the changes to the exploration and evaluation assets is as follows:

	Mineral Creek Property	South Cariboo Property	Greenfield Claims Options	Total
Balance, December 31, 2023	\$ 4,923,065	\$ -	\$ -	\$ 4,923,065
Acquisition costs:				
Claims	906	-	50,000	50,906
Theia transaction acquisition	-	11,457,062	158,938	11,616,000
Total acquisition costs	906	11,457,062	208,938	11,666,906
Exploration costs:				
Assays/lab	101	-	-	101
Geological consulting	25,465	11,339	-	36,804
Fieldwork/supplies	26,087	364	-	26,451
Travel and accommodation	5,998	9,010	-	15,008
Total exploration costs	57,651	20,713	-	78,364
Balance, December 31, 2024	\$ 4,981,622	\$ 11,477,775	\$ 158,938	\$ 16,668,335

	Mineral Creek Property
Balance, December 31, 2022	\$ 3,254,328
Acquisition costs:	
Cash payment	906
Total acquisition costs	906
Exploration costs:	
Assays/lab	334,207
Geological consulting	397,963
Fieldwork/supplies	406,112
Drilling	504,197
Travel and accommodation	96,989
BCMETS	(71,637)
Total exploration costs	1,667,831
Balance, December 31, 2023	\$ 4,923,065

Mineral Creek Property

During 2022, Theia acquired a 100% interest in the Mineral Creek Property in consideration of the issuance of 1,365,220 common shares valued at \$2,047,830. The Mineral Creek Property is located 12 kilometers southeast of Port Alberni, on Vancouver Island, British Columbia.

The vendor of the Mineral Creek Property retained a 1.0% Net Smelter Returns ("NSR") royalty.

As of December 31, 2024, Theia had a reclamation bond of \$16,715 (December 31, 2023 - \$16,715) on its Mineral Creek Property.

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

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South Cariboo Property

The Company holds a collection of claims in British Columbia comprising the South Cariboo property, which includes the 'FG Gold Project' and the 'Gold Creek Project', located in the Cariboo Mining Division, British Columbia, Canada.

Other Claims

As part of the land holdings in the South Cariboo Property, during the year ended December 31, 2024, the Company has acquired two greenfield gold exploration projects named Hawk and TEP claims.

The TEP claims carries a future potential bonus payment on the Company of \$1.50 per ounce of gold or gold equivalent identified as inferred, indicated, or measured in a NI 43-101 report. The TEP claims include a 2% NSR, of which one-half can be repurchased at any time prior to commercial production for \$500,000.

The Hawk claims include a 1% NSR, of which one-half can be repurchased at any time prior to commercial production for \$500,000.

SHARE CAPITAL**Authorized**

Unlimited number of common shares with no par value.

Issued and Outstanding

On February 14, 2024, in anticipation of the acquisition of Theia, Karus completed a consolidation of its outstanding common shares on the basis of one new consolidated share for every 10 outstanding shares. All references in these statements and notes to shares of Karus are on a post-consolidated basis.

During the year ended December 31, 2024, pursuant to the Theia Transaction, the Company issued 21,141,880 common shares to the original Theia shareholders.

The completion of the Theia Transaction triggered certain contractual provisions between Theia and its initial investors. As a result, during the period, the Company issued 2,612,559 additional shares to certain initial shareholders of Theia. The estimated fair value of the shares being \$3,526,956 was estimated using the same valuation methodology as the shares in Note 5, and was recognized as a distribution of capital.

The Company also has an arrangement with Yamana Gold Inc. ("Yamana", a subsidiary of Pan American Silver Corp whereby Yamana has rights to maintain a pro rata ownership interest of 1.89% in the Company on an undiluted basis at no additional cost to Yamana until the date the Company's common shares are listed on a recognized stock exchange in Canada. As a result of these top-up provisions, the Company issued 51,747 shares valued at \$69,858 to Yamana. If such listing of the Company's shares does not occur by December 31, 2024, Yamana's shareholding interest is to be topped up to 6.30% on an undiluted basis. As a result, as of December 31, 2024, the Company is obligated to issue 1,551,838 common shares valued at \$2,094,981.

Stock Options

Pursuant to a rolling stock option plan (the "Option Plan") for directors, officers, employees, and consultants, the Company may reserve a maximum of 10% of the issued and outstanding common shares, with the exercise price to be determined on the date of issuance of the options. The term of options granted under the Option Plan may not exceed five years and such options vest at terms to be determined by the Board of Directors at the time of the grant.

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During the year ended December 31, 2024,

- i) 292,500 stock options exercisable at \$2.50 through March 7, 2026 were cancelled. At December 31, 2024, the Company had no stock options outstanding.
- ii) signed agreements with directors to settle monthly director fees in options. At December 31, 2024, the commitment to issue options for director fees was valued at \$144,000 and was included in accounts payable.

During the year ended December 31, 2023, the Company had no share activity.

A summary of options outstanding as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding, December 31, 2023 and 2022	-	\$ -
Theia transaction acquisition	292,500	\$ 6.35
Forfeited	(292,500)	\$ 6.35
Options outstanding, December 31, 2024	-	\$ -

Restricted Share Units

Pursuant to a fixed Omnibus Plan ("Omnibus Plan"), the Company may reserve for issuance a maximum of 909,101 common shares as equity-based compensation awards. Together with the 10% rolling stock option plan, only a maximum of 10% of instruments under the Omnibus Plan and Option Plan may be granted to insiders. Awards under the Omnibus Plan may be granted in a form as designated by the Board, including restricted share units, deferred share units, and other performance-based instruments.

During the year ended December 31, 2024, the remaining fair value of the RSU's, \$128,925, was expensed as it was earned (Note 5).

As at December 31, 2024 the following RSUs were outstanding and exercisable:

Grant date	Number of RSUs outstanding	Number of RSUs exercisable
March 8, 2021	260,500*	260,500
August 3, 2023	150,000	150,000
December 12, 2023	384,101	384,051
	794,601	794,601

*expired subsequently

A summary of RSUs outstanding as follows:

	Number of RSUs
Outstanding, December 31, 2023 and 2022	-
Theia transaction acquisition	794,601
RSUs outstanding, December 31, 2024	794,601

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

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(Expressed in Canadian dollars unless otherwise stated)

8. RELATED PARTY TRANSACTIONS**Related Party Transactions**

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

As part of the Theia Transaction (Note 5), an initial investor and former officer of the Company, directly and through a controlled company acquired 7,021,888 shares of the Company. In addition, as a result of certain contractual provisions involving Theia, the Company issued to the same investor and former officer 1,494,343 additional shares (Note 5). The fair value of these additional shares was estimated to be \$2,017,363 and was recognized as a distribution of capital.

Karus advanced a loan to KORE in the principal amount of US\$225,000 (equivalent to \$306,450) in August 2023, which is recorded in promissory note receivable. The loan was an interest free loan if repaid by October 12, 2023, after which it would accrue interest at 10% per annum. As the loan was still outstanding as of October 12, 2023, the Company started accruing interest on the promissory note receivable. The loan is guaranteed by a director of KORE.

As at December 31, 2024 the Company is owed \$323,629 (US\$225,000) of principal from KORE and accrued interest of \$39,457 (US\$27,432). In addition, as at December 31, 2024, the amount owing by KORE to the Company, recorded in amounts receivable was \$6,810 (2023 - \$6,810).

On May 2, 2024, the Company demanded repayment after the promissory note's maturity date, but Kore failed to provide payment to the Company. As a result, the Company is pursuing legal action to recover the principal amount and accrued interest in accordance with the agreement. Due to uncertainty in recoverability, the Company impaired the promissory note receivable and recorded a loss of \$369,896 during the year ended December 31, 2024.

Key Management Compensation

Key management is comprised of the Company's directors and executive officers. Key management compensation for the year ended December 31, 2024 included:

- i) \$100,000 (2023 - \$Nil) to a former officer who remained as a Director of the Company for consulting services.
- ii) \$108,000 (2023 - \$Nil) to the CEO for consulting services, including geological consulting services.
- iii) \$20,000 (2023 - \$Nil) to a partnership in which the CFO has an interest for accounting services.
- iv) \$96,000 (2023 - \$Nil) to a director of the Company for director fees.
- v) \$48,000 (2023 - \$Nil) to a director of the Company for director fees.

Included in the accounts payable and accrued liabilities as at December 31, 2024, is \$238,431 (2023 - \$24,408) owed to a company controlled by a former officer, the current CEO, the partnership in which the CFO has an interest and directors of the Company. The amounts are unsecured, non-interest bearing and have no specific due date.

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9. FAIR VALUE OF FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**Fair Value of Financial Instruments**

The carrying values of cash, amounts receivable, advances, promissory note receivable, and accounts payable and accrued liabilities approximate fair values due to their short-term to maturity nature.

Financial Risk Management

The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a. Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and note receivable.

The Company has assessed its exposure to credit risk on its cash and has determined that such risk is minimal. The majority of the Company's cash is held with reputable financial institutions in Canada.

The promissory note represents a loan receivable from KORE and therefore carries counterparty risk. During the year ended December 31, 2024, the Company impaired the promissory note receivable and recorded a loss of \$369,896. The impairment is mainly due a significant increase in credit risk whereby the expected credit loss was recognized.

b. Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at December 31, 2024 the Company had working capital deficiency of \$100,721 (2023 – working capital of \$220,986). The Company is an exploration stage entity and as a result, does not yet generate any revenue. Karus will seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available, or on terms that are favourable or acceptable to the Company. The Company's approach to managing liquidity risk is to endeavor to ensure that it will have sufficient liquidity to meet liabilities when they fall due. The Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

c. Interest Rate Risk

Interest rate risk arises from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds its cash on which it earns variable rates of interest and may therefore be subject to a certain amount of risk, though this risk is considered by management to be immaterial.

d. Foreign Currency Risk

As at December 31, 2024, the Company did not have any material monetary items denominated in foreign currencies.

10. SEGMENTED INFORMATION

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

KARUS MINING INC.**Notes to the Consolidated Financial Statements**

For the years ended December 31, 2024 and 2023

*(Expressed in Canadian dollars unless otherwise stated)***11. INCOME TAXES**

The income tax provision differs from the amount computed by applying the statutory rates to loss before income taxes. These differences result from the following:

	December 31, 2024	December 31, 2023
Net loss before income taxes for the year	\$ (2,412,493)	\$ (25,187)
Statutory Canadian corporate tax rate	27%	27%
Anticipated tax expense (recovery)	(651,000)	(7,000)
Other	-	(19,000)
Permanent differences	503,000	-
Impact of RTO	(768,000)	-
Impact of flow through share	-	468,000
Share issuance costs	-	-
Change in unrecognized deductible temporary	882,000	-
Total income tax expense (recovery)	\$ (34,000)	\$ 442,000

The following is the analysis of recognized deferred tax liabilities and deferred tax assets:

	2024	2023
Deferred tax assets (liabilities)		
Non-capital losses	\$ 145,000	\$ 108,000
Share issuance costs	5,000	8,000
Exploration and evaluation assets	(695,000)	(695,000)
Net deferred tax assets (liabilities)	\$ (545,000)	\$ (579,000)

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

	Expiry Date	December 31, 2024	Expiry Date	December 31, 2023
Non-capital losses carried forward	2041-2044	\$ 3,226,000	None	-
Mineral properties	None	2,000	None	-
Share issuance costs	2045 to 2046	42,000	None	-

Tax attributes are subject to review, and potential adjustment by tax authorities.