

# **PATHFINDER VENTURES INC.**

**Condensed Interim Consolidated Financial Statements**

**For the three and nine months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Nine Months ended September 30, 2025 and 2024**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Pathfinder Ventures Inc. for the interim periods ended September 30, 2025 and 2024, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Smythe LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

November 28, 2025

**PATHFINDER VENTURES INC.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		450,054	826,123
Prepaid expenses	5	109,631	264,766
Inventory		27,126	16,997
Receivables	6	41,157	153,607
		<b>627,968</b>	1,261,493
Deposits	7	336,439	306,476
Investment	8	500,000	500,000
Property and equipment	9	13,034,569	13,117,751
<b>Total assets</b>		<b>14,498,976</b>	15,185,720
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	10,18	1,315,643	1,122,081
Deferred revenue		728,303	675,402
Current portion of lease liabilities	9,12	74,125	64,557
Promissory notes	10,13,18	596,497	676,715
Current portion of mortgages	14	6,961,510	4,805,531
Current portion of debentures	10,15	3,137,963	47,900
		<b>12,814,041</b>	7,392,186
Loan payable	11	60,000	60,000
Lease liabilities	9,12	263,084	306,048
Mortgages	14	-	2,279,640
Debentures	10,15,18	-	2,901,881
<b>Total liabilities</b>		<b>13,137,125</b>	12,939,755
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	16(b)	11,315,701	11,315,701
Reserves	17	1,114,105	1,114,105
Deficit		(11,067,955)	(10,183,841)
<b>Total shareholders' equity</b>		<b>1,361,851</b>	2,245,965
<b>Total liabilities and shareholders' equity</b>		<b>14,498,976</b>	15,185,720

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Joseph Bleackley"

Director

/s/ "Michael Iverson"

Director

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

**PATHFINDER VENTURES INC.****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
Revenue		1,717,662	1,576,911	3,119,069	2,867,953
Management services revenue		-	-	-	15,000
Cost of sales		(94,871)	(82,039)	(213,277)	(194,781)
<b>Gross profit</b>		<b>1,622,791</b>	<b>1,494,872</b>	<b>2,905,792</b>	<b>2,688,172</b>
<b>Operating expenses</b>					
Accretion expense	13, 15	2,732	29,620	9,049	123,594
Consulting expense		632	17,834	8,535	35,616
Depreciation expense	9	154,339	163,567	463,348	502,167
General and administrative		53,282	44,695	148,741	138,169
Insurance		23,351	26,643	66,831	68,211
Interest expense	10-15,18	249,870	259,572	747,001	712,908
Investor relations		-	36,000	5,000	66,000
Lease expense		32,640	27,518	51,141	42,145
Legal and professional fees	18	58,616	147,452	332,491	450,093
Marketing		37,226	44,914	160,822	97,936
Property costs		136,398	114,562	405,255	357,403
Property taxes		15,026	17,618	46,935	46,478
Salaries and benefits	18	475,581	476,842	1,288,766	1,221,645
Share-based compensation	18	-	-	-	53,213
Supplies		23,112	18,986	54,436	44,235
		<b>1,262,805</b>	<b>1,425,823</b>	<b>3,788,351</b>	<b>3,959,813</b>
<b>Net income (loss) from operations</b>		<b>359,986</b>	<b>69,049</b>	<b>(882,559)</b>	<b>(1,271,641)</b>
<b>Other income (expenses)</b>					
Foreign exchange loss		(1,164)	(1,549)	(1,971)	(2,034)
Gain on disposition of property and equipment	9	-	-	-	156
Other		519	619	416	2,739
<b>Net income (loss) and comprehensive income (loss)</b>		<b>359,341</b>	<b>68,119</b>	<b>(884,114)</b>	<b>(1,270,780)</b>
<b>Net income (loss) per share:</b>					
Basic and diluted		0.01	0.00	(0.02)	(0.06)
<b>Weighted average number of common shares outstanding</b>					
Basic and diluted		45,495,501	24,713,979	45,495,501	23,033,639

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

**PATHFINDER VENTURES INC.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in Canadian dollars)

	Nine months ended September 30,	
	2025	2024
	\$	\$
<b>Operating activities</b>		
Net loss and comprehensive loss for the period	(884,114)	(1,270,780)
Adjustments for:		
Accretion expense	9,049	123,594
Depreciation expense	463,348	502,167
Interest expense	747,001	712,908
Share-based compensation	-	53,213
Gain on disposition of property and equipment	-	(156)
Changes in non-cash working capital:		
Prepaid expenses	155,135	(181,388)
Inventory	(10,129)	3,452
Receivables	12,450	(33,603)
Deposits	(29,963)	(24,956)
Accounts payable and accrued liabilities	213,419	393,866
Deferred revenue	52,901	(126,855)
<b>Cash provided by operating activities</b>	<b>729,097</b>	<b>151,462</b>
<b>Investing activities</b>		
Proceeds from sale of property and equipment	-	500
Purchases of property and equipment	(362,057)	(228,999)
<b>Cash used in investing activities</b>	<b>(362,057)</b>	<b>(228,499)</b>
<b>Financing activities</b>		
Proceeds from shares issued in private placement	-	300,000
Proceeds from units issued in private placement	100,000	700,000
Share issuance costs	-	(29,401)
Repayment of mortgages	(123,661)	(92,724)
Interest paid on mortgages	(456,184)	(434,943)
Repayment of promissory notes principal	(80,218)	(56,000)
Repayment of promissory notes accrued interest	(100,000)	-
Lease payments	(83,046)	(93,284)
<b>Cash (used in) provided by financing activities</b>	<b>(743,109)</b>	<b>293,648</b>
Change in cash	(376,069)	216,611
Cash, beginning of period	826,123	456,100
<b>Cash, end of period</b>	<b>450,054</b>	<b>672,711</b>
<b>Supplemental cash flow information</b>		
Cash income tax paid	-	-
Cash interest paid	522,950	454,233
Unit subscription receivable included in receivables	-	-
Interest expense included in accounts payable and accrued liabilities	80,060	78,886
Purchases of property and equipment included in accounts payable and accrued liabilities	83	-

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

**PATHFINDER VENTURES INC.****Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	<b>Common shares</b>	<b>Share capital</b>	<b>Subscription deposits</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total shareholders' equity</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, December 31, 2023	17,170,494	8,687,137	200,000	1,028,856	(8,140,865)	1,775,128
Units issued in private placement	6,250,007	500,000	(200,000)	-	-	300,000
Shares issued in private placement	7,000,000	700,000	-	-	-	700,000
Unit issuance costs	-	(49,563)	-	20,162	-	(29,401)
Share-based compensation	-	-	-	53,213	-	53,213
Net loss and comprehensive loss for the period	-	-	-	-	(1,270,780)	(1,270,780)
Balance, September 30, 2024	30,420,501	9,837,574	-	1,102,231	(9,411,645)	1,528,160
Units issued in private placement	15,075,000	1,507,500	-	-	-	1,507,500
Unit issuance costs	-	(29,313)	-	11,813	-	(17,500)
Adjustments to unit issuance costs	-	(60)	-	61	-	1
Net loss and comprehensive loss for the period	-	-	-	-	(772,196)	(772,196)
Balance, December 31, 2024	45,495,501	11,315,701	-	1,114,105	(10,183,841)	2,245,965
Net loss and comprehensive loss for the period	-	-	-	-	(884,114)	(884,114)
<b>Balance, September 30, 2025</b>	<b>45,495,501</b>	<b>11,315,701</b>	<b>-</b>	<b>1,114,105</b>	<b>(11,067,955)</b>	<b>1,361,851</b>

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

## **PATHFINDER VENTURES INC.**

### **Notes to the Condensed Interim Consolidated Financial Statements**

#### **For the three and nine months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars, except where noted)

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

Pathfinder Ventures Inc. (the "Company") was incorporated on February 14, 2018 under the laws of British Columbia. The Company's head office and principal address is PO Box 610, 9451 Glover Road, Langley, BC V1M 2R9. The Company is listed on the TSX Venture Exchange under the symbol "RV". The Company is in the business of providing short-term and long-term accommodation year-round via its wholly owned land and on-site facilities and management services for third-party recreation parks.

These condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 and 2024 (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at September 30, 2025, the Company has a working capital deficiency of \$12,186,073 (December 31, 2024 - \$6,130,693). For the three months ended September 30, 2025, the Company reported a net income and comprehensive income of \$359,341 (2024 - \$68,119) and for the nine months ended September 30, 2025, reported a net loss and comprehensive loss of \$884,114 (2024 - \$1,270,780). These conditions together indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Should the Company be unable to continue as a going concern, the realizable values of assets and liabilities may be materially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements were approved by the Board of Directors and authorized for issue on November 28, 2025.

These financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. These financial statements do not include all the information and disclosures required in annual financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited consolidated financial statements for the years ended December 31, 2024 and 2023 (the "Annual Financial Statements").

### **b) Basis of presentation**

On August 9, 2024, the Company completed a consolidation of its common shares on a four-to-one basis. All share and per share amounts have been retrospectively adjusted to reflect the consolidation. Any references to common shares are on a post-consolidation basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidation.

### **c) Functional and presentation currency**

These financial statements are presented in Canadian dollars ("CAD"), unless otherwise noted, which is the functional currency of the Company and its subsidiaries.

**PATHFINDER VENTURES INC.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

**2. BASIS OF PREPARATION (continued)**

**d) Basis of consolidation**

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and 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. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries included in these financial statements as at September 30, 2025 is as follows:

<b>Name of subsidiary</b>	<b>Country of incorporation</b>	<b>Percentage ownership</b>	<b>Functional currency</b>	<b>Principal activity</b>
Pacific Frontier Investment Inc.	Canada	100%	CAD	Holding company
Pathfinder Camp Resorts (Agassiz) Inc. (formerly Pathfinder Camp Resorts Inc.)	Canada	100%	CAD	Recreation parks
Pathfinder Camp Resorts (Fort Langley) Inc. (formerly Duckworth Management Group Ltd.)	Canada	100%	CAD	Recreation parks
Pathfinder Camp Resorts (Parksville) Inc.	Canada	100%	CAD	Recreation parks

**e) Reclassification of prior period presentation**

Certain prior period amounts have been reclassified for consistency with the current period presentation of statement of financial position. These reclassifications had no material effect on the reported statement of loss and comprehensive loss, the statement of cash flows or the statement of shareholders' equity.

**3. MATERIAL ACCOUNTING POLICIES**

The accounting policies applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

**4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed in its Annual Financial Statements.

**PATHFINDER VENTURES INC.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

**5. PREPAID EXPENSES**

A summary of the Company's prepaid expenses is as follows:

	<b>September 30, 2025</b>	December 31, 2024
	\$	\$
Insurance	<b>18,211</b>	7,019
Legal and professional retainers	-	20,000
Marketing	<b>76,394</b>	193,890
Mortgage payment	-	43,857
Property taxes	<b>15,026</b>	-
	<b>109,631</b>	264,766

**6. RECEIVABLES**

A summary of the Company's receivables is as follows:

	<b>September 30, 2025</b>	December 31, 2024
	\$	\$
Credit card processor holdbacks	<b>20,378</b>	4,502
GST receivable	<b>15,720</b>	46,073
Unit subscription receivable (Note 16(b))	-	100,000
Other	<b>5,059</b>	3,032
	<b>41,157</b>	153,607

Credit card processor holdbacks are portions of customer deposit payments held by the credit card processors for advanced bookings made online. Cash from holdbacks is received from credit card processors when a customer's stay has concluded, and the revenue has been earned.

As at September 30, 2025 and December 31, 2024, the Company did not have a provision for expected credit losses on any of its receivables.

On January 10, 2025, the Company received \$100,000 to settle the unit subscription receivable (Note 16(b)).

**7. DEPOSITS**

Deposits consist of credit card retention deposits, security deposits for utilities, construction projects and the lease with Metro Vancouver.

As at September 30, 2025, the Company's deposits balance was \$336,439 (December 31, 2024 - \$306,476).

**8. INVESTMENT**

On November 27, 2024, the Company acquired a 5% equity interest in a company developing a new modular home park in Vernon, BC. This investment has been classified as fair value through profit and loss. The fair value of the investment at the acquisition date was \$500,000. As at September 30, 2025, the fair value of the investment is \$500,000 (December 31, 2024 - \$500,000).

**PATHFINDER VENTURES INC.**

**Notes to the Condensed Interim Consolidated Financial Statements**

**For the three and nine months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars, except where noted)

**9. PROPERTY AND EQUIPMENT**

A summary of the Company's property and equipment is as follows:

	<b>Right-of-use assets</b>	<b>Land</b>	<b>Building</b>	<b>Site fixtures</b>	<b>Leasehold improvements</b>	<b>Furniture and equipment</b>	<b>Vehicle</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>								
Balance, December 31, 2023	394,515	5,599,520	2,074,961	6,340,477	16,441	662,344	94,076	15,182,334
Additions	360,197	5,220	10,977	1,866	258,260	17,448	-	653,968
Disposals	-	-	-	-	-	(1,620)	-	(1,620)
Balance, December 31, 2024	754,712	5,604,740	2,085,938	6,342,343	274,701	678,172	94,076	15,834,682
Additions	18,026	-	15,437	3,701	316,376	9,292	17,334	380,166
<b>Balance, September 30, 2025</b>	<b>772,738</b>	<b>5,604,740</b>	<b>2,101,375</b>	<b>6,346,044</b>	<b>591,077</b>	<b>687,464</b>	<b>111,410</b>	<b>16,214,848</b>
<b>Accumulated depreciation</b>								
Balance, December 31, 2023	(318,662)	-	(231,431)	(1,164,051)	(5,829)	(258,313)	(71,735)	(2,050,021)
Depreciation expense	(84,283)	-	(74,024)	(410,756)	(5,451)	(86,970)	(6,702)	(668,186)
Disposals	-	-	-	-	-	1,276	-	1,276
Balance, December 31, 2024	(402,945)	-	(305,455)	(1,574,807)	(11,280)	(344,007)	(78,437)	(2,716,931)
Depreciation expense	(61,153)	-	(53,687)	(283,640)	(6,530)	(53,094)	(5,244)	(463,348)
<b>Balance, September 30, 2025</b>	<b>(464,098)</b>	<b>-</b>	<b>(359,142)</b>	<b>(1,858,447)</b>	<b>(17,810)</b>	<b>(397,101)</b>	<b>(83,681)</b>	<b>(3,180,279)</b>
<b>Carrying amount</b>								
Balance, December 31, 2024	351,767	5,604,740	1,780,483	4,767,536	263,421	334,165	15,639	13,117,751
<b>Balance, September 30, 2025</b>	<b>308,640</b>	<b>5,604,740</b>	<b>1,742,233</b>	<b>4,487,597</b>	<b>573,267</b>	<b>290,363</b>	<b>27,729</b>	<b>13,034,569</b>

**PATHFINDER VENTURES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the three and nine months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars, except where noted)

**10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

A summary of the Company's accounts payable and accrued liabilities is as follows:

	<b>September 30, 2025</b>	December 31, 2024
	<b>\$</b>	<b>\$</b>
Accrued interest	<b>347,835</b>	367,775
Accrued liabilities	<b>289,289</b>	263,490
Government agencies payable <sup>(1)</sup>	<b>101,199</b>	31,381
Trade payables	<b>492,862</b>	392,965
Wages payable	<b>84,458</b>	66,470
	<b>1,315,643</b>	1,122,081

(1) Includes sales taxes payable, municipal and regional district tax payable and work compensation payable.

A summary of the sources of the Company's accrued interest is as follows:

	<b>September 30, 2025</b>	December 31, 2024
	<b>\$</b>	<b>\$</b>
Convertible debentures <sup>(1)</sup>	<b>15,896</b>	15,896
Loan payable	<b>4,277</b>	2,033
Promissory notes <sup>(2)</sup>	<b>327,662</b>	349,846
	<b>347,835</b>	367,775

(1) These amounts are due to a related party and due on demand

(2) Of this amount, \$277,948 (December 31, 2024 - \$309,594) is payable to related parties.

**11. LOAN PAYABLE**

Due to the global COVID-19 outbreak, the Government of Canada introduced the Canada Emergency Business Account which provided an interest free and partially forgivable loan ("CEBA loan") of \$40,000, later increased to up to \$60,000, to eligible businesses.

Under the terms of the CEBA loan, up to \$20,000 of the principal would be forgiven if the remainder of the principal were repaid before January 18, 2024. During the year ended December 31, 2023, the Company recognized a \$20,000 loss on the reversal of loan forgiveness as a reduction to other income as a result of not repaying the principal balance before January 18, 2024.

On January 19, 2024, the CEBA loan converted to a non-amortizing term loan subject to an interest rate of 5%, with a maturity date of December 31, 2026.

During the three and nine months ended September 30, 2025, the Company recorded interest expense on the loan payable of \$756 and \$2,244, respectively (2024 - \$nil and \$787, respectively). As at September 30, 2025, the loan payable has not been repaid and has a principal balance of \$60,000 (December 31, 2024 - \$60,000) and accrued interest expense of \$4,277 (December 31, 2024 - \$2,033) included in accounts payable and accrued liabilities.

**PATHFINDER VENTURES INC.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and nine months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

**12. LEASE LIABILITIES**

A summary of the Company's lease liabilities is as follows:

	\$
Balance, December 31, 2023	100,676
Addition	360,197
Interest expense	30,701
Lease payments	(120,969)
Balance, December 31, 2024	370,605
Addition	18,026
Interest expense	31,624
Lease payments	(83,046)
<b>Balance, September 30, 2025</b>	<b>337,209</b>
<b>Current portion</b>	<b>74,125</b>
<b>Non-current portion</b>	<b>263,084</b>

The Company entered into a land lease agreement dated November 1, 2019 for the provision of campground operation and park grounds maintenance services for a five-year term. On June 4, 2024, the parties amended the lease terms resulting in an extension of the lease for an additional five-year term with unchanged terms and conditions. The new expiry date of the agreement is October 31, 2029. The lease liability was remeasured to reflect the revised lease payments over the extended lease term. The remeasurement was based on the present value of the remaining lease payments as at June 4, 2024 of \$541,645 discounted using the Company's incremental borrowing rate of 12% as of the effective date of the lease amendment. As a result of the extension and remeasurement of the lease liability, the Company recorded an addition to the lease liability of \$360,197 and a corresponding addition of \$360,197 to the right-of-use asset.

On April 10, 2025, the Company entered into an equipment lease for a three-year term. The lease agreement includes an option to purchase the equipment at lease end. In accordance with IFRS 16, the Company recognized a right-of-use ("ROU") asset and a corresponding lease liability at the commencement date. The ROU asset is presented within property and equipment (Note 9).

A summary of the Company's future minimum lease payments as at September 30, 2025 is as follows:

	\$
2025	26,606
2026	106,425
2027	106,425
2028	102,139
2029	83,330
Total future minimum lease payments	424,925
Effects of discounting	(87,716)
<b>Total present value of minimum lease payments</b>	<b>337,209</b>

**13. PROMISSORY NOTES**

A summary of the Company's promissory notes is as follows:

	Related parties <sup>(1)</sup>	Third party	Total
	\$	\$	\$
Balance, December 31, 2023	678,582	100,000	778,582
Accretion expense	4,133	-	4,133
Repayments	(106,000)	-	(106,000)
Balance, December 31, 2024	576,715	100,000	676,715
Repayments	(80,218)	-	(80,218)
<b>Balance, September 30, 2025</b>	<b>496,497</b>	<b>100,000</b>	<b>596,497</b>

(1) Terms of promissory notes entered into with related parties are consistent to those offered to the third party.

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**13. PROMISSORY NOTES (continued)**

On December 1, 2023, the Company entered into an agreement with the holders of promissory notes with a combined \$500,000 principal to extend the maturity date to March 1, 2024. The notes bear interest at 10% per annum and are now due on demand.

On December 1, 2023, the Company entered into an agreement with the holder of a promissory note with principal of \$300,000 to extend the maturity date to December 31, 2024. The note bears interest at 12% per annum. The principal balance was to be repaid in instalments of \$8,000 per month beginning on January 31, 2024 until December 31, 2024, at which time the remaining principal balance was to be repaid in full.

During the three and nine months ended September 30, 2025, the Company made principal repayments of \$30,218 and \$80,218, respectively (2024 - \$8,000 and \$56,000, respectively).

For the three and nine months ended September 30, 2025, the Company recorded interest expense of \$26,224 and \$77,816 (2024 - \$26,223 and \$78,099, respectively) and settled \$100,000 of interest expense by paying cash. As at September 30, 2025, there is \$327,662 of unpaid interest included in accounts payable and accrued liabilities (December 31, 2024 - \$349,846) (Note 10).

**14. MORTGAGES**

A summary of the Company's mortgages is as follows:

	<b>Mortgage (a)</b>	<b>Mortgage (b)</b>	<b>Mortgage (c)</b>	<b>Total</b>
	\$	\$	\$	\$
Balance, December 31, 2023	2,586,459	600,000	4,031,873	7,218,332
Interest expense	89,661	59,154	440,559	589,374
Repayment	(198,240)	(59,154)	(465,141)	(722,535)
Balance, December 31, 2024	2,477,880	600,000	4,007,291	7,085,171
Interest expense	64,300	36,450	355,434	456,184
Repayment	(148,682)	(36,450)	(394,713)	(579,845)
<b>Balance, September 30, 2025</b>	<b>2,393,498</b>	<b>600,000</b>	<b>3,968,012</b>	<b>6,961,510</b>
<b>Current portion</b>	<b>2,393,498</b>	<b>600,000</b>	<b>3,968,012</b>	<b>6,961,510</b>
<b>Non-current portion</b>	-	-	-	-

(a) On July 9, 2021, the Company secured a \$2,795,000 mortgage term loan for the Agassiz property. The loan bears interest at 3.55% per annum. On June 26, 2023, the Company amended the agreements for the mortgage term loan, whereby the Company agreed to pay monthly instalments of interest only commencing on July 9, 2023 until and including October 9, 2023. Commencing November 9, 2023, the Company will pay monthly instalments of principal and interest in the amount of \$16,520 until July 9, 2026, the loan maturity date. The mortgage term is secured by a first registered charge and assignment, as well as a general security agreement over all present and future assets of Agassiz. The financial covenant of the mortgage requires the Company to maintain a debt service coverage, defined as the ratio of EBITDA to all principal and interest payments, of 1.2:1 times and will be reviewed by the lender in 2026. During the three and nine months ended September 30, 2025, the Company incurred interest expense of \$21,425 and \$64,300, respectively, related to this loan (2024 - \$22,109 and \$67,793, respectively).

(b) On April 7, 2022, the Company secured a \$600,000 mortgage term loan for the Agassiz property. The mortgage bears interest at prime rate plus 3.25% per annum and is repayable on July 31, 2023. On July 17, 2023, the loan maturity date was extended to January 7, 2025. All other terms of the mortgage remain the same. The mortgage term is secured by a first charge on the expansion land parcel acquired by Agassiz. During the three and nine months ended September 30, 2025, the Company incurred interest expense of \$12,023 and \$36,450, respectively, related to this loan (2024 - \$14,808 and \$45,417, respectively).

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**14. MORTGAGES (continued)**

(c) On April 26, 2023, the Company secured a \$4,200,000 mortgage loan for the Parksville property. The loan has a three-year term and bears interest of 9.5% with interest-only payments for the first 12 months and blended payment starting thereafter based on a 15-year amortization period. The mortgage term is secured by a first registered charge and assignment of rent, a general security agreement over all present and future assets, as well as a pledge of shares of Parksville. The agreement provides a right-of-first-refusal provision on the sale of all current and future properties of the Company and restrictions on future debt financing, whereby lender consent must be obtained prior to raising additional debt. The Company has the right to repay the full principal amount of the loan at anytime prior to the maturity date. As a financial covenant, the Company must maintain a quarterly debt service ratio of not less than 1.1:1, calculated on the combined net operating income of Parksville and Fort Langley. During the three and nine months ended September 30, 2025, the Company incurred interest expense of \$118,940 and \$355,434, respectively, related to this loan (2024 - \$120,465 and \$321,733, respectively). As at September 30, 2025, the Company was in breach of the covenant and as a result the entire loan balance has been classified as a current liability, and is due on demand.

**15. DEBENTURES**

A summary of the Company's debentures is as follows:

	Tranche 1	Tranche 2	Total
	\$	\$	\$
Debt issuance, March 1, 2024	1,417,198	1,318,806	2,736,004
Interest	103,199	96,932	200,131
Accretion	7,037	6,609	13,646
Balance, December 31, 2024	1,527,434	1,422,347	2,949,781
Interest	92,370	86,763	179,133
Accretion	4,666	4,383	9,049
<b>Balance, September 30, 2025</b>	<b>1,624,470</b>	<b>1,513,493</b>	<b>3,137,963</b>
<b>Current portion</b>	<b>1,624,470</b>	<b>1,513,493</b>	<b>3,137,963</b>
<b>Non-current portion</b>	<b>-</b>	<b>-</b>	<b>-</b>

On March 1, 2024, the Company entered into new agreements with the former convertible debenture holders to amend the terms of the original convertible debentures issued in 2021 such that the amendment was treated as debt extinguishment, resulting in new financial liabilities and a corresponding the Company recognized a loss on extinguishment of debt of \$47,604.

The new debentures have a principal balance of \$2,395,000, are unsecured, accrue simple interest at 10% per annum and mature on March 1, 2026. The present value of the new debentures was determined using the principal balance of the \$2,395,000, accrued and payable interest of \$248,687 from the original convertible debentures, and the renewal fees which were discounted using an effective interest rate of 18%.

The debenture terms include the payment of renewal fees to debenture holders as follows:

- March 1, 2025 - in the amount of 2% of the average of the daily principal outstanding for the period from March 1, 2024 to February 28, 2025.
- March 1, 2026 - in the amount of 3% of the average of the daily principal outstanding for the period from March 1, 2025 to February 28, 2026.

During the three and nine months ended September 30, 2025, the Company incurred interest expense of \$60,367 and \$179,133, respectively, on the debentures (2024 - \$60,367 and \$139,763, respectively).

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**16. SHARE CAPITAL**

**a) Authorized**

Unlimited number of common voting shares without par value.

**b) Issued and outstanding**

During the nine months ended September 30, 2025, the company had no share capital transactions.

During the year ended December 31, 2024, the Company had the following share capital transactions:

- On February 5, 2024, the Company completed a non-brokered private placement of 6,250,007 common shares at a price of \$0.08 per share for gross proceeds of \$500,000. Included in gross proceeds are \$200,000 of subscription deposits received prior to December 31, 2023 in advance of the private placement closing. No fees were paid in connection with this private placement.
- On September 13, 2024, the Company completed the first tranche of a private placement of 7,000,000 units at a price of \$0.10 per unit for gross proceeds of \$700,000. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.20 per common share until September 13, 2027. Proceeds were allocated using the residual value method. On initial recognition, the warrants had a fair value of \$nil. Unit issuance costs were comprised of cash of \$29,400 and the issuance of 294,000 warrants to finders with a fair value of \$20,223. The fair value of the warrants was estimated using the Black-Scholes pricing model with the following inputs:

Share price	\$0.09
Exercise price	\$0.20
Expected life	3 years
Risk-free interest rate	4.40%
Expected volatility	157.72%
Expected annual dividend yield	0.00%

- On December 23, 2024, the Company completed the second tranche of a private placement of 15,075,000 units at a price of \$0.10 per unit for gross proceeds of \$1,507,500. As at December 31, 2024, \$100,000 of the proceeds were receivable (Note 6). As at September 30, 2025, the remaining \$100,000 has been received (Note 6). Each unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.20 per common share until December 23, 2027. Proceeds were allocated using the residual value method. On initial recognition, the warrants had a fair value of \$nil. Unit issuance costs were comprised of cash of \$17,500 and the issuance of 175,000 warrants to finders with a fair value of \$11,813. The fair value of the warrants was estimated using the Black-Scholes pricing model with the following inputs:

Share price	\$0.09
Exercise price	\$0.20
Expected life	3 years
Risk-free interest rate	3.89%
Expected volatility	154.36%
Expected annual dividend yield	0.00%

**17. RESERVES**

**a) Stock options**

The Company has a stock option plan that allows the Company to grant options to its employees, directors, consultants and officers for a maximum of 10% of outstanding shares to be issued.

Options have a maximum term of ten years and terminate up to 90 days following the date on which an optionee ceases to be an employee, director, consultant or officer. In the case of death, the option terminates at the earlier of twelve months after the date of death and the expiration of the option period.

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**17. RESERVES (continued)**

A summary of the Company's stock option activity is as follows:

	Options outstanding	Weighted average exercise price
	#	\$
Balance, December 31, 2023	1,331,515	0.81
Granted	800,000	0.20
Expired	(189,406)	1.20
<b>Balance, September 30, 2025 and December 31, 2024</b>	<b>1,942,109</b>	<b>0.58</b>

On April 5, 2024, the Company granted 800,000 stock options exercisable at \$0.20 per share to certain officers and directors. The options are exercisable for a 5-year term, expiring on April 5, 2029. The options vested immediately. The fair value of the options was determined to be \$53,213 using the Black-Scholes option pricing model.

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for stock options granted during the year ended December 31, 2024 is as follows:

Share price	\$0.10
Exercise price	\$0.20
Expected life	5 years
Risk-free interest rate <sup>(1)</sup>	3.62%
Expected volatility <sup>(2)</sup>	100.00%
Expected annual dividend yield	0.00%

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.

(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the option.

A summary of the Company's stock options outstanding and exercisable as at September 30, 2025 is as follows:

Expiry date	Outstanding and exercisable	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
October 18, 2026	195,662	0.88	1.05
October 18, 2026	141,305	0.92	1.05
November 22, 2026	452,642	1.20	1.15
August 31, 2028	435,000	0.32	2.92
April 5, 2029	717,500	0.20	3.52
	<b>1,942,109</b>	<b>0.58</b>	<b>2.40</b>

**b) Warrants**

A summary of the Company's warrant activity is as follows:

	Warrants outstanding and exercisable	Weighted average exercise price
	#	\$
Balance, December 31, 2023	1,657,397	0.32
Issued	11,506,500	0.20
Balance, December 31, 2024	13,163,897	0.22
Expired	(407,397)	0.32
<b>Balance, September 30, 2025</b>	<b>12,756,500</b>	<b>0.20</b>

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**17. RESERVES (continued)**

During the year ended December 31, 2024, the Company issued 11,506,500 share purchase warrants in connection with the private placements of units on September 13, 2024 and December 23, 2024 (Note 16(b)).

On February 18, 2025, the Company modified the terms of the 1,250,000 outstanding warrants issued on August 31, 2023 in a private placement of units. The exercise price was reduced from \$0.32 to \$0.20 per common share and the expiry date of February 28, 2025 was extended to February 28, 2028.

A summary of the Company's outstanding warrants as at September 30, 2025 is as follows:

Expiry date	Outstanding and exercisable #	Weighted average exercise price \$	Weighted average contractual remaining life Years
September 13, 2027	3,794,000	0.20	1.95
December 23, 2027	7,712,500	0.20	2.23
February 28, 2028	1,250,000	0.20	2.41
<b>Total</b>	<b>12,756,500</b>	<b>0.20</b>	<b>2.16</b>

**18. RELATED PARTY TRANSACTIONS**

Key management personnel include those having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Interest expense	23,036	23,034	68,353	70,273
Legal and professional fees	28,500	21,000	72,500	63,000
Salaries and benefits	98,569	69,231	261,031	230,769
Share-based compensation	-	-	-	37,581
	<b>150,105</b>	113,265	<b>401,884</b>	401,623

A summary of the Company's related party balances is as follows:

	September 30, 2025	December 31, 2024
	\$	\$
Accounts payable and accrued liabilities	323,121	332,841
Debentures	128,317	109,367
Promissory notes	<b>496,497</b>	576,715

As at September 30, 2025, accounts payable and accrued liabilities included trade payables of \$29,277 (December 31, 2024 - \$7,351) as well as accrued interest related to promissory notes of \$277,948 (December 31, 2024 - \$309,594) and \$15,896 (December 31, 2024 - \$15,896) related to debentures.

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## **19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

### **a) Fair value of financial assets and liabilities**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The classification of each measurement within this hierarchy is based on the lowest-level significant input used in valuation. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

The Company's financial assets and liabilities consist of cash, receivables, deposits, investment, accounts payable and accrued liabilities, loan payable, promissory notes, lease liabilities, mortgages and debentures.

Except for the investment, all financial assets and liabilities of the Company are measured at amortized cost. The investment is measured at fair value through profit or loss at level 3. The valuation of the investment is based on cost as a proxy of fair value due to lack of observable inputs.

The fair values of cash, receivables, deposits, accounts payable and accrued liabilities approximate their respective carrying values due to the short-term nature. On initial recognition, the fair values of the Company's financial liabilities, including the loan payable, promissory notes and lease liabilities, mortgages and debentures were determined using the discounted cash flow method which involves discounting future cash flows at a risk-adjusted discount rate. The fair values of loan payable, debentures and mortgages approximate their respective carrying values as they accrue interest at market rates.

### **b) Risk management**

The Company is exposed to certain financial risks by its financial instruments. The risk exposures and their impact on the Company's financial statements are summarized below.

#### Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions. The maximum credit risk exposure associated with cash is limited to the total carrying value.

Receivables (excluding GST receivable and subscription receivable) are due within 90 days; management has reviewed these accounts, and the amounts presented are those that management expects to recover net of any allowance for lifetime expected credit losses. Included in receivables are holdbacks which are portions of payments held by the Company's processors from credit card sales. The counterparties retaining the holdbacks are comprised of highly rated Canadian financial institutions and a large global provider of financial services technology. As at September 30, 2025, the Company has determined an allowance relating to receivables to be \$nil (December 31, 2024 - \$nil) given its historical collection record and has assessed credit risk as minimal.

#### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet liabilities as they become due. As at September 30, 2025, the Company had a cash balance of \$450,054 (December 31, 2024 - \$826,123) to settle current liabilities of \$12,814,041 (December 31, 2024 - \$7,392,186). Accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. The Company's liquidity risk is high and it will need to seek additional forms of financing to meet its current liabilities.

#### Foreign currency risk

As at September 30, 2025, the majority of Company's expenditures are in Canadian dollars. Any future equity raised is expected to be in Canadian dollars. The Company's exposure to foreign exchange rate risk is considered immaterial. The Company does not hold balances in foreign currencies which would give rise to exposure to foreign exchange rate risk.

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**20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**Interest rate risk

As at September 30, 2025, the Company has exposure to interest rate risk as a result of a variable interest rate on one of its mortgages. A 1% variance in interest rate would impact the Company's loss and comprehensive loss by \$15,242.

Other price risk

As at September 30, 2025, the Company has exposure to other price risk through its financial instruments. The Company holds an investment in a private company measured at FVTPL, which is exposed to equity price risk (Note 8). The Company manages equity price risk by reviewing the performance of its private company investment and adjusting its valuation assumptions as necessary. Management has assessed that the underlying inputs and assumptions have not changed materially since the acquisition of this investment.

**21. CAPITAL RISK MANAGEMENT**

The Company's objectives of capital management are intended to safeguard the Company's normal operating requirements on an ongoing basis. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged since incorporation.

The Board of Directors does not establish quantitative return on capital criteria for management, however, rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company has in place a planning, budgeting and forecasting process which is used to identify the amount of funds required to ensure the Company has appropriate liquidity to meet short and long-term operating objectives. The Company is dependent on cash flows generated from operation and financing to fund its activities. In order to maintain or adjust its capital structure, the Company may issue new shares or debt. There have been no changes to the Company's approach to capital management during the nine months ended September 30, 2025.

**22. SEGMENTED INFORMATION**

Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision makers in deciding how to allocate resources, and in assessing performance. The chief operating decision maker is the Chief Executive Officer.

A summary of the Company's net loss and comprehensive loss by segment for the three months ended September 30, 2025 is as follows:

	<b>Corporate</b>	<b>Resorts</b>	<b>Consolidated</b>
	\$	\$	\$
Revenues	-	1,717,662	1,717,662
Cost of sales	-	(94,871)	(94,871)
Gross profit	-	1,622,791	1,622,791
Operating expenses	348,565	914,240	1,262,805
Net income (loss) from operations	(348,565)	708,551	359,986
<b>Net income (loss) and comprehensive income (loss)</b>	<b>(349,007)</b>	<b>708,348</b>	<b>359,341</b>

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**22. SEGMENTED INFORMATION (continued)**

A summary of the Company's net loss and comprehensive loss by segment for the three months ended September 30, 2024 is as follows:

	Corporate	Resorts	Consolidated
	\$	\$	\$
Revenues (refunds)	(4,373)	1,581,284	1,576,911
Management services revenue	-	-	-
Cost of sales	-	(82,039)	(82,039)
Gross profit	(4,373)	1,499,245	1,494,872
Operating expenses	513,296	912,527	1,425,823
Net income (loss) from operations	(517,669)	586,718	69,049
<b>Net income (loss) and comprehensive income (loss)</b>	<b>(518,787)</b>	<b>586,906</b>	<b>68,119</b>

A summary of the Company's net loss and comprehensive loss by segment for the nine months ended September 30, 2025 is as follows:

	Corporate	Resorts	Consolidated
	\$	\$	\$
Revenues	-	3,119,069	3,119,069
Cost of sales	-	(213,277)	(213,277)
Gross profit	-	2,905,792	2,905,792
Operating expenses	1,276,602	2,511,749	3,788,351
Net income (loss) from operations	(1,276,602)	394,043	(882,559)
<b>Net income (loss) and comprehensive income (loss)</b>	<b>(1,276,587)</b>	<b>392,473</b>	<b>(884,114)</b>

A summary of the Company's net loss and comprehensive loss by segment for the nine months ended September 30, 2024 is as follows:

	Corporate	Resorts	Consolidated
	\$	\$	\$
Revenues (refunds)	(7,286)	2,875,239	2,867,953
Management services revenue	15,000	-	15,000
Cost of sales	-	(194,781)	(194,781)
Gross profit	7,714	2,680,458	2,688,172
Operating expenses	1,568,858	2,390,955	3,959,813
Net income (loss) from operations	(1,561,144)	289,503	(1,271,641)
<b>Net income (loss) and comprehensive income (loss)</b>	<b>(1,561,822)</b>	<b>291,042</b>	<b>(1,270,780)</b>

A summary of the Company's segmented financial positions as at September 30, 2025 is as follows:

	Corporate	Resorts	Consolidated
	\$	\$	\$
Total assets	1,697,033	12,801,943	14,498,976
Total liabilities	4,528,775	8,608,350	13,137,125

A summary of the Company's segmented financial positions as at December 31, 2024 is as follows:

	Corporate	Resorts	Consolidated
	\$	\$	\$
Total assets	2,594,536	12,591,184	15,185,720
Total liabilities	4,278,876	8,660,879	12,939,755

All of the Company's assets are located in Canada.