Kintavar Exploration Inc.

Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

Raymond Chabot Grant Thornton

Independent Auditor's Report

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To the Shareholders of
Kintavar Exploration Inc.

Opinion

We have audited the consolidated financial statements of Kintavar Exploration Inc. (hereafter "the Company"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of loss and comprehensive loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "IFRS Accounting Standards").

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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. We have determined that there are no key audit matters to communicate in our report.

Other matter – restated comparative information

We draw attention to Note 21 to the consolidated financial statements, which describes that certain comparative information presented for the year ended December 31, 2023 has been restated. The consolidated financial statements for the year ended December 31, 2023 (before adjustments made for the restatement of certain comparative information described in Note 21) were audited by another auditor who expressed an unmodified opinion on those statements on April 26, 2024. Our opinion is not modified in respect of this matter.

Information other than the consolidated financial statements and the auditor's report thereon

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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the 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 Karine Desrochers.

Raymond Chabot Grant Thornton LLP[1]

Montréal
April 28, 2025

[1] CPA auditor, public accountancy permit no. A127023

Kintavar Exploration Inc.

Consolidated Statements of Financial Position
As of December 31, 2024, and 2023
(In Canadian dollars)

	Note	As at December 31, 2024	As at December 31, 2023
		$	$
Assets			
Current assets			
Cash and cash equivalents	4	728,242	1,405,854
Receivables	7	474,937	820,740
Inventory		-	70,861
Investments - current	5	619,348	310,000
Investments in listed companies	6	73,625	51,625
Prepaid fees and others		10,493	55,888
Assets held for sale	21	3,536,740	-
Current assets		5,443,385	2,714,968
Non-current assets			
Investment - non-current	5	-	200,000
Exploration and evaluation assets	8	2,079,043	2,201,212
Property and equipment	9	81,928	3,912,735
Non-current assets		2,160,971	6,313,947
Total assets		**7,604,356**	**9,028,915**
Liabilities			
Current liabilities			
Trade and other payables	10	156,287	338,633
Deferred revenues		-	14,988
Long-term debt – current portion	12	-	87,523
Liabilities held for sale	21	642,302	-
Current liabilities		798,589	441,144
Non-current liabilities			
Deferred tax liability	20	-	212,233
Long-term debt	12	-	531,043
Non-current liabilities		-	743,276
Total liabilities		**798,589**	**1,184,420**
Equity			
Share capital	13	21,860,175	21,860,175
Warrants	14	32,475	32,475
Broker warrants	15	-	879
Stock options	16	329,347	439,730
Contributed Surplus		2,998,728	2,865,212
Deficit		(18,414,958)	(17,353,976)
Total equity		**6,805,767**	**7,844,495**
Total liabilities and equity		**7,604,356**	**9,028,915**

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

On behalf of the Board

(s) Kiril Mugerman
Kiril Mugerman
Director

(s) Geneviève Ayotte
Geneviève Ayotte
Director

Kintavar Exploration Inc.

Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31, 2024 and 2023
(In Canadian dollars)

	Note	2024	2023
		$	$
Exploration services		650,918	333,511
Income		**650,918**	**333,511**
Operating expenses			
Exploration and evaluation, net of tax credits	18	191,565	557,872
Costs of services - exploration		465,438	-
Salaries and benefits	17	251,992	314,345
Share-based compensation		22,254	40,785
Professional fees		98,731	109,042
Travel, conferences and investor relations		17,444	33,427
Administration		21,848	78,279
Filing fees		26,521	22,514
Rent		11,100	11,100
Insurance and taxes		21,925	16,964
Impairment of exploration and evaluation assets		35,207	112,123
Depreciation of property and equipment		2,262	1,500
		1,166,288	1 297,951
Operating loss		**(515,370)**	**(964,440)**
Other revenues (expenses)			
Interest income		75,854	78,489
Finance costs		(6,267)	(5,171)
Other revenue		-	9,639
Gain on disposal of exploration and evaluation assets		-	2,250
Unrealized gain in fair value of investments in listed companies		22,000	825
Loss on disposal of property and equipment		-	(1,141)
		91,587	84,891
Loss before income taxes – continued operations		**(423,783)**	**(879,549)**
Deferred tax recovery	20	-	(171,610)
Net and comprehensive loss – continued operations		(423,783)	(707,939)
Net income and comprehensive income – discontinued operations	21	(637,199)	58,694
Net loss and comprehensive loss		**(1,060,982)**	**(649,245)**
Basic and diluted loss per share – continued operations		(0.003)	(0.005)
Basic and diluted earnings per share – discontinued operations		(0.005)	0.000
Total		(0.008)	(0.005)
Weighted average number of basic and diluted outstanding shares		**128,557,128**	**128,557,128**

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

Kintavar Exploration Inc.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(In Canadian dollars)

	Note	Number of shares outstanding	Capital Stock	Warrants	Broker Warrants	Stock Options	Contributed Surplus	Deficit	Total Equity
			$	**$**	**$**	**$**	**$**	**$**	**$**
Balance as at January 1, 2024		**128,557,128**	**21,860,175**	**32,475**	**879**	**439,730**	**2,865,212**	**(17,353,976)**	**7,844,495**
Loss and comprehensive loss for the year		-	-	-	-	-	-	(1,060,982)	(1,060,982)
Stock-based compensation	16	-	-	-	-	22,254	-	-	22,254
Expired options		-	-	-	-	(132,637)	132,637	-	-
Expired broker warrants		-	-	-	(879)	-	879	-	-
Balance as at December 31, 2024		**128,557,128**	**21,860,175**	**32,475**	**-**	**329,347**	**2,998,728**	**(18,414,958)**	**6,805,767**

	Note	Number of shares outstanding	Capital Stock	Warrants	Broker Warrants	Stock Options	Contributed Surplus	Deficit	Total Equity
			$	**$**	**$**	**$**	**$**	**$**	**$**
Balance as at January 1, 2023		**128,557,128**	**21,860,175**	**32,475**	**49,761**	**1,844,441**	**1,370,834**	**(16,704,731)**	**8,452,955**
Loss and comprehensive loss for the year		-	-	-	-	-	-	(649,245)	(649,245)
Stock-based compensation		-	-	-	-	40,785	-	-	40,785
Expired options		-	-	-	-	(1,445,496)	1,445,496	-	-
Expired broker warrants		-	-	-	(48,882)	-	48,882	-	-
Balance as at December 31, 2023		**128,557,128**	**21,860,175**	**32,475**	**879**	**439,730**	**2,865,212**	**(17,353,976)**	**7,844,495**

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

Kintavar Exploration Inc.

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(In Canadian dollars)

	Note	2024	2023
		$	$
Operating activities			
Net loss for the year – continued operations		(423,783)	(707,939)
Adjustments for:			
Accrued interest on investments		(34,449)	(13,913)
Stock-based compensation		22,254	40,785
Depreciation of property and equipment		2,262	1,500
Loss on disposal of property and equipment		-	1,140
Gain on disposal of exploration and evaluation assets		-	(2,250)
Impairment of exploration and evaluation assets	8	35,207	112,123
Deferred tax recovery	20	-	(171,610)
Unrealized gain on variation of value of investments in listed companies		(22,000)	(825)
Accretion of long-term debt		-	2,697
Changes in non-cash working capital items	22	(28,469)	270,033
Cash flow from operating activities – continued operations		(448,978)	(468,259)
Cash flow from operating activities – discontinued operations		(191,164)	156,681
Total cash flows used in operating activities		**(640,142)**	**(311,578)**
Investing activities			
Addition to investments		(406,000)	(510,000)
Disposal or maturities of investments		310,000	1,200,000
Additions of exploration and evaluation assets		(33,038)	(26,732)
Option payment received on exploration and evaluation assets		120,000	100,000
Acquisition of property and equipment		-	-
Proceeds from sale of property and equipment		-	3,000
Cash flow from investing activities – continued operations		(9,038)	766,268
Cash flow from investing activities – discontinued operations		39,121	(306,867)
Total cash flows used in investing activities		**30,083**	**459,401**
Financing activities			
Repayment of long-term debt		-	(40,000)
Cash flow from financing activities – continued operations		-	(40,000)
Cash flow from financing activities – discontinued operations		(59,681)	(257,008)
Cash flows from financing activities		**(59,681)**	**(297,008)**
Net change in cash and cash equivalents		(669,740)	(149,185)
Cash and cash equivalents - beginning		1,405,854	1,555,039
Cash and cash equivalents - ending		**736,114**	**1,405,854**
Cash and cash equivalents – continued operations		728,242	-
Cash and cash equivalents – discontinued operations	21	7,872	-

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

1. NATURE OF OPERATIONS AND LIQUIDITY RISK

Kintavar Exploration Inc. (the "Corporation") was formed on March 24, 2017 upon the issuance of an amalgamation certificate under the *Business Corporations Act* (Quebec) and is engaged in the acquisition, exploration and evaluation of mining properties in Canada. The Corporation's class A common shares ("Shares") are listed on the TSX Venture Exchange (the "Exchange") under the symbol KTR. The address of the Corporation's registered office and principal place of business is 75, boul. de Mortagne, Boucherville, Quebec, Canada, J4B 6Y4.

The Corporation has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the ability of the Corporation to obtain necessary financing to pursue the exploration and evaluation on its mining properties.

The present audited consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In 2024, the Corporation reported a net loss of $1,060,982 ($649,245 in 2023) and has an accumulated deficit of $18,414,958 ($17,353,976 in 2023). As at December 31, 2024, the Corporation had a working capital, excluding assets and liabilities held for sale of $1,750,358 ($2,273,824 as of December 31, 2023). Subsequent to year-end, the Corporation sold its subsidiary and received $2,335,466 (note 24).

Given these circumstances, management of the Corporation believes it has sufficient funds to pay its ongoing general and administrative expenses, to pursue its budgeted exploration and evaluation expenditures, and to meet its liabilities, obligations, and existing commitments for the ensuing twelve (12) months as they fall due. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation on terms which are acceptable to the Corporation.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with the *International Financial Reporting Standards* ("IFRS") as issued by the *International Accounting Standards Board* ("IASB") and IFRS Interpretations Committee ("IFRIC").

The consolidated financial statements were approved by the Corporation's Board of Directors on April 28, 2025.

2.2 Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for certain assets carried at fair value. The Corporation has elected to present the statement of loss and comprehensive loss in a single statement.

2.3 Amendments and interpretations of existing standards that are not yet in force and that the Corporation has not adopted early

At the date these financial statements were authorized for issue, several new interpretations and amendments to existing standards had been published by the IASB but were not yet effective. The Corporation has anticipatorily adopted any of these standards or amendments to existing standards.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

Management expects that all relevant pronouncements will be adopted in the first reporting period following their effective date. The new standards, amendments and interpretations that have not been adopted and have not been presented below are not expected to have a material impact on the Corporation's financial statements.

IFRS 18 - Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB published IFRS 18 "Presentation and Disclosure of Financial Statements" to improve the communication of financial performance. IFRS 18 replaces IAS 1 "Presentation of Financial Statements". It incorporates many of the requirements of IAS 1 without modification. This new accounting standard makes significant changes to the structure of a company's income statement, reinforces rigor and transparency in the presentation of management performance indicators (commonly referred to as "non-GAAP indicators"), and reduces the grouping of items into single figures. The main impacts of this new accounting standard are as follows:

- The introduction of a newly defined sub-total for "operating income" and the requirement to allocate all income and expenses to three new distinct categories based on the company's main activities (operating, investing and financing);
- Require the publication of information on management performance indicators (MPD); and
- Add new principles for aggregating and disaggregating information.
- IFRS 18 applies to annual periods beginning on or after January 1, 2027. Earlier application is permitted. The extent of the impact of adopting this new IFRS standard has not yet been determined, and the Corporation has not yet determined whether early adoption will be considered.

2.4 Consolidation method

The consolidated financial statements of the Corporation include its accounts and those of its subsidiary Pourvoirie Fer à Cheval ("the Fer à Cheval") wholly owned and acquired on August 1, 2019. This subsidiary is engaged in providing lodging and hunting/fishing packages for tourists and workers in the region of the Hautes-Laurentides. Control refers to the power to direct the financial and operating policies of an entity in order to benefit from its activities. All intra-group transactions, balances, revenues and expenses are eliminated upon consolidation.

2.5 Discontinued operations

Discontinued operations are recognized when a component of the Corporation, representing a distinct major business segment or an area of activity with clearly distinct cash flows, has been disposed of or is held for sale. Classification as a discontinued operation takes place on disposal or when the business meets the criteria to be classified as held for sale, whichever is earlier. Discontinued operations are presented as a separate component of net income in the consolidated income statement for the current and comparative periods. When a disposal group is classified as held for sale, assets and liabilities are grouped together and presented on separate lines, respectively, in the consolidated statement of financial position. Comparative periods are not restated in the consolidated statement of financial position. Assets held for sale are not amortized and are measured at the lower of carrying amount and fair value less costs to sell.

2.6 Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is the Corporation and its subsidiary's functional currency.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.7 Financial Instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and all substantial risks and rewards have been transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

a) Financial assets

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. On initial recognition, the Corporation classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired.

Amortized cost:

Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments constituted solely of payments of principal and interest that are held within a "held to collect" business model. Financial assets at amortized cost are initially recognized at the amount expected to be received, less, when material, a discount to reduce the financial assets to fair value. Subsequently, financial assets at amortized cost are measured using the effective interest method less a provision for expected losses. The Corporation's cash and cash equivalents, investments other than investments in listed companies and amounts receivable (except sales taxes and tax credits and mining duties receivable) are classified in this category.

Financial assets at fair value through profit or loss:

Investments in equity are subsequently measured at fair market value and changes are recognized in net loss. The category includes the investments in listed mining exploration companies. These instruments are measured at fair market value and changes in fair market value are recognized in net loss. Fair market value is determined on the basis of stock market prices.

b) Financial liabilities

Amortized cost:

Trade and other payables, bank loan and long-term debt are initially measured at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, financial liabilities are measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities (excluding salaries and vacation payables and amounts to be remitted to the government) and long-term debts are classified in this category.

c) Impairment of financial assets

Amortized cost:

The expected loss is the difference between the amortized cost of the financial asset and the present value of the expected future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. Provisions for expected losses are adjusted upwards or downwards in subsequent periods if the amount of the expected loss increases or decreases.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

Expected Credit Loss Impairment Model:

IFRS 9 introduced a single expected credit loss ("ECL") impairment model, which is based on changes in credit quality since initial application. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past event, current conditions and forecasts of future economic conditions. The Corporation's financial assets, other than financial assets measured at FVTPL, include accounts receivable, and the Corporation applies the simplified approach for accounts receivable. Using the simplified approach, the Corporation records a loss allowance equal to the ECLs resulting from all possible default events over the assets' contractual lifetime. The general approach is applied to all other financial assets to which the impairment requirements of IFRS 9 apply.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Corporation determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

2.8 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short-term liquid investments with original maturities of three months or less or cashable at any time without penalties.

2.9 Tax credits and mining rights receivable

The Corporation is entitled to a refundable tax credit on qualified exploration expenditures incurred and a refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration and evaluation expenses incurred. As the Corporation intends to realize the carrying value of its assets and settle the carrying value of its liabilities through the sale of its exploration and evaluation assets, the related deferred tax has been calculated accordingly.

2.10 Short-term investments

The Corporation considers short-term investments to be those whose terms at the time of purchase are more than 90 days but maximum one year.

2.11 Inventory

The inventory consists of gasoline, food, drink, housekeeping equipment and promotional materials that will be used to sell products or provide future outfitting services. Inventory is valued at the lower of cost and net realizable value. The cost is determined using the average cost method.

2.12 Exploration and evaluation assets and expenses

Exploration and evaluation ("E&E") assets include rights in exploration properties, paid or acquired through a business combination or an acquisition of assets. Mining rights are recorded at acquisition cost less accumulated impairment losses. Mining rights and options to acquire undivided interests in mining rights are depreciated only as these properties are put into commercial production.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

E&E expenses include costs related to the initial search for mineral deposits with economic potential or to obtain more information about existing mineral deposits. E&E expenses also include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore such as topographical, geological, geochemical and geophysical studies. Expenditures relating to E&E activities are expensed as incurred.

E&E include costs related to establishing the technical and commercial viability of extracting a mineral resource identified through exploration or acquired through a business combination or asset acquisition. E&E include the cost of:

- establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
- determining the optimal methods of extraction and metallurgical and treatment processes, including the separation process, for the Corporation's mining properties;
- studies related to surveying, transportation and infrastructure requirements;
- permitting activities; and
- economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

The E&E expenses are recorded in the income statement until such time as the technical feasibility and commercial viability has been established that supports the future development of the property, and such development receives the Board of Directors approval, at which time the mine project moves into the development phase.

E&E include overhead expenses directly attributable to the related activities.

The Corporation may acquire or dispose of a property pursuant to the terms of an option agreement. Due to the fact that options are exercisable entirely at the discretion of the option holder, the amounts payable or receivable are not recorded. Option payments are recorded when they are made or received. When disposing of interest in connection with option agreements, the Corporation does not recognize exploration and evaluation expenses incurred on the properties by the purchaser. In addition, the consideration received in cash or in shares from the acquirer are recorded in order as a reduction of the book value of previously capitalized expenses, from the book value of exploration and evaluation expenses in profit or loss, any excess being recognized as a gain on disposal of exploration and evaluation assets in profit or loss.

2.13 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Corporation and the cost can be measured reliably.

The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the statement of loss and comprehensive loss during the period in which they are incurred.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

Depreciation is calculated to amortize the cost of the property and equipment less their residual values over their estimated useful lives using the straight-line method and following periods by major categories:

Rolling stock	3 to 5 years
Outfitter trails	20 years
Power line	20 years
Spawning grounds	20 years
Equipment	10 years
Buildings	20 years

The depreciation expense for each period is recognized in the statement of loss and comprehensive loss. In the case of certain items of property and equipment related to E&E activities on a project that has not reached the phase at which the Corporation capitalizes its E&E expenses, the depreciation expense is recognized in the statement of loss and comprehensive loss. Depreciation of an asset ceases when it is classified as held for sale (or included in a disposal group that is classified as held for sale) or when it is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

Residual values, methods of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate. Gains and losses on disposals of property and equipment are determined by comparing the proceeds with the carrying amount of the asset and are recorded in the statement of loss and comprehensive loss.

2.14 Impairment of non-financial assets

E&E assets and property and equipment are reviewed for impairment, by area of interest, if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Corporation estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in the statement of loss and comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized as a reduction in the impairment charge for the period.

When claims expire on a property and the Corporation decides not to renew them, a devaluation expense will be taken calculated in proportion to the number of expired claims on the number of total claims preceding the expiry.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.15 Deferred Revenues

Amounts received or receivable prior to the service delivery are classified as deferred revenues. Deferred revenues include the portion of the amounts received or charged on hunting and fishing packages and exploration services for which services have not yet been rendered. Since the deposit period from customers never exceeds 12 months, all deferred revenues are classified as current liabilities.

2.16 Revenue Recognition

Revenues consist of revenue from exploration services, interest income and sales made by the subsidiary including sales of outfitting packages including leisure and worker's accommodation packages as well as other outfitting revenues such as promotional material, gasoline, hunting and fishing licenses, food and beverages, etc.

i) Exploration services

Exploration services are recognized as revenue in the statement of income and comprehensive income. Costs incurred to complete the work are included in operating expenses as part of the cost of exploration services.

Revenues are measured at the fair value of the consideration received or receivable. Any payments received from customers prior to completion of the work are recorded as deferred revenue in the statement of financial position, while costs incurred but not invoiced are recorded as work-in-progress.

ii) Sales of outfitting packages

Revenue from the sale of packages is recognized as services are rendered (i.e. per night consumed for leisure and worker's accommodation forfeits). Revenue from the sale of goods is recognized when control is transferred to the customer, which is realized upon delivery of the product or service.

Revenue is measured at the fair value of the consideration received or receivable.

iii) Interest income

Interest Income from a financial asset Is recognized when It is probable that the economic benefits will flow to the Corporation and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

2.17 Government grants

The Corporation and its subsidiary received financial assistance under government incentive programs for exploration expenses and for investments in facilities. Government grants are recognized initially as government grants receivable at fair value when there is reasonable assurance that it will be received, and that the Corporation will comply with the conditions associated with the grant. Grants are recognized as a reduction of the related expenditures (in the statements of financial position or statements of loss and comprehensive loss depending on the nature of the expenditures).

Grants are recognized in proportion to the total costs expected to the contract. Any payment received before the associated work is performed are recorded as deferred grants in the statement of financial position.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

During fiscal 2024, grants of $29,529 were recorded against property, plant, and equipment (none in 2023) and $800 was recorded in the consolidated statement of income ($80,067 in 2023).

2.18 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Temporary differences are not provided for if they arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are presented as noncurrent and are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 Equity

Capital stock represents the amount received on the issue of shares. Warrants represent the allocation of the amount received for units issued as well as the charge recorded for the broker warrants relating to financing. The stock option reserve account includes charges related to stock options until they are exercised. Contributed surplus includes amounts of options and warrants that expired and not exercised. Deficit includes all current and prior period retained profits or losses.

The Corporation applied the residual value approach to allocate the proceeds received from the unit offering to their respective components. The fair value of the common shares was determined by using the trading price of the Corporation's shares at the date of issuance. The excess of the unit price over the fair value of the common shares was used to determine the residual value. The residual value is allocated to warrants.

Share and warrant issue expenses are accounted for in the year in which they are incurred and are netted against the share capital accounts for which they were incurred.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.20 Flow through shares

The Corporation finances some E&E expenses through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. Issuance of flow-through units represents in substance an issue of common shares, warrants (if applicable) and the sale of the right to tax deductions to the investors. When the flow-through units are issued, the sale of the right to tax deductions is deferred and presented as other liabilities in the statement of financial position. The proceeds received from flow-through placements are allocated between share capital, warrants issued and the liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance, then to warrants (if applicable) according to the fair value of the warrants at the time of issuance and any residual in the proceeds is allocated to the liability. The fair value of the warrants is estimated using the Black-Scholes valuation model. The liability component recorded initially on the issuance of shares is reversed, on renouncement of the right to tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in deferred taxes recovery.

2.21 Stock-based compensation

The Corporation operates an equity-settled share-based remuneration plan (share options plan) for its eligible directors, officers, employees and consultants. The Corporation's plan does not feature any options for a cash settlement.

An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Corporation. The expense is recorded over the vesting period for employees and over the period covered by the contract for non-employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or service received, the Corporation shall measure their value indirectly by reference to the fair value of the equity instruments granted. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date using the Black-Scholes option pricing model and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognized as an expense in the statement of loss and comprehensive loss with a corresponding credit to contributed surplus, in equity. Broker warrants, in respect of an equity financing are recognized as share issue expense reducing the equity with a corresponding credit to warrants.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are recorded as capital stock. The accumulated charges related to the share options recorded in contributed surplus are then also transferred to capital stock.

(In Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.22 Loss per share

Loss per share is calculated using the weighted average number of shares outstanding during the year. Diluted loss per share is calculated using the weighted average number of shares outstanding during the year for the calculation of the dilutive effect of warrants and stock options unless they have an anti-dilutive effect.

2.23 Segment disclosures

The Corporation currently operates in two segments – the acquisition, exploration and evaluation of exploration properties and the operation of a hunting and fishing and outdoor outfitter. All of the Corporation's activities are conducted in Canada. Segment information for the reporting periods is as follows:

	Exploration and evaluation	**Outfitting (lodging, fishing and hunting)** Reclassified as discontinued operations	**Total**
	$	**$**	**$**
2024			
Revenues	650,918	1,292,348	**1,943,266**
Total assets	4,067,616	3,536,740	**7,604,356**
Total liabilities	156,287	642,302	**798,589**
2023			
Revenues	333,511	3,293,527	**3,627,038**
Total assets	4,544,548	4,484,367	**9,028,915**
Total liabilities	117,962	1,066,458	**1,184,420**

The group's management team monitors the performance of these operating segments as well as deciding on the allocation of resources to them. Segmental performance is monitored using adjusted segment operating results.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results could differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

3.1 Impairment of E&E assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (CONT'D)

Determining whether to test for impairment of E&E assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; substantive expenditure on further E&E of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires considerable management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances.

These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Corporation's assets and earnings may occur during the next period.

The total impairment loss of the E&E assets recognized is $35,207 for 2024 ($112,123 for 2023). No reversal of impairment losses has been recognized for the reporting periods.

3.2 Assets and liabilities of discontinued operations

Determining whether a disposal group qualifies for classification as a discontinued operation, and which assets and liabilities should be included in that group, requires management judgment. The Corporation must also use its judgment to determine at what date all the criteria are met for assets and liabilities to be classified as related to discontinued operations. The Corporation must also use estimates to determine the fair value less costs to sell of the disposal group, in order to assess whether its carrying amount is greater than its recoverable amount.

3.3 Deferred taxes

The assessment of availability of future taxable profits involves judgment. A deferred tax asset is recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. Judgment is also involved in the determination of the expected manner of realisation or settlement of the carrying amount of the Corporation's assets and liabilities which is expected to be through the sale of the Corporation's assets.

3.4 Valuation of credit on duties refundable for loss and the refundable tax credit for resources.

Refundable credit on mining duties and refundable tax credit related to resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including credit on mining duties and tax credit related to resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (CONT'D)

The calculation of the Corporation's credit on mining duties and tax credit related to resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been received from the relevant taxation authority.

Differences arising between the actual results following final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to credit on mining duties and tax credit related to resources, exploration and evaluation assets and expenses, and income tax expense in future periods.

The amounts recognized in the consolidated financial statements are derived from the Corporation's best estimation and judgment as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Corporation's financial position and its financial performance and cash flows.

4. CASH AND CASH EQUIVALENTS

Short-term investments held and classified as cash equivalents include the following:

As at December 31, 2024:

- Guaranteed investment certificates totalling $414,424, bearing interest at rates of 3.00% and 4.50% and maturing on April 11, 2025 and November 5, 2025. Interest and principal may be cashed at any time without penalty.
- Mutual fund of $25,526, bearing interest at 4.30%.

As at December 31, 2023:

- Guaranteed investment certificates totalling $1,155,570, bearing interest at rates ranging from 4.50% to 5.15% and maturing between January 3, 2024 and November 18, 2024. Interest and principal may be cashed at any time without penalty.

The Corporation has the following credit facility:

- Operating line of credit, which provides for advances of up to $50,000 ($50,000 as at December 31, 2023), bearing interest at the financial institution's prime rate plus 2.35% (effective rate of 7.80% as at December 31, 2024). As at December 31, 2024, the amount outstanding under this credit facility was $31,867 (nil as at December 31, 2023) and is reclassified under liabilities held for sale (note 21).

No new flow-through financing was issued in 2023 and 2024, so there was no amount to spend as at December 31 of either year.

5. INVESTMENTS

Current

The current investments as at December 31, 2024 consist of two guaranteed investment certificates that are non-cashable prior to maturity. The certificates totalize $619,348 in nominal value, bear interest with rates ranging from 5.30% to 5.70% and expiring dates of January 8, 2025 and November 3, 2025.

(In Canadian Dollars)

5. INVESTMENTS (CONT'D)

The current investments as at December 31, 2023 consisted of three guaranteed investment certificates that are non-cashable prior to maturity. All three certificates totalize $310,000 in nominal value, bear interest with rates ranging from 5.30% to 5.70% and expiring dates ranging from November 4, 2024, to December 18, 2024.

Non-Current

There are no investments classified as non-current as at December 31, 2024.

The non-current investment as at December 31, 2023 consists of one guaranteed investment certificate of $200,000 that is non cashable with a rate of 5.70% and expiring on November 3, 2025.

6. INVESTMENTS IN LISTED COMPANIES

The Corporation holds marketable securities. The investments are listed on the Exchange and valued at fair value based on quoted market prices.

The shares are listed on the Exchange. The total amount of the investments can be summarized as follows:

	As at December 31, 2024	**As at December 31, 2023**
	$	**$**
REV Exploration Inc. – 75,000[1] common shares *(750,000 as at December 31, 2023)*	31,125	11,250
Northern Superior Resources Inc. – 85,000 common shares *(85,000 as at December 31, 2023)*	42,500	40,375
Investments in listed companies	**73,625**	**51,625**

1) On July 25, 2024, REV Exploration Inc. (formerly Gitennes Exploration Inc.) consolidated its common shares on the basis of one (1) new post-consolidation common share for every ten (10) pre-consolidation common shares. The number of shares presented is on a post-consolidation basis.

7. RECEIVABLES

	As at December 31, 2024	**As at December 31, 2023**
	$	**$**
Accounts receivable	147,065	640,630
Due from Geomega Resources Inc. (note 19)	90,340	-
Sales taxes receivable	31,919	-
Tax credits and mining rights receivable	147,137	96,681
Government grants receivable	38,824	69,516
Others	62,924	13,913
Total receivables	**518,209**	**820,740**
Amounts receivable reclassified as available-for-sale assets	(43,272)	**-**
Receivables	**474,937**	**820,740**

(In Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

Mining properties acquisition costs	As at January 1, 2024	Additions	Impairment	Payment on options	As at December 31, 2024
	$	$	$	$	$
Mitchi	849,192	13,779	(28,662) [2]	(20,000)	814,309
Anik[1]	1,205,736	-	-	(100,000)	1,105,736
Rivière à l'aigle	99,114	-	-	-	99,114
Cousineau	6,545	-	(6,545) [3]	-	-
New Mosher	-	231	-	-	231
Wabash	36,740	11,354	-	-	48,094
-Baie Johann Beetz	2,347	-	-	-	2,347
Veronik	-	770	-	-	770
Cazelet	-	2,275	-	-	2,275
Garemand	-	1,232	-	-	1,232
Other Abitibi	-	1,448	-	-	1,448
Other Gaspesie	-	1,444	-	-	1,444
Other Grenville	-	308	-	-	308
Genex	1,538	197	-	-	1,735
	2,201,212	**33,038**	**(35,207)**	**(120,000)**	**2,079,043**

1) An option agreement is in effect on this property. See section 8.1 for more information.
2) The Corporation abandoned certain claims and took a partial write-down
3) All claims have been or will be abandoned on this property. The Corporation has taken a full write-off.

Mining properties acquisition costs	As at January 1, 2023	Additions	Impairment	Payment on options	As at December 31, 2023
	$	$	$	$	$
Mitchi	939,478	21,839	(112,123) [2]	-	849,192
Anik [1]	1 305,736	-	-	(100,000)	1,205,736
Rivière à l'aigle	99,114	-	-	-	99,114
Cousineau	5,535	1,010	-	-	6,545
New Mosher [1]	-	-	-	-	-
Wabash	36,740	-	-	-	36,740
Baie Johann Beetz	-	2,347	-	-	2,347
Genex	-	1,538	-	-	1,538
	2,386,603	**26,732**	**(112,123)**	**(100,000)**	**2,201,212**

1) Option agreements were in effect on these properties. See sections 8.1 and 8.2 for more information.
2) Certain claims were dropped, and the property was partially impaired.

(In Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS (CONT'D)

8.1 Anik

On May 27, 2020, the Corporation signed an option agreement with IAMGOLD Corporation ("IAMGOLD") allowing it to acquire a maximum undivided interest of 80% in the Anik gold project in consideration of the following terms:

	Cash Payments	Work
	$	$
First option for an initial participation of 75%		
At the signature (completed)	75,000	-
On or before May 26, 2021 (completed)	75,000	250,000
On or before May 26, 2022 (completed)	100,000	500,000
On or before May 26, 2023 (completed)	100,000	750,000
On or before May 26, 2024 (completed)	100,000	1,000,000
On or before May 26, 2025	150,000	1,500,000
	600,000	4,000,000
Second option for an additional participation of 5%		
Delivery of a prefeasibility study in the subsequent 5 years and commitment to spend an additional $500,000 yearly.	-	2,500,000
Total for a maximum participation of 80%	**600,000**	**6,500,000**

Both options can be exercised before their maturity at, IAMGOLD's option. If the options are exercised, the Corporation will retain a contributing net interest of 25% or 20% as the case may be, which can be converted at the Corporation's election to a 10% non-contributing and free carried interest until commercial production is achieved. The contributing interests are subject to standard dilution conditions and, when the dilution would equal less than 10%, it would convert into a 1.5% net smelter returns royalty ("NSR"). IAMGOLD maintains a buy back right of 0.75% of the NSR for $2,000,000.

Pursuant to the agreement, the Corporation will receive an additional $400,000 in cash upon the first declaration of at least 300,000 ounces of gold from 43-101 indicated mineral resources. In addition, and in each case, (a) upon a decision to develop a first mine and later (b) upon a decision to report commercial production on all or part of the project, IAMGOLD will issue a payment of $1,000,000 in cash and / or common share of IAMGOLD. In total, these additional payments could reach a total of $2,400,000.

8.2 New Mosher

On June 29, 2020, the Corporation granted REV Exploration Inc. ("REV") (formerly Gitennes Exploration Inc.) an option allowing it to acquire stakes of up to 85% of the interests in the New Mosher property. To earn these interests, REV would make common shares and cash payments to the Corporation and incur certain exploration expenses as shown in the table below. During the last quarter of fiscal 2024, REV did not complete the conditions associated with the option agreement in effect and, as a result, the agreement is now void and Kintavar continues to hold all rights to the property.

(In Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS (CONT'D)

The terms of the option agreement with REV for the New Mosher property are as followed:

	Issuance of common shares	Work
		$
First option for an initial participation of 70%		
At the approval of the TSX-V (completed)	150,000	nil
At the latest Sept. 30, 2021 (completed)	150,000	150,000
At the latest Sept. 30, 2022 (completed)	150,000	250,000
At the latest Sept. 30, 2023 (completed)	150,000	300,000
At the latest Sept. 30, 2024 (not completed)	400,000	300,000
Total for a maximum participation of 70%	**1,000,000**	**1,000,000**

8.3 Baie Johann Beetz

On August 16, 2022, the Corporation concluded an agreement with Brunswick Exploration Inc. (BRW) to option out the Baie Johan Beetz (BJB) property on the North Shore of Quebec.

On August 17, 2023, following the non fulfilment of the conditions of the 2nd milestone which required a cash payment of $100,000 and field work of $150,000, BRW abandoned its option on the BJB property. Therefore, Kintavar still owns 100% of the rights to this property.

9. PROPERTY AND EQUIPMENT

	Net book value January 1, 2024	Additions net of grants	Disposal	Depreciation	Transfer to assets held for sale	Net book value December 31, 2024
	$	$	$	$	$	$
Rolling stock	302,375	-	(4,086)	(109,979)	(106,382)	81,928
Outfitter trails	60,020	-	-	(3,852)	(56,168)	-
Electric line	252,956	-	-	(15,237)	(237,719)	-
Spawning grounds	60,020	-	-	(3,852)	(56,168)	-
Équipement	447,723	(19,621)	-	(66,156)	(361,946)	-
Buildings	2,789,641	-	-	(208,673)	(2,580,968)	-
	3,912,735	**(19,621)**	**(4,086)**	**(407,749)**	**(3,399,351)**	**81,928**

	Net book value January 1, 2023	Additions net of grants	Disposal	Depreciation	Net book value December 31, 2023
	$	$	$	$	$
Rolling stock	212,642	218,030	(29,564)	(98,733)	302,375
Outfitter trails	63,871	-	-	(3,851)	60,020
Electric line	268,193	-	-	(15,237)	252,956
Spawning grounds	63,871	-	-	(3,851)	60,020
Equipment	416,259	93,337	-	(61,873)	447,723
Buildings	2,998,315	-	-	(208,674)	2,789,641
	4,023,151	**311,367**	**(29,564)**	**(392,219)**	**3,912,735**

(In Canadian Dollars)

9. PROPERTY AND EQUIPMENT (CONT'D)

	As at December 31, 2024			As at December 31, 2023
	Cost	Accumulated Depreciation	Net book value	Net book value
	$	$	$	$
Rolling stock	269,356	(187,428)	81,928	302,375
Outfitter trails	-	-	-	60,020
Electric line	-	-	-	252,956
Spawning grounds	-	-	-	60,020
Equipment	-	-	-	447,723
Buildings	-	-	-	2,789,641
	269,356	**(187,428)**	**81,928**	**3,912,735**

10. TRADE AND OTHER PAYABLES

	As at December 31, 2024	As at December 31, 2023
	$	$
Trade payables and accrued liabilities	123,694	188,522
Due to Geomega Resources Inc. (note 19)	-	38,420
Accrued salaries	39,480	37,727
Accrued vacations	27,863	26,572
Government remittances	35,487	47,392
Total trade and other payables	226,524	338,633
Trade and other payables reclassed as liabilities held for sale	(70,237)	-
Trade and other payables	**156,287**	**338,633**

11. LIABILITY RELATED TO THE PREMIUM ON FLOW THROUGH SHARES

	As at December 31, 2024	As at December 31, 2023
	$	$
Balance, beginning	-	171,610
Addition, net of issue costs	-	-
Reduction related to qualifying exploration expenditures	-	(171,610)
Liability related to the premium on flow through shares	**-**	**-**

(In Canadian Dollars)

12. LONG-TERM DEBT

	As at December 31, 2024	As at December 31, 2023
	$	$
Term loan secured by a first mortgage on the present and future movable properties of the Corporation, on the current immovable properties and on the universality of the receivables as well as by a joint guarantee of the Corporation and its subsidiary. The loan bears interest at prime plus 0.8% (6.25% plus 1.75% (8% as of December 31, 2024). Interest and principal are payable monthly, maturing in September 2030.	189,024	222,361
Term loan secured by a first mortgage on the present and future movable properties of the Corporation, on the current immovable properties and on the universality of the receivables as well as by a joint guarantee of the Corporation and its subsidiary. The loan bears interest at prime plus 0.55% (8.05% fixed rate of 6.3% on December 31, 2024). Interest and principal are payable monthly, maturing in October 2033.	325,730	356,681
Term loan secured by a first mortgage on certain equipment at a rate of 7.49%.	-	11,437
Term loan engaged to finance rolling stock. This loan has a rate of 3.75% and is payable in monthly installments totaling $1,384 and mature on September 2025.	12,264	28,087
Current portion	-	(87,523)
Long term debt – non-current portion	**527,018**	**531,043**
Long term debt reclassed as liabilities held for sale	(527,018)	-
Long term debt – continued operations	**-**	**531,043**

13. SHARE CAPITAL

13.1 Authorized

The Corporation is authorized to issue an unlimited number of class A, B, C common shares and class A, B, C and D special shares. Class A common shares have the following restrictions and privileges: voting rights and dividends as determined by the board of directors.

13.2 Loss per share

The calculation of basic loss per share is based on the loss for the year divided by the weighted average number of shares in circulation during the year. In calculating the diluted loss per share, potential common shares such as stock options, broker warrants have not been included, as they would have the effect of decreasing the loss per share from continued operations. Decreasing the loss per share from continued operations would be antidilutive.

(In Canadian Dollars)

13. SHARE CAPITAL (CONT'D)

13.3 Capital management

The Corporation's objective in managing capital is to safeguard its ability to continue its operations as well as its E&E programs. The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Corporation may issue new shares and acquire or sell mining rights to improve its financial performance and flexibility. The Corporation's capital is composed of equity and balances thereof and changes therein are depicted in the statement of changes in shareholders' equity.

The Corporation is not subject to externally imposed capital requirements neither regulatory nor contractual requirements to which it is subject, unless the Corporation closes a flow-through private placement in which case the funds are reserved in use for exploration expenses.

13.4 Omnibus Incentive Plan

On June 26, 2024, a new omnibus equity incentive plan (the "Omnibus Plan") was established to replace the former stock option plan (the "Former Plan"). The Omnibus Plan offers a broader range of incentive awards, including stock options (the "Options"), restricted share units (the "RSUs"), performance share units (the "PSUs") and deferred share units (the "DSUs") (collectively, the "Awards"). Options issued under the Old Plan remain valid and are governed by the Old Plan.

The total number of common shares reserved for issuance under the Awards under the Omnibus Plan (including the options currently outstanding under the Old Plan) shall not exceed 10% of the total number of common shares issued and outstanding of the Corporation at any time.

14. WARRANTS

Changes in the Corporation's warrants are as follows:

	2024		2023	
	Number of warrants	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
		$		**$**
Balance, beginning	7,855,000	0.12	10,968,149	0.15
Expired	(5,148,750)	0.10	(3,113,149)	0.23
Balance, end	**2,706,250**	**0.15**	**7,855,000**	**0.12**

Warrants outstanding as at December 31, 2024 are as follows:

Number of warrants	Exercise price	Expiry date
	$	
2,706,250	0.15	December 11, 2025
2,706,250		

(In Canadian Dollars)

14. WARRANTS (CONT'D)

Warrants outstanding as at December 31, 2023 are as follows:

Number of warrants	Exercise price	Expiry date
	$	
5,148,750	0.10	December 29, 2024
2,706,250	0.15	December 11, 2025
7,855,000		

15. BROKER WARRANTS

Changes in the Corporation's broker warrants are as follows:

	2024		2023	
	Number of broker warrants	Weighted average exercise price	Number of broker warrants	Weighted average exercise price
		$		$
Balance, beginning	109,900	0.10	713,385	0.21
Expired	(109,900)	0.10	(603,485)	0.23
Balance, end	**-**	**-**	**109,900**	**0.10**

16. STOCK OPTIONS

Changes in stock options are as follows:

	2024		2023	
	Number of options	Weighted average exercise price	Number of broker warrants	Weighted average exercise price
		$		$
Balance, beginning	5,805,000	0.13	11,330,000	0.28
Granted	2,975,000	0.05	-	-
Forfeited	(200,000)	0.09	(18,750)	0.10
Expired	(1,332,500)	0.15	(5,506,250)	0.38
Balance, end	**7,247,500**	**0.09**	**5,805,000**	**0.13**
Balance, end exercisable	5,028,750	0.11	5,273,750	0.13

(In Canadian Dollars)

16. STOCK OPTIONS (CONT'D)

Stock options outstanding as at December 31, 2024 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		$	
1,207,500	1,207,500	0.10	June 29, 2025
100,000	100,000	0.09	December 15, 2025
1,202,500	1,202,500	0.17	June 10, 2026
1,812,500	1,812,500	0.10	June 09, 2027
2,825,000	706,250	0.05	June 26, 2029
100,000	-	0.05	November 28, 2029
7,247,500	**5,028,750**		

Stock options outstanding as at December 31, 2023 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		$	
920,000	920,000	0.17	June 20, 2024
1,357,500	1,357,500	0.10	June 29, 2025
100,000	100,000	0.09	December 15, 2025
1,302,500	1,302,500	0.17	June 10, 2026
2,125,000	1,593,750	0.10	June 09, 2027
5,805,000	**5,273,750**		

On June 26, 2024, the Corporation granted 2,875,000 stock options to employees, officers, and directors at a price of $0.05. The fair value of the options granted, at $0.02 per option, was estimated using the Black-Scholes model based on the following assumptions: share price of $0.025, risk-free interest rate of 3.513%, expected volatility of 98.10%, no dividends per share and expected life of the options of 3.75 years.

On November 28, 2024, the Corporation granted 100,000 stock options to employees, officers and directors at a price of $0.05. The fair value of the options granted of $0.01 per option was estimated using the Black-Scholes model based on the following assumptions: share price of $0.015, risk-free interest rate of 3.031%, expected volatility of 96.48%, no dividends per share and expected term of the options of 3.75 years.

All options granted are subject to the same conditions. Starting on the grant date, options vest in 25% increments every six months, are valid for five years, and were granted at a value equal to or greater than the market value at the close of business on the day preceding the grant date, taking into account a minimum price of $0.05.

The expected life of the stock options has been estimated based on comparable situations for companies similar to the Corporation. The expected volatility is determined by calculating the historical volatility of the Corporation's common shares prior to the date of issuance and for a period corresponding to the expected life of the options.

The stock-based compensation expense is $22,254 ($40,785 in 2023).

(In Canadian Dollars)

17. REMUNERATION

	2024	2023
	$	$
Salaries	1,422,188	1,666,918
Benefits	129,572	162,208
Salaries and benefits	**1,551,760**	**1,829,126**
Salaries and benefits presented in exploration and evaluation expenses	(217,073)	(386,476)
Salaries and benefits included in exploration costs	(326,158)	(276,845)
Salaries and benefits reclassified as discontinued operations	(756,537)	(851,460)
Salaries and benefits presented in the income statement and comprehensive loss	**251,992**	**314,345**

18. EXPLORATION AND EVALUATION EXPENSES

	2024	2023
	$	$
Salaries and benefits	217,073	386,476
Resource estimate	-	59,743
Preliminary Economic Assessment	-	26,104
Geology and mineral prospecting	-	2,500
Drilling	29,424	(193)
Analysis	15,989	65,090
Geochemistry	-	841
Metallurgy	(1,522)	18,184
Lodging and travel	22,447	14,702
Supplies	38,552	70,482
Taxes, permits and insurance	488	10,624
Exploration and evaluation expenses before tax credits	**322,451**	**654,553**
Tax credits	(130,886)	(96,681)
Exploration and evaluation expenses	**191,565**	**557,872**

19. RELATED PARTY TRANSACTIONS

19.1 Transactions with Geomega Resources Inc. (“Geomega”)

As of December 31, 2024, Geomega held 13.11% of the Corporation (13.11% as at December 31, 2023) and shared certain members of senior management.

(In Canadian Dollars)

19. RELATED PARTY TRANSACTIONS (CONT'D)

The following transactions occurred in the normal course of operations between the Corporation and Geomega or its subsidiary:

	2024	2023
	$	$
Sales		
Exploration services	10,472	7,738
Expenses		
Salaries and benefits	5,728	-
Exploration and evaluation expenses	(361)	(504)
Travel, conference and investor relations	11,794	8,932
Administration	7,514	-
Rent	11,100	11,100
Total	**(25,304)**	**(11,790)**

As at December 31, 2024, Geomega owed $90,340 to the Corporation ($38,420 payable as at December 31, 2023) and this amount receivable (due as at December 31, 2023) from a shareholder with significant influence is not interest-bearing, is not secured and is repayable on demand.

19.2 In the normal course of operations

A firm in which a director is a partner charged legal professional fees amounting to $52,831 ($5,940 in 2023) recorded as legal fees, share issuance expenses and filing fees. As at December 2024, the amount owed to this company was $54,557 ($2,739 as at December 31, 2023).

During fiscal 2024, 1,850,000 stock options were granted to the Corporation's officers and directors (none during fiscal 2023). For the same period, $15,542 was recorded in the consolidated statement of income and comprehensive income as stock-based compensation ($29,546 for fiscal 2023).

20. INCOME TAXES

The income tax expense is made up of the following components:

	2024	2023
	$	$
Recovery of deferred taxes		
Premium on flow-through share issuance	-	171,610
Recovery (expense) of deferred tax – discontinued operations	210,331	(30,870)
Total - deferred taxes recovery	**210,331**	**140,740**

(In Canadian Dollars)

20. INCOME TAXES (CONT'D)

The differences between the tax provision reported in the financial statements and the tax provision calculated using the combined Canadian statutory tax rate are as follows:

	2024	2023
	$	$
Net loss before income taxes	(1,271,313)	(789,985)
Combined federal and provincial income tax of 26.50% (26.50% in 2023)	(336,898)	(209,346)
Non-deductible expenses and other	3,043	(1,597)
Tax implications of waiving expense deductions Eligible for holders of flow-through shares	-	109,154
Amortization of flow-through share premiums	-	(171,610)
Temporary differences for which no deferred tax asset was recognized	123,524	132,658
	(210,331)	**(140,740)**

Significant components of the Corporation's deferred tax assets and liabilities are as follows:

	2024	2023
	$	$
Deferred tax assets		
Non-capital losses	304,891	138,431
Total deferred tax assets	304,891	138,431
Deferred tax liabilities		
Property and equipment	(306,793)	(350,664)
Total deferred tax liabilities	(306,793)	(350,664)
Deferred tax liabilities	**(1,902)**	**(212,233)**

The ability to realize the tax benefits the Corporation is dependent upon a number of factors, including the sale of properties. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recognized. Accordingly, some deferred tax assets have not been recognized.

As of December 31, the Corporation had unrecognized deferred tax assets as follows:

	2024	2023
	$	$
Property and equipment	5,217	5,314
Investment in listed companies	7,841	10,756
Exploration and evaluation assets	644,754	575,223
Share issue costs	13,847	30,968
Non-capital losses	1,140,476	1,083,356
Deferred tax assets	**1,812,135**	**1,705,617**

(In Canadian Dollars)

20. INCOME TAXES (CONT'D)

As of December 31, 2024, the Corporation has the following loss carryforwards for which no deferred tax asset has been recognized, with the following expiration dates:

	Federal	Provincial
	$	$
2030	10,596	10,596
2031	103,771	103,771
2032	88,758	88,758
2033	93,911	93,911
2034	168,249	168,144
2035	210,340	210,234
2036	60,304	60,241
2037	331,823	331,682
2038	1,103,835	1,095,584
2039	228,450	223,445
2040	514,159	513,101
2041	530,290	530,290
2042	463,633	463,633
2043	186,407	186,407
2044	215,550	215,550
	4,310,076	**4,295,347**

21. DISCONTINUED OPERATIONS

On December 30, 2024, the Corporation announced that it had signed a share purchase offer (the "Purchase Offer") pursuant to which a private company based in Quebec would purchase 100% of the issued and outstanding shares of the Corporation's wholly-owned subsidiary, 9194-3126 Québec Inc., doing business as Pourvoirie Fer à Cheval (the "Fer à Cheval"), for $3,000,000 in cash, less any amounts due in connection with closing considerations and Fer à Cheval's long-term debt. The definitive sale agreement was entered into on January 1, 2025, after the end of the fiscal year.

As a result, Fer à Cheval meets the criteria for discontinued operation under IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

This reporting segment was not previously classified as held for sale or as a discontinued operation. The comparative consolidated statement of comprehensive income has been restated to show discontinued operations separately from continued operations.

(In Canadian Dollars)

21. DISCONTINUED OPERATIONS (CONT'D)

The following assets and liabilities were excluded from the sale of the Corporation's business assets and represent the "assets and liabilities held for sale" as reported in the consolidated statement of financial position as of December 31, 2024.

	As at December 31 2024
	$
Assets related to discontinued operations	
Cash and cash equivalents	7,872
Receivables	43,272
Inventory	65,901
Prepaid fees and other	20,344
Property and equipment	3,399,351
Total assets held for sale	**3,536,740**
Liabilities related to discontinued operations	
Bank overdraft	31,867
Trade and other payables	70,237
Deferred revenues	7,489
Deferred grants	3,789
Deferred tax liabilities	1,902
Long-term debt	527,018
Total liabilities held for sale	**642,302**

(In Canadian Dollars)

21. OPERATIONS (CONT'D)

The net and comprehensive income from discontinued operations for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
	$	$
Sales	1,292,348	3,293,527
Revenue	**1,292,348**	**3,293,527**
Operating expenses		
Cost of goods sold	452,637	1,362,502
Salaries and benefits	756,537	851,460
Advertising, marketing and investor relations	18,707	23,972
General expenses and maintenance	211,846	356,665
Administration	195,508	98,111
Insurance and taxes	46,468	39,419
Depreciation of property and equipment	405,487	390,719
	2,087,190	3,122,848
Operating (loss) gain	**(794,842)**	**170,679**
Other income (expenses)		
Financial expenses	(68,102)	(60,192)
Gain (loss) on disposal of fixed assets	15,414	(20,923)
	(52,688)	(81,115)
Net results before income tax – discontinued operations	**(847,530)**	**89,564**
Deferred taxes	(210,331)	30,870
Net income and comprehensive income	**(637,199)**	**58,694**

22. ADDITIONAL INFORMATION RELATING TO THE STATEMENT OF CASH FLOWS

Change in non-cash working capital items

	2024	2023
	$	$
Receivables	(66,800)	231,971
Prepaid expenses and others	3	58,395
Trade and other payables	38,328	(20,333)
	(28,469)	**270,033**

(In Canadian Dollars)

22. ADDITIONAL INFORMATION RELATING TO THE STATEMENT OF CASH FLOWS (CONT'D)

Non-cash transactions

	2024	2023
	$	$
Receipt of an option payment on an exploration and evaluation asset in the form of shares in a publicly traded company	-	2,250

23. FINANCIAL INSTRUMENTS AND RISKS

The Corporation is exposed to various financial risks resulting from both its operations and its investment activities. The Corporation's management manages financial risks. The Corporation does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Corporation's main financial risk exposure and its financial risk management policies are as follows:

23.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation monitors its exposure to interest rate and has not entered into any derivative financial instruments to manage this risk.

Since the guaranteed investment certificates are at fixed rates, the Corporation is not exposed to interest rate risk on the instruments themselves. The Corporation's other financial assets do not comprise any interest rate risk since they do not bear interest.

The Corporation is exposed to interest rate risk on one of its long-term debt, for which the interest rate charged fluctuate based on the bank's prime rate. As at December 31, 2024, the Corporation's debt exposed to interest rates fluctuation amounts to $514,754 ($222,361 as at December 31, 2023). If the interest rate on December 31, 2024 on this long-term debt had been 50 basis points higher (lower), the impact on the net income would be of $2,574 ($1,112 as of December 31, 2023). The Corporation's other financial liabilities do not comprise any interest rate risk since they do not bear interest.

23.2 Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is subject to concentrations of credit risk through cash and cash equivalents, investments, and accounts receivable. The carrying value of the financial assets represent the maximum credit exposure. The Corporation reduces its credit risk by maintaining part of its cash and cash equivalents and its investments in financial instruments held with a Canadian chartered bank or with, with a broker which is a subsidiary of a Canadian chartered bank or with an independent investment dealer member of the Canadian Investor Protection Fund.

As at December 31, 2024, both the cash and cash equivalents and the investments include guaranteed investment certificates issued by Canadian banks or guaranteed by the Canadian Investor Protection Fund.

There is also a credit risk on the Corporation's debtors. However, a large portion of receivables consists of amounts owed by the government, for which the credit risk is very low. Credit risk is therefore limited to trade receivables, which are not significant as of December 31, 2024. Credit risk on receivables is therefore considered low.

(In Canadian Dollars)

23. FINANCIAL INSTRUMENTS AND RISKS (CONT'D)

23.3 Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet the obligations associated with its financial liabilities. Management believes that it has sufficient funds to finance its operations and meet its obligations as they come due.

The Corporation is committed to future minimum payments of principal and interest on the debt, as follows:

	Up to 1 year	1 to 5 years	More than 5 years	Total
	$	$	$	$
As at December 31 2024				
Trade payables and accrued liabilities (note 10)	226,524	-	-	226,524
Bank loan	31,867	-	-	31,867
Long-term debt (note 12)	266,433	217,262	163,632	647,327
Liabilities held for sale	(368,537)	(217,262)	(163,632)	(749,431)
Liquidity risk of continued operations	**156,287**	**-**	**-**	**156,287**

	Up to 1 year	1 to 5 years	More than 5 years	Total
	$	$	$	$
As at 31 December 2023				
Trade payables and accrued liabilities	338,633	-	-	338,633
Long-term debt	126,161	382,176	294,811	803,148
Liquidity risk	**464,794**	**382,176**	**294,811**	**1,141,781**

23.4 Fair value

Certain of the Corporation's accounting policies and disclosures require the determination of fair value. Fair value represents the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on quoted market values and other valuation methods. Fair values have been determined for measurement and/or disclosure purposes based on the fair value hierarchy contained in the Corporation's financial instrument accounting policy. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- Level 1 – Fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Fair value measurements are those derived from inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., inferred from prices); and
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

24. SUBSEQUENT EVENTS

On January 1, 2025, the Corporation closed the transaction for the sale of Pourvoirie Fer à Cheval. The total sale price is $3,000,000, less $142,000 held in trust to ensure soil decontamination work to be carried out in summer of 2025, of which $522,534 has been applied to the repayment of the Corporation's long-term debt. The balance was received on January 23, 2025. Refer to Note 21 on discontinued operations for more information on the transaction.