



**SILVER VALLEY METALS CORP.**

(An Exploration Stage Enterprise)

**Consolidated Financial Statements  
For the Years Ended June 30, 2025 and 2024**

(Expressed in Canadian Dollars)

## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF SILVER VALLEY METALS CORP.

#### *Opinion*

We have audited the consolidated financial statements of Silver Valley Metals Corp. and its subsidiaries (the "Company"), which comprise:

- ◆ the consolidated statements of financial position as at June 30, 2025 and 2024;
- ◆ the consolidated statements of loss and comprehensive loss for the years then ended;
- ◆ the consolidated statements of changes in shareholders' equity for the years then ended;
- ◆ the consolidated statements of cash flows for the years then ended; and
- ◆ the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2025 and 2024 and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

#### *Basis for Opinion*

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

#### *Material Uncertainty Related to Going Concern*

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$847,253 during the year ended June 30, 2025 and, as of that date, the Company had a deficit of \$15,083,981. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended June 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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### *Other Information*

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

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

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

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

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

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

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

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

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

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

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Karen Ka Yee Cheng.

*Smythe LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
October 28, 2025

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**SILVER VALLEY METALS CORP.**

(An Exploration Stage Enterprise)

**Consolidated Statements of Financial Position**

As at June 30, 2025 and 2024

(Expressed in Canadian Dollars)

As at	June 30, 2025	June 30, 2024
	\$	\$
<b>ASSETS</b>		
Current		
Cash and cash equivalents	104,820	14,647
Amounts receivable	15,791	4,428
Shares receivable (Note 6)	480,247	-
Assets held for sale (Note 6)	-	1,826,786
Investments (Note 5)	264,000	-
Prepaid expenses	16,874	33,805
	881,732	1,879,666
Equipment (Note 4)	2,244	3,206
Shares receivable (Note 6)	240,123	-
Exploration and evaluation assets (Notes 6 and 9)	3,245,359	2,864,803
	4,369,458	4,747,675
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities (Note 9)	1,350,127	940,462
Deposit received in advance	-	25,000
	1,350,127	965,462
Loan payable (Note 7)	51,767	60,131
	1,401,894	1,025,593
<b>Shareholders' equity</b>		
Share capital (Note 8)	8,923,724	8,832,057
Reserves	9,127,821	9,126,753
Deficit	(15,083,981)	(14,236,728)
	2,967,564	3,722,082
	4,369,458	4,747,675

These consolidated financial statements were authorized for issue by the Board of Directors on October 28, 2025. They are signed on behalf of the Board of Directors by:

*"Timothy Mosey"*

\_\_\_\_\_  
Director

*"Brandon Rook"*

\_\_\_\_\_  
Director



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

**SILVER VALLEY METALS CORP.**

(An Exploration Stage Enterprise)

**Consolidated Statements of Loss and Comprehensive Loss**

For the years ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

	Years ended June 30,	
	2025	2024
	\$	\$
<b>EXPENSES</b>		
Advertising and promotion	57,695	99,493
Consulting fees (Note 9)	197,400	60,800
Depreciation (Note 4)	791	1,130
General administrative (Note 9)	75,054	80,323
Interest (Note 7)	2,826	1,138
Professional fees (Note 9)	112,237	107,228
Salaries and wages (Note 9)	-	41,800
Share-based payments (Notes 8 and 9)	1,068	30,031
<b>LOSS BEFORE OTHER ITEMS</b>	<b>(447,071)</b>	<b>(421,943)</b>
<b>OTHER ITEMS</b>		
Foreign exchange gain	13,491	37,726
Fair value changes on investments and share receivable (Notes 5 and 6)	(288,569)	-
Loss on disposition of Ranger-Page project (Note 6)	(125,104)	-
Write-off of accounts payable	-	1,033
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>(847,253)</b>	<b>(383,184)</b>
Loss per share - basic and dilutive	(0.04)	(0.02)
Weighted average number of shares outstanding - basic and dilutive	19,198,686	18,397,040

**SILVER VALLEY METALS CORP.**

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**Consolidated Statements of Changes in Shareholders' Equity**

For the years ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

	Common Shares				Total Shareholders' Equity
	Number of Shares	Amount	Reserves	Deficit	
	(Note 8)	\$	\$	\$	\$
Balance, June 30, 2023	16,240,636	8,153,183	9,063,596	(13,853,544)	3,363,235
Private placement	2,286,247	685,874	-	-	685,874
Share issuance costs	-	(7,000)	-	-	(7,000)
Share-based payments	-	-	63,157	-	63,157
Loss and comprehensive loss	-	-	-	(383,184)	(383,184)
Balance, June 30, 2024	18,526,883	8,832,057	9,126,753	(14,236,728)	3,722,082
Shares issued for finder's fees	763,889	91,667	-	-	91,667
Share-based payments	-	-	1,068	-	1,068
Loss and comprehensive loss	-	-	-	(847,253)	(847,253)
Balance, June 30, 2025	19,290,772	8,923,724	9,127,821	(15,083,981)	2,967,564

**SILVER VALLEY METALS CORP.**

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**Consolidated Statements of Cash Flows**

For the years ended June 30, 2025 and 2024

(Expressed in Canadian Dollars)

	2025	2024
	\$	\$
<b>CASH USED IN:</b>		
<b>OPERATING ACTIVITIES</b>		
Net loss and comprehensive loss	(847,253)	(383,184)
Items not involving cash:		
Depreciation	791	1,130
Interest expense	2,826	246
Share-based payments	1,068	30,031
Loss on disposition of Ranger-Page project	125,104	-
Fair value changes on investments and share receivable	288,569	-
Write-off of accounts payable	-	(1,033)
Changes in non-cash working capital items:		
Amounts receivable	(11,363)	(1,256)
Prepaid expenses	16,931	(6,601)
Accounts payable and accrued liabilities	540,608	193,629
Deposit received in advance	(25,000)	25,000
	92,281	(142,038)
<b>FINANCING ACTIVITIES</b>		
Proceeds from share issuance, net of issue costs	-	678,874
Payments on loan payable	(11,190)	(115)
	(11,190)	678,759
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets expenditures	(511,328)	(539,978)
Proceeds from disposition of Investment in Silver Dollar	220,410	-
Proceeds from disposition of Ranger-Page project	300,000	-
	9,082	(539,978)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>90,173</b>	<b>(3,257)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR</b>	<b>14,647</b>	<b>17,904</b>
<b>CASH AND CASH EQUIVALENTS, END OF THE YEAR</b>	<b>104,820</b>	<b>14,647</b>
Cash and cash equivalents consist of the following:		
Cash	94,820	4,647
Guaranteed Investment Certificates	10,000	10,000
<b>CASH AND CASH EQUIVALENTS, END OF THE YEAR</b>	<b>104,820</b>	<b>14,647</b>
Supplemental cash flow information:		
Income tax paid	-	-
Interest paid	3,071	892
Non-cash financing and investing activities:		
E&E expenditures included within accounts payable and accrued liabilities	817,241	948,184
Depreciation included within E&E assets	171	244
Share-based payments included in E&E	-	33,126



# SILVER VALLEY METALS CORP.

(An Exploration Stage Enterprise)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the Years Ended June 30, 2025 and 2024

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

Silver Valley Metals Corp. (the "Company") was incorporated on July 10, 2003 under the laws of British Columbia. The Company is an exploration stage company which engages in the business of acquisition, exploration, and development of mineral properties in North America. The Company's head office is located at Suite 2110-650 West Georgia Street, Vancouver, B.C., V6B 4S8. On February 2, 2022, the Company commenced trading on the OTCQB Venture Market in the United States under the ticker symbol "SVMFF".

The Company had a net loss of \$847,253 (2024 - \$383,184) during the year ended June 30, 2025 and a deficit of \$15,083,981 (2024 - \$14,236,728) as at June 30, 2025, which has been funded mainly by the issuance of equity. The accompanying consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and/or generate continued financial support in the form of equity financings. These material uncertainties may cast significant doubt regarding the Company's ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and the financial position classification that would be necessary if the going concern assumption were not appropriate and such adjustments could be material.

On July 7, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every three pre-consolidated common shares. The share consolidation has been applied retrospectively and, as a result, shares, restricted share units, options, warrants, and per share amounts are stated on an adjusted basis (Note 8).

### 2. BASIS OF PREPARATION

#### Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards").

These consolidated financial statements of the Company for the year ended June 30, 2025 were reviewed, approved, and authorized for issue by the Board of Directors on October 28, 2025.

#### Basis of Measurement

These consolidated financial statements have been prepared on an accrual basis, except for cash flow information, and are based on historical costs except for certain financial instruments, which are measured at fair value. The consolidated financial statements are presented in Canadian dollars which is also the functional currency of the Company and its subsidiaries.

# **SILVER VALLEY METALS CORP.**

(An Exploration Stage Enterprise)

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

**For the Years Ended June 30, 2025 and 2024**

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### **Basis of Consolidation**

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Grupo Minero Alset, S.A. de C.V. ("Grupo") in Mexico and North Idaho Metals Corporation ("North Idaho") in Delaware, United States. Grupo and North Idaho were incorporated on June 7, 2016 and May 11, 2021, respectively. All inter-company balances and transactions have been eliminated on consolidation.

### **Use of Accounting Judgments, Estimates and Assumptions**

The preparation of the Company's consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited, to:

- a) Exploration and evaluation expenditures  
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. Cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.
- b) Going concern  
The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Management monitors future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1.
- c) Valuation of share-based payments  
The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

## SILVER VALLEY METALS CORP.

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the Years Ended June 30, 2025 and 2024

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- d) **Determination of functional currency**  
The determination of the functional currency for the Company and its subsidiaries was based on management's judgment of the underlying transactions, events, and conditions relevant to each entity.
- e) **Assets held for sale**  
Judgment is required in determining whether an asset meets the criteria for classification as "assets held for sale" in the consolidated statements of financial position. Criteria considered by management includes the existence of and commitment to a plan to dispose of the assets, the expected selling price of the assets, the expected timeframe of the completion of the anticipated sale, and the period of time any amounts have been classified within assets held for sale. The Company reviews the criteria for assets held for sale each quarter and reclassifies such assets to or from this financial position category as appropriate. In addition, there is a requirement to periodically evaluate and record assets held for sale at the lower of their carrying value and fair value less costs to sell. Management has evaluated the expected fair value less costs to sell and determined that it is higher than the carrying value, based on an offer to purchase the asset.
- f) **Valuation of shares receivable**  
The Company uses the Finnerty model to estimate the fair value of shares receivable as of closing date and as at June 30, 2025. Certain inputs into the model, including expected price volatility and interest rate, involve judgment. Changes in input assumptions can materially affect the fair value estimate and the Company's earnings.

### 3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

#### Foreign Currency Translation

The functional currency of each of the Company's entities is determined using primary and secondary indicators related to the economic environment in which that entity operates. The Canadian dollar is the Company's functional and presentation currency. The functional currency of the subsidiaries is also the Canadian dollar. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise.

# **SILVER VALLEY METALS CORP.**

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## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

**For the Years Ended June 30, 2025 and 2024**

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### **Exploration and Evaluation Assets**

Exploration and evaluation assets include the costs associated with exploration and evaluation activity (e.g., geological, geophysical studies, exploratory drilling, and sampling) and the fair value (at acquisition date) of exploration and valuation and evaluation assets acquired. The Company follows the practice of capitalizing all costs related to the acquisition of, exploration for, and evaluation of mineral claims and crediting all revenue received against the cost of related claims. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Capitalized costs, including general and administrative costs, are only allocated to the extent that these costs can be related directly to operational activities in the relevant area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized for the related mineral property.

At the end of each reporting period, the Company's exploration and evaluation assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, an impairment test is conducted, where the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

When options are granted on exploration and evaluation assets or properties are sold, proceeds are credited to the cost of the property. If proceeds exceed costs, the excess proceeds are reported in profit or loss.

### **Cash and Cash Equivalents**

Cash and cash equivalents comprise demand deposits and highly liquid investments that are readily convertible into known amounts or cash and which are subject to an insignificant risk of changes in value.

# SILVER VALLEY METALS CORP.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the Years Ended June 30, 2025 and 2024

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### Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share options, and warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new share options are shown in equity as a deduction, net of tax, from the proceeds. When the Company issues common shares and warrants together as units, value is allocated first to share capital based on the market value of common shares on the date of issue, with any residual value from the proceeds being allocated to the warrants.

### Share-Based Payments

The Company operates an incentive stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued if it is determined that the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of share-based payments is charged to profit or loss with a corresponding credit recorded to reserves. The fair value of options is determined using the Black-Scholes option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

### Financial Instruments

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. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### Financial assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

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(Expressed in Canadian Dollars)

**For the Years Ended June 30, 2025 and 2024**

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At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method. The Company classifies its amounts receivable excluding sales tax receivable at amortized cost.

**Fair value through OCI ("FVOCI"):** For financial assets that are not held for trading, the Company can make an irrevocable election at initial recognition to classify the instruments at fair value through other comprehensive income ("FVOCI"), with all subsequent changes in fair value being recognized in other comprehensive income. This election is available for each separate investment. The Company does not have any financial assets designated as FVOCI.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss in the period in which it arises. The Company classifies its cash and cash equivalents, investments, and shares receivable at FVTPL.

#### Impairment

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.

#### Financial liabilities

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The Company does not designate any financial liabilities at FVTPL.

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Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. At present, the Company classifies all its financial liabilities as held at amortized cost.

#### **Impairment of Non-Financial Assets**

The carrying amounts of the Company's non-financial assets (which include equipment and exploration and evaluation 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 indication of impairment of mineral property exploration interests is generally considered to have occurred if one of the following factors is present: the right to explore has expired or is near to expiry with no expectation of renewal, no further substantive expenditures are planned, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, and indications in an area with development likely to proceed that the carrying amount is unlikely to be recovered in full by development or by sale. 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 profit or loss.

The recoverable amount of assets is the higher 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 pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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

#### **Basic and Diluted Loss Per Share**

Basic loss per share is computed by dividing the net loss applicable to the common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. The dilution is calculated based upon the net number of common shares issued should "in the money" options and warrants be exercised and the proceeds used to repurchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share is the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

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#### **Adoption of New Pronouncements**

##### Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment - Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after January 1, 2025 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendment did not have a material impact on the Company.

#### **Accounting Standards Issued But Not Yet Applied**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRS Interpretations Committee that are mandatory for fiscal periods beginning on or after January 1, 2025.

##### Amendments to IAS 1, Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025 and must be applied retrospectively. The amendments to IAS 1 is not expected to have a significant impact on the Company's consolidated financial statements.

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#### 4. EQUIPMENT

	Computer Hardware and Software	Drilling and Exploration Equipment	Total
	\$	\$	\$
<b>COST</b>			
Balance on June 30, 2023, 2024 and 2025	19,780	5,187	24,967
<b>DEPRECIATION</b>			
Balance at June 30, 2023	16,013	4,374	20,387
Depreciation	1,130	244	1,374
Balance at June 30, 2024	17,143	4,618	21,761
Depreciation	791	171	962
Balance at June 30, 2025	17,934	4,789	22,723
<b>NET CARRYING AMOUNT AS AT</b>			
June 30, 2024	2,637	569	3,206
June 30, 2025	1,846	398	2,244

#### 5. INVESTMENTS

During the year ended June 30, 2025, the Company received 2,250,000 common shares of Silver Dollar Resources Incorporated ("Silver Dollar") in relation to the disposition of Ranger-Page Project (Note 6).

During the year ended June 30, 2025, the Company sold 1,200,000 common shares of Silver Dollar for total proceeds of \$220,410 and recorded \$120,116 in fair value decrease in the investment.

As at June 30, 2025, the fair value of 1,050,000 common shares of Silver Dollar was \$264,000, resulting in a fair value decrease of \$126,724 for the year ended June 30, 2025.

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#### 6. EXPLORATION AND EVALUATION ASSETS

Mineral property acquisition, exploration, and development expenditures are deferred until the properties are placed into production, sold, impaired, or abandoned. The deferred costs associated with each property as at June 30, 2025 and 2024 are summarized in the tables below:

	Lithium Salars
	\$
<b>Acquisition costs</b>	
Balance, June 30, 2024 and 2025	1,656,217
<b>Exploration and evaluation costs</b>	
Balance, June 30, 2024	1,208,586
Depreciation (Note 4)	171
Legal and administration	1,809
Permitting and prospecting	78,649
Taxes and duties	299,897
Travel and accommodation	30
Balance, June 30, 2025	1,589,142
Balance, June 30, 2025	3,245,359

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	Lithium Salars	Ranger- Page	Total
	\$	\$	\$
<b>Acquisition costs</b>			
Balance, June 30, 2023	1,656,217	512,828	2,169,045
Acquisition	-	175,012	175,012
Transferred to assets held for sale	-	(687,840)	(687,840)
Balance, June 30, 2024	1,656,217	-	1,656,217
<b>Exploration and evaluation costs</b>			
Balance, June 30, 2023	960,807	878,523	1,839,330
Assays and analysis	-	15,197	15,197
Depreciation (Note 4)	244	-	244
Field supplies and miscellaneous	-	81,878	81,878
Geological consultants	1,771	25,823	27,594
Geophysics	-	1,341	1,341
Legal and administration (Note 9)	-	102,600	102,600
Taxes and duties	245,764	-	245,764
Travel and accommodation	-	458	458
Share-based payments (Note 8)	-	33,126	33,126
Transferred to assets held for sale	-	(1,138,946)	(1,138,946)
Balance, June 30, 2024	1,208,586	-	1,208,586
Balance, June 30, 2024	2,864,803	-	2,864,803

#### (a) Lithium - Potassium Salars, Mexico

Pursuant to an agreement dated July 28, 2016, and amended on April 7, 2017 with MKG Mining Mexico, S.A. de C. V. ("MKG"), the Company acquired a 100% interest in lithium, potassium, boron soils, and brine salar assets located in Zacatecas and San Luis Potosi, Mexico.

The property is subject to a 2% net smelter royalty ("NSR") of which 1% can be purchased by the Company for US\$250,000. The property is also subject to a 0.25% NSR in favour of the finder mentioned above.

Pursuant to an agreement dated June 15, 2017, the Company entered into an assignment of mining rights and obligations agreement with Hot Spring Mining, S.A. de C.V. ("Hot Spring Mining") to acquire two concessions located in Zacatecas and San Luis Potosi, Mexico. The properties are subject to a 2.5% NSR of which the Company has the right to purchase up to 1.5% for \$1,500,000.

In November 2017, the Company completed the staking and filing of additional mineral claims for this property.

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Included in exploration and evaluation costs is VAT receivable of \$35,788 (2024 - \$35,462) on June 30, 2025.

#### (b) Ranger-Page, USA

On July 20, 2021, and subsequently amended on July 20, 2022, the Company entered into a definitive agreement with Blackhawk Exploration LLC ("Blackhawk") providing the Company with the option to acquire a 100% interest in the past producing Government Gulch Silver project in the Silver Valley, Coeur d'Alene Mining District, Idaho, USA (the "Option"). The Company may exercise the Option by paying US\$650,000 and incurring US\$3,000,000 of exploration expenditures on the property to earn a 75% interest in the property as follows:

- Pay a non-refundable deposit of US\$20,000 upon execution of the binding letter of intent (paid);
- Pay US\$230,000 on or before July 20, 2021 (the "Effective Date");
- Pay US\$50,000 on or before the second anniversary of the Effective Date plus fourteen days, pay an additional US\$100,000 on or before the second anniversary of the Effective Date not to exceed 130 days, grant surface rights to Blackhawk related to certain mining claims and completing an additional US\$600,000 of expenditures on the property on or before the first anniversary of the Effective Date;
- Completing an additional US\$600,000 of expenditures on the property on or before the second anniversary of the Effective Date;
- Pay US\$250,000 on or before the second anniversary of the Effective Date;
- Completing an additional US\$1,200,000 of expenditures on the property on or before the third anniversary of the Effective Date; and
- Completing an additional US\$600,000 of expenditures on the property on or before the third anniversary of the Effective Date.

Upon the Company acquiring a 75% interest in the property, the Company shall have the right to either:

- Cause the parties to form a joint venture with terms consistent with the usual industry practice including a provision for a participant's interest to be converted to a 2% NSR if its interest is diluted to less than a 10% interest. The Company has the right, at any time after the NSR takes effect, to purchase one half of the NSR by making a payment of US\$1,000,000 and has the right of first refusal to purchase the remainder of the NSR; or
- Purchase Blackhawk's 25% interest at a price to be negotiated between Blackhawk and the Company with both parties acting diligently and in good faith to arrive at a mutually acceptable purchase price. If the parties do not come to agreement on the purchase price, the Company, at its option, can either pay US\$2,250,000, pay US\$1,000,000, and issue US\$1,250,000 worth of shares of the Company to Blackhawk priced at the 20 day volume weighted average price following the date that the Company elects to purchase Blackhawk's 25% interest or by Blackhawk's request, issue US\$2,250,000 worth of shares of the Company to Blackhawk priced at the 20 day volume weighted average price following the date that the Company elects to purchase Blackhawk's 25% interest.

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On November 17, 2021, the Company signed an option agreement with Deadwood Land LLC to acquire the Page Mine and a surrounding exploration land package which comprise of 49 patented mining claims. For consideration of the rental and option to acquire 100% of the mineral rights of Page Mine and surrounding project area, the Company will make a payment of US\$60,000 in Year 1 and US\$30,000 per annum in Year 2 to Year 10. The Company can purchase 100% of the patented mineral rights for a payment of US\$1,500,000 and all rental payments will be credited towards the option purchase price.

On July 14, 2024, the Company signed an asset purchase agreement with Silver Dollar whereby Silver Dollar acquired the right, title, and interest in the Ranger-Page Project. The transaction closed on August 6, 2024, and as a result, the Company presented the carrying value of the Ranger-Page Project of \$1,826,786 as assets held for sale as at June 30, 2024. Pursuant to the asset purchase agreement, the Company received cash consideration of \$300,000 and will receive 6,000,000 Silver Dollar common shares ("Payment Shares") in accordance with the following release schedule.

- 1,000,000 Payment Shares on closing date (received);
- 1,250,000 Payment Shares on 6-month anniversary of closing date (received);
- 1,250,000 Payment Shares on 12-month anniversary of closing date;
- 1,250,000 Payment Shares on 18-month anniversary of closing date; and
- 1,250,000 Payment Shares on 24-month anniversary of closing date.

The fair value of the Payment Shares was initially measured using the Finnerty valuation model due to lack of marketability of the Payments Shares being held in escrow over a period of 24 months. The following assumptions were used: stock price - \$0.30; expected life - 6 to 24 months; volatility - 89.67% to 96.7%; dividend yield - \$Nil; and risk-free rate - 3.39% to 4.13%.

The Payment Shares will be subject to a statutory four-month hold period and contractual escrow over a period of 24 months from the closing date.

In connection with the closing of this transaction, the Company issued 763,889 common shares valued at \$91,667 for finder's fees and recognized \$125,104 of loss on disposition.

	\$
<b>Consideration:</b>	
Cash	300,000
Shares	1,493,347
Finder's fees	(91,667)
Total	1,701,680
<b>Carrying value of Ranger-Page Project</b>	1,826,786
<b>Loss on disposition</b>	(125,104)

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As at June 30, 2025, the Company has a shares receivable balance of \$720,370 (2024 - \$Nil), resulting in a fair value decrease of \$41,728 (2024 - \$Nil) for the year ended June 30, 2025, of which \$480,247 (2024 - \$Nil) is due within one year.

#### 7. LOAN PAYABLE

On April 28, 2020 and August 9, 2021, the Company received a total of \$60,000 under the Canada Emergency Business Account ("CEBA"). The loan is non-interest bearing and no principal repayments are required up to December 31, 2023. If the principal balance of \$40,000 is repaid by December 31, 2023, then the remaining \$20,000 of the principal balance will be forgiven. Any remaining balance after January 1, 2024, will be converted into a three-year term loan with a fixed interest of 5% per annum; monthly interest-only payments and the outstanding balance must be repaid in full by December 31, 2025. On September 14, 2023, the repayment deadline for CEBA loan to qualify for partial loan forgiveness was extended to January 18, 2024, and the repayment date of the CEBA loan was extended to December 31, 2026.

During the year ended June 30, 2025, interest accrued on the CEBA loan was \$2,826 (2024 - \$1,138), and the Company made a principal payment of \$8,119 (2024 - \$115) and an interest payment of \$3,071 (2024 - \$892) for the CEBA loan payable.

#### 8. SHARE CAPITAL

On July 7, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every three pre-consolidated common shares. The share consolidation has been applied retrospectively and, as a result, shares, restricted share units, options, warrants, and per share amounts are stated on an adjusted basis (Note 1).

Authorized:

Class A common - unlimited  
Class B common - unlimited  
Common shares - unlimited

Issued:

Class A common - Nil  
Class B common - Nil  
Common shares - 19,290,772 shares

##### (a) Shares issued

During the year ended June 30, 2024, the Company closed its first and second tranche of non-brokered private placements and raised aggregate gross proceeds of \$685,874 through issuance of an aggregate of 2,286,247 common shares of the Company at a price of \$0.30 per share. In connection with closing, the Company paid finder's fees of \$7,000.

During the year ended June 30, 2025, the Company issued 763,889 common shares fair valued at \$91,667 for finder's fees in relation to the disposition of the Ranger-Page project (Note 6).

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#### (b) Stock options

The Company has adopted an incentive stock option plan for granting options to directors, employees, and consultants. The exercise prices shall be determined by the board, but shall, in no event, be less than the closing market price of the Company's shares on the grant date, less the maximum discount permitted under the TSX Venture Exchange's policies. Options granted may not exceed a term of five years. All options vest upon grant unless otherwise specified by the Board of Directors.

Details of stock option transactions for the years ended June 30, 2025 and 2024 are detailed below.

	Number of Options	Weighted Average Exercise Price
		\$
Balance, June 30, 2023	1,613,333	0.54
Cancelled	(166,666)	0.60
Balance, June 30, 2024	1,446,667	0.54
Cancelled	(400,000)	0.45
Balance, June 30, 2025	1,046,667	0.58

During the year ended June 30, 2023, the Company granted 633,333 stock options. These options vest 25% on grant date, then 25% every six months after grant date. The total stock option expense for these options granted is \$183,350, of which \$124,000 is recognized as share-based payments during the year ended June 30, 2023, \$63,157 is recognized as share-based payments during the year ended June 30, 2024, and \$1,068 is recognized as share-based payments during the year ended June 30, 2025.

Share-based payments of \$33,126 were allocated to exploration and evaluation assets during the year ended June 30, 2024, and \$Nil were allocated to exploration and evaluation assets during the year ended June 30, 2025 (Note 6).

As at June 30, 2025, the following stock options were outstanding:

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
	\$		
February 10, 2026	0.60	506,667	506,667
April 6, 2026	0.75	100,000	100,000
July 20, 2026	0.60	40,000	40,000
June 21, 2027	0.60	166,667	166,667
January 13, 2028	0.45	233,333	233,333
		1,046,667	1,046,667

The weighted average life of the options outstanding and exercisable on June 30, 2025 is 1.29 years (2024 - 2.64 years) with the weighted average exercise price of \$0.58 (June 30, 2024 - \$0.54).

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Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock. The expected volatility assumption is based on the historical and implied volatility of the Company's common share price. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture, and employee termination within the valuation model. Changes in these assumptions can materially affect the fair value estimate and therefore it is management's view that the existing models do not necessarily provide a single reliable measure of the fair value of the Company's stock option and warrant grants.

#### (c) Warrants

The changes in warrants during the years ended June 30, 2025 and 2024 were as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance, June 30, 2023 and 2024	5,492,420	0.525
Expired	(5,492,420)	0.525
Balance, June 30, 2025	-	-

During the year ended June 30, 2025, all warrants expired unexercised.

## 9. RELATED PARTY TRANSACTIONS

Details of transactions between the Company and other related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements, are described as follows.

#### (a) Compensation of Key Management Personnel

The compensation paid or payable to directors and key management personnel, including fees for administrative, management, accounting, and legal services provided by these related parties, during the years ended June 30, 2025 and 2024, are as follows:

	2025	2024
	\$	\$
Professional fees	48,000	56,531
Rent expense in general and administrative	12,000	12,000
Consulting fees	182,400	60,800
Consulting fees in exploration and evaluation expenditures	-	60,800
Salaries and wages	-	41,800
Salaries and wages in exploration and evaluation expenditures	-	41,800
Share-based payments	478	26,074
	242,878	299,805

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All related party transactions were in the ordinary course of business and were measured at their exchange amount as agreed between the related parties.

#### (b) Related Party Balances

As of June 30, 2025 and 2024, the Company has the following amounts owed to related parties that are non-interest-bearing, unsecured, and have no specified terms of repayment:

Payee	June 30, 2025	June 30, 2024
	\$	\$
Due to the CEO	167,400	102,600
Due to a company controlled by the CFO for accounting fees	4,175	20,200
Due to an accounting firm controlled by the CFO for accounting fees	4,575	8,400
Due to a company controlled by the Corporate Secretary	-	5,106
Due to former officers and former directors	4,656	4,656
	180,806	140,962

No post-employment benefits, other long-terms benefits, and termination benefits were made during the years ended June 30, 2025 and 2024.

## 10. CAPITAL DISCLOSURES

The Company's objectives when managing capital are as follows:

- To safeguard the Company's ability to continue as a going concern;
- To raise sufficient capital to finance its exploration activities on its mineral exploration properties; and
- To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short-term working capital requirements, and its planned exploration and development program expenditure requirement. The capital structure of the Company is composed of working capital (deficiency) and shareholders' equity. The Company may manage its capital by issuing flow through or common shares, or by obtaining additional financing.

The Company utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets underlying assumptions as necessary.

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There were no changes in the Company's approach to managing capital during the current year. In order to maintain or adjust the capital structure, the Company considers the following:

- i) Incremental investment and acquisition opportunities;
- ii) Equity and debt capital available from capital markets;
- iii) Sale of assets; and
- iv) New share issuances if available on favorable terms.

The Company is not subject to any external financial covenants at June 30, 2025 and 2024.

#### **11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

IFRS Accounting Standards establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

##### Fair Value of Financial Instruments

The Company's financial assets include cash and cash equivalents, amounts receivable excluding sales taxes receivable, shares receivable, and investments. Cash and cash equivalent and investments are measured at fair value using Level 1 inputs. Shares receivable is measured at fair value using Level 3 inputs. Amounts receivable excluding sales taxes receivable is carried at amortized cost.

The Company's financial liabilities include accounts payable and accrued liabilities, deposit received in advance, and loan payable, all of which are carried at amortized cost.

Fair values of the Company's financial instruments carried at amortized cost approximate their carrying values, due to the short-term maturity of these instruments.

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Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position as at June 30, 2025 and 2024 and are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash and cash equivalents				
June 30, 2025	104,820	-	-	104,820
June 30, 2024	14,647	-	-	14,647
Shares receivable				
June 30, 2025	-	-	720,370	720,370
June 30, 2024	-	-	-	-
Investments				
June 30, 2025	264,000	-	-	264,000
June 30, 2024	-	-	-	-

The following table summarizes the carrying value of the Company's financial instruments:

	June 30, 2025	June 30, 2024
	\$	\$
<b>Financial assets</b>		
Fair value through profit and loss (i)	1,089,190	14,647
Amortized cost (ii)	14,844	1,796
<b>Financial liabilities</b>		
Amortized cost (iii)	1,401,894	1,025,593

- (i) Cash and cash equivalents, shares receivable, and investments
- (ii) Amounts receivable, excluding sales taxes receivable
- (iii) Accounts payable, deposit received in advance and loan payable

The Company's financial instruments are exposed to certain risks, including credit risk, interest rate risk, liquidity risk, currency risk, and market risk.

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(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalent and amounts receivable, excluding sales taxes receivable. The Company's cash and cash equivalent are held through a large Canadian financial institution. Collectability for amounts receivable is assessed on an ongoing basis and a provision for impairment is recorded as necessary.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In management's opinion, the Company is not exposed to significant interest rate risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash is always available to settle financial liabilities. As of June 30, 2025, the Company had cash and cash equivalent on hand of \$104,820 (2024 - \$14,647) available to settle current liabilities of \$1,350,127 (2024 - \$965,462). Accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Loan payables of \$60,000 is due in December 2026 and \$3,071 in interest payments is due in the calendar year 2025.

(d) Currency risk

The Company's functional currency is the Canadian dollar. The Company is primarily exposed to currency fluctuations related to accounts payable and accrued liabilities and payment obligations for exploration and evaluation that are denominated in Mexican Pesos and US dollars. As of June 30, 2025, the Company had net current liabilities of \$1,089,010 (2024 - \$726,821) denominated in Mexican Pesos and net current liabilities of \$7,447 (2024 - \$2,580) denominated in US dollars, translated at 0.07247 pesos to \$1 (2024 - 0.07484) and 1.3643 US to \$1 (2024 - \$1.3687), respectively. The Company does not actively manage this risk.

(e) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as market prices, foreign exchange rates and interest rates. In management's opinion, the Company is not exposed to significant market risk.

## SILVER VALLEY METALS CORP.

(An Exploration Stage Enterprise)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the Years Ended June 30, 2025 and 2024

## 12. SEGMENTED INFORMATION

The Company currently operates in two geographical operating segments, the exploration of mineral properties in Mexico. Management of the Company makes decisions about allocating resources based on the operating segments. A geographic summary of identifiable long-term assets by country is as follows:

<b>As at June 30, 2025</b>			
	Canada	Mexico	Total
	\$	\$	\$
Equipment	1,846	398	2,244
Exploration and evaluation assets	-	3,245,359	3,245,359
Shares receivable	240,123	-	240,123

  

<b>As at June 30, 2024</b>			
	Canada	Mexico	Total
	\$	\$	\$
Equipment	2,637	569	3,206
Exploration and evaluation assets	-	2,864,803	2,864,803

## 13. INCOME TAXES

In assessing the realizability of deferred tax assets, management considers whether it is probable that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are expected to reverse. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

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

	<b>2025</b>	<b>2024</b>
	\$	\$
Non-capital losses	8,350,000	6,916,000
Exploration and evaluation assets	590,000	590,000
Investments - fair value	63,000	-
Share issuance costs	-	-
Capital assets	54,000	53,000
Unrecognized deferred income tax assets	(9,057,000)	(7,559,000)
Net deferred income tax assets	-	-

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The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates at 27% (2024 - 27%) to the amount reported in these consolidated financial statements:

	2025	2024
	\$	\$
Income tax recovery at statutory rate	(229,000)	(103,000)
Non-deductible items	10,000	8,000
Income tax rate difference	-	-
Under/over provided in prior years	(27,000)	(27,000)
Change in unrecognized deferred income tax assets	172,000	122,000
Income tax recovery	-	-

As at June 30, 2025, the amount of deductible temporary differences for which no deferred tax asset is recognized in the consolidated statements of financial position is mainly the Company's non-capital losses carried forward of approximately \$7,756,000 which are available to offset future years' taxable income earned in Canada, \$427,000 losses carried forward in Mexico, and \$440,000 losses carried forward in the United States. Any losses incurred in Mexico are carried forward until utilized. The losses incurred in Canada expire as follows:

	\$
2034	124,000
2035	235,000
2036	244,000
2037	2,542,000
2038	817,000
2039	527,000
2040	359,000
2041	366,000
2042	480,000
2043	494,000
2044	363,000
2045	1,205,000
	<u>7,756,000</u>

#### 14. SUBSEQUENT EVENTS

On August 5, 2025, the Company entered into a share purchase agreement with 1531472 B.C. Ltd., an arm's length company, to acquire 100% of the issued and outstanding shares of 1531472 B.C. Ltd. which holds two exploration projects in Finland. Pursuant to the agreement, the Company will issue 18,000,000 common shares to the shareholders of 1531472 B.C. Ltd. at a deemed price of \$0.09 per share for total consideration of \$1,620,000.