

**AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)**

Condensed Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars - Unaudited)

NOTICE OF NO AUDITOR OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of the condensed interim financial statements by an entity auditor.

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)

Statements of Financial Position
(Expressed in Canadian Dollars)

	March 31 2025 (Unaudited)	December 31, 2024 (Audited)
	\$	\$
Assets		
Current		
Cash	3,633,950	4,781,014
Amounts receivable (Note 4)	49,507	14,876
Prepaid expenses	58,715	-
Due from Kenorland Minerals North America Ltd. (Note 6)	369,354	-
Total assets	4,111,526	4,795,890
Liabilities		
Current		
Amounts payable and accrued liabilities (Note 5)	61,360	167,302
Flow-through premium liability (Note 8)	1,079,918	968,853
Total liabilities	1,141,278	1,136,155
Shareholder's equity		
Share capital (Note 8)	9,904,905	3,486,031
Commitment to issue shares (Note 8)	-	10,000
Reserves (Note 8)	2,428,594	1,568,547
Deficit	(9,363,251)	(1,404,843)
Total shareholder's equity	2,970,248	3,659,735
Total liabilities and shareholder's equity	4,111,526	4,795,890

Nature of Operations and Going Concern (Note 1) and Commitment (Note 12)

Approved on behalf of the Board of Directors on May 28, 2025

"Thomas Obradovich"
Director

"Timothy Young"
Director

The accompanying notes are an integral part of these financial statements

AURANOVA RESOURCES INC.
(FORMERLY 1329293 B.C. Ltd.)
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
	\$	\$
Expenses		
Acquisition, exploration and evaluation expenses (<i>Notes 3 & 7</i>)	8,835,817	-
Consulting fees (<i>Note 10</i>)	27,355	10,000
Professional fees	55,002	1,500
Corporate expenses	5,791	621
Office and general	9,297	-
Loss before other items	(8,933,262)	(12,121)
Other items		
Interest income	26,619	-
Flow through share premium income (<i>Note 3</i>)	948,235	-
	974,854	-
Net loss and comprehensive loss for the year	(7,958,408)	(12,121)
Net loss per common share		
Basic and diluted	(0.16)	(0.01)
Weighted average number of shares outstanding:		
Basic and diluted*	50,279,464	832,028

*Reflects share consolidations of 1 new share for every 2.5 old shares and 1 new share for every 10 old shares effective on January 1, 2024

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

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Statements of Changes in Equity (Deficiency)

(Expressed in Canadian Dollars – Unaudited)

	Share Capital			Commitment to Issue Shares	Deficit	Total Shareholder's Equity (Deficit)
	Shares	Amount	Warrants			
		\$	\$	\$	\$	\$
Balance, December 31, 2023	22,590,750	1	-	-	(122,526)	(122,526)
Net loss and comprehensive loss for the period	-	-	-	-	(12,121)	(12,121)
Balance, March 31, 2024	22,590,750	1	-	-	(134,647)	(134,647)
Share consolidation (1 for 2.5)	(13,554,454)	-	-	-	-	-
Share consolidation (1 for 10)	(8,132,669)	-	-	-	-	-
Debt settlement	8,200,001	984,000	-	-	-	984,000
Private placement	7,000,000	840,000	-	-	-	840,000
Flow-through financing	14,096,667	1,691,600	1,568,547	-	-	3,260,147
Commitment to issue shares	-	-	-	10,000	-	10,000
Share issue costs	-	(29,570)	-	-	-	(29,570)
Net loss and comprehensive loss for the period	-	-	-	-	(1,270,196)	(1,270,196)
Balance, December 31, 2024	30,200,295	3,486,031	1,568,547	10,000	(1,404,843)	3,659,735
Shares issued for mineral property option payments	9,242,267	2,310,566	-	-	-	2,310,566
Flow-through financing	11,000,000	2,750,000	150,700	-	-	2,900,700
Private placement	8,390,000	1,388,153	709,347	-	-	2,097,500
Commitment to issue shares	-	-	-	(10,000)	-	(10,000)
Share issue costs	-	(29,845)	-	-	-	(29,845)
Net loss and comprehensive loss for the period	-	-	-	-	(7,958,408)	(7,958,408)
Balance, March 31, 2025	58,832,562	9,904,905	2,428,594	-	(9,363,251)	2,970,248

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

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)

Statements of Cash Flow

(Expressed in Canadian Dollars - Unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
	\$	\$
Operating activities		
Net loss for the period	(7,958,408)	(12,121)
Adjustments for items not affecting cash:		
Flow through share premium income	(948,235)	-
Shares issued for mineral property payments	2,310,567	
Change in non-cash operating working capital:		
Amounts receivable	(34,632)	1,237
Prepaid expenses	(58,715)	-
Due to Kenorland North America Ltd.	(369,354)	-
Amounts payable and accrued liabilities	(105,942)	11,386
Cash flows from (used in) operating activities	(7,164,719)	502
Financing activities		
Private placements, net of share issuance costs	6,027,655	-
Commitment to issue shares	(10,000)	-
Cash flows from financing activities	6,017,655	-
Net change in cash	(1,147,064)	502
Cash, beginning of period	4,781,014	1,467
Cash, end of period	3,633,950	1,969

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

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Auranova Resources Inc. (formerly 1329293 B.C. Ltd.) (the “Company”), was incorporated on October 20, 2021 under the *Business Corporations Act* (British Columbia). Effective October 3, 2024, the Company’s principal business is mining exploration. Prior to this, its principal business was to effect mergers, arrangements, reverse takeover transactions and other corporate transactions with other entities with a view to providing liquidity in connection with “go public” transactions. The Company’s head office is located at 410 West Georgia St., Vancouver, British Columbia.

These financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at March 31, 2025, the Company had accumulated losses of \$9,363,251 since its incorporation. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, that it may be unable to discharge its liabilities in the normal course of business. Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. These financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern.

2. BASIS OF PREPARATION

The Company’s Financial Statements have been prepared in accordance with and using accounting policies in full compliance with the IFRS and International Accounting Standards (“IAS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These financial statements were authorized by the Board of Directors of the Company on May 28, 2025.

3. MATERIAL ACCOUNTING POLICIES

(a) Acquisition, exploration and evaluation expenditures

Costs incurred to acquire mineral properties, rights and claims together with exploration and evaluation costs are expensed as incurred and included in the Statements of Loss and Comprehensive Loss until technical feasibility and commercial viability of extraction of reserves are demonstrable. Once a mine development decision has been made by the Company, subsequent expenditures incurred to develop the mine will be capitalized to mineral properties. Exploration costs include an allocation of administration and salary costs (including share-based payments) as determined by management, where they directly relate to specific projects.

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
(Expressed in Canadian dollars - unaudited)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Rehabilitation provisions

The Company will record a liability for the estimated future costs associated with legal and constitutive obligations relating to the reclamation and closure of its exploration assets. This amount will be initially recorded at its discounted present value with subsequent annual recognition of an accretion expense on the discounted liability. Management is currently not aware of any existing significant legal or constitutive obligations relating to the reclamation of its mineral property interests; therefore, no such liability is recorded at March 31, 2025 and 2024.

(c) Financial instruments

Financial assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either Fair Value through Profit or Loss (FVPL) or Fair Value through Other Comprehensive Income (FVOCI), and “financial assets at amortized costs”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement – financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statements of Loss and Comprehensive Loss. Cash and amounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of operations.

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive loss in the statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive loss and is not reclassified to profit or loss. Dividends from such investments are recognized in other income in the statements of operations when the right to receive payments is established.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial liabilities

Initial Recognition and measurement

Financial liabilities are measured at amortized cost, unless they are to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statements of operations.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of operations.

(d) Flow-through financing

From time-to-time, the Company finances a portion of its project exploration activity through the issuance of flow-through shares.

Under the terms of the flow-through share issues, the tax attributes of the related expenditures are renounced to investors and deferred income taxes expense and income tax liabilities are increased by the estimated income tax benefits renounced by the Company to the investors. On the date of issuance of the flow-through shares, the premium relating to the proceeds received in excess of the closing market price of the Company's shares is allocated to liabilities as share premium liability. The share premium liability is reduced pro-rata based on the percentage of flow-through expenditures renounced in comparison to renunciations required under the terms of the flow-through share agreement. The reduction to the premium liability in the period of renunciation is recognized through profit or loss.

Where the Company has unused tax benefits on loss carry forwards and tax pools in excess of book value available for deduction which have not been previously accounted for as deferred tax assets, the Company records a deferred tax asset to offset the increase in deferred tax liabilities resulting in an offsetting recovery of deferred income taxes being recognized through profit or loss in the reporting period.

(e) Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies above, management has identified the judgemental areas that have the most significant effect on the amounts recognized in the financial statements (apart from those involving estimations), which are dealt with below:

Key sources of estimation uncertainty

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the period. The nature of estimation means that actual outcomes could differ from those estimates. The key sources of estimation uncertainty are discussed below:

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
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3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Mineral resource estimates

Mineral resources are estimated in accordance with Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves, Definitions and Guidelines and disclosed in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects" issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Differences between management's assumption such as metal prices and market conditions could have a material effect in the future on the Company's financial position and results of operations.

Calculation of share-based payments and warrants

The Black-Scholes option pricing model is used to determine the fair value for the share-based payments and utilizes subjective assumptions such as expected price volatility and expected life of the option. Discrepancies in these input assumptions can significantly affect the fair value estimate.

The fair value of warrants is determined using the residual method, whereby proceeds are allocated to shares first, followed by flow-through premium and finally warrants.

Income, sales, withholding and other taxes

The Company is subject to income, sales, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Estimation of rehabilitation provisions and asset retirement obligations and the timing of expenditure

The estimated future costs associated with legal and constructive obligations relating to the reclamation, rehabilitation and closure of exploration assets are updated annually during the life of a project to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is estimated based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
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3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(f) Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. Diluted loss per share assumes that the proceeds upon the exercise of the options and warrants are used to purchase common shares at the average market price during the year.

(g) Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resources related pools and other deductions. A deferred asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that the related tax benefit will be realized.

Income tax expense represents the sum of tax currently payable and deferred income tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

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Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
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3. MATERIAL ACCOUNTING POLICIES (CONT'D)

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of loss and comprehensive loss.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

(h) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense. As at December 31, 2024 and 2023, the Company has no obligations that require provisions.

(i) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, which includes key management and family of key management. Parties are also considered to be related if they are subject to common control or common significant influence, and related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value. Effective November 6, 2024, directors and officers of the Company changed.

AURANOVA RESOURCES INC.

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Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(j) Cash

Of the total amount of Cash in the statement of financial position, \$nil (December 31, 2024 - \$4,240,968) is held in trust with the Company's lawyer.

(k) New standards and interpretations not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing after January 1, 2025. Many are neither applicable nor have a material impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes.

Further, operating expenses are presented directly on the face of the income statement – classified either by nature, by function or by using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature.

IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs) and eliminates classification of options for interest and dividends in the statement of cash flows.

Adoption of IFRS 18 is effective January 1, 2027.

4. AMOUNTS RECEIVABLE

The Company's amounts receivable is comprised of the following:

	March 31, 2025	December 31, 2024
	\$	\$
HST recoverable	49,507	14,876

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's trade and other payables are comprised of the following:

	March 31, 2025	December 31, 2024
	\$	\$
Trade payables	45,360	70,687
Accrued liabilities	16,000	96,615
	61,360	167,302

AURANOVA RESOURCES INC.

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Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

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6. DUE FROM KENORLAND MINERALS NORTH AMERICA LTD.

As of March 31, 2025, the Company had advanced Kenorland Minerals North America Ltd. \$6,780,000 as part of the Option Agreement to fund expenditures incurred by Kenorland as the Operator of the Joint Venture agreement. As of March 31, 2025, cash flows exceeded expenditures by \$369,354.

7. MINERAL PROPERTIES – EXPLORATION AND EVALUATION EXPENDITURES

The following table shows the Company's cumulative exploration and evaluation expenditures which have been expensed according to the Company's accounting policy:

South Uchi	March 31, 2025	March 31, 2024
	\$	\$
Property acquisition	2,560,567	-
Geological services	16,500	-
Management fees	18,000	-
Analytical	7,726	-
Camp/accommodation	709,742	-
Communication	7,675	-
Consulting	42,571	-
Consumables - camp	32,490	-
Consumables - drilling	9,032	-
Consumables - exploration	90,020	-
Drilling	2,151,057	-
Equipment	290,795	-
Expediting/shipping	38,762	-
Food	154,296	-
Fuel	128,754	-
Heavy equipment	480,138	-
Helicopter/fixed wing	72,871	-
Land access & community related	12,239	-
Legal & permitting	68,536	-
Personnel	1,029,849	-
Software	14,840	-
Staking & claim maintenance	9,572	-
Travel - accommodation	9,470	-
Travel - meals	5,364	-
Travel - transportation	220,083	-
Operator fee	548,068	-
Labour fees	106,800	-
	8,835,817	-

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

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7. MINERAL PROPERTIES – EXPLORATION AND EVALUATION EXPENDITURES (CONT'D)

South Uchi, Red Lake Mining District, Ontario

On November 29, 2024, the Company entered into an option agreement (“**Option Agreement**”) with Kenorland Minerals North America Ltd. (the “**Optionor**”), pursuant to which the Company has been granted an option (the “**Option**”) to acquire up to 70% of the interest of the Optionor in the Property. The Property consists of 88,000 hectares in the Birch Uchi Greenstone Belt in the Red Lake Mining District of Ontario.

Under the terms of the first option (“**First Option**”), to acquire 51% of the interest of the Optionor in the Property, cash payments are to be made as follows:

- \$250,000 within 2 business days of signing the Option Agreement
- \$250,000 within 2 business days of the Optionor providing written evidence of the Drilling Permit to the Company (January 16, 2025)

On or before the second anniversary of the Drilling Permit and in accordance with an Approved Work Program and Budget (as defined in the “**Operator Services Agreement**”), the Company must incur an aggregate of \$8,000,000 in Qualifying Expenditures on the Property.

The Company must issue the Optionor such number of shares that, on the date of the issuance of such Shares, will give the optionor a 19.9% Pro Rata Interest in the Company (the “**Initial Share Issuance**”) within 2 business days of the receipt of the Drilling Permit, and enter into the Investor Rights Agreement (“**Investor Rights Agreement**”) concurrently with the Initial Share Issuance (January 17, 2025).

Following the Initial Share Issuance and until the Company has issued shares to persons (including without limitation various subscribers for Shares and the Optionor) having an aggregate deemed value of not less than \$10,000,000 following the date of the Agreement, (the “**Share Issuance Threshold**”), in event that the Company issues additional shares (each, an “**Additional Issuance**”) the Company will issue the Optionor additional shares, within 2 business days of such additional issuance, as would maintain the Optionor’s Pro-Rata Interest at 19.9% following such additional Issuance (January 28, 2025).

Following the completion of the Option Payments, the Initial Drill Program, and the Share Issuances up to the date on which the Initial Drill Program is completed, the Optionor shall provide the Company with a formal notice of completion, the date of such formal notice of completion being the “**First Option Satisfaction Date**”. In event these requirements are not satisfied on or before the Second Anniversary of the Drilling Permit, the First Option and the Agreement will be automatically terminated, and the Company will not have earned an interest in the Property.

The Company may give written notice (the “**Second Option Commencement Notice**”) to the Optionor of its intention to proceed with the Second Option within six (6) months of the First Option Satisfaction Date. In the event the Second Option Commencement Notice is not delivered, the Company will be deemed to have elected not to proceed with the Second Option and the Company agrees to, not more than ten (10) business days thereafter, transfer a 2% interest in the Property for nominal consideration of \$1 (the Interest Reversion”) and to effect registration of such transfer such that the Optionor holds a 51% right, title and interest in the Property and the Company holds a 49% right, title and interest in and to the Property. Upon the date of the Interest Reversion, the Parties will be deemed to have formed a Joint Venture.

Subject to the Company delivering the Second Option Commencement Notice, the Optionor grants the Company the sole and exclusive right to acquire an additional 19% interest in the Property for an aggregate 70% interest in the Property following the satisfaction of the Company’s obligations as follows:

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

7. MINERAL PROPERTIES – EXPLORATION AND EVALUATION EXPENDITURES (CONT'D)

- Incur an additional \$10,000,000 in qualifying Expenditures at the Property on or before the third anniversary of the receipt by the Optionor of the Second Option Commencement Notice (the “**Second Option Qualifying Expenditure**”); and
- Issue the Optionor additional shares following each Additional Issuance within two (2) business days of such Additional Issuance, as would maintain the Optionor’s 10% Pro Rata Interest post Additional Issuance up until the Second Option Satisfaction Date.

If there is a shortfall in any of the Qualifying Expenditures, the Company has the right to make up shortfalls and maintain the Option in good standing by making cash payments or issue such number of shares.

During the First Option, the Optionor shall be the operator of the Property in accordance with the terms of the Operator Services Agreement until the First Option Satisfaction Date. Thereafter, the Company will have the right to elect the Operator during the Second Option and Joint Venture.

8. SHARE CAPITAL AND RESERVES

Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

Issued Share Capital

The following table summarizes the Company’s share capital transactions for the period year ended March 31, 2025 and the year ended December 31, 2024.

	No. of Shares	Share Capital
Balance at December 31, 2023 and 2022	22,590,750	\$ 1
Share consolidation (1 new for 2.5 old)	(13,554,454)	-
Share consolidation (1 new for 10 old)	(8,132,669)	-
Shares issued for debt settlement	8,200,001	984,000
Shares issued for private placement	7,000,000	840,000
Shares issued for flow-through financing	14,096,667	1,691,600
Share issue costs	-	(29,570)
Balance at December 31, 2024	30,200,295	3,486,031
Shares issued for mineral property option payments	9,242,267	2,310,566
Flow-through share financing	11,000,000	2,750,000
Private placement	8,390,000	1,388,153
Share issue costs	-	(29,845)
Balance March 31, 2025	58,832,562	9,904,905

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL AND RESERVES (CONT'D)

On February 18, 2022, under a statutory plan of arrangement, the Company cancelled the 1 outstanding common share issued upon incorporation and issued 22,590,750 new common shares from treasury for no additional consideration.

On November 6, 2024, the Company consolidated all of its unissued, and fully paid issued, common shares without par value on the basis of one (1) post-consolidation common share for every two and one-half (2.5) pre-consolidation common shares.

On November 22, 2024, the Company consolidated all of its unissued, and fully paid issued, common shares without par value on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares.

On December 3, 2024, the Company issued an aggregate of 8,200,001 common shares to certain creditors at a price of \$0.0195 per common share in satisfaction of debts owed by the Company to the Creditors in an aggregate amount of \$159,761 pursuant to debt settlement agreements. A loss on the settlement of debt was recognized in the amount of \$824,239.

On December 16, 2024, the Company completed a non-brokered private placement of 7,000,000 common shares of the Company at a price of \$0.12 per Common Share, for aggregate proceeds of \$840,000.

On December 30, 2024, the Company completed a non-brokered private placement of 14,096,667 flow-through units (each, a FT Unit) at a price of \$0.30 per FT Unit for proceeds of \$4,229,000. Each FT Unit is comprised of one common share in the capital of the Company (each, a FT Share) issued on a flow-through basis and one-half of one Warrant. Each Warrant entitles the holder to purchase one Common Share at a price of \$0.50 per Common Share for a period of eighteen (18) months from the closing of the offering, provided that, should the daily volume weighted average closing price (or closing bid price on trading days when there are no sales) at which the common shares trade on a stock exchange is at least CDN\$0.60 for twenty (20) consecutive days, the Company may accelerate the expiry of the Warrants such that the Warrants expire on the date that is ten (10) days following the date that the notice of acceleration deliverable to the holder of the Warrant upon acceleration event is delivered to the holder of the Warrant.

The proceeds from the issuance of the flow-through units, allocated using the residual method (*Note 3*), is as follows:

Flow-through premium liability	\$968,853
Reserves	\$1,568,547
Common shares	\$1,691,600
Total	\$4,229,000

On January 17, 2025, the Company issued 7,502,945 common shares to Kenorland Minerals North America Ltd. as part of its obligation under the Option Agreement (*Note 7*). The shares were valued at \$0.25 per common share for a total of \$1,875,736.

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL AND RESERVES (CONT'D)

On January 23, 2025, pursuant to the terms of an engagement letter dated January 6, 2025 between the Company and PearTree Securities Inc., the Company completed a non-brokered private placement of 11,000,000 flow-through units at a price of \$0.36 per flow-through unit from subscribers for aggregate proceeds of \$3,960,000. Each flow-through unit is comprised of one common share in the capital of the Company issued on a flow-through basis and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.50 per common share for a period of eighteen (18) months. Should the daily volume weighted average closing price (or closing bid price on trading days when there are no trades) at which the common shares trade on a stock exchange is at least CDN\$0.60 for twenty (20) consecutive trading days, the Company may accelerate the expiry of the warrants such that the warrants expire on the date that is ten (10) days following the date that an acceleration notice is delivered to the holder of the warrant. Each Flow-through share and each warrant comprising part of the Flow-through unit shall qualify as a "flow-through share" as defined in subsection 66(15) of the Income Tax Act.

The proceeds from the issuance of the flow-through units, allocated using the residual method (*Note 3*), is as follows:

Flow-through premium liability	\$1,059,300
Reserves	\$150,700
Common shares	\$2,750,000
Total	\$3,960,000

On January 28, 2025, the Company issued 1,739,322 common shares to Kenorland Minerals North America Ltd. as part of its obligation under the Option Agreement (*Note 7*). The shares were valued at \$0.25 per common share for a total of \$434,831.

On February 11, 2025, the Company completed a non-brokered private placement of 8,390,000 units at a price of \$0.25 per unit from subscribers for aggregate proceeds of \$2,097,500. Each unit is comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.50 per common share for a period of eighteen (18) months. Should the daily volume weighted average closing price (or closing bid price on trading days when there are no trades) at which the common shares trade on a stock exchange is at least CDN \$0.60 for twenty (20) consecutive trading days, the Company may accelerate the expiry of the warrants such that the warrants expire on the date that is ten (10) days following the date that the notice of acceleration deliverable to the holder of the warrant upon an Acceleration Event is delivered to the holder of the warrant.

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL AND RESERVES (CONT'D)

Warrants

Warrant transactions and number of warrants outstanding are as follows:

	Number	Weighted average exercise price
Balance, December 31, 2022 and 2023	-	-
Issued	7,048,334	\$0.50
Balance, December 31, 2024	7,048,334	\$0.50
Issued	11,000,000	\$0.50
Issued	8,390,000	\$0.50
Balance, March 31, 2025	26,438,334	

The following summarizes information on the outstanding warrants:

Expiry Date	Number	Exercise Price	Weighted average remaining life (years)
June 30, 2026	7,048,334	\$0.50	1.25
July 23, 2026	11,000,000	\$0.50	1.25
August 13, 2026	8,390,000	\$0.50	1.25

9. FINANCIAL INSTRUMENTS

Fair value hierarchy and fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data.

As at March 31, 2025 and March 31, 2024, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

AURANOVA RESOURCES INC.

(formerly 1329293 B.C. Ltd.)

Notes to the Financial Statements

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian dollars - unaudited)

9. FINANCIAL INSTRUMENTS (CONT'D)

i) Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value amount carried on the statement of financial position.

- a. **Cash** – Cash is held in the bank and in trust with the lawyer. The risk of loss is minimal.

The Company's maximum exposure to credit risk as at March 31, 2025 is the carrying value of cash.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. At March 31, 2025, the Company had a working capital surplus (deficiency) of \$4,050,166 (2024 – (\$131,947)). Working capital surplus (deficiency) as at March 31, 2025 consisted of: cash of \$3,633,950 (2024 - \$1,967), accounts receivable of \$49,507 (2024 - \$1,968), prepaid expenses of \$58,715 (2024 - \$nil), due from Kenorland Minerals North America Ltd. of \$369,354 (2024 - \$nil) and trade payables and other liabilities of \$61,360 (2024 - \$137,346). The Company had not yet achieved profitable operations, has accumulated losses of \$9,363,251 and expects to incur further losses in the development of its business.

iii) Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term nature of its monetary assets and liabilities. Cash not required in the short term, is invested in short-term guaranteed investment certificates, as appropriate.

10. RELATED PARTY TRANSACTIONS

i) Key management personnel compensation

During the three months ended March 31, 2025, the Company paid its Chief Executive Officer an amount of \$36,000 in consulting fees (2024 - \$nil) along with reimbursement of travel costs and other costs of \$10,209 (2024 - \$nil). The Company paid rent to its Chief Financial Officer in the amount of \$9,000 (2024 - \$nil).

Other related party transactions

Related parties include an officer of the Company, a former shareholder of the Company and three commonly controlled entities.

Included in these unaudited financial statements are the following related party transactions, which have been determined by negotiation amongst the related parties. These transactions are in the normal course of operations and are measured at the same value as if the transactions had occurred with non-related parties.

	March 31, 2025	March 31, 2024
	\$	\$
Consulting fees	-	10,000

AURANOVA RESOURCES INC.
(formerly 1329293 B.C. Ltd.)
Notes to the Financial Statements
For the three months ended March 31, 2025 and 2024
(Expressed in Canadian dollars - unaudited)

10. RELATED PARTY TRANSACTIONS (CONT'D)

Related party balances

Included in trade and other payables at March 31, 2025 is \$nil (2024 – \$105,958) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

11. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and the industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital and deficit which at March 31, 2025 totaled \$2,970,248 (2024 - \$(134,646)).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating and capital expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements.

12. COMMITMENT

The Company is obligated to spend \$2,027,315 by December 31, 2026. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.