NexGold

CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of NexGold Mining Corp.

Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $19,593,866 during the year ended December 31, 2024 and, as of that date, the Company has a cumulative deficit of $163,629,332. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. 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.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

<u>Evaluation of Impairment Indicators of Mineral Properties</u>

Refer to consolidated financial statement Note 12 - Mineral properties.

The carrying value of the Company's mineral properties is $163,243,607 as at December 31, 2024. At each reporting period, management assesses whether there is an indication that mineral properties are impaired. If such indicators exist, the asset's recoverable amount is estimated. 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 December 31, 2024.

We considered this a key audit matter due to the significance of the mineral properties in the consolidated financial statements and the level of auditor judgement required in applying and evaluating the results of audit procedures to assess the factors considered by management in its assessment of impairment indicators.

How our audit addressed the Key Audit Matter

- For a sample of claims we obtained, by reference to government registries, evidence to support the right to explore the area and claim expiration dates;
- Evaluated management's assumptions related to continued and planned expenditures which included evaluating the results of current year work programs and inspecting board meeting minutes and budget approvals to evidence continued and planned exploration expenditures;
- 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; and
- Assessed the Company's market capitalization to net assets ratio at December 31, 2024 and the change in the price of gold from December 31, 2023 to December 31, 2024.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis (MD&A), but does not include the financial statements and our auditor's report thereon.

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 the MD&A report 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 International Financial Reporting 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 Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose 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 Stephen McCourt.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
April 14, 2025
Toronto, Ontario

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed In Canadian Dollars)

($)	December 31 2024	December 31 2023 (Note 4)
Assets		
Current assets		
Cash and cash equivalents (Note 7)	**16,356,741**	9,430,567
Accounts receivable and prepaid expenses (Note 8)	**2,041,423**	1,586,990
Investments (Note 10)	**3,922,349**	665,911
Total current assets	**22,320,513**	11,683,468
Non-current assets		
Property and equipment (Note 11)	**4,517,625**	2,620,606
Restricted cash (Note 9)	**1,393,291**	-
Mineral properties (Note 12)	**163,243,607**	103,379,208
Total non-current assets	**169,154,523**	105,999,814
Total assets	**191,475,036**	117,683,282
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 13)	**3,694,002**	1,118,576
Current portion of long-term debt (Note 14)	**282,686**	109,951
Convertible debt (Note 14)	**-**	7,366,850
Derivative liability (Note 14)	**-**	59,544
Current portion of SRSR payment obligation (Note 15)	**1,092,596**	1,860,845
Flow-through premium (Note 17)	**959,864**	102,578
Total current liabilities	**6,029,148**	10,618,344
Non-current liabilities		
Long-term debt (Note 14)	**15,972,317**	141,886
Provision for reclamation (Note 16)	**2,256,852**	-
SRSR payment obligation (Note 15)	**7,947,829**	7,462,089
Total non-current liabilities	**26,176,998**	7,603,975
Total liabilities	**32,206,146**	18,222,319
Shareholders' Equity		
Capital stock (Note 18)	**288,833,008**	216,257,231
Warrants (Note 19)	**6,362,129**	918,209
Contributed surplus	**29,147,281**	27,283,223
Deficit	**(163,629,332)**	(143,974,139)
Accumulated other comprehensive loss	**(1,444,196)**	(1,023,561)
	159,268,890	99,460,963
Total liabilities and shareholders' equity	**191,475,036**	117,683,282

Nature of Operations and Going Concern (Note 1)
Commitments and Contractual Obligations and Contingencies (Note 24)
Subsequent Events (Note 26)

SIGNED ON BEHALF OF THE BOARD

(Signed) "Mary-Lynn Oke" Director

(Signed) *"James Gowans"* Director

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

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed In Canadian Dollars)

	For the years ended	
($)	**December 31 2024**	December 31 2023
Expenses		
Exploration and evaluation (Note 21)	**7,814,093**	6,928,131
Administrative, office and shareholder services	**2,566,304**	1,124,337
Professional fees	**956,717**	605,031
Salary and benefits	**3,792,176**	2,312,502
Amortization (Note 11)	**455,827**	202,384
Share-based payments (Note 20)	**1,584,715**	1,314,458
Accretion of long-term debt (Note 14 & Note 15)	**975,056**	1,156,111
Finance expense	**500,647**	227,942
Foreign exchange loss (gain)	**1,526,599**	(383,584)
Loss (gain) on debt modification/extinguishment (Note 14 and Note 15)	**(62,283)**	464,995
Gain on debt and derivative liability (Note 14)	**(19,660)**	(101,696)
Loss before income tax	**(20,090,191)**	(13,850,611)
Income from recognition of flow-through premium (Note 17)	**496,325**	464,400
Net Loss for the year	**(19,593,866)**	(13,386,211)

Loss per share - basic and diluted	**(0.30)**	(0.37)
Weighted average number of shares outstanding (Note 18)	**65,371,457**	36,573,576

(i) On July 9, 2024, the Company completed a consolidation of the Company's issued and outstanding Common Shares on the basis of one post-consolidation Common Share for every four pre-consolidation Common Shares. Accordingly, the number of Common Shares, warrants, stock options and restricted share units (and their respective exercise prices, as applicable) in the consolidated annual financial statements have been restated to reflect the share consolidation.

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE LOSS
(Expressed In Canadian Dollars)

	For the years ended	
($)	**December 31 2024**	December 31 2023
Net loss for the year	**(19,593,866)**	(13,386,211)
Other comprehensive income (loss)		
Items to be reclassified to profit or loss in subsequent years		
Fair value on equity investments, net of taxes (Note 10)	**(533,573)**	1,478
Loss from sale of investment transferred to retained earnings (Note 10)	**61,327**	-
Foreign currency translation adjustment	**51,611**	-
Other comprehensive income (loss) for the year	**(420,635)**	1,478
Total comprehensive loss for the year	**(20,014,501)**	(13,384,733)

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

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed In Canadian Dollars)

($)	Common Shares	Capital Stock	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total
Balance, January 1, 2023	**34,542,023**	**209,595,606**	–	**26,102,719**	**(130,587,928)**	**(1,025,039)**	**104,085,358**
Share-based payments - compensation (Note 20)	–	–	–	131,350	–	–	131,350
Share-based payments - restricted share units (Note 20)	–	–	–	1,183,108	–	–	1,183,108
Restricted share units redeemed (Note 20)	109,308	133,954	–	(133,954)	–	–	–
Flow-through share issuance (Note 17)	778,816	841,122	–	–	–	–	841,122
Issuance of warrants at fair value (Note 19)	–	–	464,995	–	–	–	464,995
Share issued for repayment of SRSR obligation (Note 15)	1,731,364	2,011,273	–	–	–	–	2,011,273
Returned shares	(4,287)	–	–	–	–	–	–
Shares issued in private placement (Note 18)	7,400,893	4,144,500	–	–	–	–	4,144,500
Share issue costs		(16,010)	–	–	–	–	(16,010)
Issuance of warrants at fair value (Note 19)	–	(453,214)	453,214	–	–	–	–
Net income (loss) for the year	–	–	–	–	(13,386,211)	–	(13,386,211)
Other comprehensive income (loss) for the year	–	–	–	–	–	1,478	1,478
Balance, December 31, 2023	**44,558,117**	**216,257,231**	**918,209**	**27,283,223**	**(143,974,139)**	**(1,023,561)**	**99,460,963**

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed In Canadian Dollars)

($)	Common Shares	Capital Stock	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total
Balance, December 31, 2023	**44,558,117**	**216,257,231**	**918,209**	**27,283,223**	**(143,974,139)**	**(1,023,561)**	**99,460,963**
Share-based payments - compensation (Note 20)	–	–	–	277,358	–	–	277,358
Share-based payments - restricted share units (Note 20)	–	–	–	1,307,357	–	–	1,307,357
Restricted share units redeemed (Note 20)	318,883	296,400	–	(296,400)	–	–	–
Share units redeemed (Note 20)	509,301	376,886	–	(376,886)	–	–	–
Share issued for repayment of SRSR obligation (Note 15)	2,191,942	1,346,173	–	–	–	–	1,346,173
Share options issued at fair value for Blackwolf acquisition (Note 6)	–	–	–	72,690	–	–	72,690
Warrants issued at fair value for Blackwolf acquisition (Note 6)	–	–	293,269	–	–	–	293,269
Shares issued for Blackwolf acquisition at fair value (Note 6)	21,905,950	18,400,998	–	–	–	–	18,400,998
Advisory fees related to Blackwolf Acquisition (Note 6)	309,100	250,000	–	–	–	–	250,000
Returned and cancelled shares	(224)	–	–	–	–	–	–
Share units issued at fair value for Signal Gold acquisition (Note 6)	–	–	–	757,577	–	–	757,578
Share options issued at fair value for Signal Gold acquisition (Note 6)	–	–	–	122,362	–	–	122,362
Warrants issued at fair value for Signal Gold acquisition (Note 6)	–	–	1,880,230	–	–	–	1,880,230
Shares issued for Signal Gold acquisition at fair value (Note 6)	47,232,655	34,952,165	–	–	–	–	34,952,165
Advisory fees related to Signal Gold (Note 6)	1,379,075	1,020,516	–	–	–	–	1,020,516
Flow-through share issuance (Note 17)	17,062,750	14,484,980	–	–	–	–	14,484,980
Flow-through share premium (Note 17)	–	(1,061,833)	–	–	–	–	(1,061,833)
Shares issued for Nebari credit facility (Note 14)	8,000,000	5,692,400	–	–	–	–	5,692,400
Fair value of warrants issued for long-term debt (Note 14)	–	–	821,685	-	–	–	821,685
Issuance of warrants at fair value (Note 19)	–	(2,417,664)	2,417,664	–	–	–	–
Share issue costs	–	(796,744)	31,072	–	–	–	(765,673)
Warrants exercised (Note 19)	37,500	31,500	–	–	–	–	31,500
Net income (loss) for the year	–	–	–	–	(19,593,866)	–	(19,593,866)
Foreign currency translation adjustment	–	–	–	–	–	51,611	51,611
Loss from sale of investments (Note 10)	–	–	–	–	(61,327)	61,327	–
Other comprehensive income (loss) for the year	–	–	–	–	–	(533,573)	(533,573)
Balance, December 31, 2024	**143,505,049**	**288,833,008**	**6,362,129**	**29,147,281**	**(163,629,332)**	**(1,444,196)**	**159,268,890**

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

NEXGOLD MINING CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

($)	For the years ended December 31 2024	December 31 2023
Cash and cash equivalents (used in) provided by:		
Operating Activities		
Net Loss for the year	**(19,593,866)**	(13,386,211)
Adjustments for:		
Amortization (Note 11)	**455,827**	202,384
Income from recognition of flow-through premium (Note 17)	**(496,325)**	(464,400)
Share-based payments (Note 20)	**1,584,715**	1,314,458
Accretion on SRSR Payment obligation (Note 15)	**824,949**	976,185
Accretion on long-term debt (Note 14)	**150,107**	179,926
Loss (gain) on fair value change of derivative liability (Note 14)	**(19,660)**	(101,696)
Finance expense & income	**879,736**	710,784
Foreign exchange (gain) loss	**1,526,599**	(383,584)
Loss (gain) on debt modification/extinguishment (Note 14 & Note 15)	**(62,283)**	464,995
Reclamation provision (Note 16)	**103**	–
Net change in non-cash working capital items:		
Accounts receivable and prepaid expenses	**(148,872)**	(722,727)
Accounts payable and accrued liabilities	**(118,624)**	(100,793)
Net cash flows used in operating activities	**(15,017,594)**	(11,310,679)
Investing Activities		
Acquisition of Blackwolf, net cash and cash equivalents (Note 6)	**2,455,431**	–
Acquisition of Signal, net cash and cash equivalents (Note 6)	**13,804,972**	–
Proceeds from sale of equity investments (Note 10)	**2,217**	–
Acquisition of property and equipment (Note 11)	**(50,618)**	(13,561)
Proceeds from sale of royalty (Note 12)	**8,538,600**	–
Net cash flows provided by (used in) investing activities	**24,750,602**	(13,561)
Financing Activities		
Exercised of warrants (Note 19)	**31,500**	–
Proceeds from issuance of shares (Note 18)	**14,484,980**	1,408,100
Share issuance costs	**(765,671)**	–
Proceeds from private placement, net of issue costs (Note 18)	**–**	4,128,490
Payment of lease liabilities	**(121,925)**	(120,843)
Costs incurred related to Nebari long-term debt (Note 14)	**(632,958)**	–
Proceeds from Nebari long-term debt (Note 14)	**17,077,200**	–
Repayment of Nebari credit facility (Note 14)	**(23,943,069)**	–
Repayment of convertible debt (Note 14)	**(8,890,036)**	–
Repayment of SRSR obligation (Note 15)	**–**	(681,050)
Net cash flows provided by (used in) financing activities	**(2,759,979)**	4,734,697
Foreign currency translation adjustment	**(46,855)**	–
Increase (decrease) in cash and cash Equivalents	**6,926,174**	(6,589,543)
Cash and cash equivalents, beginning of year	**9,430,567**	16,020,110
Cash and cash equivalents, end of year	**16,356,741**	9,430,567
Supplementary cash flow information		
Changes in non-cash activities:		
Repayment of Nebari credit facility in share issuance (Note 14)	**5,692,400**	–
Payment of debt with shares (Note 15)	**1,346,172**	2,011,273
Capitalized interest on long-term debt (Note 14)	**761,809**	727,059

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Effective July 9, 2024, the Company changed its name from “Treasury Metals Inc.” to “NexGold Mining Corp.” (the "Company" or "NexGold") The jurisdiction of the Company was discontinued in Ontario and continued in British Columbia effective July 4, 2024. The Company also delisted from the Toronto Stock Exchange at the close of market on July 4, 2024 and listed on the TSX Venture Exchange (the “TSXV”) effective July 5, 2024, trading under the symbol “TML”. Subsequent to the name change, the Company’s common shares (“Common Shares”) began trading under new symbols effective as of market open as follows: (i) “NEXG” on the TSXV on July 10, 2024; and (ii) NXGCF on the OTCQX® Best Market on August 5, 2024. The address of the Company's registered office is 3123 – 595 Burrard St., Vancouver, BC, Canada V7X 1J1 and its head office is located at 20 Adelaide Street, Suite 401, Toronto, ON, Canada M5C 2T6. The Company also has project offices at the Goliath Project in Wabigoon, Ontario and the Goldboro Project in Guysborough County, Nova Scotia. As at December 31, 2024, the mineral properties of the Company are located in Canada and Alaska and are in the exploration stage. The recoverability of the amounts shown on the consolidated statements of financial position for mineral properties is dependent upon the existence of economically recoverable mineral reserves, maintaining beneficial interest in its properties and the underlying mining claims, obtaining the necessary regulatory approvals and permits, the ability to obtain the necessary financing to fulfill its obligations as they arise, the ability to complete the development of the claims, and achieving profitable production or the proceeds from the disposition of the properties. The Company's success depends on the successful development of the properties and corresponding permitting and feasibility study. Based upon its current operating and financial plans, management of the Company believes that it will have sufficient access to financial resources (debt and equity), in the near term, to fund the Company's planned operations and development of its material projects—the Goliath Gold Complex and Goldboro Gold Project.

The consolidated annual financial statements were prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has not generated revenue from operations. On December 31, 2024, the Company's working capital was $17,251,229 (December 31, 2023 – $8,594,096), excluding convertible debenture, derivative liability and flow-through share premium. For the year ended December 31, 2024, the Company incurred a net loss of $19,593,866 (December 31, 2023 – net loss of $13,386,211), had cash outflows from operations of $15,017,594 (December 31, 2023 - $11,310,679), had not yet achieved profitable operations, had accumulated losses of $163,629,332 (December 31, 2023 – $143,974,139) and expects to incur further losses in the development of its business. Should the Company be unable to raise sufficient financing to maintain operations, the Company may be unable to realize the carrying value of its net assets. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated annual financial statements do not reflect the adjustments to carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material.

On July 9, 2024, the Company completed a consolidation of the Company’s issued and outstanding Common Shares on the basis of one post-consolidation Common Share for every four pre-consolidation Common Shares. Accordingly, the number of Common Shares, warrants, stock options and restricted share units (and their respective exercise prices, as applicable) in the consolidated annual financial statements have been restated to reflect the share consolidation.

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board ("IASB") and their interpretations issued by the IFRS Interpretations Committee which have been consistently applied.

The consolidated annual financial statements have been prepared on a historical cost basis except for financial instruments, as set out in the accounting policies in note 2 of these consolidated annual financial statements.

The preparation of these consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates and requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment and/or complexity, or areas where assumptions and estimates are significant to the consolidated annual financial statements, are disclosed in note 3.

These consolidated annual financial statements were approved by the Company's Board of Directors on April 14, 2025.

Basis of Consolidation

These consolidated annual financial statements include the financial statements of the Company and entities controlled by the Company (subsidiaries). Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Intercompany balances and transactions, including any unrealized income and expenses arising from intercompany transactions, are eliminated in full on consolidation.

At December 31, 2024, the Company retained an ownership interest in the following subsidiaries:

Name of Subsidiary	Jurisdiction of Incorporation	Principal activity	Ownership as of	
			December 31, 2024	December 31, 2023
Goldeye Explorations Ltd.	Ontario, Canada	Holds interest in Weebigee Project	100%	100%
Blackwolf Copper and Gold Ltd.	British Columbia, Canada	Mineral exploration	100%	–
Signal Gold Inc	Ontario, Canada	Holds interest in Goldboro Gold Mines Inc.	100%	–
Goldboro Gold Mines Inc.	Ontario, Canada	Mineral exploration	100%	–
Colorado Minerals Inc.	Ontario, Canada	Holds interest in Inversiones La Veta Holding SpA	100%	–
Inversiones La Veta Holding SpA	Chile	Holds interest in Inversiones La Veta Limitada	100%	–
Inversiones La Veta Limitada	Chile	Mineral exploration	100%	–
Heatherdale Holdings Ltd.	British Columbia, Canada	Holds interest in Niblack Holdings (US) Inc.	100%	–
Niblack Holdings (US) Inc.	Nevada, USA	Holds interest in Niblack Project LLC	100%	–
Niblack Project LLC	Delaware, USA	Exploration of Niblack Project and has title to the Niblack claims	100%	–
BWCG Holdings (US) Inc.	Alaska, USA	Holds interest in BWCG (Alaska) LLC	100%	–
BWCG (Alaska) LLC	Alaska, USA	Previously held interest in Hyder Properties and had title to the claims	100%	–
Optimum Ventures Ltd.	British Columbia, Canada	Previously held interest in Harry Project	100%	–
1309762 B.C. Ltd.	British Columbia, Canada	Inactive	100%	–
Optimum Ventures (Nevada) Ltd.	Nevada, USA	Inactive	100%	–
Hyder Ventures Ltd.	Alaska, USA	Inactive	100%	–

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Functional and Presentation Currency

These consolidated annual financial statements are presented in Canadian dollars (CAD), which is also the functional currency of the Company and its wholly-owned Canadian subsidiaries. The functional currency of the Company's United States (U.S.) subsidiaries is U.S. dollars (US$).

Items included in the financial statements of each entity in the NexGold group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Primary and secondary indicators are used to determine the functional currency. Primary indicators include the currency that mainly influences sales prices, labour, material and other costs. Secondary indicators include the currency in which funds from financing activities are generated and in which receipts from operating activities are usually retained.

The financial statements of entities that have a functional currency different from the presentation currency of NexGold ("foreign operations") are translated into CAD as follows: assets and liabilities-at the closing rate at the date of the statement of financial position, and income and expenses-at the average rate of the period (as this is considered a reasonable approximation to actual rates). All resulting changes are recognized in other comprehensive income or loss as cumulative foreign currency translation adjustments.

When the Company disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive income or loss related to the foreign operation are recognized in the statement of income or loss as translational foreign exchange gains or losses.

(i) Transactions and Balances

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of 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 items are carried at fair value that are denominated in foreign currencies are translated at the rates prevailing when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Gains and losses arising on translation are included in profit or loss on the consolidated statements of operations.

Cash and Cash Equivalents

The "cash and cash equivalents" category consists of cash in banks, call deposits and other highly liquid investments with initial maturities of three months or less or which are cashable without penalty.

Restricted cash

Restricted cash is cash held in banks that is not available for general corporate use.

Financial Instruments

The Company recognizes financial assets and financial liabilities when the Company becomes a party to a contract. Financial assets and financial liabilities (except for financial assets and financial liabilities classified as fair value through profit or loss) are measured at fair value plus or minus transaction costs on initial recognition. Financial assets and financial liabilities at fair value through profit or loss are measured at fair value on initial recognition and transaction costs are expensed when incurred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

The following summarizes the Company's classification and measurement of financial assets and financial liabilities:

- Cash and cash equivalents and accounts receivable are classified as amortized cost.
- Equity investments have been designated as fair value through other comprehensive income ("FVTOCI").
- Accounts payable and accrued liabilities, long-term debt, SRSR payment obligation and provision for reclamation are classified as amortized cost.
- Derivative liability is classified as fair value through profit and loss ("FVTPL").

Measurement in subsequent periods depends on the classification of the financial instrument:

Financial Assets at Amortized Cost

Cash and cash equivalents and accounts receivable are held with the objective of collecting contractual cash flows and those cash flows are solely payments of principal and interest and are classified as amortized cost.

After initial recognition, these assets are carried at amortized cost, using the effective interest method, less any impairment loss. The carrying amount of the financial asset is reduced through an allowance account, and the amount of the loss is recognized in the consolidated statements of income. Any subsequent reversal of an impairment loss is recognized in profit or loss.

The Company does not currently hold any derivative assets.

Financial Assets at Fair Value through Other Comprehensive Income

The Company has made an irrevocable election on initial recognition to present gains and losses on Equity Investments (that are not held-for-trading or contingent consideration recognized in a business combination) in other comprehensive income.

Financial Liabilities at Amortized Cost

Accounts payable and accrued liabilities, SRSR payment obligation, long-term debt and provision for reclamation are classified as amortized cost.

After initial recognition, these liabilities are carried at amortized cost, using the effective interest method. The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all transaction costs and other premiums or discounts) through the expected life of the debt instrument to the net carrying amount on initial recognition.

Financial Liabilities at Fair Value through Profit and Loss

Financial liabilities are classified as FVTPL if they are derivative liabilities. Financial liabilities classified as FVTPL are measured at fair value, with changes recognized in the consolidated statements of operations.

The derivative liability is measured at FVTPL.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Impairment of Financial Assets

At each reporting date, each financial asset measured at amortised cost is assessed for impairment under an expected credit loss ("ECL") model. The Company applies the simplified approach, which uses lifetime ECL for accounts receivables.

Accounting Policy for Extinguishment / Modification of Debt

Long-term debt is initially recognized at the fair value of the consideration received, net of transaction costs. It is subsequently measured at amortized cost using the effective interest method.

When the debt is amended, if the modification is not substantially different, it will be considered a modification, with any costs or fees incurred adjusting the carrying amount of the debt and amortized over the remaining term of the debt. If the modification is determined to be substantially different based on qualitative factors or when the discounted present value of the cash flows under the new terms discounted using the original effective interest rate is at least ten percent different from the discounted present value of the remaining cash flows of the original debt, the modification is accounted for as an extinguishment of the debt with a gain/loss to the carrying amount of the debt being recorded in the consolidated statements of operations immediately. Also, the transaction costs related to the debt extinguishment are recorded in the statements of operations in the loss (gain) on debt extinguishment debt account.

Property and Equipment

(i) ***Assets owned by the Company***

Property and equipment are carried at historical cost less any accumulated depreciation and impairment losses. Historical cost includes the acquisition cost or production cost as well as the costs directly attributable to bringing the asset to the location and condition necessary for its use in operations. When property and equipment include significant components with different useful lives, they are recorded and amortized separately. Useful life is reviewed at the end of each reporting period.

(ii) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company evaluates whether:

- The contract involves the use of an identified asset, specified either explicitly or implicitly, that is physically distinct, and usage represents substantially all the capacity of the asset; if the supplier has a substantive substitution right, then the asset is not identified.

- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and

- The Company has the right to direct use of the asset, which is evidenced by decision-making rights to direct how and for what purpose the asset is used.

The Company recognizes a Right of Use ("ROU") asset and a lease liability at the lease commencement date.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

The ROU asset is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of future lease payments, discounted using the incremental borrowing rate as the discount rate. The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. If the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset or is recorded in the consolidated statements of loss and comprehensive loss if the carrying value of the ROU asset is zero.

The Company has elected not to recognize assets and lease liabilities for short-term leases with a term of 12 months or less, and leases of low value assets. The lease payments associated with these leases are recognized as an expense in the consolidated statements of loss and comprehensive loss over the lease term.

This policy is applied for contracts entered into, or changed, on or after January 1, 2018.

(i) Subsequent Costs

The Company recognizes, in the carrying amount of an item of property and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognized in the consolidated statements of operations as an expense as incurred.

(ii) Amortization

Amortization is calculated on straight-line and declining balance basis over the estimated useful lives of each part of an item of property and equipment or over the term of the lease agreement. The estimated useful lives in the current and comparative year are as follows:

Building	4% Declining balance
Furniture and equipment	20% Declining balance
Vehicles under finance lease	Straight line over five years
Other vehicles	Straight line over five years
Field equipment	Straight line over three years

Exploration and Evaluation Expenditures

Costs related to the acquisition of mineral properties are considered assets and capitalised at cost. The Company expenses exploration and evaluation expenditures, other than acquisition costs, as they are incurred. Exploration and evaluation expenditures include property payments and evaluation activities, such as exploratory drilling, sample testing and the costs of prefeasibility studies. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, except for development costs that give rise to a future benefit.

Impairment

The Company continually reviews and evaluates the events or changes in the economic environment that indicates a risk of impairment of non-financial assets to determine whether the carrying amount of the asset

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

or group of assets under consideration exceeds its or their recoverable amount. Impairment of the assets is evaluated at the cash generating unit ("CGU") level, which is the smallest identifiable group of assets that generates cash inflows, independent of the cash inflows from other assets, as defined by IAS 36 "Impairment of assets". Recoverable amount is defined as the higher of an asset's fair value (less costs to sell) and its value in use. The active market or a binding sale agreement provides the best evidence for the determination of the fair value, but where neither exists, fair value is based on the best information available to reflect the amount the Company could receive for the CGU in an arm's length transaction. Value in use is equal to the present value of future cash flows expected to be derived from the use and sale of the asset.

Deferred Taxes

Pursuant to the liability method, deferred taxes are recorded for temporary differences existing at closing date between the tax base value of assets and liabilities and their carrying amount on the balance sheet.

- Deferred tax assets and liabilities are measured at the expected tax rates for the year during which the asset will be realized, or the liability settled, based on tax rates (and tax regulations) enacted or substantially enacted at year-end. They are reviewed at the end of each year, in line with any changes in applicable tax rates.
- Deferred tax assets are recognized for all deductible temporary differences, carry forward of tax losses and unused tax credits, insofar as it is probable that a taxable profit will be available, or when a current tax liability exists, to make use of those deductible temporary differences, tax loss carry forwards and unused tax credits, except where the deferred tax asset associated with the deductible temporary difference is generated by initial recognition of an asset or liability in a transaction which is not a business combination, and which, at the transaction date, does not impact earnings, tax income or loss.
- Current tax and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged directly to equity.

Units Issuance

From time to time, the Company may issue Units as a means of raising capital. Ordinarily, each Unit contains one common share of the Company and a whole, or fraction of, a share purchase warrant. The Company allocates the proceeds from each Unit to the common share and warrant components based on their relative fair value using the Black-Scholes pricing model. Transaction costs arising on the issue of Units are recognized in equity as a reduction of the proceeds allocated to issued capital and warrants on a pro rata basis.

Flow-through Shares

Canadian tax legislation permits a Company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the company.

The Company may enter into flow-through share agreements whereby the company agrees to transfer the rights to income tax deductions related to exploration expenditures to the flow-through shareholders. The premium, if any, paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issuance is excluded from capital stock and recorded as a flow-through share premium liability on the balance sheet. The Company reduces its flow-through share premium on renunciation.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

When the Company fulfills its obligation to pass on the tax deduction to the shareholders, the amount recorded as un-renounced flow-through share premium is recognized as deferred income taxes in the statement of operations and a deferred tax liability is recognized for the temporary tax difference. If the renouncement is prospective, the obligation is fulfilled when eligible expenditures are incurred. If the renouncement is retrospective, which is the method used by the company, the obligation is fulfilled when the paperwork to renounce is filed.

Share-based Compensation

The Company offers a share option plan. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Fair value of each tranche is measured using the Black-Scholes option pricing model. Compensation expense is recognized as a charge to net loss over the tranche's vesting period by increasing contributed surplus based on the number of awards expected to vest. Any consideration paid on exercise of share options is credited to capital stock. The contributed surplus resulting from share-based payment is transferred to capital stock when the options are exercised.

For equity settled transactions with non-employees, the Company measures goods or services received at their fair value, unless that fair value cannot be estimated reliably, in which case, the Company measures their value by reference to the fair value of the equity instruments granted.

Loss per Share

Basic loss per share amount is calculated by dividing net loss for the year attributable to common shareholders by the weighted average number of common shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the net loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential ordinary shares into common shares. The options and warrants of the Company are anti-dilutive as of December 31, 2024 and 2023.

Segmental Reporting

The Company presents and discloses segmental information based on information that is regularly reviewed and evaluated by the chief operating decision maker.

The Company has determined that there is only one operating segment, being the sector of exploration and evaluation of mineral resources.

Environment Rehabilitation, Decommissioning and Similar Provision

The Company's activities could give rise to obligations for environmental rehabilitation which can include facilities dismantling, removal, treatment of waste materials, monitoring, compliance with environmental regulations, security and other site-related costs required to perform the rehabilitation or decommissioning work. Any current expenditures regarding the environmental rehabilitation are charged to the cost of the project.

Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for, and capitalized at the start of each project to the carrying amount of the asset along with a corresponding liability, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect risks specific to the asset are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

amortization using either the unit of production or the straight-line method. The corresponding liability is adjusted each period for the unwinding of the discount rate, changes to the current market-based discount rate, and for the amount or timing of the underlying cash flows needed to settle the obligation.

The Company's estimates of future asset retirement obligations are based on reclamation standards that meet or exceed regulatory requirements. Elements of uncertainty in estimating these amounts include potential changes in regulatory requirements, decommissioning and reclamation alternatives and amounts include potential changes in regulatory requirements, decommissioning and reclamation alternatives and amounts to be recovered from other parties. Elements of uncertainty also exist in estimating the timing of incurring the liability which depends on the ultimate closure date of the operation.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires the Company's management to make certain estimates and assumptions that they consider reasonable and realistic. Despite regular reviews of these estimates and assumptions, based on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions which could impact the reported amount of the Company's assets, liabilities, equity or earnings.

Impairment in mineral properties – Management uses significant judgement in determining whether there is any indication that mineral properties may be impaired.

Debt modification – From time to time, the Company pursues amendments to its credit agreements based on prevailing market conditions. Such amendments, when completed, are considered by the Company to be debt modifications or extinguishments. The accounting treatment of a debt modification depends on whether the modified terms are substantially different than the previous terms. Terms of an amended debt agreement are substantially different based on qualitative factors, or when the discounted present value of the cash flows under the new terms discounted using the original effective interest rate, is at least ten percent different from the discounted present value of the remaining cash flows of the original debt. If the modification is not substantially different, it will be considered as a modification with any costs or fees incurred adjusting the carrying amount of the liability and amortized over the remaining term of the liability. If the modification is substantially different, then the transaction is accounted for as an extinguishment of the old debt instrument with a gain/loss to the carrying amount of the liability being recorded in the consolidated statements of operations immediately. In addition, the transaction costs related to the debt extinguishment are recorded in the profit and loss accounts.

Sharebased compensation, warrants and derivative liabilities – The Company generally utilizes the BlackScholes option pricing model to determine the fair values of the sharebased payments, warrants and derivative liabilities. The Company uses significant judgement in the evaluation of the input variables in the Black Scholes calculation which includes risk free interest rate, expected stock price volatility, expected life and expected dividend yield

Flow-through shares – The Company may issue flow-through shares to fund a portion of its capital expenditure program. Pursuant to the terms of the flow-through share agreements, the tax deductions associated with the expenditures are renounced to the subscribers. The difference between the value ascribed to flow-through shares issued and the value that would have been received for common shares with no tax attributes is initially recognized as a liability. When the expenditures are incurred, the liability is drawn down, a deferred tax liability is recorded equal to the estimated amount of deferred income tax payable by the Company as a result of the renunciation and the difference is recognized as a deferred tax expense.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Deferred income taxes – In assessing the probability of realizing deferred income taxes, the Company makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, the Company gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers relevant tax planning opportunities that are within the Company's control, are feasible and within management's ability to implement. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred taxes. The Company reassesses unrecognized income tax at each reporting period.

Equity vs. Liability – The Company makes estimates and utilizes assumptions in determining whether warrants issued by the Company as part of a unit should be classified as an equity instrument or a liability.

Going Concern – The Company applies judgement in assessing whether material uncertainties exist that would cause doubt as to whether the Company could continue as a going concern.

Asset Acquisition – The Company applies judgement in assessing whether the asset acquisitions meet the definition of a business combination as envisioned under IFRS 3. The Company would further be required to apply judgement in determining the fair value of the individual assets and liabilities acquired under an asset acquisition or business combination.

Fair value of investments – Estimates are made in determining the fair value of its privately held investment in Novamera. The fair value of the Company's investment is based on inputs which have a significant effect on fair value that are not observable from market data. The Company considered the post-money valuation of recently completed and contemplated equity transactions and current market conditions. Estimation is used in applying a discount factor to reflect the lack of marketability.

Provision for reclamation – Significant estimates and assumptions are made in determining the nature, timing and amount, of future expenditures required to settle the Company's rehabilitation liabilities and closure costs. These estimates could change in the future due to increased disturbance, technological changes, changes in the regulatory environment, cost changes and changes to the discount rate.

4. NEW ACCOUNTING STANDARDS ISSUED

Effective January 1, 2024, the Company has adopted amendments to *IAS 1, Presentation of Financial Statements* ("IAS 1"), relating to the classification of liabilities as current or non-current.

The Company 's convertible debenture has a conversion option, which gives the holder the right to exercise the option at any time up to maturity date. As the holder has the right to convert at any time and the Company does not have the right to defer settlement of the debenture for at least twelve months after the end of the reporting period, the debenture has been reclassified to current liabilities.

The amendment has been applied retrospectively for all periods presented in accordance with IAS 1.

(Expressed in Canadian Dollars)

4. NEW ACCOUNTING STANDARDS ISSUED (cont'd)

As a result of this amendment, the following reclassifications have been made to the presentation of the comparative consolidated Statement of Financial Position:

($)	Before amendments to IAS 1 as at December 31, 2024	Effect of adoption of amendment to IAS 1	After amendments to IAS 1 as at December 31, 2024
Current liabilities	(6,029,148)	–	(6,029,148)
Non-current liabilities	(26,176,998)	–	(26,176,998)
Total liabilities	**(32,206,146)**	**–**	**(32,206,146)**

($)	Before amendments to IAS 1 as at December 31, 2023	Effect of adoption of amendment to IAS 1	After amendments to IAS 1 as at December 31, 2023
Current liabilities	(3,191,950)	(7,426,394)	(10,618,344)
Non-current liabilities	(15,030,369)	7,426,394	(7,603,975)
Total liabilities	**(18,222,319)**	**–**	**(18,222,319)**

There has been no impact on the measurement or recognition of the convertible debenture or derivative liability, as a result of the IAS 1 amendment.

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET IN EFFECT

New accounting standards issued but not effective Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2024:

- Lack of exchangeability (Amendments to IAS 21) which is effective for periods on or after January 1, 2025.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) which is effective for periods on or after January 1, 2026.

- Presentation and Disclosure in Financial Statements (IFRS 18) which is effective for periods on or after January 1, 2027.

- Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amendments were to be applied prospectively for annual periods beginning on or after January 1, 2016, however, on December 17, 2015 the IASB decided to defer the effective date for these amendments indefinitely. Early adoption is still permitted. The Company does not intend to early adopt these standards.

Pronouncements related to IAS 21, IFRS 9, IFRS 7, IFRS 10 and IAS 28 are not expected to have a significant impact on the Company's consolidated financial statements upon adoption. The impact of IFRS 18 on the Company's consolidated financial statements is under review.

(Expressed in Canadian Dollars)

6. ASSET AQUISITIONS

(i) On May 1, 2024, the Company entered into a definitive agreement with Blackwolf Copper and Gold Ltd. ("Blackwolf"), a mineral exploration company with a mineral property interest in the Niblack Project located in Alaska, to which the Company agreed to acquire all of the issued and outstanding common shares of Blackwolf in consideration for the issuance of 0.607 (the "Blackwolf Exchange Ratio") of the Company's Common Share for each Blackwolf common share acquired (the "Blackwolf Transaction"). On July 3, 2024, the Blackwolf Transaction was completed and Blackwolf became a wholly-owned subsidiary of NexGold. As a result of the Blackwolf Transaction, the Company issued 21,905,950 shares to former Blackwolf shareholders and 574,360 fully-vested replacement stock options to previous Blackwolf option holders. In addition, the number and exercise price of 5,691,248 Blackwolf warrants were adjusted in accordance with their terms such that Blackwolf warrants will be exercisable to acquire Common Shares based on the Blackwolf Exchange Ratio.

For reporting purposes, the Company has been identified as the acquirer and the continuing entity of Blackwolf, the entity being acquired. The Blackwolf Transaction did not meet the criteria for a business combination as envisioned under IFRS 3, and therefore it has been accounted for as an asset acquisition. The fair value of the consideration paid has been allocated on the basis that the carrying values of all non-exploration and evaluation assets acquired and liabilities assumed of Blackwolf are reasonable estimates of their current values. The excess of the aggregate consideration paid over the value of these other net assets was then assigned to the interest in the Niblack Property acquired (Note 12). The detailed composition and allocation of these amounts is as follows:

Consideration	**July 3 2024 ($)**
21,905,950 Common Shares issued at a price of $0.84 per share	18,400,998
5,691,248 Warrants issued at fair value	293,269
574,360 Stock options issued at fair value	72,690
Advisory fees	500,000
Transaction costs	652,112
Total Consideration	**19,919,069**

Identifiable Assets	**July 3 2024 ($)**
Cash and cash equivalents	3,354,462
Accounts receivable and prepaid expenses	393,046
Property and equipment	1,937,092
Mineral properties	15,993,732
Restricted cash	1,099,493
Trade and other payables	(630,295)
Deferred flow-through premium	(291,015)
Provision for reclamation	(1,937,446)
Total Consideration	**19,919,069**

(ii) On October 9, 2024, the Company entered into a definitive agreement with Signal Gold Inc. ("Signal"), a mineral exploration company with a mineral property interest in the Goldboro Gold Project located in Nova Scotia, to which the Company agreed to acquire all of the issued and outstanding common shares of Signal in consideration for the issuance of 0.1244 (the "Signal Exchange Ratio") of the Company's Common Share for each Signal common share acquired (the "Signal Transaction"). On December 13, 2024, the Signal Transaction was completed, and Signal became a wholly-owned subsidiary of NexGold. As a result of the Signal Transaction, the Company issued 47,232,655 shares to former Signal shareholders and 486,142 fully vested replacement stock options. In addition, the number and exercise price of 11,378,097 Signal warrants and the

(Expressed in Canadian Dollars)

6. ASSET ACQUISITIONS (cont'd)

number of 1,209,357 Signal share units were adjusted in accordance with their terms such that Signal warrants will be exercisable to acquire, and Signal share units will be settled with, Common Shares based on the Signal Exchange Ratio.

For reporting purposes, the Company has been identified as the acquirer and the continuing entity of Signal, the entity being acquired. The Signal Transaction did not meet the criteria for a business combination as envisioned under IFRS 3, and therefore it has been accounted for as an asset acquisition. The fair value of the consideration paid has been allocated on the basis that the carrying values of all non-exploration and evaluation assets acquired and liabilities assumed of Signal are reasonable estimates of their current values. The excess of the aggregate consideration paid over the value of these other net assets was then assigned to the interest in the Goldboro Property acquired (Note 12). The detailed composition and allocation of these amounts is as follows:

Consideration	**December 13 2024 ($)**
47,232,655 Common shares issued at a price of $0.74 per share	34,952,165
11,378,097 Warrants issued at fair value	1,880,230
486,142 Stock options issued at fair value	122,362
1,209,357 Share units at fair value	757,577
Advisory fees	1,020,516
Transaction costs	550,000
Total Consideration	**39,282,850**

Identifiable Assets	**December 13 2024 ($)**
Cash and cash equivalents	14,354,970
Accounts receivable and prepaid expenses	542,810
Property and equipment	266,661
Mineral properties	52,409,267
Restricted cash	213,277
Investments	3,792,229
Trade and other payables	(2,694,051)
Signal Credit facility	(29,105,610)
Other loans	(283,477)
Deferred flow-through premium	(763)
Provision for reclamation	(212,463)
Total Consideration	**39,282,850**

7. CASH AND CASH EQUIVALENTS

($)	**December 31 2024**	December 31 2023
Cash	**4,945,803**	4,869,787
Cashable GIC	**11,410,938**	4,560,780
	16,356,741	9,430,567

(Expressed in Canadian Dollars)

8. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

($)	**December 31 2024**	December 31 2023
Advances and prepaid expenses	**784,715**	1,257,783
Other receivables	**241,974**	106,930
Tax receivable	**1,014,734**	222,277
	2,041,423	1,586,990

9. RESTRICTED CASH

The Company's restricted cash is comprised mainly of cash collateral held with a U.S. financial institution, which has pledged to the surety provider the surety bond accepted by the Alaskan regulatory authorities. It will be released once reclamation work has been performed and assessed by the Alaskan regulatory authorities.

10. INVESTMENTS

The Company's investments are classified as fair value through other comprehensive income ("FVTOCI") and are carried at fair value.

Company	**Number of Shares**	**December 31 2024**	Number of Shares	December 31 2023
		($)		($)
Alaska Energy Metals Corp. – Shares (i)	-	-	14,778	5,911
PTX Metals Inc. – Shares (ii)	4,125,000	495,000	4,125,000	660,000
Novamera Inc. (iii)	88,133	1,515,947	-	-
Firefly Metals Inc. (iv)	2,317,869	1,911,402	-	-
		3,922,349		665,911

(i) On March 1, 2023, Millrock Resources Inc changed its name to Alaska Energy Metals Corporation and consolidated its outstanding common shares on the basis of one new common share for every ten common shares held. On May 21, 2024, the Company sold 14,778 shares in Alaska Anergy Metals Corp. for a loss of $61,327.
(ii) On September 3, 2024, PTX Metals Inc. announced a share consolidation of its common shares on the basis of four pre-consolidation common shares into one post-consolidation common share.
(iii) As part of the Signal acquisition (Note 6), the Company acquired investments in Novamera Inc. (a private mining technology research and development company)
(iv) As part of the Signal acquisition (Note 6), the Company acquired investments Firefly Metals Inc. (an emerging copper-gold company).

(Expressed in Canadian Dollars)

11. PROPERTY AND EQUIPMENT

($)	Land	Buildings(i)	Furniture and Equipment	Vehicles(ii)	Field Equipment	**Total**
Cost						
At January 1, 2024	1,496,909	1,535,011	532,266	236,962	–	3,801,148
Blackwolf acquisition (Note 6i)	–	–	51,572	–	2,543,434	2,595,006
Signal acquisition (Note 6ii)	–	525,972	14,000	20,968	281,589	842,529
Additions	–	7,656	29,962	13,000	–	50,618
Disposals	–	–	–	–	–	–
Translation adjustment	–	–	–	–	140,253	140,253
At December 31, 2024	1,496,909	2,068,639	627,800	270,930	2,965,276	7,429,554
Accumulated amortization						
At January 1, 2024	–	(611,833)	(455,975)	(112,734)	–	(1,180,542)
Amortization for the year	–	(110,182)	(24,640)	(50,664)	(270,341)	(455,827)
Blackwolf acquisition (Note 6i)	–	–	(51,572)	–	(606,343)	(657,915)
Signal acquisition (Note 6ii)	–	(278,868)	(5,135)	(20,968)	(270,897)	(575,868)
Disposals	–	–	–	–	–	–
Translation adjustment	–	–	–	–	(41,777)	(41,777)
At December 31, 2024	**–**	**(1,000,883)**	**(537,322)**	**(184,366)**	**(1,189,358)**	**(2,911,929)**
Net book value December 31, 2024	**1,496,909**	**1,067,756**	**90,478**	**86,564**	**1,775,918**	**4,517,625**

(i) Buildings include right-of-use assets with net book value of $294,488 (December 31, 2023 – $120,627).
(ii) Vehicles and equipment include right-of-use assets with net book value of $83,449 (December 31, 2023 – $105,319).

($)	Land	Buildings(i)	Furniture and Equipment	Vehicles(ii)	Total
Cost					
At January 1, 2023	1,496,909	1,535,011	518,705	236,962	3,787,587
Additions	–	–	13,561	–	13,561
Disposals	–	–	–	–	–
At December 31, 2023	1,496,909	1,535,011	532,266	236,962	3,801,148
Accumulated amortization					
At January 1, 2023	–	(510,221)	(403,963)	(63,974)	(978,158)
Amortization for the year	–	(101,612)	(52,012)	(48,760)	(202,384)
Disposals	–	–	–	–	–
At December 31, 2023	–	(611,833)	(455,975)	(112,734)	(1,180,542)
Net book value at December 31, 2023	1,496,909	923,178	76,291	124,228	2,620,606

(Expressed in Canadian Dollars)

12. MINERAL PROPERTIES

As of December 31, 2024 and December 31, 2023, the accumulated acquisition costs with respect to the Company's interest in mineral properties, consisted of the following:

	Balance January 1 2024	Additions, net of recoveries and write downs	Sale of royalty (b)	**Balance December 31 2024**
	($)	($)	($)	**($)**
Goliath Gold Project (a)	17,519,860	–	–	**17,519,860**
Goldlund Gold Project (a)	83,906,996	–	–	**83,906,996**
Weebigee Project	1,952,352	–	–	**1,952,352**
Niblack Project (Note 6i)	–	15,993,732	–	**15,993,732**
Goldboro Gold Project (Note 6ii) (b)	–	52,409,267	(8,538,600)	**43,870,667**
	103,379,208	68,402,999	(8,538,600)	**163,243,607**

	Balance January 1 2023	Additions net of recoveries	Sale of royalty	Balance December 31 2023
	($)	($)	($)	($)
Goliath Gold Project	17,519,860	–	–	17,519,860
Goldlund Gold Project	83,906,996	–	–	83,906,996
Weebigee Project	1,952,352	–	–	1,952,352
	103,379,208	–	–	103,379,208

Goliath Gold Project

The Goliath Gold Project is in the Kenora Mining Division in northwestern Ontario, 20 km east of the City of Dryden and 325 km northwest of the port City of Thunder Bay.

Goldlund Gold Project

The Goldlund Gold Project is located adjacent to the Goliath Gold Project, in the Kenora Mining Division in northwestern Ontario.

Goldeye Explorations

Goldeye is the Weebigee Project in Northwestern Ontario.

Weebigee Project

The Weebigee Project is located near Sandy Lake, north of Red Lake in Northwestern Ontario.

Niblack Project

The Niblack Project, 100% owned by the Company (and acquired through the Blackwolf Transaction), consists of the Niblack property located on Prince of Wales Island, some 27 miles from Ketchikan, Alaska and includes certain site plant and equipment assets (Note 6).

Goldboro Project

The Goldboro Project is an advanced exploration and gold development project, which is 100% owned by the Company (acquired through the Signal Transaction), located in southeast Nova Scotia (Note 6).

12. MINERAL PROPERTIES (cont'd)

(a) Sale of Royalty to Sprott Resource Streaming and Royalty (B) Corp

On April 11, 2022, the Company sold a 2.2% net smelter returns royalty (the "Sprott Royalty") on the properties that comprise of the Goliath Gold Complex, which includes the Goliath Gold Project, Goldlund Gold Project and Miller Project, to Sprott Resource Streaming and Royalty (B) Corp. ("SRSR") for gross proceeds of $25,178,000 (US$20.0 million). The Sprott Royalty applies to sales of precious and base metals from all of the claims which comprise the Goliath Gold Complex.

The Company has an option to buy back 50% of the Sprott Royalty based upon the buy-down schedule set out below. Upon the achievement of 1.5 million ounces of gold production, the royalty will automatically reduce by 50% for no additional consideration by the Company. Proceeds will be used to complete ongoing work to deliver a feasibility study for the Goliath Gold Complex and for general corporate and working capital purposes.

The Company has a one-time option (the "Buy-Down Option") to reduce the applicable royalty percentage by 50% and 50% of any remaining minimum payments, by exercising its option and paying the applicable amount below (see Note 15 for updated terms):

(i) On or before December 31, 2024 – US$14.0 million
(ii) From January 1, 2025 until December 31, 2025 – US$16.0 million
(iii) From January 1, 2026 until December 31, 2026 – US$17.0 million
(iv) From January 1, 2027 until December 31, 2027 – US$18.25 million
(v) From January 1, 2028 until December 31, 2028 – US$19.5 million.

The Buy-Down Option is treated as a financial instrument measured at fair value taking into account the likelihood of the Company exercising the option. As of December 31, 2024, it is unlikely management will exercise the Buy-Down option, and as such, management has ascribed a $nil value to it.

(b) Sale of Royalty to Nebari Royalty I ULC

On December 13, 2024, the Company sold a 0.6% net smelter returns royalty (the "Nebari Royalty") on the property that comprises of the Goldboro Gold Project, to Nebari Royalty I ULC. ("NRU") for gross proceeds of $8,538,600 (US$6.0 million). The Nebari Royalty applies to sales of precious and base metals, from specific claims which form part of the Goldboro property.

The Company has a one-time option (the "Goldboro Buy-Down Option") to buy back the Nebari Royalty by exercising its option within the 30-month period and paying the applicable amount below:

(i) On or before December 12, 2025 – US$7.2 million
(ii) From December 13, 2025 until December 12, 2026 – US$8.4 million
(iii) From December 13, 2026 until June 13, 2027 – US$9.6 million.

The buy back can be settled in cash, or common shares if mutually agreed. If the Nebari Royalty has not been repurchased by June 13, 2027, the royalty percentage will increase to 2.0% thereafter.

The Goldboro Buy-Down Option is treated as a financial instrument measured at fair value considering the likelihood of the Company exercising the option. As of December 31, 2024, it is unlikely management will exercise the Buy-Down option, and as such, management has ascribed a $nil value to it.

(Expressed in Canadian Dollars)

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

($)	**December 31 2024**	December 31 2023
Trade accounts payable	**1,894,090**	595,315
Accrued liabilities	**1,799,912**	523,261
	3,694,002	1,118,576

14. LONG TERM DEBT

The present value of long-term debt at December 31, 2024 and December 31, 2023 is as follows:

($)	Nebari Debt (a)	Convertible Debt (b)	Lease Payable (c)	**December 31 2024**
Loan amount	17,266,800	–	446,488	**17,713,288**
Unaccreted amount	(1,434,076)	–	(24,209)	**(1,458,285)**
Carrying value of the debt	15,832,724	–	422,279	**16,255,003**
Current portion of the debt	–	–	(282,686)	**(282,686)**
Long-term debt	15,832,724	–	139,593	**15,972,317**

($)	Nebari Debt (a)	Convertible Debt (b)	Lease Payable (c)	December 31 2023
Loan amount	–	7,488,658	267,951	7,756,609
Unaccreted amount	–	(121,808)	(16,114)	(137,922)
Carrying value of the debt	–	7,366,850	251,837	7,618,687
Current portion of the debt	–	(7,366,850)	(109,951)	(7,476,801)
Long-term debt	–	–	141,886	141,886

(a) Nebari Debt

($)	**December 31, 2024**	
	Nebari Debt (i)	**Nebari Credit Facility (ii)**
Beginning balance	**–**	**–**
Debt acquired through Signal acquisition (Note 6)	**–**	**29,105,610**
Proceeds	**17,077,200**	**–**
Deferred transaction costs	**(1,454,644)**	**–**
Accretion recognized	**20,568**	**–**
Interest accrued	**89,421**	**–**
Interest paid	**(89,421)**	**–**
Loss on debt extinguishment	**–**	**444,657**
Foreign exchange adjustment	**189,600**	**84,802**
Repayment	**–**	**(29,635,469)**
Ending balance	**15,832,724**	**–**

(i) On December 13, 2024, the Company entered into a new $17,077,200 (US$12,000,000) facility (the “Nebari Facility”) with Nebari Natural Resources Credit Fund I, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Gold Fund 1, LP (collectively “Nebari”). The Nebari Facility has a 30-month term with a fixed interest rate of 11.4%, payable monthly in arrears. The Nebari Facility is repayable by June 13, 2027, and secured against both the Goliath and Goldboro Projects.

As part of the agreement, Nebari was issued 3,160,602 warrants (Note 19), with each whole warrant exercisable until June 13, 2027, at an exercise price of $1.00 per whole warrant. The warrants were assigned a fair value of $821,685 using the Black-Scholes options model with the

14. LONG TERM DEBT (cont'd)

following assumptions: share price $0.74, dividend yield 0%, expected volatility 69.35%, based on historical volatility, a risk-free interest rate of 3.03% and an expected life of 2.5 years.

The Company deducted total transaction costs, including the fair value of warrants, of $1,454,644 from the carrying value of the Nebari Facility, which will be amortized over the term of the debt.

The Nebari Facility is subject to compliance with certain financial covenants including a minimum consolidated cash balance of $2,000,000, minimum consolidated working capital balance of at $2,000,000, no more than 20% of accounts payable greater than 45 days. The Company is in compliance with all financial covenants as of December 31, 2024.

The Company has the option to prepay, in part or full, at managements discretion, the Nebari Facility in minimum prepayment amounts of $1,000,000. If paid within 12 months of the closing date of the transaction, Nebari will be entitled to make-whole payment equal to a minimum return of 12 months interest, calculated at the fixed interest rate of 11.4%. As of December 31, 2024, management does not expect the loan to be repaid within this period.

Per the Nebari Facility, the Company is subject to certain mandatory prepayment conditions:

- Asset Disposals – if the aggregate net disposal amount derived from all asset disposals occurring during any trailing 12 consecutive months ("TTM") exceeds $1,000,000, the Company shall, on or before the 10th business day falling after receipt of such excess funds, prepay the loan outstanding under the Nebari Facility in an amount equal to the excess proceeds.
- Comprehensive Insurance Proceeds - if the aggregate insurance proceeds derived from all insurance events (as set out in the Nebari Facility) occurring during any TTM period exceeds $1,000,000, the Company shall, on or before the sixth month falling after receipt of such insurance proceeds (i) reinvest such insurance proceeds for the sole purpose of repairing or replacing the assets compensated for by the insurance proceeds derived from that insurable event, or (ii) prepay the loan outstanding under the Nebari Facility in an amount equal to the excess insurance proceeds.
- Goldboro Project Royalty Disposition - if there is a sale of a royalty on the Goldboro Project after the Nebari Facility closing date, no prepayment under the Nebari Facility will be required, provided that (i) the proceeds of such royalty sale will be used to fully buy back the Nebari Royalty (note 12(b)), and (ii) the terms of such new royalty are subordinated to the remaining secured obligations on terms and conditions satisfactory to the Nebari.
- Project Finance - Unless Nebari agrees to subordinate certain obligations of the Company under the Nebari Facility, the Nebari Facility shall be repaid in full no later than concurrent with the initial advance under any such financings. Unless otherwise consented to by Nebari, no project financing or any other working capital financing by a third-party lender (other than certain permitted debt under the Nebari Facility) will be permitted until the Nebari Royalty has been repurchased in accordance with its terms.

(ii) On December 13, 2024, as part the Signal Transaction, the Company repaid the outstanding Signal Gold Nebari credit facility of $29,635,469 (US$20,827,647). The Company recognized a loss of debt extinguishment of $444,657 related to the early settlement, as a result of deferred transactions costs not yet previously recognized. As part of the compensation for the repayment, the Company issued 8,000,000 Common Shares for the value of $5,692,400 (US$4,000,000).

14. LONG TERM DEBT (cont'd)

(b) Convertible Debt

At December 31, 2023, the convertible debt was $7,488,658 (US$5.57 million) as per a debt agreement signed in June 2016 with Extract Lending LLC and Extract Capital Master Fund Ltd. (together, "Extract"), in addition to the six amendments signed in the subsequent years of which the last ("the sixth amendment") was signed in the second quarter of 2023.

Under the fourth amendment, certain terms of the convertible debt were changed to allow the Company the ability to pay interest in cash; in kind, capitalizing it to the facility; or by issuing common shares based on the average volume-weighted price of the five consecutive trading days to the interest payment, less a 15% discount. The fifth amendment, signed in 2022, dealt with administrative items, which had no impact of the overall terms of the debt.

The sixth amendment was signed on June 15, 2023. Under IFRS, the sixth amendment was considered an extinguishment of debt. As a result, the debt was fair valued at date of extinguishment, and it was determined that there was no gain or loss on the extinguishment. The sixth amendment resulted in the maturity date of the debt being extended to June 30, 2026, in addition to a change in the interest rate. The interest rate was changed to a fixed interest rate of 9.75% per annum (previously the interest rate was based on a 12-month LIBOR (minimum 200 basis points) plus 6.5%).

As consideration for the amendment, Extract was granted 2,055,163 bonus warrants. These warrants can be exercised up to June 15, 2026, at an exercise price of $1.764 per share, with each warrant being exercisable for one Common Share. The fair value of the warrants was determined to be $464,995 and was recorded as a loss on debt modification.

The seventh amendment, signed May 1, 2024, provided the consent of Extract to the Company entering into an arrangement agreement with Blackwolf.

On July 3, 2024, the Company signed an eighth amendment dealing with administrative items to reflect changes to the Company's corporate status after the Blackwolf Transaction (e.g., continuance to British Columbia, listing on TSXV). The agreement also updated the conversion price of the Extract warrants from $0.96 to $3.84 in anticipation of the Company's share consolidation on July 9, 2024.

Under the terms of the debt agreement, the debt may be converted at Extract's option, in part or in full, at any time, into Common Shares at $3.84 per Common Share. The debt was secured by a general security agreement, a debenture delivery agreement and demand debenture, which was secured by the Goliath Gold Project property, land, and mining claims in Kenora.

On December 13, 2024, as part of the Company's debt restructuring, the Company repaid the existing Extract convertible debt. As part of the early settlement the Company was required to pay a prepayment premium calculated at the fair value of the derivative. The derivative was assigned a fair value of $39,585 (US$28,026) using the Black-Scholes options model with the following assumptions: share price $0.70, dividend yield 0%, expected volatility 71.9%, based on historical volatility, a risk-free interest rate of 3.7% and an expected life of 1.6 years. In addition, the Company was also required to pay Extract's legal fees relating to the early settlement. These costs were recognized in consolidated statement of operations for the year.

14. LONG TERM DEBT (cont'd)

During the year ended December 31, 2024, $761,809 (December 31, 2023 – $727,059) of interest was capitalized to the debt.

($)	**December 31, 2024**		December 31, 2023	
	Convertible Debt	**Derivative**	Convertible Debt	Derivative
Beginning balance	**7,366,850**	**59,544**	6,775,746	22,738
Accretion	**–**	**–**	163,151	–
Change in fair value	**–**	**–**	–	(22,738)
Capitalised interest	**–**	**–**	327,739	–
Foreign exchange adjustment	**–**	**–**	(155,286)	–
Carrying value prior to amendment	**7,366,850**	**59,544**	7,111,350	–
Fair value of new instrument	**–**	**–**	(138,502)	138,502
Accretion	**129,539**	**–**	16,775	–
Change in fair value	**–**	**(19,660)**	–	(78,958)
Capitalized interest	**761,809**	**–**	399,320	–
Foreign exchange adjustment	**591,954**	**–**	(22,093)	–
Repayment	**(8,850,152)**	**(39,884)**	–	–
Ending balance	**–**	**–**	7,366,850	59,544

Due to the loan being denominated in U.S. dollars, the conversion feature has been presented as a non-cash derivative liability. As at December 13, 2024, the non-cash derivative liability of the debt was settled as part of the prepayment premium repayment. As such a fair value of $39,884 was assigned on December 13, 2024 (December 31, 2023 - $59,544) using the Black-Scholes option pricing model with the following assumptions: share price $0.70 (December 31, 2023 - $0.18), dividend yield 0%, expected volatility based on historical volatility 71.9% (December 31, 2023 – 61.25%), a risk free interest rate of 3.7% (December 31, 2023 – 3.93%) and an expected life of 1.6 years (December 31, 2023 – 2.5 years). The fair value gain of $19,660 (2022 – gain of $101,696) has been recognized in the consolidated statements of operations. The effective interest rate of the amended debt was 10.4% (previously 10.4%).

(c) Lease Payable

As part of the Signal Transaction, the Company took over a four-year lease agreement for Signal's corporate office, with the lease term ending June 2026. The value of the remaining liability was $283,477 as of December 13, 2024.

During the year ended December 31, 2022, the Company entered into a lease agreement for its corporate office with a commencement date of January 1, 2022. The term of the lease is three years and ten months ending on October 30, 2025. The Company also entered into several four-year lease agreements for vehicles to be used at the project site.

As of December 31, 2024, the Company is committed to pay $446,488 (December 2023 - $267,951) through monthly payments until the end of the lease agreements.

(Expressed in Canadian Dollars)

15. SRSR PAYMENT OBLIGATION

($)	**December 31 2024**	December 31 2023
Opening balance	**9,322,934**	11,276,297
Accretion	**824,949**	976,185
Repayment	**(1,346,173)**	(2,692,323)
Fair value adjustment (i)	**(506,940)**	–
Foreign exchange revaluation	**745,655**	(237,225)
Carrying value of the SRSR payment obligation	**9,040,425**	9,322,934
Current portion of the SRSR payment obligation	**(1,092,596)**	(1,860,845)
Long-term portion of SRSR payment obligation	**7,947,829**	7,462,089

(a) Sprott Resource Streaming and Royalty Corp

In connection with the sale of royalty to SRSR (see Note 12), the Company is required to make minimum payments of US$500,000 to SRSR payable quarterly until the earlier of December 31, 2027 or the date that commercial production is declared.

(i) On May 1, 2024, the Company modified the terms of the Sprott Royalty on closing of the Transaction, whereby SRSR will forego receiving the quarterly minimum payments for the next four quarterly payments. In exchange, the quarterly minimum payment will increase to US$675,000 and the last date of payment will be the earlier of the declaration of commercial production, or January 11, 2028.

As a result of the modified terms, related to the quarterly minimum payments, the fair value of the Sprott Royalty was revalued. The fair value change in the SRSR payment obligation was determined to be $506,940 and was recorded as a gain on debt modification, in the profit and loss for the year.

The Company may elect to satisfy the payment on the loan in cash or the issuance of common shares of the Company at a price per common share equal to the greater of: (a) a 5% discount to the five-day volume-weighted average price of the five consecutive trading days prior to the date payment is due and (b) the maximum permitted discount by the Toronto Stock Exchange Venture, at the Company's sole discretion. The minimum payments are secured by a general security agreement and is registered against the Company's assets.

During the year ended December 31, 2024, the Company made payments, to the value of $1,346,173 (US$1,000,000), through the issuance of 2,191,942 common shares (December 2023: $2,011,274 through issuance of 6,925.456 common shares).

The Company entered into an agreement within the scope of IFRS 9 'Financial Instruments'. The initial fair value of the financial liability was determined using a discount rate of 10.2%. After initial recognition, the SRSR obligation is carried at amortized cost using the effective interest rate method. As at December 31, 2024 (December 31, 2023 - $9,322,934) the SRSR obligation was $9,040,426 (US$6.3 million).

(Expressed in Canadian Dollars)

16. PROVISION FOR RECLAMATION

($)	**December 31 2024**	December 31 2023
Opening balance	**–**	–
Niblack reclamation provision (i)	**1,937,446**	–
Signal reclamation provision (ii)	**212,463**	–
Interest accretion	**120**	–
Change in inflation/discount rate	**(17)**	–
Foreign exchange adjustment	**106,840**	–
Closing balance	**2,256,852**	–

(i) As part of the Blackwolf acquisition (Note 6) the Company took on the Niblack reclamation provision. In 2017 a Niblack Reclamation and Closure Plan was approved by the Alaskan Department of Natural Resources (the "ADNR") in May 2018 for the restoration and rehabilitation of the Niblack Project site. The Company's provision of US$1,420,778 allows for inflationary adjustments to the 2017 Niblack Reclamation and Closure Plan. The Company has given the ADNR a cash deposit of US$3,900 as a performance guarantee for additional reclamation work to be performed and has a surety bond from an insurance company in favour of ADNR for the remainder of the obligation. According to the terms of the surety bond, the Company has provided to the surety provider a cash collateral of US$814,284, which was classified as restricted cash, along with any interest reinvested, as of December 31, 2024. The Company will be required to fund the difference between the bond amount claimed and total cash collateral amount (Note 9).

(ii) As part of the Signal acquisition (Note 6) the Company took on the Signal reclamation provision. The reclamation provision relates to an approved reclamation and closure plan, for the Goldboro project, submitted as part of a bulk sample program undertaken in 2018. The Company maintains reclamation security of $250,000 for the bulk sample reclamation plan and well monitoring, which is maintained through a combination of cash security held by the government of Nova Scotia and a surety bond. The Company expects to incur most of its reclamation costs between 2026 and 2027, based on the closure plan approved by the government of Nova Scotia.

The Company also maintains a performance bond of $2,460,356 relating to the proposed offsetting plan included in the Fisheries Act Authorization application. The offsetting plan includes proposed monitoring and contingency measures under the Metal and Diamond Mining Effluent Regulations Schedule 2 Fish Habitat Compensation Plan and Aquatic Effects Monitoring Plan for the Goldboro Project. No related provision for reclamation obligations have been recognized in the statement of financial position as no disturbance has occurred to date nor is expected until the commencement of construction of the Goldboro project.

17. FLOW-THROUGH PREMIUM

($)	**December 31 2024**	December 31 2023
Opening balance	**102,578**	–
Initial recognition (i)	**1,061,833**	566,978
Flow-through share premium recognized as part of Blackwolf acquisition (ii)	**291,015**	–
Flow-through share premium recognized as part of Signal acquisition	**763**	–
Flow-through share premium recovery (iii)	**(496,325)**	(464,400)
Closing balance	**959,864**	102,578

(i) On June 1, 2023, the Company issued 778,815 Canadian Exploration Expenditures ("CEE") flow-through Common Shares at a price of $1.808 per share by the way of private placement for gross

17. FLOW-THROUGH PREMIUM (cont'd)

proceeds of $1,408,100. A value of $566,978 were attributed to the flow-through share premium liability in connection with the financing using a fair market value of $1.08 per share.

On July 2, 2024, the Company completed Tranche 1 of the Blackwolf Concurrent Financing consisting of 4,784,000 flow-through Common Shares. Tranche 2 of the Blackwolf Concurrent Financing closed on July 5, 2024, and consisted of 2,172,500 flow-through Common Shares. Collectively the Company issued 6,956,500 Canadian Exploration Expenditures ("CEE") flow-through Common Shares at a price of $0.92 per share by the way of private placement for gross proceeds of $6,399,980. A value of $556,520 were attributed to the flow-through share premium liability in connection with the financing using a fair market value of $0.84 per share.

On November 6, 2024, the Company issued 10,106,250 Canadian Exploration Expenditures ("CEE") flowthrough Common Shares at a price of $0.80 per share by the way of private placement for gross proceeds of $8,085,000. A value of $505,313 were attributed to the flow-through share premium liability in connection with the financing using a fair market value of $0.75 per share.

(ii) On April 4, 2023, the Company (as part of the Blackwolf Acquisition) issued 1,580,729 Canadian Exploration Expenditures ("CEE") flow-through Common Shares at a price of $1.58 per share by the way of private placement for gross proceeds of $2,500,000. A share premium value of $416,667 were attributed to the flow-through share premium liability in connection with the financing using a fair market value of $1.32 per share. As of July 3, 2024, $125,653 of the share premium was recovered. During the year a flow-through share premium recovery was recognized as a result of incurring eligible flow-through exploration expenditures during the year.

(iii) During the year, a flow-through share premium recovery was recognized as a result of incurring eligible flow-through exploration expenditures during the year. All flow-through exploration expenditure was renounced in favour of the flow-through shareholders.

(Expressed in Canadian Dollars)

18. CAPITAL STOCK

(a) Authorized

COMMON SHARES	Number of Shares	Stated Value ($)
Balance, January 1, 2023	**34,542,023**	**209,595,606**
Issuance of shares for SRSR payment obligation (i)	1,731,364	2,011,273
Issuance of shares for flow-through common shares (ii)	778,816	1,408,100
Flow-through share premium liability	–	(566,978)
Restricted share units redeemed (Note 20)	109,308	133,954
Issuance of shares in private placement, net of issue costs (iii)	7,400,893	4,128,490
Fair value of warrant issue (Note 19)	–	(453,214)
Returned and cancelled shares	(4,287)	–
Balance, December 31, 2023	**44,558,117**	**216,257,231**
Restricted share units redeemed (Note 20)	318,883	296,400
Share units redeemed (Note 20)	509,301	376,886
Issuance of shares for SRSR payment obligation (i)	2,191,942	1,346,173
Shares issued to acquire Blackwolf Copper and Gold (Note 6)	21,905,950	18,400,998
Transaction costs related to Blackwolf acquisition (Note 6)	309,100	250,000
Shares issued to acquire Signal Gold (Note 6)	47,232,655	34,952,165
Transaction costs related to Signal Gold acquisition (Note 6)	1,379,075	1,020,516
Issuance of shares for flow-through common shares (Note 17)	17,062,750	14,484,980
Flow-through share premium liability (Note 17)	–	(1,061,833)
Issuance of warrants at fair value related to flow-through issuance (Note 18)	–	(2,417,664)
Shares issued in relation to long-term debt (iv)	8,000,000	5,692,400
Share issuance costs	–	(796,744)
Returned and cancelled shares	(224)	–
Warrants exercised (Note 19)	37,500	31,500
Balance, December 31, 2024	**143,505,049**	**288,833,008**

Unlimited common shares Issued.

(i) During the year, the Company issued 2,191,942 shares (2023: 1,731,364 shares) to SRSR in relation to the Sprott Royalty quarterly repayment obligations of US$1,000,000 ($1,346,173) (2023: $2,011,273) (Note 15).

(ii) On June 1, 2023, the Company issued 778,815 Canadian Exploration Expenditures ("CEE") flow-through common shares of the Company at a price of $0.452 per share by the way of private placement for gross proceeds of $1,408,100. A value of $566,978 were attributed to the flow-through share premium liability in connection with the financing (Note 17).

(iii) On December 19, 2023, the Company closed a non-brokered private placement raising gross proceeds of $4,144,500 million through the issuance of 7,400,893 units. Each unit consisted of one common share and one-quarter share purchase warrant (Note 19).

(iv) As part of the Nebari facility and royalty agreement, Nebari was issued 8,000,000 common shares (Note 14).

(Expressed in Canadian Dollars)

19. WARRANTS

The following table reflects the continuity of warrants for the years ended December 31, 2024 and December 31, 2023, respectively:

	Number of Warrants at December 31 2024	Number of Warrants at December 31 2023	**Weighted Average Exercise Price 2024**	Weighted Average Exercise Price 2023
			($)	($)
Balance, beginning of year	**3,905,386**	4,608,250	**1.33**	5.93
Exercised	**(37,500)**	–	**0.84**	–
Issued (i)	**32,390,470**	3,905,386	**1.55**	1.33
Expired	**(1,273,046)**	(4,608,250)	**(3.87)**	5.93
Balance, end of the year	**34,985,310**	3,905,386	**1.44**	1.33

The issued and outstanding warrants are comprised as follows:

Expiry Date	Type	**Number of Warrants at December 31 2024**	Number of Warrants at December 31 2023	Exercise Price ($)
March 5, 2025	Warrants	**432,736**	-	1.93
April 4, 2025	Warrants	**380,397**	-	1.32
April 4, 2025	Warrants	**2,276,250**	-	2.31
May 17, 2025	Warrants	**482,970**	-	1.81
May 20, 2025	Warrants	**186,600**	-	1.81
June 4, 2025	Warrants	**256,117**	-	1.81
June 8, 2025	Warrants	**24,880**	-	1.81
June 9, 2025	Warrants	**729,145**	-	5.95
June 19, 2025	Warrants	**987,167**	-	1.81
Oct 17, 2025	Warrants	**2,104,901**	-	2.31
June 15, 2026	Warrants	**2,055,161**	2,055,163	1.76
November 6, 2026	Warrants	**5,053,125**	-	1.05
November 6, 2026	Warrants	**150,900**	-	0.95
December 11, 2026	Warrants	**7,935,138**		0.95
June 13, 2027	Warrants	**3,160,602**	-	1.00
July 2, 2027	Warrants	**6,956,498**	-	1.40
December 19, 2028	Warrants	**1,812,723**	1,850,223	0.84
		34,985,310	3,905,386	

(i) As part consideration for the sixth debt amendment, signed June 15, 2023, Extract was granted 2,055,163 warrants. The fair value was estimated at the time of grant, using the Black-Scholes options model with the following assumptions: share price $1.00, dividend yield 0%, expected volatility 53.41%, based on historical volatility, a risk-free interest rate of 3.80% and an expected life of 3.00 years. As a result, the fair value of the warrants was estimated at $464,995 and was charged as an expense of the period.

In connection with the private placement on December 19, 2023, the Company issued 1,850,223 warrants, with each whole warrant being exercisable within 60 months of closing date, at an exercise price of $0.84 per whole warrant. The warrants were assigned a relative fair value of $453,214 using the Black-Scholes options model with the following assumptions: share price $0.64,

19. WARRANTS (cont'd)

dividend yield 0%, expected volatility 61.7%, based on historical volatility, a risk-free interest rate of 3.93% and an expected life of 5.0 years.

As part of the Blackwolf acquisition, the Company exchanged Blackwolf warrants for NexGold warrants on a ratio of 0.607 NexGold warrant for one Blackwolf warrant. As a result, 5,691,248 warrants were issued in exchange for Blackwolf warrants and were assigned a cumulative fair value of $293,269 using the Black-Scholes model (Note 6).

In connection with the private placements on July 3, 2024 and July 5, 2024, the Company issued an aggregate of 6,956,498 warrants for each Common Share acquired. Each whole warrant is exercisable until July 2, 2027, at an exercise price of $1.40 per whole warrant. The warrants were assigned a relative fair value of $1,539,054 using the Black-Scholes options model with the following assumptions: share price $0.84, dividend yield 0%, expected volatility 65.6%, based on historical volatility, a risk-free interest rate of 3.47% and an expected life of 3.0 years.

In connection with the flow-through financing on November 6, 2024 the Company issued an aggregate of 5,053,125 warrants for each Common Share acquired. Each whole warrant is exercisable until November 6, 2026, at an exercise price of $1.05 per whole warrant. The warrants were assigned a relative fair value of $878,610 using the Black-Scholes options model with the following assumptions: share price $0.75, dividend yield 0%, expected volatility 60.46%, based on historical volatility, a risk-free interest rate of 3.16% and an expected life of 2.0 years.

As part of the November 6, 204 flow-through financing, the Company paid a finder's compensation to eligible finders through the issuance of 150,900 warrants. Each warrant is exercisable until November 6, 2026 at an exercise price of $0.95. The warrants were assigned a relative fair value of $31,072 using the Black-Scholes options model with the following assumptions: share price $0.75, dividend yield 0%, expected volatility 60.46%, based on historical volatility, a risk-free interest rate of 3.16% and an expected life of 2.0 years.

As part of the Signal acquisition, the Company exchanged Signal warrants for NexGold warrants on a ratio of 0.1244 NexGold warrant for one Signal warrant. As a result, 11,378,097 warrants were issued in exchange for Signal warrants and were assigned a cumulative fair value of $1,880,230 using the Black-Scholes model (Note 6).

During the year, the Company entered into the Nebari Facility (Note 14). As part of the facility, the Company issued Nebari 3,160,602 warrants. Each warrant is exercisable until June 13, 2027 at an exercise price of $1.00. The warrants were assigned a relative fair value of $821,686 using the Black-Scholes options model with the following assumptions: share price $0.74, dividend yield 0%, expected volatility 69.35%, based on historical volatility, a risk-free interest rate of 3.03% and an expected life of 2.5 years.

The weighted average life of the outstanding warrants at December 31, 2024 is 1.61 years (December 31, 2023 – 3.65 years).

(Expressed in Canadian Dollars)

20. SHARE-BASED PAYMENTS

On June 29, 2021, Company's shareholders approved the Omnibus Equity Incentive Plan (the "Legacy Plan"), replacing the previous stock option plan which terminated June 28, 2024. The Legacy Plan provided flexibility to the Company to grant equity-based incentive awards in the form of stock options and restricted share units ("RSUs"). The Legacy Plan continues to be authorized for the sole purpose of facilitating the vesting and exercise of existing awards previously granted under the Legacy Plan; no further awards will be granted under the Legacy Plan. Once the existing awards granted under the Legacy Plan are exercised or terminated, the Legacy Plan will terminate and be of no further force or effect.

On June 26, 2024, Company shareholders approved (i) the 2024 Non-Arrangement Omnibus Equity Incentive Plan to replace the Legacy Plan and (ii) upon closing of the Blackwolf Transaction, the 2024 Arrangement Omnibus Equity Incentive Plan (the "2024 Incentive Plan") to replace the 2024 Non-Arrangement Omnibus Equity Incentive Plan effective upon the Company's shares being listed on the TSXV.

The 2024 Incentive Plan provides flexibility to the Company to grant equity-based incentive awards in the form of stock options, restricted share units ("RSUs"), performance share units and deferred share units. The Incentive Plan is a "rolling" plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Common Shares), provides that the maximum aggregate number of Common Shares reserved by the Company for issuance, and which may be purchased upon the exercise of all stock options or RSUs (and including awards granted under the Legacy Plan) shall not exceed 10% of the issued and outstanding Common Shares from time to time. Limits have also been set in respect of the maximum number of awards that may be issued to Company insiders in any one-year period. As at December 31, 2024, the Company had an additional 6,773,458 (December 31, 2023 – 2,161,397) securities available for issuance under the plan.

For the year ended December 31, 2024, the Company recognized share-based payments related to stock options ($277,358) vesting of RSUs ($1,299,337) and share units ($8,020) (totaling $1,584,715 (2023 - $1,314,458).

(a) Stock Options

	Number of Stock Options at December 31 2024	Number of Stock Options at December 31 2023	**Weighted Average Exercise Price 2024**	Weighted Average Exercise Price 2023
			($)	($)
Balance, at beginning of year	**945,394**	1,672,024	**2.48**	3.81
Options granted	**2,704,877**	167,500	**1.71**	1.23
Exercised	**–**	–	**–**	–
Expired	**(574,572)**	(894,130)	**3.43**	(4.73)
Rounding due to share consolidation	**(4)**	–	**(3.60)**	–
Balance at end of the year	**3,075,695**	945,394	**1.63**	2.48

The weighted average life of the outstanding options at December 31, 2024 is 3.29 years (December 31, 2023 – 1.7 years).

At December 31, 2024, 1,408,191 of the outstanding stock options were fully vested and exercisable (December 31, 2024 – 731,290).

(Expressed in Canadian Dollars)

20. SHARE-BASED PAYMENTS (cont'd)

The outstanding stock options are comprised as follows:

Grant Date	Expiry Date	Number of Options at December 31 2024	Number of Options at December 31 2023	Exercise Price ($)
March 8, 2021	March 8, 2024	**–**	75,000	3.80
June 28, 2021	June 28, 2024	**–**	62,500	3.60
February 18, 2022	February 18, 2025	**358,267**	500,258	2.80
June 28, 2022	June 28, 2025	**97,636**	97,636	1.64
July 13, 2022	July 13, 2025	**–**	37,500	1.52
December 19, 2022	December 19, 2025	**37,500**	37,500	1.28
March 10, 2023	March 10, 2026	**78,750**	78,750	1.28
May 17, 2023	May 17, 2026	**18,750**	18,750	1.24
July 24, 2023	July 24, 2026	**37,500**	37,500	1.09
May 24, 2024	May 24, 2029	**72,500**	–	0.96
May 24, 2024	June 28, 2026	**46,875**	–	1.04
July 3, 2024	June 30, 2025	**1,517**	–	5.64
July 3, 2024	September 9, 2025	**47,420**	–	6.60
July 3, 2024	June 16, 2026	**15,175**	–	5.28
July 3, 2024	April 4, 2027	**59,182**	–	4.64
July 3, 2024	June 26, 2028	**193,481**	–	2.32
July 15, 2024	July 15, 2029	**1,500,000**	–	1.00
October 18, 2024	October 18, 2027	**25,000**	–	0.77
December 13, 2024	March 3, 2025	**9,952**	–	1.69
December 13, 2024	September 14, 2025	**15,550**	–	4.67
December 13, 2024	February 26, 2026	**13,062**	–	6.19
December 13, 2024	February 24, 2027	**11,941**	–	5.95
December 13, 2024	May 24, 2027	**12,440**	–	4.02
December 13, 2024	September 28, 2027	**18,660**	–	2.94
December 13, 2024	March 6, 2028	**127,257**	–	2.50
December 13, 2024	March 4, 2029	**277,280**	–	0.73
		3,075,695	945,394	

- On December 13, 2024, as part of the Signal acquisition, the Company exchanged Signal stock options for fully-vested NexGold stock options, on a ratio of 0.1244 NexGold stock options for one Signal stock option. As a result, 486,142 NexGold stock options were assigned a cumulative fair value of $122,362 using the Black-Scholes model (Note 6).

- On October 18, 2024, the Company granted 25,000 stock options to a consultant to buy Common Shares at an exercise price of $0.77, each expiring on October 18, 2027 and vest one-third on the first, second and third anniversaries of the date of grant. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $0.77, dividend yield 0%, expected volatility 66.8% based on historical volatility, a risk-free interest rate of 2.7% and an expected life of 3.00 years. As a result, the fair value of the stock options was estimated at $8,852 and will be recognized in the statement of operations over the periods the stock options vest.

- On July 15, 2024, the Company granted 1,500,000 stock options to strategic advisors to buy Common Shares at an exercise price of $1.00, each expiring on July 24, 2029 and vest one-third on the first, second and third anniversaries of the date of grant. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $0.86, dividend yield 0%, expected volatility 64.52% based on historical volatility, a risk-free interest rate of 3.33% and an

20. SHARE-BASED PAYMENTS (cont'd)

expected life of 5.00 years. As a result, the fair value of the stock options was estimated at $687,175 and will be recognized in the statement of operations over the periods the stock options vest.

- On July 3, 2024, as part of the Blackwolf acquisition, the Company exchanged Blackwolf stock options for fully vested NexGold stock options, on a ratio of 0.607 NexGold stock options for one Blackwolf stock option. As a result, 574,360 NexGold stock options were assigned a cumulative fair value of $72,690 using the Black-Scholes model (Note 6).

- On May 24, 2024, the Company granted 72,500 stock options to employees to buy Common Shares at an exercise price of $0.96, each expiring on May 24, 2029. The stock options granted to employees vest one-third on the first, second and third anniversaries of the date of grant. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $0.90, dividend yield 0%, expected volatility 63.91% based on historical volatility, a risk-free interest rate of 3.53% and an expected life of 5.00 years. As a result, the fair value of the stock options was estimated at $36,035 and will be recognized in the statement of operations over the periods the stock options vest.

- On May 24, 2024, the Company granted 46,875 stock options to a director to buy Common Shares at an exercise price of $1.03, each expiring on June 28, 2026. The stock options granted to the director vest one-third on the date of grant, one-third on June 28, 2024 and one-third on June 28, 2025. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $1.00, dividend yield 0%, expected volatility 71.65% based on historical volatility, a risk-free interest rate of 4.25% and an expected life of 2.10 years. As a result, the fair value of the stock options was estimated at $19,421 and will be recognized in the statement of operations over the periods the stock options vest.

- On July 24, 2023, the Company granted 37,500 stock options to employees to buy common shares at an exercise price of $1.09, each expiring on July 24, 2026. The stock options granted to employees vest 50% on the first and second anniversaries, respectively, of the date of grant. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $1.09, dividend yield 0%, expected volatility 53.69% based on historical volatility, a risk-free interest rate of 4.13%and an expected life of 3.00 years. As a result, the fair value of the stock options was estimated at $14,464 and will be recognized in the statement of operations over the periods the stock options vest.

- On May 17, 2023, the Company granted 18,750 stock options to employees to buy common shares at an exercise price of $1.24, each expiring on May 17, 2026. The stock options granted to employees vest 50% on the first and second anniversaries, respectively, of the date of grant. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $1.24, dividend yield 0%, expected volatility 53.15% based on historical volatility, a risk-free interest rate of 3.80% and an expected life of 3.00 years. As a result, the fair value of the stock options was estimated at $9,106 and will be recognized in the statement of operations over the periods the stock options vest.

- On March 10, 2023, the Company granted 111,250 stock options to employees to buy common shares at an exercise price of $1.28, each expiring on March 10, 2026. The stock options granted to employees vest 33.3% on date of grant, 33.3% on March 10, 2024 and the remaining balance of 33.4% on March 10, 2025. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price $1.28, dividend yield 0%, expected volatility 60.68% based on historical volatility, a risk-free interest rate of 3.53% and an expected life of 3.00 years. As a result, the fair value of the stock options was estimated at $61,594 and will be recognized in the statement of operations over the periods the stock options vest.

(Expressed in Canadian Dollars)

20. SHARE-BASED PAYMENTS (cont'd)

(b) Restricted Share Units ("RSUs")

For the years ended December 31, 2024 and 2023, the Company recognized share-based payment expense related to the vesting of RSUs amounting to $1,299,337 (2023 - $1,183,108) being charged to stock-based compensation expense. RSU's are exercisable once the RSU's have vested; as at December 31, 2024, 526,017 had vested.

	Number of Units at December 31 2024	Number of Units at December 31 2023	**Weighted Fair Value at December 31 2024**	Weighted Fair Value December 31 2023
			($)	($)
Balance, at beginning of year	**1,304,462**	324,073	**1.59**	2.70
Granted	**2,894,648**	1,189,456	**0.91**	1.25
Exercised	**(318,883)**	(109,308)	**0.93**	1.23
Forfeited	**(78,931)**	(99,759)	**1.13**	1.57
Balance at end of the year	**3,801,296**	1,304,462	**1.14**	1.59

On December 18, 2024, the Company granted 41,084 RSUs with an expiry date of December 17, 2029 to a director of the Company. The RSUs vest, and are redeemable, as to one-third on the first, second and third anniversaries of the date of grant. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSXV for the five trading days immediately preceding the grant date and recognized over the vesting period.

On December 18, 2024, the Company granted 342,371 RSUs with an expiry date of December 31, 2027 to an officer of the Company. The RSUs vest, and are redeemable, as to one-third on the first, second and third anniversaries of the date of grant. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSXV for the five trading days immediately preceding the grant date and recognized over the vesting period.

On July 15, 2024, the Company granted 60,000 RSUs that have an expiry date of December 31, 2027 to directors of the Company. The RSUs vest, and are redeemable, as to one-third on the first, second and third anniversaries of the date of grant. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSXV for the five trading days immediately preceding the grant date and recognized over the vesting period.

On July 15, 2024, the Company granted 1,275,000 RSUs that have an expiry date of December 31, 2027 to officers of the Company. The RSUs vest, and are redeemable, on the first anniversary of the date of grant. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSXV for the five trading days immediately preceding the grant date and recognized over the vesting period.

On May 24, 2024, the Company granted 1,176,193 RSUs that have an expiry date of December 31, 2027 to directors, officers and employees of the Company. The RSUs vest one-third on the first, second and third anniversaries of the date of grant. On any date that falls on or after the vesting date but on or before November 30, 2027, the holder may deliver a written conversion notice specifying that the holder elects to receive Common Shares on the basis of one (1) Common Share for one (1) RSU; the RSUs cannot be settled in whole or in part for cash. The fair value assigned to the RSUs was estimated using the volume-weighted average price of the Common Shares on the TSX for the five trading days immediately preceding the grant date and recognized over the vesting period.

(Expressed in Canadian Dollars)

20. SHARE-BASED PAYMENTS (cont'd)

On September 12, 2023, the Company granted 10,597 RSUs that have an expiry date of December 31, 2026 to directors of the Company. The RSUs vest in accordance with the following schedule:(i) 33.34% on the grant date; (ii) 33.33% one year from the grant date; and (iii) 33.33% two years from the grant date. On any date that falls on or after the vesting date but on or before November 30, 2026, the holder may deliver a written conversion notice specifying that the holder elects to receive Common Shares on the basis of one (1) Common Share for one (1) RSU; the RSUs cannot be settled in whole or in part for cash. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSX for the five trading days immediately preceding the grant date and recognized over the vesting period.

On June 28, 2023, the Company granted 93,750 RSUs that have an expiry date of December 31, 2026 to directors of the Company. The RSUs vest in accordance with the following schedule:(i) 33.34% on the grant date; (ii) 33.33% one year from the grant date; and (iii) 33.33% two years from the grant date. On any date that falls on or after the vesting date but on or before November 30, 2026, the holder may deliver a written conversion notice specifying that the holder elects to receive Common Shares on the basis of one (1) Common Share for one (1) RSU; the RSUs cannot be settled in whole or in part for cash. The fair value assigned to the RSUs was estimated using the volume-weighted average price of the common shares on the TSX for the five trading days immediately preceding the grant date and recognized over the vesting period.

On March 10, 2023, the Company granted 1,085,108 RSUs that have an expiry date of December 31, 2026 to directors, officers and certain employees of the Company. The RSUs vest in accordance with the following schedule:(i) 33.34% on the grant date; (ii) 33.33% one year from the grant date; and (iii) 33.33% two years from the grant date. On any date that falls on or after the vesting date but on or before November 30, 2026, the holder may deliver a written conversion notice specifying that the holder elects to receive Common Shares on the basis of one (1) Common Share for one (1) RSU; the RSUs cannot be settled in whole or in part for cash. The fair value assigned to the RSUs was estimated using the volume-weighted average price of Common Shares on the TSX for the five trading days immediately preceding the grant date and recognized over the vesting period.

(c) Share Units ("SU's")

On December 13, 2024, as part of the Signal acquisition (Note 6), the Company acquired the existing Signal share unit plan (the "SU Plan"). As part of the acquisition, the Company offered Signal share unit holders the ability to exercise their vested share units in exchange for NexGold common shares, on a ratio of 0.1244 NexGold common share for one Signal share unit. As a result, 700,056 share units were assigned a cumulative fair value of $518,041 determined by the share price on grant date. The SU Plan continues to be authorized for the sole purpose of facilitating the vesting and settlement of existing awards previously granted under the SU Plan; no further awards will be granted under the SU Plan. Once the existing awards granted under the SU Plan are exercised or terminated, the SU Plan will terminate and be of no further force or effect.

For the years ended December 31, 2024, the Company recognized share unit expense related to the vesting of SUs amounting to $8,020 (2023 - $Nil) being charged to stock-based compensation expense. SU's can be settled once the SU's have vested; as at December 31, 2024, 272,624 had vested.

	Number of Units at December 31 2024	Number of Units at December 31 2023	**Weighted Fair Value at December 31 2024**	Weighted Fair Value December 31 2023
			($)	($)
Balance, at beginning of year	–	–	–	–
Granted	1,209,357	–	0.74	–
Exercised	(509,301)	–	(0.74)	–
Balance at end of the year	**700,056**	–	0.74	–

(Expressed in Canadian Dollars)

21. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditures comprised of the following amounts during the year:

	Years ended	
($)	**December 31 2024**	December 31 2023
Drilling	**2,031,562**	1,304,627
Field programs	**256,411**	385,623
Salaries and benefits	**1,737,091**	1,556,485
Environmental studies	**905,841**	1,785,012
Technical studies	**1,566,206**	1,227,773
Vehicle expenses	**30,296**	76,726
Site costs and utilities	**194,648**	188,463
Community relations	**627,009**	126,553
Other fees	**360,354**	172,142
Royalty payments	**104,675**	104,727
	7,814,093	6,928,131

22. KEY MANAGEMENT COMPENSATION

Key management includes the Chief Executive Officer, President, Chief Financial Officer, Chief Operating Officer and members of the Board of Directors of the Company.

The compensation payable to key management is shown below:

	Years ended	
($)	**December 31 2024**	December 31 2023
Salaries	**814,955**	634,251
Director fees (a)	**262,621**	216,013
Retention compensation (b)	**430,000**	–
Severance payment (c)	**900,000**	–
Other cash compensation	**153,263**	405,346
Share based compensation (RSU)	**1,042,966**	1,015,730
Share-based compensation, at fair value (d)	**19,421**	–
	3,623,226	2,271,340

(a) Directors' fees outstanding as at December 31, 2024 was $Nil (December 31, 2023 - $32,875). For the year end December 31, 2024, $65,000 was paid to members of the special committee of the Board established in connection with the Blackwolf acquisition.
(b) A retention payment was made to Jeremy Wyeth, Chief Operating Officer, upon his relinquishment of his Board membership and the Chief Executive Officer title as part of the Signal Transaction (Note 6).
(c) A severance payment was made to the Morgan Lekstrom, former President of NexGold, due to his position being made redundant as part of the Signal Transaction.
(d) Stock option compensation is disclosed at fair value.

(Expressed in Canadian Dollars)

23. INCOME TAX

Company's income tax provision differs from the amount resulting from the application of the Canadian statutory rate of 26.5% (2023 – 26.5%). A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rate is as follows:

	December 31 2024	December 31 2023
Loss before income taxes	**(20,090,191)**	(13,850,611)
Expected income tax recovery based on the statutory rate	**(5,323,901)**	(3,670,412)
Adjustment to expected income tax benefit:		
Share-based compensation	**419,949**	348,331
Effects of renouncing flow-through expenditures	**898,863**	305,609
Other	**(948,749)**	241,044
Prior year reallocation	**(1,200,561)**	(178,715)
Deferred exploration expenses	**1,137,000**	(2,168,000)
Change in tax benefits not recognized	**5,017,398**	5,122,143
Deferred income tax provision (recovery)	–	–

The Company's deferred tax assets and liabilities as at December 31, 2024 and 2023:

Deferred income tax assets	**December 31 2024**	December 31 2023
Un-deducted finance costs	**823,815**	234,951
Excess book value of investments	**107,591**	93,365
Excess book value of derivative liabilities	**457,422**	273,749
Capital losses carried forward	**477,746**	477,746
Non-capital losses carried forward	**58,616,344**	13,671,967
Long-term assets and other	**855,991**	203,047
Deferred exploration expenses	**6,002,263**	13,526,951
Total deferred tax assets	**67,341,172**	28,481,776
Less: allocated against deferred income tax liabilities	**(237,510)**	(300,044)
Less: unrecognized portion of deferred taxes	**(67,103,662)**	(28,181,732)
Total	**–**	–

Deferred income tax liabilities	**December 31 2024**	December 31 2023
Royalty loan	**–**	(271,277)
Accrued liabilities	**–**	–
Property and equipment	**–**	(28,766)
Excess book value of investments	**(237,510)**	–
Less: reduction due to allocation	**237,510**	300,043
Total	**–**	–

(Expressed in Canadian Dollars)

23. INCOME TAX (cont'd)

The Company's Canadian non-capital income tax losses expire as follows:

	($)
2025 to 2030	15,539,694
2031 to 2035	26,839,904
2036 to 2040	47,501,155
2041 to 2045	59,644,431
Total	**149,55,184**

As at December 31, 2024, the Company also had non-capital loss in the United States of $66,803,270.

24. COMMITMENTS AND CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

(a) The Company has committed to spend $18,393,080 on Canadian exploration expenses ("CEE") as part of the 2024 and 2023 flow-through financings.

As at December 31, 2024, the Company has fulfilled the following flow-through commitments:

Flow-Through Financing Date	Spend Commitment Date	Spend Commitment	Amount Spent December 31 2024
April 4, 2023	December 31, 2024	2,500,000	2,500,000
June 1, 2023	December 31, 2024	1,408,100	1,408,100
July 3, 2024	December 31, 2025	6,399,980	1,172,640
November 6, 2024	December 31, 2025	8,085,000	-
Total		**18,393,080**	**5,080,740**

All flow-through spending commitments from previous flow-through financings have been fulfilled.

(b) An audit was commenced by the Canada Revenue Agency (the "CRA") in December 2016 of the flow-through expenditures incurred by the Company on the Goliath Gold Project, pursuant to the flow-through share financings completed on December 6, 2011, September 21, 2012, May 1, 2013 and December 20, 2013. On March 7, 2018, the Company was advised by the CRA that, out of the total of $12.5 million the Company raised through the flow-through share financings and renounced to subscribers, the CRA had reclassified approximately $1.8 million of CEE to operating expenses and a further $2.2 million of CEE to Canadian Development Expenses ("CDE"). In addition,

pursuant to the audit, the CRA notified the Company that it is liable for Part XII.6 tax in the amount of $477,726 in connection with the shortfall from the disallowed CEE.

Subsequently on July 2, 2021, the CRA issued a Notice of Reassessment that reduced the amount of the unpaid Part XII.6 tax to $271,943.

On September 30, 2021, the Company commenced an appeal to the Tax Court of Canada to dispute the CRA's reclassification of expenses from CEE (Canadian exploration expenses) to CDE (Canadian development expenses) or operating expenses. The Department of Justice filed its Reply pleading on behalf of the Crown on February 9, 2022, and the Company is currently still in the litigation discovery stage. Due to the uncertainty of the outcome, no liability has been recorded in the consolidated annual financial statements.

24. COMMITMENTS AND CONTRACTUAL OBLIGATIONS AND CONTINGENCIES (cont'd)

(c) The Company has royalty obligations on its various material mineral properties as follows:

- A 1.0% royalty capped at $1,000,000 of total payments over the exploration licenses acquired in November 2022 for the Goldboro Project.
- A 2% gross royalty on eight exploration licenses that form part of the Goldboro Project, including two exploration licenses acquired in July 2023.
- A 2% gross royalty on sixteen exploration licenses to the west of the Goldboro Deposit acquired in July 2023.

25. FINANCIAL RISK FACTORS

(a) Capital Management

The Company manages its capital structure and makes appropriate adjustments, based on the funds available to the Company, to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers capital from two perspectives: its working capital position and its capital stock, warrant, and stock option components of its shareholders' equity.

At December 31, 2024, the Company has a working capital of $17,251,228 excluding the flow-through share premium liability, convertible debenture and derivative liability (December 31, 2023 - $8,594,096) and capital stock, warrants and contributed surplus total $324,342,418 (December 31, 2023 - $244,458,663).

To effectively manage the Company's capital requirements, management has put in place a rigorous planning, budgeting, and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company ensures that there are sufficient committed loan facilities and planned future capital raises to meet its short-term business requirements, considering its anticipated cash flow from operations and its holding of cash and cash equivalents and marketable securities.

At December 31, 2024, the Company expects its capital resources and projected future cash flows from financing to support its normal operating requirements on an ongoing basis, and planned development and exploration of its mineral properties and other expansionary plans.

The properties in which the Company currently has an interest are in the exploration stage and as such the Company is dependent on external financing to fund its activities. To carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional

amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended December 31, 2024.

25. FINANCIAL RISK FACTORS (cont'd)

(b) Risk Disclosures

Exposure to credit, interest rate and currency risks arises in the normal course of the Company's business.

(c) Credit Risk

As at December 31, 2024, the Company had a cash and cash equivalents balance of $16,356,741 (December 31, 2023 – $9,430,567). The Company's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. There is no significant credit risk in respect of receivables.

(d) Interest Rate Risk

The Company has exposure to interest rate risk since the Company's cashable GIC cash balances are linked to the prime lending rate.

(e) Market Price Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity prices and/or stock market movements ("price risk"). The Company has a debt facility and minimum payment obligations denominated in U.S. dollars.

(f) Foreign Currency Risk

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currency giving rise to this risk is primarily the US dollar. The balance of net monetary liabilities in such currency as of December 31, 2024 was $23,264,563 (December 31, 2023 - $13,570,281).

(g) Liquidity Risk

The Company is exposed to liquidity risk primarily because of its trade accounts payable and its debt. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2024, the Company had a cash and cash equivalents balance of $16,356,741 (December 31, 2023 - $9,430,567) to settle current liabilities of $5,069,284 (December 31, 2023 - $3,089,372), excluding the flow-through share premium liability, convertible debt and derivative liability. All the Company's trade accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. The Company relies on external financing to generate sufficient operating capital and the management believes it will be able to raise any required funds in the short-term.

(h) Sensitivity Analysis

As at December 31, 2024 and December 31, 2023, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

Based on management's knowledge and experience of the financial markets, the Company believes the following movement is "reasonably possible" over a twelve-month period.

25. FINANCIAL RISK FACTORS (cont'd)

(i) The Company is exposed to interest rate risk on fluctuations on cashable guaranteed investment certificate cash balances. A variance of 1% in the Canadian prime lending rate will affect the annual Company's net comprehensive loss by approximately $3,410 (2022 – $5,171).

(ii) The Company is exposed to foreign currency risk on fluctuations of balances that are denominated in US currency related to cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, short-term and long-term debt. Sensitivity to a plus or minus 10% change in the foreign exchange rate would affect the net comprehensive loss by $2,326,456 (2023 – $1,357,028).

(iii) The Company is exposed to market risk as it relates to its investments held in marketable securities. If market prices had varied by 10% from their December 31, 2024 fair market value positions, the comprehensive loss would have varied by $393,235 (2021 – $66,591).

(i) Fair Value Hierarchy

The Company has designated its investments as FVTOCI, which are measured at fair value. The non-cash derivative liability is classified as FVTPL and is measured at fair value with unrealized gains or losses reported in the consolidated statements of operations.

Accounts payable and accrued liabilities, short-term and long-term debt are considered as other financial liabilities, which are measured at amortized cost which also approximates fair value. The fair value of long-term debt approximates their carrying amount due to the effective interest rate being close to the market rate.

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where fair value measurement is required. Fair value amounts represent point in time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the statement of financial position, have been prioritized into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. The carrying value of cash and cash equivalents and investments approximate their fair value.

December 31, 2024	**Level One**	**Level Two**	**Level Three**
	($)	**($)**	**($)**
Investments	**2,406,402**	**–**	**1,515,947**
Derivative liability	**–**	**–**	**–**
	2,406,402	**–**	**1,515,947**

December 31, 2023	**Level One**	**Level Two**	**Level Three**
	($)	**($)**	**($)**
Investments	**665,911**	**–**	**–**
Derivative liability	**–**	**(59,544)**	**–**
	665,911	**–**	**–**

(Expressed in Canadian Dollars)

25. FINANCIAL RISK FACTORS (cont'd)

The Company's investment in Novamera is a Level 3 investment as the fair value is based on inputs which have a significant effect on fair value that are not observable from market data. The Company used a post-money valuation of US$10,000,000 to estimate a fully diluted share price for which a discount rate of 15% was used to reflect a discount for lack of marketability for Novamera's common shares and preference shares. A 10% increase or decrease in the valuation would have resulted in an increase or decrease of $151,595 in the valuation for year ended December 31, 2024, assuming other variables remained unchanged. A 10% increase or decrease in the discount rate would have resulted in an increase or decrease of $178,347 in the valuation for year ended December 31, 2024, assuming other variables remained unchanged.

($)	**December 31 2024**	December 31 2023
Opening balance	–	–
Investment acquired through Signal transaction (Note 6)	**1,494,771**	–
Change in fair value	**21,176**	–
Closing balance	**1,515,947**	–

There have been no transfers between levels 1, 2, or 3 during 2024 and 2023.

26. SUBSEQUENT EVENTS

(i) On April 9, 2025, the Company closed a brokered private placement financing led by National Bank Financial Inc. and included Red Cloud Securities Inc. as a co-manager (collectively, the "underwriters"). The underwriters purchased 13,889,000 units of the Company ("Units") at a price of C$0.72 per unit for aggregate gross proceeds of $10,000,080 (the "Offering"). Each Unit will be comprised of one common share of the Company (each a "Common Share") and one common share purchase warrant (each a "Warrant"). Each Warrant will be exercisable to acquire one Common Share of the Company for a period of 36 months at an exercise price of $1.05 from the Closing Date. The underwriters were paid a cash commission equal to 6% of the gross proceeds, excluding proceeds from the sale of $500,000 worth of units to certain president's list purchasers, on which no commission was payable.

(ii) Subsequent to the year ended December 31, 2024, the Company sold its investment in Firefly Metals Inc. (Note 10) for gross proceeds of $2,019,550.