

**METALLIC MINERALS CORP.**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JULY 31, 2024 AND 2023**

**(Expressed in Canadian Dollars)**

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## Independent Auditor's Report

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To the Shareholders of:  
**METALLIC MINERALS CORP.**

**SERVICE**

### Opinion

We have audited the consolidated financial statements of Metallic Minerals Corp. ("the Company"), which comprise the consolidated statements of financial position as at July 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

**INTEGRITY**

**TRUST**

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the 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.



### Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements, which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about 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 of the current period. These matters were addressed in the context 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be a key audit matter to be communicated in our report.

### Evaluation of Assessment of Impairment Indicators of Exploration and Evaluation Assets

As described in Note 7, the carrying value of the Company's exploration and evaluation assets and related deferred costs is \$5,649,090 as at July 31, 2024. Management assesses at each reporting period-end whether there is an indication that an asset or group of assets is impaired. If such indicator exists, the asset's recoverable amount is estimated. Assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (cash generating unit or CGU). An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Management applies significant judgment in order to assess whether indicators of impairment exist. Impairment indicators include internal and external factors, such as (i) evidence indicating that the Company's right to explore the area has expired or will expire in the near future, (ii) management does not have any plans to continue exploration expenditures, (iii) lack of evidence to support technical feasibility or commercial viability, and (iv) facts and circumstances that suggest that the carrying amount exceeds recoverable amount. No impairment indicators were identified by management as at July 31, 2024.

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We considered this a key audit matter due to (i) the significance of the mineral properties and related deferred costs in the consolidated financial statements, (ii) the level of subjectivity required in applying audit procedures to assess the factors considered by management in its assessment of impairment indicators, and (iii) the significant auditor attention and audit effort the matter required.

### **Audit Response**

We responded to this matter by performing procedures over management's assessment of indicators of impairment which included the following:



- Obtained, for a sample of claims, by reference to government registries, evidence to support the right to explore the area and claim expiration dates;
- Reviewed internal and external resources, such as current year exploration expenditures and planned work programs and budgets to evidence continued and planned exploration expenditures;
- Assessed the Company's market capitalization to net assets ratio at July 31, 2024; and
- Assessed whether there are facts and circumstances that could indicate that the carrying values of the exploration and evaluation assets may not be recoverable, based on evidence obtained in other areas of the audit.

### **Other Information**

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and will 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, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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.

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

*WDM*

*Chartered Professional Accountants*

Vancouver, B.C.  
November 27, 2024



**METALLIC MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

	Note	July 31, 2024 \$	July 31, 2023 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash		1,398,069	5,666,316
Gold investment	7	518,723	-
Receivables	5	47,820	42,554
Due from related parties	11b	791,927	856,711
Prepaid expenses and deposits	6	111,056	86,827
<b>TOTAL CURRENT ASSETS</b>		<b>2,867,595</b>	<b>6,652,408</b>
<b>Non-current</b>			
Deposits	6	59,486	59,486
Gold investment	7	-	208,014
Exploration and evaluation assets	7	5,649,090	4,474,923
<b>TOTAL ASSETS</b>		<b>8,576,171</b>	<b>11,394,831</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		175,923	582,641
Due to related parties	11b	85,564	63,844
Flow-through share premium liability	9	523,922	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>785,409</b>	<b>646,485</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	46,400,026	43,754,613
Share-based payment reserve	10	4,086,732	3,921,365
Accumulated deficit		(42,695,996)	(36,927,632)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>7,790,762</b>	<b>10,748,346</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b>8,576,171</b>	<b>11,394,831</b>

Nature of Operations and Going Concern – Note 1  
Commitment – Note 17  
Subsequent event – Note 18

Approved on behalf of the Board:

Gregor Hamilton, Director

Greg Johnson, Director

**METALLIC MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE YEARS ENDED JULY 31, 2024 and 2023**  
(Expressed in Canadian Dollars)

	Note	2024	2023
		\$	\$
<b>EXPENSES</b>			
Consulting	11a	566,074	461,075
Exploration expenditures	8,11a	4,418,176	3,178,679
Investor relations and corporate development		399,390	418,171
Office and administration		132,120	64,880
Professional fees		121,178	129,261
Property evaluation		751	10,622
Share-based payment expense	10e,11a	480,247	681,567
Transfer agent, regulatory and filing fees		43,220	45,468
Travel and accommodation		36,456	2,535
<b>TOTAL EXPENSES</b>		<b>(6,197,612)</b>	<b>(4,992,258)</b>
<b>Other Items</b>			
Other income	9	22,328	-
Interest income		63,806	63,909
Unrealized gain on gold investment	7	105,966	6,118
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(6,005,512)</b>	<b>(4,922,231)</b>
<b>Basic and diluted loss per share</b>		<b>(0.04)</b>	<b>(0.03)</b>
<b>Weighted average number of shares outstanding</b>		<b>169,014,843</b>	<b>153,772,317</b>

**METALLIC MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian dollars)

	Note	Common shares number	Share capital \$	Share-based payment reserve \$	Deficit \$	Total \$
<b>Balance, July 31, 2022</b>		<b>148,912,280</b>	<b>37,593,061</b>	<b>3,444,612</b>	<b>(32,628,444)</b>	<b>8,409,229</b>
Private placements, net of issuance costs	10b	15,838,593	5,389,101	791,930	-	6,181,031
Shares issued for exploration and evaluation assets	10b	275,000	68,750	-	-	68,750
Shares issued pursuant to exercise of options	10b	446,154	321,333	(291,333)	-	30,000
Shares issued pursuant to exercise of warrants	10b	1,250,000	382,368	(82,368)	-	300,000
Share-based payment expense	10e	-	-	681,567	-	681,567
Reclassification of expired options	10e	-	-	(394,171)	394,171	-
Reclassification of expired warrants	10e	-	-	(228,872)	228,872	-
Net loss and comprehensive loss for the year		-	-	-	(4,922,231)	(4,922,231)
<b>Balance, July 31, 2023</b>		<b>166,722,027</b>	<b>43,754,613</b>	<b>3,921,365</b>	<b>(36,927,632)</b>	<b>10,748,346</b>
Private placements, net of issuance costs	10b	5,405,250	2,015,293	12,518	-	2,027,811
Flow-through share premium liability	9	-	(546,250)	-	-	(546,250)
Units issued for exploration and evaluation assets	10b	2,500,000	850,000	191,120	-	1,041,120
Shares issued pursuant to exercise of options	10b	1,206,632	326,370	(281,370)	-	45,000
Share-based payment expense	10e	-	-	480,247	-	480,247
Reclassification of expired options	10e	-	-	(24,192)	24,192	-
Reclassification of expired warrants	10e	-	-	(212,956)	212,956	-
Net loss and comprehensive loss for the year		-	-	-	(6,005,512)	(6,005,512)
<b>Balance, July 31, 2024</b>		<b>175,833,909</b>	<b>46,400,026</b>	<b>4,086,732</b>	<b>(42,695,996)</b>	<b>7,790,762</b>

**METALLIC MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JULY 31, 2024 and 2023**  
(Expressed in Canadian dollars)

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>			
Net loss for the year		<b>(6,005,512)</b>	(4,922,231)
Items not involving cash			
Reclamation deposit		-	(60,000)
Gold investment	7	<b>(204,743)</b>	(201,896)
Other income	9	<b>(22,328)</b>	-
Unrealized gain on gold investment	7	<b>(105,966)</b>	(6,118)
Share-based payment expense	10e	<b>480,247</b>	681,567
		<b>(5,858,302)</b>	(4,508,678)
Net change in non-cash working capital items	12	<b>(349,709)</b>	(637,455)
<b>Cash used in operating activities</b>		<b>(6,208,011)</b>	(5,146,133)
<b>INVESTING ACTIVITY</b>			
Acquisition of exploration and evaluation assets	7	<b>(133,047)</b>	(270,447)
<b>Cash used in investing activity</b>		<b>(133,047)</b>	(270,447)
<b>FINANCING ACTIVITIES</b>			
Proceeds received from private placement	10b	<b>2,138,107</b>	6,335,438
Share issuance costs	10b	<b>(110,296)</b>	(154,407)
Proceeds on exercise of options	10b	<b>45,000</b>	30,000
Proceeds on exercise of warrants	10b	-	300,000
<b>Cash provided by financing activities</b>		<b>2,072,811</b>	6,511,031
<b>NET CHANGE IN CASH</b>		<b>(4,268,247)</b>	1,094,451
Cash, beginning of year		<b>5,666,316</b>	4,571,865
<b>CASH, END OF YEAR</b>		<b>1,398,069</b>	5,666,316
<b>Supplemental cash flow information (Note 12)</b>			



**METALLIC MINERALS CORP.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JULY 31, 2024 AND 2023**  
(Expressed in Canadian dollars)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Metallic Minerals Corp. (the "Company") was incorporated under the laws of British Columbia on May 3, 2007. The Company was registered as an extra-territorial corporation under the Business Corporations Act (Yukon) on July 10, 2009. The Company is involved in activities that include the acquisition and exploration of mineral properties. The Company's head office is located at 904 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2. The Company is a reporting issuer and trades on the TSX Venture Exchange in Canada under the symbol "MMG" and the US OTCQB Exchange under the symbol "MMNGF".

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve profitable operations. The Company has sustained losses from operations and has an ongoing requirement for capital investment to acquire and explore its mineral properties.

The Company incurred a net loss of \$6,005,512 for the year ended July 31, 2024 (2023: \$4,922,231), and as of that date had an accumulated deficit of \$42,695,996 (2023: \$36,927,632). At July 31, 2024, the Company had a total of \$2,867,595 of current assets (2023: \$6,652,408) and a working capital of \$2,082,186 (2023: \$6,005,923).

While the Company has been successful in obtaining the necessary financing to cover its corporate operating costs and advance the development of its projects through the issuance of common shares and the exercise of warrants in the past, there is no assurance it will be able to raise funds in this manner in the future. There remain material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

**2. BASIS OF PREPARATION**

The Company's consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements were prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements were approved by the Board of Directors on November 27, 2024.

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently during the year ended July 31, 2024, unless otherwise indicated.

**a) Basis of Consolidation**

The consolidated financial statements include the results or financial information of Metallic Minerals Corp. and its wholly-owned subsidiaries as listed in the following table:

<b>Name</b>	<b>Country of Incorporation</b>	<b>Functional currency</b>
Metallic Minerals Corp.	Canada	CAD
536386 Yukon Inc.	Canada	CAD
1219166 B.C. Ltd.	Canada	CAD
Metallic Minerals USA Inc.	USA	CAD

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A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns and the ability to affect those returns through power over the investee. The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. All intercompany balances and transactions have been eliminated upon consolidation.

**b) Cash and cash equivalents**

Cash and cash equivalents include cash and highly liquid investments held in the form of certificates of deposit with investment terms of less than three months from the date of acquisition.

**c) Exploration and Evaluation Assets**

All expenditures related to the acquisition of mineral properties are capitalized on a property-by-property basis, net of recoveries which are recorded when received, until these mineral properties are placed into commercial production, sold or abandoned. If commercial production is achieved from a mineral property, the related mineral properties are tested for impairment and reclassified to mineral property in production. If a mineral property is sold or abandoned, the related capitalized costs will be expensed to profit or loss in that period.

All expenditures related to the exploration and evaluation of mineral properties, net of recoveries which are recorded when received, are expensed to net loss in the period in which they are incurred.

From time to time, the Company may acquire or dispose of all or part of its mineral property interests under the terms of property option agreements. Option agreements typically call for the payment of cash, issue of shares and/or incurrence of exploration and evaluation costs over a period of time, often several years, entirely at the discretion of the optionee. The Company recognizes amounts payable under an option agreement when the amount is due and when the Company has no contractual rights to avoid making the payment. The Company recognizes amounts receivable under an option agreement only when the optionee has irrevocably committed to the transfer of economic resources to the Company, which often occurs only when the amount is received. Where a third party has been granted the option to acquire an interest in a property owned by the Company, the fair value of any proceeds received in respect of that property is applied to the exploration and evaluation assets cost which is capitalized on the Company's consolidated statements of financial position. Once the amount capitalized in respect of that property has been reduced to \$Nil, any further payments received are reported in the Company's profit or loss.

All capitalized mineral property costs are reviewed at each reporting date, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the carrying value, provision is made for the impairment in value. The amounts capitalized for mineral properties represent costs incurred to date less write-downs, and are not intended to reflect present or future values.

**d) Impairment of long-lived assets**

The carrying amounts of non-current assets are reviewed for impairment at the end of each reporting period and whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of the asset (or cash-generating unit) is estimated in order to determine the extent of the impairment. The recoverable amount is the higher of the fair value less costs to sell and the 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.

**METALLIC MINERALS CORP.**  
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In assessing value in use, the estimated future pre-tax 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.

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

**e) Financial Instruments**

**(i) Classification**

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

**(ii) Measurement**

Financial assets and liabilities at FVTOCI or amortized cost are initially recognized at fair value plus or minus transaction costs, respectively. Financial assets and liabilities at FVTOCI are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income (loss). Those at amortized cost are subsequently carried at amortized cost less any impairment using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period.

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

**(iii) Impairment of financial assets at amortized cost**

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

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(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the consolidated statements of loss.

**f) Rehabilitation Provision**

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligations are incurred. The nature of the rehabilitation activities includes restoration, reclamation and revegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on the passage of time, current market discount rates and liability specific risks. Adjustments to the liability as a result of the passage of time are recognized as borrowing costs, all other changes are recognized as a corresponding change to exploration and evaluation assets in the period in which they occur.

**g) Share Capital**

Financial instruments issued by the Company are classified as equity to the extent that they do not meet the definition of a financial liability or asset. The Company's common shares, share purchase warrants and share options are classified as equity instruments.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the grant date. The balance, if any, was allocated to the attached warrants.

Units issued to finders or for the acquisition of exploration and evaluation assets, where no value is otherwise ascribed for the services or acquisition, are valued based on their components. The fair value of the common shares issued are determined by the closing quoted bid price on the issuance date, and the fair value of the warrants are valued on the date of issuance using the Black-Scholes option pricing model.

Incremental costs, directly attributable to the issue of new shares, warrants or options, are recorded in equity as a deduction, net of tax, from proceeds.

**h) Reserves**

Share-based payment reserve is used to recognize the fair value of stock options and warrants prior to their exercise, expiry, or cancellation. Fair value of stock options and agent's warrants is determined on the date of grant using the Black-Scholes option pricing model.

All equity-settled share-based payments are reflected in share-based payment reserve until exercised. Upon exercise, shares are issued from treasury and the amount reflected in equity reserve is credited to share capital, adjusted for any consideration paid. If the options expire unexercised, the value attributed to the options is transferred to deficit.

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**i) Share-Based Payments**

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the Company's profit or loss over the vesting period. The number of equity instruments expected to vest at each reporting date is taken into account so that the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the Company's profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model is adjusted, based on management's best estimate, for effects of non-transferability, exercise restrictions and behavioural considerations.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modifications, is charged to the Company's profit or loss over the remaining vesting period.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and immediately recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent that the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

**j) Flow-Through Shares**

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company allocates the flow-through share proceeds into i) share capital, ii) warrants, and iii) a flow-through share premium, if any, using the residual value method.

The residual value method for flow-through units allocates the proceeds first to the shares issued as determined by the closing quoted bid price on the issuance date. The residual value is allocated between warrants and flow-through share premium by calculating the value of the warrants using the Black-Scholes option pricing model, with any remaining value being attributed to the flow-through share premium.

If investors pay a premium for the flow-through feature, it is recognized as a liability. Upon incurring qualifying expenditures, the Company reduces the liability and recognizes a deferred tax recovery in income for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision. At the end of a period, the flow-through share premium liability corresponds to the portion of qualifying exploration expenditures that have not yet been incurred.

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

**k) Earnings or Loss Per Share**

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

Diluted earnings per share is computed by dividing the Company's net income 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 at the beginning of the period. Diluted loss per share is equivalent to basic loss per share, as the effect of potentially dilutive instruments would be anti-dilutive. The Company did not have any dilutive instruments as at July 31, 2024 (2023 – None).

**l) Income Taxes**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that they relate to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss. Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized.

At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

**m) Government Grants**

Government grants related to exploration activities are recognized in profit or loss as a deduction from the related expenditure when there is reasonable assurance that the grant will be received. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the asset.

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**n) Functional Currency**

The consolidated financial statements for the Company are prepared using its functional currency. Functional currency is the currency of the primary economic environment in which an entity operates.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

**o) Recent accounting pronouncements**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB. The following was adopted by the Group during the year.

IAS 1, Presentation of Financial Statements ("IAS 1") and IFRS Practice Statement 2, Making Materiality Judgements -Disclosure of Accounting Policies(the "Practice Statement"): In February 2021, the IASB issued amendments to IAS 1 and the Practice Statement to provide guidance on the application of materiality judgements to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making judgments about accounting policy disclosures. The adoption of these amendments did not have a material impact on the Consolidated Financial Statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8"): In February 2021, the IASB issued amendments to IAS 8 – Definition of Accounting Estimates to help entities to distinguish between accounting policies and accounting estimates. The amendments clarify that accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty" and that a change in an accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The adoption of these amendments had no impact on the Consolidated Financial Statements.

**New accounting standards issued but not yet effective**

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

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

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

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**a) Critical accounting estimates**

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year if the estimates and assumptions made by management prove to be incorrect. The critical accounting estimates include, but are not limited to, the following:

Premium on Flow-Through Units

At the time of issue, the Company estimates the proportion of proceeds attributable to the flow-through share premium, the common share and the warrant, if applicable, with reference to closing market prices and such techniques as the Black-Scholes option pricing model.

Share-based Payments

The fair value of share-based payments is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

**b) Critical accounting judgments**

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

Impairment of long-lived assets

The carrying value of mineral property acquisition costs is reviewed each reporting period to determine whether there is any indication of impairment. The determination of indications of impairment, and if identified then an impairment test, involves the application of a number of significant judgments and estimates to certain variables including metal price trends, plans for properties, and the results of exploration and evaluation to date.

Determination of, and provision for, reclamation and remediation obligations

The Company assesses its provision for asset retirement obligations on an annual basis or when new material information becomes available. Accounting for reclamation and remediation obligations requires management to make estimates of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations. Actual costs incurred may differ from those amounts estimated.

Going Concern

The preparation of these consolidated financial statements requires management to make judgments regarding the ability of the Company to continue as a going concern, as discussed in Note 1.



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**5. RECEIVABLES**

The receivables balance as at July 31, 2024 and 2023 is comprised of the following:

	July 31, 2024	July 31, 2023
	\$	\$
GST receivable	36,520	41,754
Other	11,300	800
	<b>47,820</b>	<b>42,554</b>

**6. PREPAID EXPENSES AND DEPOSITS**

The prepaid expenses and deposits balance as at July 31, 2024 and 2023 is comprised of the following:

	July 31, 2024	July 31, 2023
	\$	\$
Prepaid expenses	89,296	65,067
Deposits	81,246	81,246
	170,542	146,313
Less: non-current portion	(59,486)	(59,486)
	<b>111,056</b>	<b>86,827</b>

As at July 31, 2024 and 2023, prepaid expenses included various prepaid amounts for filing fees, memberships and subscriptions, corporate development, conferences, insurance and legal retainers.

The Company engaged ALS Goldspot (formerly GoldSpot Discoveries Corp. and EarthLabs Inc), an arm's length party, to assist in the Company's exploration programs by utilizing its proprietary technology including artificial intelligence. A payment of \$280,000 was made upon engagement and to date invoices of \$263,240 have been drawn down on the advance.

As at July 31, 2024 and 2023, there are deposits of \$28,750 in relation to the Company's exploration programs and a deposit of \$30,736 has been made in relation to a corporate credit card.

**7. EXPLORATION AND EVALUATION ASSETS**

A summary of the changes in exploration and evaluation acquisition costs is presented below:

	La Plata Project	Keno Silver Project	Klondike Gold Project	McKay Hill Project	Total
	\$	\$	\$	\$	\$
<b>Balance, July 31, 2022</b>	<b>2,303,186</b>	<b>1,053,659</b>	<b>750,991</b>	<b>27,890</b>	<b>4,135,726</b>
Cash payments	83,345	-	-	-	83,345
Licensing and maintenance	109,861	-	-	-	109,861
Staking	22,377	-	54,864	-	77,241
Shares issued	68,750	-	-	-	68,750
<b>Balance, July 31, 2023</b>	<b>2,587,519</b>	<b>1,053,659</b>	<b>805,855</b>	<b>27,890</b>	<b>4,474,923</b>
Licensing and maintenance	133,047	-	-	-	133,047
Units issued	1,041,120	-	-	-	1,041,120
<b>Balance, July 31, 2024</b>	<b>3,761,686</b>	<b>1,053,659</b>	<b>805,855</b>	<b>27,890</b>	<b>5,649,090</b>

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**LA PLATA PROJECT**

Pursuant to an option agreement dated September 10, 2019, as amended, the Company acquired an option to acquire a 100% interest in the La Plata copper-silver-gold-PGE property in southwest Colorado from two arms-length vendors. The road accessible La Plata property, which is approximately 10 km northeast of the town of Mancos, Colorado, covers approximately 44 km<sup>2</sup> in the historic high-grade La Plata mining district.

In order to earn the 100% interest in the La Plata property, the Company has the following commitments:

- Issue 1,250,000 units to each of the two Shareholders of the optionor within 10 days of receipt of final Exchange approval of the Option Agreement. 2,500,000 units were issued on September 26, 2019 with each warrant having an exercise price of \$0.24. The units were valued at \$582,368;
- Issue 1,250,000 units to each of the two Shareholders of the optionor 30 days after a plan of operations permit is issued for the property. On July 28, 2021 the agreement was amended to deem the date of issuance of the plan of operations permit for these units to be July 15, 2021 with 2,500,000 units issued on July 29, 2021 with each warrant having an exercise price of \$0.62. The units were valued at \$1,312,956;
- Issue 1,250,000 units to each of the two Shareholders of the optionor on or before the first anniversary that the plan of operations permit is actually issued for this property (first anniversary date being January 5, 2024); 2,500,000 units were issued on January 5, 2024 with each warrant having an exercise price of \$0.38. The units were valued at \$1,041,120 (Note 10);
- Issue 1,250,000 units to each of the two Shareholders of the optionor on or before the second anniversary that the plan of operations permit is actually issued for this property (second anniversary date being January 5, 2025); and
- Pay US\$250,000 to each of the two Shareholders of the optionor on or before the third anniversary that the plan of operations permit is actually issued for this Property (third anniversary date being January 5, 2026) and 90 days after the completion of a preliminary economic assessment on the property.

Upon issuance, each of the units will comprise one common share and one-half of a share purchase warrant, with each full warrant exercisable into one common share of the Company for a period of 36 months from issuance at an exercise price equal to 120% of the 20-day volume weighted average trading price of the Company's common shares on the TSX-V on the business day immediately preceding the date of issuance.

The La Plata property will be subject to a 2% Net Smelter Royalty ("NSR") and the Company will have the ability to buy down the NSR to 1.5%.

During the year ended July 31, 2023, the Company acquired 100% interest in eight patented mineral claims within the La Plata mining. The claims are surrounded by, and contiguous with, unpatented mining claims held by the Company within the greater La Plata property claim outline. These interests were acquired by one-time cash payments totaling \$83,345 (US\$60,000) and the issuance of 275,000 common shares (valued at \$68,750).

**KENO SILVER PROJECT**

The Company's 100% owned Keno Silver project, located in the Keno Hill silver district of Canada's Yukon Territory, comprises 171 km<sup>2</sup> including the Keno-Lightning, Keno Summit, Gram, Cobalt Hill, Keno-East, Duncan Creek, Sourdough Hill, Formo and Silver Queen properties. The Keno Silver project directly adjoins Hecla Mining's Keno Hill operations which are undergoing final mine commissioning and start-up.

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**Keno-Lightning Property**

The Keno-Lightning property, which includes Homestake, is the largest property within the Keno Silver project and is subject to a 3% "NSR". The Company has the option to buy back up to 2% of this NSR. The Company acquired additional mining claims during the year ended July 31, 2022 for consideration of \$218,000 in value.

**Keno Summit Property**

The Company owns 100% of 17 claims and five leases on the Keno Summit property. Nine claims are subject to the same NSR as the Gram property, seven claims and two leases are subject to the same NSR as the Silver Queen property, three leases are subject to the same NSR as the Formo property and one claim is not subject to an NSR.

**Gram Property**

The Company owns 100% of the Gram property which consists of 42 claims covering approximately 8.7 km<sup>2</sup> on the east side of the Keno Hill silver district. The Gram property is subject to a 2% NSR for precious metals and a 1% NSR for base metals and the Company has the option to buy back the full NSR.

**Cobalt Hill Property**

The Company owns 100% of the Cobalt Hill property covering 4.2 km<sup>2</sup> that are contiguous with the eastern end of the Keno-Lightning property in the Keno Hill silver district. Cobalt Hill is subject to a 3% NSR and the Company has the option to buy back up to 1.5% of this NSR.

**Keno-East Property**

The Company staked additional ground in the Keno-East target area, which covers the eastern and southern extension of the Keno Hill silver district. The Company owns 100% of these claims and are not subject to any NSR.

**Duncan Creek Property**

The Duncan Creek property was staked by the Company in January 2017 along with other claims totaling approximately 30.2 km<sup>2</sup>. The Company owns 100% of the Duncan Creek claims and they are not subject to any NSR.

**Sourdough Hill Property**

The Company acquired 100% of the Sourdough Hill property during the year ended July 31, 2022 for consideration of \$327,600 in value. The property includes 30 mining claims in the Keno Hill silver district. The property is subject to a 3% NSR and the Company has the option to buy back up to 1.5% of this NSR.

**Formo Property**

The Company owns 100% of 16 mining leases in the Keno Hill silver district. The Formo property is subject to a 2% NSR for precious metals and a 1% NSR for base metals. The Company has an option to buy back the full NSR.

**Silver Queen Property**

The Company owns 100% of the Silver Queen property which consists of 20 claims primarily on the western end of the Keno Hill silver district. The Silver Queen property is subject to a 2% NSR and the Company has the option to buy back the full NSR.

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**KLONDIKE GOLD PROJECT – ROYALTY PORTFOLIO**

The Company's alluvial properties are located on tributaries of the Indian River in the Klondike gold district near Dawson City, Yukon and comprise Australia, Dominion and Melba Creeks. The Company also owns alluvial claims that are managed along with the Klondike Gold project at California Creek east of Dawson City and in the Keno Hill silver district at McKim, Allen, Faith and East Granite Creeks.

During the year ended July 31, 2022, the Company acquired 235 additional placer gold claims in the Keno Silver district for \$58,898 as well as acquiring an alluvial mining lease on Australia Creek for consideration of \$105,000 in value.

**Australia Creek Property**

On September 7, 2017, and amended on December 29, 2017, the Company entered into an option agreement to acquire a 100% interest from underlying claim holders in approximately 26 miles (42 km) of mining rights and 18 miles (29 km) of bench claims along the Australia Creek drainage (the "Australia Creek Property"), a tributary to the Indian River, in the Klondike gold district near Dawson City, Yukon.

The Company completed the earn in of their 100% interest during the year ended July 31, 2020 by paying \$37,500 cash and issuing 200,000 common shares on March 31, 2020 (valued at \$30,000) to one vendor and paying cash of \$15,000 to the other vendor.

Under the Australia Creek option agreement, the vendors will receive a 4% royalty on all alluvial gold production from the Company and the Company has the ability to buy back the royalty. In November 2023 the Company paid to the vendors 38.706 ounces of gold valued at \$105,223.

In January 2023, the Company signed a production royalty agreement on 5 ½ miles of alluvial gold claims at its Australia Creek property in the Klondike Gold District of Canada's Yukon Territory, consolidating the three permitted blocks under a single operator subject to a variable royalty to the Company of 10-15% on all gold production. This property is fully permitted for full scale production.

During the year ended July 31, 2024 the Company received 113.528 ounces of gold originally valued at \$309,996. As at July 31, 2024, the market value of the gold investment was \$518,723, a total of \$105,966 was recorded as an unrealized gain to the consolidated statement of loss and comprehensive loss.

Work during the year ended July 31, 2024 included development of the westernmost mining block on the Australia Creek property with complete reclamation of those blocks. Subsequent to July 31, 2024 the agreement on the three permitted blocks on Australia was terminated.

Subsequent to July 31, 2024, the Company signed a new production royalty agreement on the middle block of the Australia Creek property subject to a 12% royalty on all gold production.

Metallic has initiated alluvial mine permit renewal applications for existing licenses on Australia Creek and is working on new permit applications for an additional eight miles of the Australia Creek drainage above its currently permitted claims.

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**Dominion Creek Property**

The Company has a 100% interest in 10 claims of mining rights along a bench of Dominion Creek, a tributary to the Indian River, in the Klondike gold district near Dawson City, Yukon. The Company has a production royalty agreement with respect to these claims under which the Company has granted exclusive mining rights to the Operator in exchange for a 15% royalty on all gold production.

**MCKAY HILL PROJECT**

The Company has a 100% interest in the McKay Hill project, which covers approximately 44 km<sup>2</sup> and is located northeast of the Keno Silver project in the Yukon Territory. The property is subject to a 3% NSR and the Company has the option to buy back up to 2% of this NSR.

**Silver Hill Property**

The Company owns a 100% interest in 10.7 km<sup>2</sup> of claims 15 km north of the McKay Hill property. The property is not subject to any NSR and is managed along with the McKay Hill project.

**8. EXPLORATION EXPENDITURES**

A summary of the exploration expenditures incurred for the year ended July 31, 2024 is presented below:

	<b>La Plata Project</b>	<b>Keno Silver Project</b>	<b>Klondike Gold Project</b>	<b>McKay Hill Project</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Analysis	337,695	80,980	164	-	418,839
Camp costs	73,231	79,310	38,987	-	191,528
Community	2,129	-	-	-	2,129
Consulting	849,653	534,837	146,454	20,858	1,551,802
Drilling	1,187,282	383,259	54,532	-	1,625,073
Equipment and communication	230,890	29,088	6,931	-	266,909
Fuel	73,993	36,029	7,858	-	117,880
Geophysics	8,457	18,062	-	-	26,519
Helicopter	26,077	150,755	33,016	14,402	224,250
Lands and permitting	26,480	1,809	20,052	-	48,341
Transportation and travel	114,925	27,860	17,097	-	159,882
	<b>2,930,812</b>	<b>1,341,989</b>	<b>325,091</b>	<b>35,260</b>	<b>4,633,152</b>
Government grant	-	(10,233)	-	-	(10,233)
Production royalty (Note 7)	-	-	(204,743)	-	(204,743)
	<b>2,930,812</b>	<b>1,331,756</b>	<b>120,348</b>	<b>35,260</b>	<b>4,418,176</b>

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A summary of the exploration expenditures incurred for the year ended July 31, 2023 is presented below:

	<b>La Plata Project</b>	<b>Keno Silver Project</b>	<b>Klondike Gold Project</b>	<b>McKay Hill Project</b>	<b>Total</b>
	\$	\$	\$	\$	\$
Analysis	84,881	144,206	-	-	229,087
Camp costs	48,785	125,578	1,835	-	176,198
Community	-	6,530	220	-	6,750
Consulting	686,941	604,126	69,886	3,851	1,364,804
Drilling	849,555	389,674	-	-	1,239,229
Equipment and communication	65,832	27,768	-	-	93,600
Fuel	1,984	62,353	708	-	65,045
Geophysics	17,925	92,062	-	-	109,987
Helicopter	-	151,147	43,546	-	194,693
Lands and permitting	14,265	9,950	15,359	-	39,574
Transportation and travel	31,949	23,796	4,028	-	59,773
	1,802,117	1,637,190	135,582	3,851	3,578,740
Government grant	-	-	(13,166)	-	(13,166)
Production royalty (Note 7)	-	-	(326,895)	-	(326,895)
Reclamation deposit	-	-	(60,000)	-	(60,000)
	<b>1,802,117</b>	<b>1,637,190</b>	<b>(264,479)</b>	<b>3,851</b>	<b>3,178,679</b>

**9. FLOW-THROUGH SHARE PREMIUM LIABILITY**

A summary of the changes in the Company's flow-through share premium liability was as follows:

	\$
<b>Balance, July 31, 2022 and July 31, 2023</b>	-
Flow-through share premium on the issuance of flow-through common shares (Note 10b)	546,250
Settlement of flow-through share premium liability pursuant to incurring qualified expenditures	(22,328)
<b>Balance, July 31, 2024</b>	<b>523,922</b>

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**10. SHARE CAPITAL**

**a) Authorized**

Unlimited common shares without par value.

**b) Share issuance details**

**Year ended July 31, 2024**

- The Company issued 342,750 common shares at a piece of \$0.33 per common share for gross proceeds of \$113,107 pursuant to the Newmont Corporation ("Newmont") investor rights agreement.

The Company closed a private placement in two tranches by issuing a total of 5,062,500 flow-through ("FT") shares at \$0.40 for aggregate gross proceeds of \$2,025,000.

The Company allocated \$546,250 of the gross proceeds from the private placement to flow-through share premium using the residual value method. The Company paid a cash finder's fee of \$96,000, issued 240,000 finders' warrants and incurred other cash share issuance costs of \$14,296. Each finders' warrant is exercisable for a period of 24 months, into one common share of the Company at an exercise price of \$0.60. The finders' warrants were valued at \$12,518 using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate 3.94%; expected life in years: 2 years; expected volatility: 64.35% and expected dividends: 0.0%.

- The Company issued 2,500,000 units pursuant to the purchase of the La Plata property (Note 7). Each unit consists of one common share and one-half share purchase warrant, with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.38 with an expiry of January 5, 2027. The common shares were valued \$850,000 at the date of issuance and the warrants were valued \$191,120 using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate 4.17%; expected life in years: 3 years; expected volatility: 68.37% and expected dividends: 0.0%.
- The Company issued 250,000 common shares pursuant to the exercise of 250,000 options with an exercise price of \$0.18 per share for total gross proceeds of \$45,000. The share price on the date of exercise was \$0.24. An additional total of 2,184,000 options were exercised using cashless exercise option and 956,632 common shares were issued.

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**Year ended July 31, 2023**

- On May 18, 2023, the Company completed a 9.5% strategic equity investment by Newmont. Pursuant to the placement, the Company issued 15,838,593 units at a price of \$0.40 per unit for gross proceeds of \$6,335,437, with each unit comprising one common share and 0.75 of a common share purchase warrant. Each full warrant shall entitle Newmont to purchase one common share at an exercise price of \$0.55. In connection with the financing, the Company incurred cash share issuance costs of \$154,406.
- The Company issued 100,000 common shares pursuant to the exercise of 100,000 options with an exercise price of \$0.30 per share for total gross proceeds of \$30,000. The share price on the date of exercise was \$0.36. An additional total of 1,400,000 options were exercised using cashless exercise and 346,154 common shares were issued.
- The Company issued 1,250,000 common shares pursuant to the exercise of share purchase warrants with a weighted average exercise price of \$0.24 per share for gross proceeds of \$300,000. The weighted average share price on the date of exercise was \$0.27.
- The Company issued 275,000 common shares pursuant to the purchase of more claims on the La Plata property. The common shares were valued at the date of issuance \$68,750.

**c) Stock options**

A summary of the changes in stock options is presented below:

	<b>Number of options</b>	<b>Weighted average exercise price</b>
		<b>\$</b>
Balance, July 31, 2022	13,203,000	0.38
Granted	3,855,000	0.23
Exercised	(1,500,000)	0.30
Cancelled	(350,000)	0.56
Expired	(955,000)	0.60
<b>Balance, July 31, 2023</b>	<b>14,253,000</b>	<b>0.33</b>
Granted	3,885,000	0.30
Exercised	(2,434,000)	0.18
Cancelled	(284,000)	0.31
<b>Balance, July 31, 2024</b>	<b>15,420,000</b>	<b>0.35</b>
<b>Exercisable, July 31, 2024</b>	<b>11,685,000</b>	<b>0.36</b>



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The following stock options were outstanding as at July 31, 2024:

<b>Outstanding</b>	<b>Exercisable</b>	<b>Weighted average exercise price</b>	<b>Expiry date</b>	<b>Weighted average remaining life (in years)</b>
		\$		
50,000	50,000	0.18	August 8, 2024	0.02
100,000	100,000	0.41	August 20, 2024	0.05
100,000	100,000	0.23	August 20, 2024	0.05
75,000	75,000	0.60	December 1, 2024	0.34
100,000	100,000	0.41	December 1, 2024	0.34
1,550,000	1,550,000	0.22	May 8, 2025	0.77
750,000	750,000	0.43	June 22, 2025	0.89
2,020,000	2,020,000	0.60	January 12, 2026	1.45
100,000	100,000	0.65	April 30, 2026	1.75
1,590,000	1,590,000	0.41	March 29, 2027	2.66
1,595,000	1,595,000	0.41	May 5, 2027	2.76
3,655,000	3,655,000	0.23	January 30, 2028	3.50
3,735,000	-	0.30	March 14, 2029	4.62
<b>15,420,000</b>	<b>11,685,000</b>	<b>0.35</b>		<b>2.84</b>

Subsequent to July 31, 2024, a total of 50,000 options with an exercise price of \$0.18, a total of 100,000 options with an exercise price of \$0.41 and a total of 100,000 options with an exercise price of \$0.23 expired unexercised.

**d) Warrants**

A summary of the changes in warrants is presented below:

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
		\$
Balance, July 31, 2022	18,188,567	0.54
Issued	11,878,944	0.55
Exercised	(1,250,000)	0.24
Expired	(10,153,067)	0.60
<b>Balance, July 31, 2023</b>	<b>18,664,444</b>	<b>0.54</b>
Issued	1,490,000	0.42
Expired	(1,250,000)	0.62
<b>Balance, July 31, 2024</b>	<b>18,904,444</b>	<b>0.52</b>

The following warrants were outstanding as at July 31, 2024:

<b>Outstanding</b>	<b>Weighted average exercise price</b>	<b>Expiry date</b>	<b>Weighted average remaining life (in years)</b>
	\$		
4,800,000	0.50	December 8, 2024	0.36
735,500	0.50	December 30, 2024	0.42
11,878,944	0.55	May 18, 2026	1.80
240,000	0.60	July 9, 2026	1.94
1,250,000	0.38	January 5, 2027	2.43
<b>18,904,444</b>	<b>0.52</b>		<b>1.40</b>

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**e) Share-based payment expense and reserve**

The weighted average fair value on grant date of the options granted during the year ended July 31, 2024 was \$632,242 (2023: \$431,220), or \$0.16 (2023: \$0.11) per option and total share-based payment expense was \$480,247 (2023: \$681,567) and was recorded in the consolidated statement of loss and comprehensive loss. Pursuant to vesting schedules, a portion of the fair value will be expensed in future periods.

During the year ended July 31, 2024, the Company granted 3,885,000 stock options. During the year ended July 31, 2023, the Company granted 3,855,000 stock options. The fair value of the stock options that were granted during the year ended July 31, 2024 and 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	<b>2024</b>	<b>2023</b>
Risk free interest rate	3.55%	2.99%
Expected stock price volatility	56%	53%
Expected dividend yield	Nil	Nil
Expected option life in years	5.0	5.0
Spot price on date of grant	\$0.31	\$0.23

During the year ended July 31, 2024, the Company reclassified \$24,192 (2023: \$394,171) from share-based payments reserve to deficit with respect to options that were cancelled and expired during the year and \$212,956 (2023: \$228,872) with respect to warrants that expired during the year.

**11. RELATED PARTY TRANSACTIONS**

Key management are the persons responsible for the planning, directing, and controlling the activities of the Company. They include both executive officers and directors, and entities associated and controlled by such persons including the following:

- TruePoint Exploration Inc. ("TruePoint") is a privately held exploration service company that provides exploration and administrative services to the Company as well as other exploration companies. Costs covered by TruePoint include exploration expenditures (technical work on projects such as drilling, sampling and geophysics), consulting, investor relations, corporate development costs, and other administrative costs. Greg Johnson, CEO of the Company is a minority shareholder of TruePoint.

The amounts paid by the Company for the services provided by key management have been determined by negotiation among the parties and are reviewed and approved by the Company's Board. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

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**a) Compensation**

Compensation paid or payable to key management for the year ended July 31, 2024 and 2023 were as follows:

		<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
Consulting fees	1	493,641	433,055
Share-based payments	2	199,415	276,238
Transactions with TruePoint	3	3,308,365	2,287,146
		<b>4,001,421</b>	<b>2,996,439</b>

<sup>1</sup> Consulting fees for the years ended July 31, 2024 and 2023 consisted of fees earned by key management personnel.

<sup>2</sup> Share-based payment expense is a non-cash item that consisted of the fair value of stock options that were granted to key management personnel.

<sup>3</sup> Transactions with TruePoint for the year ended July 31, 2024 consisted of \$2,983,457 (2023: \$2,004,022) exploration expenditures and \$324,908 (2023: \$283,184) in investor relations and corporate development fees.

**b) Balances**

The Company's balances due from and owing to key management consisted of the following:

		<b>July 31, 2024</b>	<b>July 31, 2023</b>
		<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Due from TruePoint	1	741,927	806,711
Due from Greg Johnson	2	50,000	50,000
		<b>791,927</b>	<b>856,711</b>
<b>Current liabilities</b>			
Due to Greg Johnson		60,000	45,000
Due to Scott Petsel		25,564	18,844
		<b>85,564</b>	<b>63,844</b>

<sup>1</sup> This amount was net of cash advances made to TruePoint for future exploration offset by charges from TruePoint.

<sup>2</sup> This amount relates to an expense advance as at July 31, 2024 and 2023.

Amounts due to and due from key management are unsecured, non-interest-bearing, and have no formal terms of repayment.

**c) Insider Participation in Private Placements**

A summary of insider participation in the Company's private placements for the years ended July 31, 2024 and 2023 was as follows:

	Number of Units	Price	Proceeds
			\$
<b>2024 Private Placement</b>			
Greg Johnson	12,500	0.40	5,000
Gregor Hamilton	100,000	0.40	40,000

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**12. SUPPLEMENTAL CASH FLOW INFORMATION**

The net change in non-cash operating working capital balances for the year ended July 31, 2024 and 2023 consisted of the following:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Receivables	(5,266)	62,022
Due to/from related parties	86,504	(975,110)
Prepaid expenses and deposits	(24,229)	95,467
Accounts payable and accrued liabilities	(406,718)	180,166
	<b>(349,709)</b>	<b>(637,455)</b>

The non-cash financing and investing transactions for the year ended July 31, 2024 consisted of the Company:

- issuing 2,500,000 units, comprised of 2,500,000 common shares valued at \$850,000 and 1,250,000 warrants valued at \$191,120 pursuant to the purchase of the La Plata property; and
- issuing 956,632 common shares pursuant to the exercise of 2,184,000 options using cashless exercise

The non-cash financing and investing transactions for the year ended July 31, 2023 consisted of the Company:

- issuing 346,154 common shares pursuant to the exercise of 1,400,000 options using cashless exercise; and
- issuing 275,000 common shares valued at \$68,750 pursuant to the purchase of more claims on the La Plata property.

**13. FINANCIAL INSTRUMENTS**

**a) Categories of Financial Instruments**

The Company's financial instruments consist of cash, accounts receivable, due from related parties, accounts payable and accrued liabilities and due to related parties. Cash, accounts receivable, due from related parties, accounts payable and accrued liabilities and due to related parties are classified as amortized cost.

As at July 31, 2024, the Company believes the carrying values of cash, receivables, accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short period to maturity.

**b) Financial Risk Management**

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

The Company's exposure to these risks and its methods of managing the risks are summarized as follows:

**i) Liquidity Risk**

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing and financing activities and through management of its capital structure.

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As at July 31, 2024, all of the Company's financial liabilities had contractual maturities of less than 90 days. The Company may not have sufficient cash to meet requirements for administrative overhead, maintaining its mineral interests and continuing with its exploration program in the following twelve months. The Company may be required to raise additional capital in the future to fund its operations.

**ii) Currency Risk**

The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar. The Company does not manage currency risks through hedging or other currency management tools and considers the risks related to foreign currency are not significant at this time. The Company is not exposed to material currency risk.

**iii) Interest Rate Risk**

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Based on current cash balances and expected future interest rates, the Company is not exposed to material interest rate risk.

**iv) Credit Risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk mainly in respect to managing its cash. The Company mitigates such credit risk by risk management policies that require significant cash deposits or any short-term investments be invested with Canadian chartered banks rated BBB or better. All investments must be less than one year in duration.

**v) Other Price Risk**

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

**14. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to support the acquisition, exploration, and development of its exploration and evaluation assets.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders.

The Company does not have any externally imposed capital requirements to which it is subject. There were no changes in the Company's approach to capital management during the year ended July 31, 2024.

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**15. INCOME TAXES**

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to loss before income taxes. These differences result from the following items:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Net loss for the year	(6,005,512)	(4,922,231)
Canadian federal and provincial income tax rates	27%	27%
Expected income tax recovery at statutory rate	(1,621,488)	(1,329,002)
Increase (decrease) due to:		
Non-deductible expenditures and other permanent differences	134,086	175,052
Non-taxable income	(6,029)	-
Income tax benefit renounced with flow-through shares	321,101	472,168
Difference in foreign tax rates and foreign exchange	6,928	32,471
Losses for which no tax benefit is recorded	1,165,402	649,311
Income tax recovery as recorded	-	-

The components of unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized are as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Share issue costs	433,851	587,605
Exploration and evaluation assets	7,230,751	6,717,287
Capital losses and other	(74,415)	26,999
Non-capital losses	11,900,961	10,644,184
Unrecognized temporary differences and non-capital losses	19,491,148	17,976,075

In assessing the ability to realize deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those deferred tax assets are deductible.

As at July 31, 2024, the Company had exploration and evaluation expenditures of approximately \$9,118,000 which are available to carry-forward indefinitely, and non-capital losses of approximately \$11,896,000 that expire as follows:

	<b>\$</b>
2027 - 2033	1,880,000
2034 - 2038	3,521,000
2039 - 2044	6,495,000
	<b>11,896,000</b>

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**16. SEGMENTED INFORMATION**

The Company has one operating segment, acquisition, exploration, and development of mineral properties. The table below shows consolidated data by geographic segment based on location:

	<b>July 31, 2024</b>	<b>July 31, 2023</b>
	<b>\$</b>	<b>\$</b>
Non-current assets by geographic segment		
Canada	1,946,890	2,154,904
United States	3,761,686	2,587,519
	<b>5,708,576</b>	<b>4,742,423</b>

**17. COMMITMENT**

As a result of the issuance of flow-through units during fiscal 2022, the Company had a commitment to incur \$4,387,320 in qualifying Canadian exploration expenditures prior to December 31, 2023. The Company had incurred all of those qualifying exploration expenditures prior to the December 31, 2023 deadline. As a result of the issuance of flow-through shares during fiscal 2024, the Company has a commitment to incur \$2,025,000 in qualifying Canadian exploration expenditures prior to December 31, 2025. As at July 31, 2024, the Company had incurred \$82,771 of those qualifying exploration expenditures.

**18. SUBSEQUENT EVENT**

Pursuant to the Newmont investor rights agreement a total of 577,776 common shares at \$0.36 per common share were issued for proceeds of \$207,999.