



GFG Resources Inc.

Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

Expressed in Canadian Dollars



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of GFG Resources Inc.

Opinion

We have audited the consolidated financial statements of GFG Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and the consolidated statements of net income (loss) and comprehensive income (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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2025 and 2024, 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 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 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 to the financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Vancouver

1500 – 1140 West Pender St.
Vancouver, BC V6E 4G1
604.687.4747

Surrey

200 – 1688 152 St.
Surrey, BC V4A 4N2
604.531.1154

Tri-Cities

700 – 2755 Lougheed Hwy
Port Coquitlam, BC V3B 5Y9
604.941.8266

Victoria

320 – 730 View St.
Victoria, BC V8W 3Y7
250.800.4694

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

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

In preparing the 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 Financial Statements

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

October 8, 2025

GFG RESOURCES INC.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

	June 30, 2025	June 30, 2024
	\$	\$
Assets		
Current Assets		
Cash and cash equivalents (note 5)	4,649,387	2,147,401
Receivables (note 6)	146,334	74,180
Reclamation bond (note 7)	298,782	-
Prepaid expenses	140,963	91,747
Investment (note 8)	384,957	-
Promissory note receivable (note 9)	939,607	-
	6,560,030	2,313,328
Non-Current Assets		
Deposits	12,800	21,477
Exploration and evaluation assets (notes 10, 17 and 19)	36,757,211	32,462,507
Property and equipment (note 11)	21,072	60,484
Reclamation bond (note 7)	-	299,745
	43,351,113	35,157,541
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities (note 12)	322,895	591,091
Flow-through share premium liabilities (note 13)	619,073	355,007
Lease liability (note 14)	14,059	37,341
Advance (note 15)	20,464	20,044
	976,491	1,003,483
Non-Current Liabilities		
Lease liability (note 14)	-	14,059
Asset retirement obligation (note 16)	-	284,733
Deferred tax liability (note 22)	359,000	148,000
	1,335,491	1,450,275
Shareholders' Equity		
Share capital (note 17)	61,735,701	55,008,932
Reserves (note 17)	3,598,398	3,558,454
Accumulated other comprehensive loss	(678,440)	(678,440)
Deficit	(22,640,037)	(24,181,680)
	42,015,622	33,707,266
	43,351,113	35,157,541

Going concern (note 1)

"Patrick Downey"

Patrick Downey, Chair

"Arnold Klassen"

Arnold Klassen, Audit Chair

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

GFG RESOURCES INC.**Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)**
(Expressed in Canadian Dollars)

	Years Ended June 30,	
	2025	2024
	\$	\$
Expenses		
Bank charges and interest	2,588	1,870
Consulting fees	1,300	32,716
Depreciation (note 11)	35,079	34,904
Directors' fees (note 19)	76,356	72,999
Insurance	53,504	59,736
Investor relations (note 19)	636,572	501,253
Memberships and dues	38,840	37,894
Professional fees	119,337	102,558
Property holding costs	-	259,161
Office	62,689	39,020
Regulatory and filing fees	37,357	42,421
Rent	34,158	126,866
Salaries and benefits (note 19)	520,198	505,183
Share-based compensation (notes 17 and 19)	315,755	241,457
Travel	5,626	5,073
	(1,939,359)	(2,063,111)
Other income (loss)		
Interest and other expense	(12,663)	(33,861)
Recovery of premium on flow-through shares (note 13)	472,408	663,290
Foreign exchange gain	(3,401)	12,960
Gain on sale of the Rattlesnake property (note 10)	3,048,211	225,064
Loss on sale of equipment (note 11)	(4,333)	-
Change in fair value of investment (note 8)	(105,174)	-
Interest income	101,860	87,287
Other income	195,094	10,000
	3,692,002	964,740
Net income (loss) before income taxes	1,752,643	(1,098,371)
Income tax expense - deferred (note 22)	(211,000)	(148,000)
Net income (loss) and comprehensive income (loss)	1,541,643	(1,246,371)
Basic and diluted loss per share	0.01	(0.01)
Weighted average number of common shares - basic	259,898,180	217,351,538
Weighted average number of common shares - diluted	261,586,865	217,351,538

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

GFG RESOURCES INC.
Consolidated Statements of Changes in Shareholders' Equity
For the Years Ended June 30, 2025 and 2024
(Expressed in Canadian Dollars)

	Number of Shares Issued	Share Capital	Reserves	Accumulated Other Comprehensive Loss	Deficit	Total
		\$	\$	\$	\$	\$
Balance at June 30, 2023	209,416,017	52,593,681	3,156,058	(678,440)	(22,935,309)	32,135,990
Shares issued for cash (note 17(b)(iii))	25,122,694	2,380,253	125,613	-	-	2,505,866
Share issue costs	-	(112,730)	-	-	-	(112,730)
Shares issued for exploration and evaluation assets (notes 17(b)(i) and ii))	6,035,168	518,165	-	-	-	518,165
Flow-through share premium liabilities (note 13)	-	(370,437)	-	-	-	(370,437)
Share-based compensation (note 17)	-	-	276,783	-	-	276,783
Net loss	-	-	-	-	(1,246,371)	(1,246,371)
Balance at June 30, 2024	240,573,879	55,008,932	3,558,454	(678,440)	(24,181,680)	33,707,266
Shares issued for cash (note 17(b)(vii))	11,041,590	3,000,000	-	-	-	3,000,000
Share issue costs	-	(34,226)	-	-	-	(34,226)
Flow-through share premium liabilities (note 13)	-	(736,474)	-	-	-	(736,474)
Warrants exercised, net of issue costs (note 17(b)(iv))	28,557,907	3,711,029	-	-	-	3,711,029
Value of warrants exercised (note 17(b)(iv))	-	285,579	(285,579)	-	-	-
Exercise of stock options (note 17(b)(v))	908,929	139,997	-	-	-	139,997
Value of stock options exercised	-	87,260	(87,260)	-	-	-
Share-based compensation (note 17)	-	-	412,783	-	-	412,783
Shares issued for exploration and evaluation assets (note 17(b)(vi))	1,334,757	253,604	-	-	-	253,604
Shares issued for exploration agreement (note 17(b)(viii))	111,111	20,000	-	-	-	20,000
Net income	-	-	-	-	1,541,643	1,541,643
Balance at June 30, 2025	282,528,173	61,735,701	3,598,398	(678,440)	(22,640,037)	42,015,622

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

GFG RESOURCES INC.

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	Years ended June 30,	
	2025	2024
	\$	\$
Operating activities		
Net income (loss) before income taxes	1,752,643	(1,098,371)
Items not affecting cash:		
Accretion interest	3,362	12,841
CEBA loan forgiveness	-	(10,000)
Depreciation	3,834	3,659
Depreciation - right-of-use asset	31,245	31,245
Foreign exchange	1,383	(9,879)
Recovery of flow-through share premium	(472,408)	(663,290)
Share-based compensation	315,755	241,457
Interest expense	5,257	10,248
Loss on sale of equipment	4,333	-
Accretion of promissory note	(70,041)	-
Change in fair value of investment	105,174	-
Gain on sale of Rattlesnake property	(3,048,211)	(225,064)
Change in non-cash working capital items:		
Receivables	(72,154)	36,640
Prepaid expenses and deposits	(40,539)	14,637
Accounts payable and accrued liabilities	(76,813)	144,372
Net cash used in operating activities	(1,557,180)	(1,511,505)
Investing activities		
Exploration and evaluation assets, net of recoveries	(4,115,455)	(2,364,144)
Binding LOI payment	-	225,064
Equipment	-	(8,373)
Net proceeds from sale of Rattlesnake property	1,400,419	-
Net cash used in investing activities	(2,715,036)	(2,147,453)
Financing activities		
Proceeds from share issuances, net of issue costs	2,965,774	2,393,136
Proceeds from warrant exercises, net of issue costs	3,711,029	-
Proceeds from stock option exercise	139,997	-
CEBA loan repayment	-	(30,000)
Lease payments	(42,598)	(40,785)
Net cash provided by financing activities	6,774,202	2,322,351
Increase (decrease) in cash and cash equivalents	2,501,986	(1,336,607)
Cash and cash equivalents, beginning of year	2,147,401	3,484,008
Cash and cash equivalents, end of year	4,649,387	2,147,401
Non-cash transactions:	\$	\$
Exploration and evaluation assets in accounts payable at year end	96,186	287,568
Shares issued for exploration and evaluation assets	273,604	518,165
Share-based compensation pertaining to exploration and evaluation assets	97,028	35,326

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

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 1 - Nature and Continuance of Operations

GFG Resources Inc. (“GFG” or the “Company”) was incorporated on January 24, 2012, under the laws of the Province of British Columbia, Canada. The principal business of the Company is to acquire, explore and develop interests in exploration and evaluation assets. The Company’s head office address is Suite 202 – 640 Broadway Avenue, Saskatoon, Saskatchewan, S7N 1A9. The Company’s common shares are listed under the symbol “GFG” on the TSX Venture Exchange (“TSX-V”) in Canada and on the OTCQB under the symbol “GFGSF” in the United States.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. To date, the Company has not earned significant revenue and has an accumulated deficit of \$22,640,037. The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. The Company’s ability to continue as a going concern is dependent upon its ability to raise additional funds, which is strongly influenced by exploration success and capital market conditions. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. Such adjustment could be material.

NOTE 2 - Basis of Preparation and Statement of Compliance

The consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

The consolidated financial statements were authorized for issuance by the Board of Directors on October 8, 2025.

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except if otherwise noted. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All figures are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of GFG and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership	Principle Activities
GFG Resources (US) Inc.	USA	100%	Mineral exploration
JMO Exploration (US) Inc.	USA	100%	Mineral exploration

Subsidiaries are those entities which GFG controls by having the power to govern their financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by GFG and are deconsolidated from the date that control ceases. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Critical judgements and estimates

In the application of the Company’s accounting policies management is required to make judgments, 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 year. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could materially differ from these estimates.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 2 - Basis of Preparation and Statement of Compliance (continued)

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affect.

The following are the critical judgments and estimates that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the financial statements:

Determination of functional currency

The Company determines the functional currency through the analysis of several indicators such as expense, cash flows, and financing activities of each subsidiary of the Company. The presentation and functional currency of the Company is the Canadian dollar.

Exploration and evaluation assets impairment assessment

Exploration and evaluation assets are assessed for impairment at each reporting period to determine whether facts and circumstances indicate that the carrying amount may exceed its recoverable amount. In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount. To the extent this occurs, the asset is assessed for impairment and any impairment is fully provided against the carrying amount, in the financial year in which this is determined.

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. The carrying amount of the asset is increased to its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

Asset retirement obligations

The Company estimates and recognizes liabilities for future asset retirement obligations and restoration of exploration and evaluation assets. These provisions are based on estimated costs, which take into account the anticipated method and extent of restoration, technological advances and the possible future use of the asset. Actual costs are uncertain, and estimates can vary as a result of changes to relevant laws and regulations, the emergence of new restoration techniques, operating experience and prices. The expected timing of future retirement and restoration may change due to these factors. Changes to assumptions related to future expected costs, discount rates and timing may have a material impact on the amounts presented.

Investments in private companies

Where the fair value of investments in private companies recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair value and this value may not be indicative of recoverable value.

Share-based compensation

In determining the fair value of share-based compensation, the Company uses the Black-Scholes Option Pricing Model. The Black-Scholes Option Pricing Model requires the input of highly subjective assumptions such as the expected life of the options, estimates of interest rates and share price volatility that can materially affect the fair value estimate.

Income taxes

In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax provision taken will be sustained upon examination by applicable tax authorities.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 3 - Summary of Material Accounting Policy Information

Cash and cash equivalents

Cash and cash equivalents consist of bank balances and highly liquid short-term investments that are readily convertible to cash and have maturities with terms of less than ninety days and/or with original maturities over ninety days but redeemable on demand without penalty.

Equipment

Equipment is recorded at cost less accumulated depreciation and are depreciated using the declining balance method at the rates designed to depreciate the costs of these assets over their estimated useful lives.

The significant classes of equipment and depreciation rates are as follows:

Equipment	20%
Computer equipment	30%

Foreign currency translation

The financial statements of the Company are prepared in its functional currency determined based on the primary economic environment in which it operates. The presentation and functional currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the transaction dates. At each reporting date, monetary items denominated in foreign currencies are translated into the entity's functional currency at the then prevailing rates and non-monetary items measured at historical cost are translated into the entity's functional currency at rates in effect at the date the transaction took place.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are included in the statements of loss and comprehensive loss for the period in which they arise.

Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract contains a lease when the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use ("ROU") asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions: (i) the Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or (ii) for leases of low value.

The ROU asset is initially measured based on the present value of lease payments, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease, if this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate is the rate which the Company would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment. Lease payments include fixed payments less any lease incentives, and any variable lease payments where variability depends on an index or rate. When the lease contains an extension or purchase option that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payments.

ROU assets are included in Property and Equipment and the lease liabilities are presented as a Lease liability on the Statements of Financial Position.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 3 - Summary of Material Accounting Policy Information (continued)

Exploration and evaluation assets

Exploration and evaluation assets are composed of exploration and evaluation expenditures which include the costs related to acquiring rights or licenses for mineral exploration, the costs associated with exploration and evaluation activities, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore for minerals are expensed as incurred. Government tax credits received are recorded as a reduction to the cumulative costs incurred on the related property.

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

The Company may enter into earn-in or farm-out arrangements, whereby the Company transfers part of a mineral interest for certain consideration. Any cash consideration received from the agreement is recorded as a reduction to the exploration and evaluation assets and 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.

Asset retirement obligation

A provision for restoration and environmental obligations is recognized when there is a present obligation as a result of exploration and development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of dismantling and removal of facilities, restoration and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

The initial estimate of the restoration and environmental provision relating to exploration and development activities is capitalized into the cost of the related assets and amortized on the same basis as the related asset. Changes in the estimate of the provision of restoration and environmental obligations are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognized as a finance cost rather than being capitalized into the cost of the related asset.

Impairment of assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. As the Company's exploration and evaluation assets have not reached a stage where cash flows are generated, the value in use methodology is not available to assess fair value.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 3 - Summary of Material Accounting Policy Information (continued)

program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through share premium liability"). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through share premium liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

Proceeds received from the issuance of flow-through shares are restricted and are to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Share-based compensation

The Company may grant stock options to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes Option Pricing Model with an expense recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The fair value of stock options granted to employees who work directly on a mineral property are capitalized to exploration and evaluation expenditures.

Loss per share

The Company presents basic 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. The diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options, warrants and similar instruments outstanding that may add to the total number of common shares.

Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 3 - Summary of Material Accounting Policy Information (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share purchase warrants

The Company bifurcates units consisting of common shares and share purchase warrants using the residual value approach whereby it measures the common share component of the unit at fair value using market prices. The difference between this value and the unit value is then allocated to the warrant with the value of the warrant component being credited to reserves. When warrants are exercised, the corresponding residual value, if any, is transferred from reserves to share capital.

Financial instruments

Financial Instruments are accounted for in accordance with IFRS 9 Financial instruments: Classification and Measurement. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The following table shows the classification under IFRS 9:

Financial assets/ liabilities	Classification
Cash and cash equivalents	Amortized cost
Receivables	Amortized cost
Deposits	Amortized cost
Promissory note receivable	Amortized cost
Investments	Fair value through other comprehensive income or Fair value through profit or loss
Reclamation bonds	Amortized cost
Accounts payable	Amortized cost
Advances	Amortized cost
Loan payable	Amortized cost

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 3 - Summary of Material Accounting Policy Information (continued)

Impairment of financial assets

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable, Loan payable, and Advances are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

NOTE 4 - Accounting Standards and Amendments Issued

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18") to replace IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces two newly required subtotals on the face of the income statement, which includes operating profit and profit or loss before financing and income tax, and three new income statement classifications, which are operating, investing, and financing. In addition, IFRS 18 requires non-IFRS Accounting Standards management performance measures that are subtotals of income and expenses to be disclosed on financial statement. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

GFG RESOURCES INC.**Notes to the Consolidated Financial Statements**

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 5 - Cash and cash equivalents**

	June 30, 2025	June 30, 2024
	\$	\$
Cash on deposit at bank	446,688	257,086
Redeemable GIC	4,180,766	1,873,000
Cash held in trust account	21,933	17,315
	4,649,387	2,147,401

NOTE 6 - Receivables

	June 30, 2025	June 30, 2024
	\$	\$
GST	63,281	57,434
Interest receivable	27,864	16,746
Other receivables ¹	55,189	-
	146,334	74,180

¹Other receivables includes \$3,367 of reimbursable property holding costs at the Rattlesnake Property due to the Company pursuant to the terms of a definitive agreement (the “Rattlesnake Agreement”) (see Note 10) and \$51,822 due from Group 11 Technologies Inc. which was received subsequent to year end.

NOTE 7 - Reclamation Bond

At June 30, 2025, the Company has a reclamation bond in the amount of \$298,782 (June 30, 2024 - \$299,745) relating to the Rattlesnake Property. Pursuant to the terms of the Rattlesnake Agreement (see Note 10) the purchaser has assumed all reclamation obligations associated with the Rattlesnake Property and was to ensure the necessary steps were taken to obtain a full release of the Company’s reclamation bond. The Company received the proceeds from the bond subsequent to year end.

NOTE 8 - Investment

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	-	-
Fair value of common shares received (see Note 10)	490,131	-
Change in fair value	(105,174)	-
Balance, end of year	384,957	-

Pursuant to the terms of the Rattlesnake Agreement (see Note 10), the Company received 3,061,224 shares of Axcap Ventures Inc. (the “Consideration shares”), a company listed on the Canadian Securities Exchange. The Consideration shares have an undiscounted value of \$581,633, or \$0.19 per share, and are subject to resale restrictions with one-sixth of the total shares being released from the resale restrictions every three months, beginning December 16, 2024.

The investment is classified as FVTPL. As a result of the resale restrictions, the Company determined the fair value of the restricted shares using a discount for lack of marketability (“DLOM”) calculated using the Finnerty Model.

GFG RESOURCES INC.**Notes to the Consolidated Financial Statements**

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 8 – Investment (continued)**

The fair value of the unrestricted Consideration shares was calculated based on the quoted market price of the shares. At June 30, 2025, the Company recognized a mark to market loss of \$105,174 (June 30, 2024 – \$nil) on the Consideration shares and at June 30, 2025, reported a fair value of \$384,957 (June 30, 2024 – \$nil).

NOTE 9 - Promissory Note Receivable

The following table presents the reconciliation of the promissory note receivable:

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	-	-
Fair value of promissory note received (see Note 10)	869,566	-
Unwinding of discount	70,041	-
Balance, end of year	939,607	-

Pursuant to the terms of the Rattlesnake Agreement (see Note 10), the purchaser issued a \$1,000,000 non-interest bearing promissory note. The note is secured by a mortgage, comprised of a lien against and security interest in all the mineral properties of the Rattlesnake Property and is due December 16, 2025. On initial recognition, the Company discounted the note to its present value of \$869,566 at a rate of 15%.

For the year ended June 30, 2025, the Company recognized accretion interest income of \$70,041 (June 30, 2024 – \$nil) on the unwinding of the discount on the promissory note receivable, reported as other income in the consolidated Financial Statements, and at June 30, 2025, reported a fair value of \$939,607 (June 30, 2024 – \$nil).

NOTE 10 - Exploration and Evaluation Assets

The following is a continuity of the Company's exploration and evaluation expenditures:

	Ontario Pen & Dore	Ontario Goldarm	Total
	\$	\$	\$
Balance, June 30, 2023	23,076,369	6,254,364	29,330,733
Additions:			
Acquisition and staking costs	-	518,469	518,469
Exploration expenses			
Claim maintenance fees	19,818	19,389	39,207
Consulting	100,962	530,203	631,165
Salaries and benefits	140,445	693,408	833,853
Drilling	-	659,195	659,195
Geophysics	-	39,077	39,077
General field expenses	26,788	384,020	410,808
	288,013	2,843,761	3,131,774
Balance, June 30, 2024	23,364,382	9,098,125	32,462,507
	Ontario Pen & Dore	Ontario Goldarm	Total
	\$	\$	\$
Balance, June 30, 2024	23,364,382	9,098,125	32,462,507

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

Additions:			
Acquisition and staking costs	4,500	253,604	258,104
Exploration expenses			
Claim maintenance fees	8,323	20,787	29,110
Consulting	870,293	525,182	1,395,475
Salaries and benefits	298,847	530,144	828,991
Drilling	558,603	402,115	960,718
Geophysics	308,318	-	308,318
General field expenses	361,974	352,014	713,988
	2,410,858	2,083,846	4,494,704
Ontario Junior Exploration Program Assistance	-	(200,000)	(200,000)
	2,410,858	1,883,846	4,294,704
Balance, June 30, 2025	25,775,240	10,981,971	36,757,211

Pen Gold Project**West Porcupine Property**

On December 21, 2017, the Company purchased 100% of Probe Metal Inc's ("Probe") interest in the West Porcupine property, a land package consisting of 198 claims located southwest of Timmins, Ontario. Several NSRs exist on certain claims within the West Porcupine property and are described below:

West Porcupine

The West Porcupine has 0.5%, 1.0% and 2.0% NSRs on certain mineral claims. The Company has the right to re-purchase these NSRs for \$250,000, \$1,000,000 and \$1,500,000, respectively.

Ivanhoe

There is a 4% NSR over certain mineral claims of the Ivanhoe property. The Company has the right to purchase 3% of the NSR for \$3,000,000. Also, the Company is to make a \$1,000,000 payment upon the filing of a National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") compliant technical report which discloses a mineral reserve (proven and probable) totaling a minimum of 1,000,000 ounces of gold.

Ross

There is a 2% NSR over certain mineral claims of the Ross property. The Company has the right to purchase the NSR for \$3,000,000.

Kenogaming Township

There is a 2% NSR over certain mineral claims of the Kenogaming Property. The Company has the right to purchase the NSR for \$3,000,000. During the year ended June 30, 2025, the Company paid \$1,538 (June 30, 2024 - \$826) for the exploration program.

The Company has agreed to pay the Mattagami First Nation and Flying Post First Nation 1% of the eligible exploration costs incurred annually.

In addition to these properties, the West Porcupine Property acquisition also included claims staked by Probe for which there is no NSR.

Rapier Gold Inc.

On February 28, 2018, the Company completed the plan of arrangement with Rapier Gold Inc. ("Rapier") pursuant to which GFG acquired all of the outstanding shares of Rapier. Pursuant to the completion of the acquisition the Company acquired Rapier's Pen Gold Project, southwest of Timmins, Ontario. Further detail of the significant properties is provided below:

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 10 - Exploration and Evaluation Assets (continued)

Pen Gold Project (continued)

Pen Gold East

The Company owns a 100% interest in the Pen Gold East property, located adjacent to the northeastern corner of Pen Gold South in Kenogaming Township, Porcupine Mining District. Pursuant to an option agreement entered into on June 1, 2012, total payments of \$40,000 were required and paid, which payments are deductible against a potential \$200,000 future payment if greater than 200,000 ounces of gold are mined. The Company has the right to purchase one-half of a 2% NSR for \$2,000,000.

Pen Gold South

The Company has a 100% interest in the Pen Gold South property, located in the Kenogaming, Penhorwood and Keith Townships in Ontario, which is subject to a 2% NSR. The Company has the right to purchase 2% of the NSR for \$3,000,000.

Pen Gold North

The Company has a 100% interest in the Pen Gold North property which is subject to a 2% production royalty. If the Company files a NI 43-101 compliant measured and indicated gold resource on the property, a payment of \$5 per resource ounce is payable, up to a maximum of \$5,000,000. Further, an additional \$5 per resource ounce is due, subject to consumer price index adjustments, if the Company subsequently completes a positive feasibility study and arranges financing to construct a mine on the property.

Porphyry Hill

The Company has a 100% interest in the Porphyry Hill property, located in the Reeves township, which is subject to a 2% NSR. The Company has the right to purchase one-half of the 2% NSR for \$1,000,000, subject to certain cost of living adjustments.

Reeves

The Company has a 100% interest in the Reeves property, located in the Reeves Township, Porcupine Mining District, which is subject to a 2% NSR. The Company has the right to purchase one-half of the 2% NSR for \$1,000,000.

The Company pays 2% of all costs of the exploration program annually to the Flying Post and Mattagami First Nations. During the year ended June 30, 2025, the Company paid \$249 (June 30, 2024 - \$271) for the exploration program.

Sewell

On June 25, 2018, the Company purchased, from a subsidiary of Alamos Gold Inc., 100% interest in the Sewell property, a land package consisting of one legacy claim and five patented claims covering approximately 3,000 hectares adjacent to the Company's Pen Gold Project.

The Sewell property is subject to a 1% NSR.

Dore Gold Project

Swayze Property

On December 21, 2017, the Company purchased, from Osisko Mining Inc. ("Osisko"), 100% of its interest in the Swayze property, a land package consisting of 56 claims southwest of the Pen Gold Project.

The Company is subject to a 1% NSR on the Swayze property. The Company has the right to purchase the NSR for \$1,000,000.

The Company pays 1% of all eligible costs of the exploration program annually to the Flying Post First Nation. During the year ended June 30, 2025, the Company paid \$1,405 (June 30, 2024 - \$1,359) for exploration costs incurred on the Swayze property.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 10 - Exploration and Evaluation Assets (continued)

Dore Gold Project (continued)

Subsequent to acquiring the Swayze Property, the Company acquired additional adjacent claims over several staking campaigns. The staked claims are held 100% by the Company and are not subject to any NSR. The Swayze Property and these additional staked claims constitute the Dore Gold Project.

Ontario Goldarm Property

Aljo Gold Project

On April 27, 2022, the Company announced that it had finalized the acquisition of a 100% interest in 14 unpatented mining claims (the Aljo Mine Claims), subject to a net smelter royalty return royalty of 2%. The Aljo Mine Claims are adjacent to and form part of, the Company's newly consolidated Goldarm Property, which also includes the Montclerg Gold Project and the WWCC Property, east of the Timmins Gold District.

WWCC Acquisition

On April 13, 2022, the Company announced that it had completed its initial obligations under a definitive agreement (the "WWCC Agreement") with International Explorers and Prospectors Inc. ("IEP") to acquire a 100% interest in the 6,500-hectare WWCC property. Under the terms of the WWCC Agreement, GFG has the right to acquire 100% interest in the WWCC Property over a four-year period, subject to a net smelter return royalty of up to a maximum of 2% by:

- The issuance of an aggregate of 1,016,949 common shares of GFG (issued);
- The issuance of common shares of GFG following the anniversary date of the WWCC Agreement based on the VWAP for the five trading days immediately preceding the date of each anniversary date as follows:
 - 12 months following the Effective Date, valued at \$150,000 (issued)
 - 24 months following the Effective Date, valued at \$200,000 (issued)
 - 36 months following the Effective Date, valued at \$250,000 (issued)
 - 48 months following the Effective Date, valued at \$250,000
 - The total number of common shares issuable under the WWCC Agreement are subject to limitations determined by the TSX-V;
- Spending a minimum of \$2.0 million in exploration expenditures over four years on the WWCC Property following the close of the WWCC Agreement;
- GFG will transfer \$400,000 in assessment credits to IEP within 48 months following the Effective Date;
- Should GFG make a public announcement of a NI 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC Property, GFG shall make a one-time payment of \$1.0 million in cash or common shares; and
- Should GFG make a subsequent public announcement(s) of a further NI 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC Property and that reside outside a two-kilometer ("km") radius from any previous announcement, GFG shall make a one-time payment in respect of each such subsequent announcement in the amount of \$1.0 million, in either cash or in common shares.

Montclerg Gold Project

On October 24, 2023, the Company announced that it had completed the earn-in requirements to earn 100% of the Montclerg Gold Project, pursuant to a definitive agreement (the "Montclerg Agreement") with IEP. The Project consists of five patented claims and 110 lease claims and is subject to NSRs of up to 1.5% on certain of the claims – each NSR has certain repurchase provisions.

Pursuant to an exploration agreement with Apitipi Anicinapek Nation ("AAN"), completed in March 2025 with an effective date of January 1, 2023, the Company has agreed to pay AAN 2% of the eligible exploration costs incurred annually on the Goldarm Property. The Goldarm Property is primarily comprised of the Montclerg Gold Project, the WWCC Project and the Aljo Gold Project. During the year ended June 30, 2025, the Company paid \$81,490 (June 30, 2024 - \$nil) for eligible exploration costs incurred from January 1, 2023 to December 31, 2024.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 10 - Exploration and Evaluation Assets (continued)****Wyoming Properties**

On December 16, 2024, the Company closed the sale of its 100% owned Rattlesnake Property to Patriot Gold Vault Ltd. ("Patriot") for \$1,700,000 in cash, a \$1,000,000 non-interest bearing promissory note, due December 16, 2025, and 3,061,224 common shares (subject to resale restrictions) of Axcap Ventures Inc. (the parent company of Patriot) having an undiscounted value of \$581,633 (see Note 8). As part of the transaction, Patriot assumed the asset retirement obligation of \$288,095 (see Note 16).

The total gain on sale was recorded as follows:

Consideration received	\$
Cash payments	1,700,000
Fair value of promissory note (see Note 9)	869,566
Fair value of common shares received (see Note 8)	490,131
Legal fees	(74,517)
Fair value of the consideration	2,985,180
Value of obligations transferred	
Asset retirement obligation (see Note 16)	288,095
Total gain on sale	3,273,275
Gain recognized in prior year	(225,064)
Gain recognized in current year	3,048,211

The transaction had the following additional terms:

- Patriot would replace the USD \$219,000 cash deposit held with the Wyoming Department of Environmental Quality.
- If a NI 43-101 compliant resource estimate in the Rattlesnake Property reveals a mineral resource greater than 3,000,000 ounces of gold in a Measured and Indicated or Inferred category, Patriot will pay to GFG a further \$1 per total mineral resource ounce in cash or common shares of Patriot, at the election of Patriot. The Company has not recorded an amount receivable as the Company is not aware that Patriot has filed a NI 43-101 compliant resource and therefore has determined the likelihood of this occurrence is not determinable.
- Patriot reimbursed GFG for all costs and expenses relating to the Rattlesnake Property incurred from the May 9, 2024 letter of intent to December 16, 2024. During the year ended June 30, 2025, the Company was reimbursed for \$342,042 (June 30, 2024 - \$nil) of costs and expenses relating to the Rattlesnake Property. At June 30, 2025, the Company is due \$3,367 from Patriot (see Note 6).

NOTE 11 - Property and Equipment

	Right-of-use Asset	Computer Equipment	Equipment	Total
	\$	\$	\$	\$
Cost				
June 30, 2023	196,795	-	40,940	237,735
Additions	-	8,373	-	8,373
June 30, 2024	196,795	8,373	40,940	246,108
Disposition	-	-	(23,291)	(23,291)
June 30, 2025	196,795	8,373	17,649	222,817

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

Accumulated depreciation				
June 30, 2023	123,890	-	26,830	150,720
Depreciation	31,245	837	2,822	34,904
June 30, 2024	155,135	837	29,652	185,624
Depreciation	31,245	2,261	1,573	35,079
Disposition	-	-	(18,958)	(18,958)
June 30, 2025	186,380	3,098	12,267	201,745
Net book value				
June 30, 2024	41,660	7,536	11,288	60,484
June 30, 2025	10,415	5,275	5,382	21,072

NOTE 12 - Accounts Payable and Accrued Liabilities

	June 30, 2025	June 30, 2024
	\$	\$
Accounts payable	205,343	453,881
Accrued liabilities	117,552	137,210
	322,895	591,091

NOTE 13 - Flow-through Share Premium Liabilities

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	355,007	647,860
Premium liabilities recognized on flow-through shares issued	736,474	370,437
Recovery of premium on flow-through shares:		
March 2023 issuance	-	(647,860)
April 2024 issuance	(355,007)	(15,430)
May 2025 issuance	(117,401)	-
Balance, end of year	619,073	355,007

In May 2025, the Company issued 11,041,590 flow-through shares for gross proceeds of \$3,000,000. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$736,474. The flow-through premium is derecognized through income as the qualifying expenditures are incurred. During the year ended June 30, 2025, the Company satisfied \$117,401 of the commitment by incurring qualifying expenditures of \$478,227. As of June 30, 2025, the Company is committed to incur \$2,521,773 of qualifying expenditures by December 31, 2026.

In April 2024, the Company issued 15,844,059 flow-through shares for gross proceeds of \$1,717,182. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$370,437. The flow-through premium is derecognized through income as the qualifying expenditures are incurred. As of June 30, 2025, the Company has incurred all required expenditures.

In March 2023, the Company issued 13,619,231 flow-through shares for gross proceeds of \$2,458,998. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$699,749. The flow-through premium is

GFG RESOURCES INC.**Notes to the Consolidated Financial Statements****For the Years Ended June 30, 2025 and 2024***(Expressed in Canadian Dollars)***NOTE 13 - Flow-through Share Premium Liabilities (continued)**

derecognized through income as the qualifying expenditures are incurred. As of June 30, 2024, the Company had incurred all required expenditures.

NOTE 14 - Lease Liability

In May 2022, the Company renewed its head office lease and recorded an increase to the right-of-use asset and the corresponding lease liability on the effective date of the renewal.

A continuity of the lease liability for the year ended June 30, 2025, is as follows:

	June 30, 2025	June 30, 2024
	\$	\$
Lease liability, beginning of year	51,400	81,937
Lease payments	(42,598)	(40,785)
Interest expense	5,257	10,248
Total lease liability	14,059	51,400
Less: current portion	(14,059)	(37,341)
Total non-current lease liability	-	14,059

The maturity analysis of the undiscounted contractual balances of the lease liability is as follows:

	\$
Less than one year	14,501
Total undiscounted lease liability at June 30, 2025	14,501

Total undiscounted lease payments exclude leases that are classified as short-term and leases for low-value assets, which are not recognized as lease liabilities. During the year ended June 30, 2025, the Company recognized an expense of \$42,771 (June 30, 2024 - \$20,655) on short-term and low-value leases.

NOTE 15 - Advance

As at June 30, 2025, the Company has a balance of \$20,464 (June 30, 2024 - \$20,044) payable to Evolving Gold. The advance is unsecured, non-interest bearing and due on demand.

NOTE 16 - Asset Retirement Obligation

On December 16, 2024, the Company sold its 100% owned Rattlesnake Property to Patriot. As part of the transaction, Patriot assumed the asset retirement obligation of \$288,095. This balance was recorded as part of the consideration received with the offset to the gain on sale of the Rattlesnake Property.

The following table presents the reconciliation of the reclamation liability:

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	284,733	271,892
Sale of Rattlesnake property (see Note 10)	(288,095)	-
Accretion expense	3,362	12,841
Balance, end of year	-	284,733

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 17 - Share Capital****Authorized share capital**

Unlimited number of common shares without par value.

Issued share capital

a) At June 30, 2025, the Company had 282,528,173 common shares issued and outstanding (June 30, 2024 – 240,573,879).

b) Common shares issued

As at June 30, 2025, the issued share capital amounted to \$61,735,701 (June 30, 2024 - \$55,008,932). Changes to issued share capital are as follows:

	Number of common shares	Amount
Balance, June 30, 2023	209,416,017	\$52,593,681
Shares issued for exploration and evaluation assets (i)(ii)	6,035,168	518,165
Shares issued for cash (iii)	25,122,694	2,380,253
Share issue costs	-	(112,730)
Flow-through share premium liabilities (note 13 and (iii))	-	(370,437)
Balance, June 30, 2024	240,573,879	55,008,932
Warrants exercised, net of issue costs (iv)	28,557,907	3,711,029
Value of warrants exercised	-	285,579
Exercise of stock options (v)	908,929	139,997
Value of stock options exercised	-	87,260
Shares issued for exploration and evaluation assets (vi)	1,334,757	253,604
Shares issued for cash (vii)	11,041,590	3,000,000
Share issue costs	-	(34,226)
Flow-through share premium liabilities (note 13 and (vii))	-	(736,474)
Shares issued for exploration agreement (viii)	111,111	20,000
Balance, June 30, 2025	282,528,173	61,735,701

- i) On October 20, 2023, the Company made the second and final anniversary payment pursuant to the Montclerg Agreement with IEP. Pursuant to the Agreement, GFG issued a total of 3,535,168 common shares of the Company to IEP at a fair value of \$318,165. Concurrent with this issuance the Company advised that pursuant to the Montclerg Agreement it had completed all required events and has earned a 100% interest in the Montclerg Property.
- ii) On April 12, 2024, the Company issued shares pursuant to the WWCC Property option agreement with IEP (see Note 10); GFG issued a total of 2,500,000 common shares of the Company to IEP at a fair value of \$200,000.
- iii) On April 19, 2024, the Company closed a non-brokered private placement financing (the "Offering") whereby total common shares of 25,122,694 were issued for gross proceeds of \$2,505,866. Pursuant to the Offering, GFG issued (i) 9,278,635 units of the Company ("Units") at a price of \$0.085 per Unit for gross proceeds of \$788,684; (ii) 9,697,000 "flow-through" units ("FT Units") at a price of \$0.10 per FT Unit for gross proceeds of \$969,700; and (iii) 6,147,059 premium units of the Company ("Premium Units") at a price of \$0.1216 per Premium Unit for gross proceeds of \$747,482. Each Unit consisted of one common share of the Company and one-half of one share purchase warrant, with each whole share purchase warrant (a "Warrant") entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.13 for a period of 36 months from the date of issuance. Each FT Unit and each

GFG RESOURCES INC.**Notes to the Consolidated Financial Statements**

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 17 – Share capital (continued)**

Premium Unit consisted of one common share of the Company that will qualify as a “flow-through share” for the purposes of the Income Tax Act (Canada) and one-half of one Warrant. A total of 12,561,345 share purchase warrants were issued.

- iv) During the current fiscal year, pursuant to warrant exercises, the Company issued 28,557,907 common shares for proceeds, net of issue costs, of \$3,711,029. These warrants had a fair value of \$285,579.
- v) During the year, 908,929 stock options were exercised pursuant to the Company’s stock option plan with a weighted-average grant price of \$0.15 per common share for net proceeds of \$139,997.
- vi) On April 11, 2025, the Company issued shares pursuant to the WWCC Property option agreement with IEP (see Note 10); GFG issued a total of 1,334,757 common shares of the Company to IEP at a fair value of \$253,604.
- vii) On May 2, 2025, the Company closed a non-brokered private placement financing (the “Offering”). Pursuant to the Offering, the Company issued 11,041,590 premium flow-through units (each a “Premium Unit”) at a price of \$0.2717 per Premium Unit for gross proceeds of \$3,000,000. Each Premium Unit consists of one common share of the Company and one share purchase warrant (a “Warrant”) entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.28 for a period of 24 months from the date of issuance. Each of the common shares and Warrants comprising the Premium Units qualify as a “flow-through share” for the purposes of the *Income Tax Act* (Canada). A total of 11,041,590 share purchase warrants were issued.
- viii) On May 2, 2025, the Company issued shares pursuant to an exploration agreement with AAN; GFG issued a total of 111,111 common shares of the Company to AAN at a fair value of \$20,000 (see Note 10).

Stock options

The Company has established a stock option plan under which common share purchase options may be granted to directors, officers, employees and consultants. The maximum number of shares available for options issuable under the stock option plan is 10% of the Company’s common shares outstanding. Options granted have an exercise price of the Company’s prior day closing price quoted on the TSX-V for the common shares of the Company.

A summary of stock options activities are as follows:

	Year Ended June 30, 2025		Year Ended June 30, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		\$		\$
Outstanding, beginning of year	12,393,962	0.14	10,979,112	0.16
Granted	4,387,000	0.19	3,590,000	0.09
Exercised	(908,929)	0.15	-	-
Forfeited/Expired	(584,460)	0.18	(2,175,150)	0.16
Outstanding, end of year	15,287,573	0.15	12,393,962	0.14

In March 2025, the Company granted 4,187,000 stock options to directors, employees and consultants exercisable at a price of \$0.195 per share for five years. The fair value of \$0.12 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 2.70%; a dividend yield of 0%; and volatility of 78.11%. 375,000 of these stock options vest immediately, 3,400,000 vest equally over two years with the initial vest occurring on the date of the grant and 412,000 vest over four quarters with the final vest to occur on December 31, 2025.

In January 2025, the Company granted 150,000 stock options to an employee exercisable at a price of \$0.18 per share for five

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 17 - Share Capital (continued)****Stock options (continued)**

years. The fair value of \$0.12 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 3.10%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 83.26%. The options vest immediately.

In November 2024, the Company granted 50,000 stock options to an employee exercisable at a price of \$0.15 per share for five years. The fair value of \$0.11 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 3.14%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 84.16%. The options vest immediately.

In February 2024, the Company granted 3,590,000 stock options to directors, employees and consultants exercisable at a price of \$0.09 per share for five years. The fair value of \$0.07 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 3.63%; a dividend yield of 0%; and volatility of 82.52%. 225,000 of these stock options vest immediately, 2,815,000 vest equally over two years with the initial vest occurring on the date of the grant and 550,000 vest over four quarters with the final vest occurring on December 31, 2024.

During the year, the Company issued 908,929 common shares from the exercise of 908,929 common share stock options having a weighted-average exercise price of \$0.15. The weighted-average common share price at date of exercise was \$0.22. The Company received net cash proceeds of \$139,997 and the value of \$87,260 was transferred from reserves to share capital.

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

Exercise Price	Number Outstanding	Number Exercisable	Expiry Date
\$0.165	1,591,240	1,591,240	February 12, 2026
\$0.14	230,215	230,215	April 6, 2026
\$0.17	2,134,118	2,134,118	February 11, 2027
\$0.15	2,830,000	2,830,000	February 14, 2028
\$0.11	600,000	600,000	May 16, 2028
\$0.09	3,515,000	2,576,667	February 15, 2029
\$0.15	50,000	50,000	November 14, 2029
\$0.18	150,000	150,000	January 14, 2030
\$0.195	4,187,000	1,714,333	March 18, 2030
	15,287,573	11,876,573	

Share-based compensation

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Stock options	315,755	241,457
Capitalized to exploration and evaluation assets	97,028	35,326
Total share-based compensation	412,783	276,783

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 17 - Share Capital (continued)****Warrants**

A summary of warrant activities are as follows:

	Year Ended June 30, 2025		Year Ended June 30, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		\$		\$
Outstanding, beginning of year	30,632,859	0.16 ¹	23,997,268	0.19
Granted	11,041,590	0.28	12,561,345	0.13
Exercised	(28,557,907)	0.13	-	-
Expired	(2,074,952)	0.13	(5,925,754)	0.22
Outstanding, end of year	11,041,590	0.28	30,632,859	0.16

¹During the year ended June 30, 2025, the Company completed the modification of the terms for its warrants issued on October 6, 2022 and March 21, 2023, as follows:

Date of Issuance	Original Exercise Price	Amended Exercise Price	Original Expiry Date	Amended Expiry Date
October 6, 2022	\$0.17	\$0.13	October 6, 2024 ²	April 19, 2027
March 21, 2023	\$0.18	\$0.13	March 21, 2026 ²	April 19, 2027

² Subject to acceleration in certain circumstances.

On November 7, 2024, the Company announced that it had elected to accelerate the expiry of the outstanding common share purchase warrants ("Warrants") originally issued on October 6, 2022, March 21, 2023 and April 19, 2024. This represents all the Company's 30,632,859 outstanding share purchase warrants. Pursuant to the terms of the Warrants, the Company could accelerate the expiry date of the Warrants if the closing price of the Company's common shares on the TSX-V equaled or exceeded \$0.18 for 10 consecutive trading days (the "Acceleration Period"), to the date which is 30 days following the dissemination of the news release announcing the acceleration. The Company provided notice of the Acceleration Period and exercised its right to accelerate the expiry of the Warrants to 5:00 p.m. (Toronto Time) on December 9, 2024 (the "Accelerated Expiry Date"). Any Warrants remaining unexercised after the Accelerated Expiry Date expired.

During the year ended June 30, 2025, 28,557,907 warrants were exercised, with a value of \$285,579, for proceeds, net of issue costs, of \$3,711,029.

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

Warrants Outstanding	Exercise Price	Expiry Date
	\$	
11,041,590	0.28	May 2, 2027

GFG RESOURCES INC.**Notes to the Consolidated Financial Statements**

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 17 - Share Capital (continued)****Reserves**

Reserves are increased when recognizing the compensation costs related to share-based compensation and decreased where stock options are exercised:

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Reserves, beginning of year	3,558,454	3,156,058
Share-based compensation	412,783	276,783
Transfer to share capital on stock option exercises	(87,260)	-
Value of warrants issued	-	125,613
Value of warrants exercised	(285,579)	-
Reserves, end of year	3,598,398	3,558,454

NOTE 18 - Earnings (Loss) Per Share

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Earnings (loss) available to common shareholders	1,541,643	(1,246,371)
Wtd. Average number of shares - basic	259,898,180	217,351,538
Dilutive securities – stock options	1,688,685	-
Wtd. Average number of shares - diluted	261,586,865	217,351,538
Basic and diluted earnings (loss) per share	.01	(.01)
Number of shares excluded from diluted earnings per share due to anti-dilutive effect	8,062,358	-

NOTE 19 - Related Party Transactions**Summary of key management personnel compensation:**

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

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Salaries and benefits capitalized to exploration and evaluation assets expenditures	213,566	176,786
Salaries and benefits ⁽¹⁾	623,911	632,336
Director fees	76,356	72,999
Share-based compensation	298,105	241,707
Share-based compensation capitalized to exploration and evaluation and assets expenditures	63,684	23,194
	1,275,622	1,147,022

(1) Includes salaries and benefits reported within Investor relations.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

NOTE 19 - Related Party Transactions (continued)

Compensation of the Company's key management personnel includes salaries, non-cash benefits and board retainers. Executive officers and members of the Board of Directors may also participate in the stock option program.

NOTE 20 - Capital Disclosure and Management

The Company manages its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of shareholders' equity. The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may issue new shares through private placement, incur debt or return capital to shareholders.

To maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its excess cash in highly liquid short-term interest-bearing investments with short-term maturities matching timing of expenditures.

The Company's capital management approach has remained unchanged during the year ended June 30, 2025. The Company is not subject to externally-imposed capital requirements.

NOTE 21 - Financial Instruments and Risk Management

The Company has exposure to the following risks from its use of financial instruments.

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's exposure to credit risk is on its cash held with Bank of Montreal and the Royal Bank of Canada. The carrying amounts represents the maximum credit exposure.

b. Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. At June 30, 2025, the Company has current assets in excess of current liabilities of \$5,583,539 which will be sufficient to fund 2025 Goldarm Property and Pen and Dore Gold Project exploration programs and general and administrative costs.

c. Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has determined there is no material exposure related to interest rate risk.

d. Foreign Exchange Risk

Foreign exchange risk is the risk that fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 21 - Financial Instruments and Risk Management (continued)**

The carrying value of the Company's financial assets and liabilities as at June 30, 2025 and 2024 are approximate to their fair values due to their short-term nature.

The carrying value of lease obligations where interest is charged at a fixed rate is not significantly different from the fair value.

NOTE 22 - Income Taxes

The reconciliation of the income tax rate to the income tax recovery presented in the accompanying statements of comprehensive loss is provided below:

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Income (loss) before income taxes	1,752,643	(1,098,371)
Federal statutory rate	27%	27%
Expected income tax recovery at statutory tax rates	473,214	(296,560)
Change in statutory tax rates and other	(287,849)	9,346
Non-deductible expenditures	(36,719)	(112,396)
Impact of flow-through shares	592,760	638,484
Share issue cost	(9,695)	(8,060)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	3,055	25,198
Unrecognized deductible temporary differences	(523,766)	(108,012)
Income tax expense	211,000	148,000

The significant components of the Company's deferred tax assets and liabilities are as follows:

	Year Ended June 30, 2025	Year Ended June 30, 2024
	\$	\$
Deferred Tax Assets (Liabilities)		
Exploration and evaluation assets	(4,669,000)	(1,778,224)
Asset retirement obligation	-	59,794
Share issue costs	41,000	47,895
Property and equipment	46,580	46,737
Non-capital losses	6,486,457	4,288,924
Marketable securities	26,551	-
	1,931,588	2,665,126
Unrecognized deferred tax assets	(2,290,588)	(2,813,126)
Net deferred tax liabilities	(359,000)	(148,000)

GFG RESOURCES INC.

Notes to the Consolidated Financial Statements

For the Years Ended June 30, 2025 and 2024

*(Expressed in Canadian Dollars)***NOTE 22 - Income Taxes (continued)**

The Company's deductible temporary differences are estimated as follows:

	As of June 30, 2025		As of June 30, 2024	
		Expiry date		Expiry date
	\$		\$	
Exploration and evaluation assets	(17,293,824)	No expiry	(4,231,342)	No expiry
Property and equipment	172,517	No expiry	172,555	No expiry
Asset retirement obligation	-	No expiry	284,733	No expiry
Marketable securities	196,676	No expiry	-	No expiry
Non-capital losses	26,418,615	2031-2045	16,443,962	2032-2044
Share issuance costs	151,388	2025-2029	177,389	2024-2028

The Company has approximately \$15,635,486 in net loss carry forwards in Canada that may be offset against future taxable income and expire in the year 2045. In addition, the Company has approximately \$10,783,129 in net loss carry forwards in the United States that may be offset against future taxable income and expire in the year 2045.

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