



EGR EXPLORATION LTD.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

EGR EXPLORATION LTD.

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Independent Auditor's Report

To the Shareholders of EGR Exploration Ltd.

Opinion

We have audited the consolidated financial statements of EGR Exploration Ltd. (the "Group"), which comprise the consolidated statements of financial position as at March 31, 2025 and March 31, 2024 and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no key audit matters to be communicated in our report.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Crowe Mackay LLP

**Chartered Professional Accountants
Vancouver, Canada
July 8, 2025**

EGR EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	March 31, 2025	March 31, 2024
ASSETS			
Current			
Cash		\$ 35,174	\$ 245,647
Marketable securities	7	45,000	-
Amount receivable		7,414	5,185
Prepaid expenses and deposit		8,458	18,269
		96,046	269,101
Non-current			
Exploration and evaluation assets	8	615,060	615,060
Equipment		1,260	1,654
		616,320	616,714
		\$ 712,366	\$ 885,815
LIABILITIES			
Current			
Accounts payable and accrued liabilities		\$ 108,291	\$ 73,388
Due to related parties	11	87,503	8,113
Note payable - host liability	9	-	125,238
Note payable - derivative liability	9	-	30,000
		195,794	236,739
SHAREHOLDERS' EQUITY			
Share capital	10	17,665,017	17,523,017
Reserves	10	5,152,038	5,152,038
Deficit		(22,300,483)	(22,025,979)
		516,572	649,076
		\$ 712,366	\$ 885,815

Nature of operations and continuance of operations (Note 1)

These consolidated financial statements were authorized for issue by the Board of Directors on July 8, 2025.

Approved by the Board of Directors:

"David Suda"

David Suda

"Daniel Rodriguez"

Daniel Rodriguez

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

EGR EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

		For the	
		years ended March 31,	
	Note	2025	2024
Exploration expenses	8	\$ 88,794	\$ 324,712
Administrative expenses			
Accretion expense	9	24,762	32,238
Bank charges and interest		133	317
Depreciation		394	526
Management fee	11	105,000	120,000
Office and general		16,372	24,480
Professional fees	11	116,272	206,408
Share-based payments	10,11	-	53,710
Shareholder communications	11	33,316	187,291
Transfer agent and filing fees		17,881	20,908
Travel and entertainment		3,216	8,346
		<u>317,346</u>	<u>654,224</u>
Other items			
Gain on re-valuation of derivative liability	9	(30,000)	(75,000)
Loss on re-valuation of marketable securities	7	17,500	-
Proceeds received in excess of exploration and evaluation asset costs	8	(97,500)	(2,387)
Write-off of accounts payable		(21,628)	-
Interest income		(8)	(658)
Flow-through share premium reversal	14	-	(42,857)
		<u>(131,636)</u>	<u>(120,902)</u>
Net loss and comprehensive loss for the year		<u>\$ 274,504</u>	<u>\$ 858,034</u>
Basic and diluted loss per share		<u>\$ 0.01</u>	<u>\$ 0.02</u>
Weighted average number of common shares outstanding		<u>40,729,339</u>	<u>39,185,257</u>

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

EGR EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

		Share capital				Total
	Note	Number of shares	Amount	Reserves	Deficit	shareholders' equity
Balance as at March 31, 2023		31,952,448	\$ 16,892,769	\$ 4,836,081	\$ (21,167,945)	\$ 560,905
Shares issued:						
Private placement	10(b)(d)	8,246,754	697,496	252,504	-	950,000
Flow-through share premium	14	-	(42,857)	-	-	(42,857)
Share issuance costs	10(b)(e)	-	(24,391)	9,743	-	(14,648)
Share-based payments	10(c), 11	-	-	53,710	-	53,710
Net loss and comprehensive loss		-	-	-	(858,034)	(858,034)
Balance as at March 30, 2024		40,199,202	17,523,017	5,152,038	(22,025,979)	649,076
Share issuance costs	11	-	(8,000)	-	-	(8,000)
Conversion of note payable	9,10(b)	1,500,000	150,000	-	-	150,000
Net loss and comprehensive loss		-	-	-	(274,504)	(274,504)
Balance as at March 31, 2025		41,699,202	\$ 17,665,017	\$ 5,152,038	\$ (22,300,483)	\$ 516,572

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

EGR EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the	
	years ended March 31,	
	2025	2024
Cash provided by (used for):		
Operating activities		
Net loss	\$ (274,504)	\$ (858,034)
Items not involving cash:		
Accretion expense	24,762	32,238
Flow-through share premium reversal	-	(42,857)
Depreciation	394	526
Share-based payments	-	53,710
Proceeds received in excess of exploration and evaluation asset costs	(97,500)	(2,387)
Loss on re-valuation of marketable securities	17,500	-
Gain on re-valuation of derivative liability	(30,000)	(75,000)
Write-off of accounts payable	(21,628)	-
Changes in non-cash working capital items:		
Amount receivable	(2,229)	14,797
Prepaid expenses and deposit	9,811	11,305
Accounts payable and accrued liabilities	56,531	16,909
Due to related parties	79,390	-
Cash used in operating activities	<u>(237,473)</u>	<u>(848,793)</u>
Investing activities		
Net expenditures on the exploration and evaluation assets	-	(13,373)
Proceeds received from exploration and evaluation assets	35,000	15,000
Cash provided by investing activities	<u>35,000</u>	<u>1,627</u>
Financing activities		
Shares issued for cash	-	950,000
Share issuance costs	(8,000)	(14,648)
Cash (used in) provided by financing activities	<u>(8,000)</u>	<u>935,352</u>
Change in cash during the year	(210,473)	88,186
Cash - beginning of the year	245,647	157,461
Cash - end of the year	<u>\$ 35,174</u>	<u>\$ 245,647</u>
Supplemental disclosure of cash flow information		
Cash received during the year:		
Interest	\$ 8	\$ 658

See note 5 supplemental cash flow information.

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

EGR EXPLORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED March 31, 2025 and 2024
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

EGR Exploration Ltd. (the “Company” or “EGR”) was incorporated on March 2, 2006 and is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office and records office is Suite 2300 – 550 Burrard Street, Vancouver, BC, V6C 2B5.

The Company’s principal business activity is the acquisition and exploration of mineral properties. The Company is listed on the TSX Venture Exchange (the “Exchange”) under the symbol “EGR”.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As of March 31, 2025, the Company has not achieved profitable operations, has accumulated losses of \$22,300,483 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

A summary of the Company’s working capital and its accumulated deficit is as follows:

	March 31, 2025	March 31, 2024
Deficit	\$ (22,300,483)	\$ (22,025,979)
Working capital (deficiency)	\$ (99,748)	\$ 32,362

2. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(b) New accounting standards and interpretations

New and Amended IFRS Standards that are not yet Effective for the Future Year

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which replaces IAS 1 Presentation of Financial Statements. This standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is currently assessing the impact the new standard will have on its financial statements.

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the Company and the entity controlled by the Company (its “subsidiary”). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Company’s subsidiary was:

	<u>% of ownership</u>	<u>Jurisdiction</u>	<u>Principal activity</u>
CIN Energy Materials Inc. (a)	100%	Canada	Inactive

The subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases.

(a) CIN Energy Materials Inc. was dissolved on May 1, 2023.

Inter-company balances and transactions

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

(b) Exploration and evaluation assets

Exploration and evaluation rights to explore

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to “mines under construction” on the statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment annually and whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Exploration and evaluation expenditures

Exploration and evaluation (“E & E”) expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment.

Mining exploration tax credits and government grants

Mining exploration tax credits and government grants are accrued and recorded against exploration and evaluation expenditures when the related expenditures are incurred, unless collectability and/or compliance with any grant conditions cannot be reasonably assured.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(c) Impairment of long-lived assets

The Company's assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the profit or loss for the period. Impairment losses recognized in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(d) Provisions

Rehabilitation Provision

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

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

Other Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(e) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, share purchase warrants and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(f) Value of equity units issued in private placements

The Company has adopted a pro rata method with respect to the measurement of shares and warrants issued as private placement units. The pro rata method requires each component to be valued at fair value and an allocation of the total proceeds received based on the pro rata relative values of the components. The fair value of the common shares is based on the closing quoted bid price on the announcement date and the fair value of the common share purchase warrants is determined at the announcement date using the Black-Scholes pricing model. The fair value attributed to the warrants is recorded in equity reserves. Upon exercise, shares are issued from treasury, and the amount reflected in reserves is credited to share capital. Amounts reflected in reserves for warrants which expire unexercised remain in reserves.

(g) Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

(h) Basic and diluted loss per share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. Potentially dilutive common shares related to warrants, agent's warrants and options outstanding totaling 23,083,376 at March 31, 2025 (2024 – 25,341,054) were not included in the computation of loss per share because their effect was anti-dilutive. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(i) Share-based payment

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant using the Black-Scholes valuation model and recorded as compensation expense in profit or loss, with a corresponding increase to reserves. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the vesting period based on the Company's estimate of stock options that will eventually vest.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by the use of the Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility was determined based on the historical trading prices of the Company.

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

All equity-settled share-based payments are reflected in reserves until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. Amounts reflected in reserves for stock options which expire unexercised remain in reserves.

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

(j) Financial instruments

Financial Assets – Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss ("FVTPL")), or
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

The Company's cash and marketable securities are measured at FVTPL.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(j) Financial instruments *(Continued)*

Financial Assets – Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. These are measurement categories under which the Company classifies its financial assets:

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss in the period which it arises.

Financial Liabilities - Classification

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL or amortized cost. The Company classifies its note payable - derivative liability as financial liabilities at FVTPL. The Company classifies its accounts payable and accrued liabilities, due to related parties, and note payable - host liability as financial liabilities held at amortized cost.

Financial Liabilities - Measurement

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(k) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

(l) Convertible note

The Convertible Note is bifurcated into an embedded derivative representing the conversion option and a host liability. On initial recognition, IFRS 9 requires the Company to calculate the fair value of derivative liability first with the residual value being assigned to the host financial liability.

Note payable – derivative liability

On initial recognition, the Company measured the derivative liability of the convertible note at fair value at the date of grant using the Black-Scholes valuation model. A gain or loss on the change of fair value of the derivative liability that is subsequently measured at each reporting date using the Black-Scholes valuation model is recognized in profit or loss in the period which it arises.

Note payable – host liability

The Company measures the host liability of convertible notes at amortized cost. Accretion expenses incurred on the host liability are calculated using effective interest rate method.

Transaction costs are apportioned to the host liability and the derivative liability in proportion to the allocated proceeds. The portion attributed to the derivative liability that is measured at FVTPL is expensed immediately. The portion of transaction costs attributed to the host liability that is measured at amortized cost are subtracted from the carrying amount of the host liability, and amortized as part of the effective interest rate.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

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

Exploration and Evaluation Asset and Impairment

The application of the Company's accounting policy for the exploration and evaluation of assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an item of expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgement. See Note 1.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Significant estimates

The Company estimates the fair value of convertible note - derivative liability using the Black-Scholes valuation model, which requires assumptions regarding expected volatility, estimated life, conversion price and risk free rates. A gain or loss on the change of fair value of the derivative liability that is subsequently measured at each reporting date using the Black-Scholes valuation model is recognized in profit or loss in the period which it arises.

5. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred non-cash financing and investing activities for the years ended March 31, 2025 and 2024 as follows:

	For the	
	years ended March 31,	
	2025	2024
Fair value of agent warrants issued	\$	- \$ 9,743
Shares received from sale of exploration and evaluation assets	\$ 62,500	\$ -
Shares issued for conversion of note payable	\$ 150,000	\$ -

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6. SEGMENTED INFORMATION

The Company currently operates in one industry segment, being mineral exploration and in one geographic area, namely Canada.

7. MARKETABLE SECURITIES

On June 20, 2024, the Company received 1,000,000 shares of Harvest Gold Corporation valued at \$45,000, and on December 13, 2024, the Company received 500,000 shares of Harvest Gold Corporation valued at \$17,500, for a total of \$62,500 pursuant to an option agreement entered into on December 19, 2023 for the Urban Barry Property (Note 8(b)). The shares are measured and presented at fair value using the observable market share price as at the dates of the statements of financial position. The gain or loss as a result of the re-measurement is recorded in profit or loss. As at March 31, 2025, there was an unrealized loss of \$17,500 as a result of the re-measurement at the market share price.

March 31, 2025	Number of Shares	Trading Price	Fair Value
Harvest Gold Corporation	1,500,000	\$ 0.030	\$ 45,000

March 31, 2025	
Net changes in fair value on marketable securities through profit or loss:	
Balance as at March 31, 2024 and 2023	\$ -
Shares received	62,500
Change in fair value	(17,500)
Balance as at March 31, 2025	\$ 45,000

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8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

The following tables summarize the Company's exploration and evaluation assets as at March 31, 2025 and 2024.

Exploration and evaluation assets	Detour West	Urban Barry	Total
As of March 31, 2023	\$ 614,300	\$ -	\$ 614,300
Cash - payment	760	12,613	13,373
Cash - option payment received	-	(15,000)	(15,000)
Proceeds received in excess of exploration and evaluation asset costs – recognized as income	-	2,387	2,387
As of March 31, 2024	615,060	-	615,060
Shares - option payment received	-	(62,500)	(62,500)
Cash - option payment received	-	(35,000)	(35,000)
Proceeds received in excess of exploration and evaluation asset costs – recognized as income	-	97,500	97,500
As of March 31, 2025	\$ 615,060	\$ -	\$ 615,060

The following tables summarize the Company's exploration expenditures (recovery) for the years ended March 31, 2025 and 2024.

Mineral exploration expenses for the year ended March 31, 2025	Detour West	Urban Barry	Total
Consulting	\$ 86,556	\$ -	\$ 86,556
Geological	250	750	1,000
Permits	1,200	-	1,200
Project supervision	-	38	38
	\$ 88,006	\$ 788	\$ 88,794

Mineral exploration expenses (recovery) for the year ended March 30, 2024	Detour West	Urban Barry	Total
Assays	\$ 4,614	\$ -	\$ 4,614
Consulting	133,270	4,050	137,320
Freight	350	-	350
Geological	34,025	9,608	43,633
Geophysical	249,000	-	249,000
Helicopter	24,903	-	24,903
Labour	22,880	-	22,880
Mobilization	8,000	-	8,000
Project supervision	256	1,587	1,843
Site visit and report	28,841	3,328	32,169
Government grant	(200,000)	-	(200,000)
	\$ 306,139	\$ 18,573	\$ 324,712

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8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES *(Continued)*

(a) Detour West, Ontario

On July 27, 2020, the Company entered into a property option agreement with Altus Capital Partners and Luke Schuss (the "Optionors") to acquire 100% interest in 912 mineral titles located in Ontario, Canada, also known as Detour West property. As consideration, the Company was to make cash payments of \$40,000 and issue 2,000,000 common shares of the Company from the date of the Exchange's acceptance (September 10, 2020) as follows:

	Cash		Shares	
September 10, 2020	\$ 40,000	(paid)	666,666	(issued)
September 10, 2021	-		666,667	(issued)
September 10, 2022	-		666,667	(issued)
	<u>\$ 40,000</u>		<u>2,000,000</u>	

Upon exercise of the Option, the Company will pay to the Optionors a royalty of 2.5% Net Smelter Royalty ("NSR"). The Company shall have the right, to purchase 1.0% of the NSR from the Optionors in consideration of \$500,000.

On July 21, 2022, the Company issued 666,667 common shares valued at \$50,000 and completed the Option to acquire the 100% interest in Detour West.

On February 22, 2023, the Company entered into a property purchase agreement with Luke Schuss (the "Vendor") to acquire 100% interest in an additional 50 claims located within the Detour West property. As consideration, the Company made cash payments of \$2,450 and granted a 1.25% NSR under the terms of a Royalty Agreement. The Royalty Agreement also contains a provision that allows for a reduction of the Royalty Interest to 0.75% by making a payment of \$250,000 to the Vendor at any time before the property reaches commercial production. During the year ended March 31, 2024, the Company recorded staking cost of \$760.

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8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES *(Continued)*

(b) Urban Barry, Quebec

The Company holds certain claims in the Urban Barry Property in Quebec, Canada. During the year ended March 31, 2024, the Company recorded staking costs of \$12,613.

On December 19, 2023, the Company entered into an option agreement (the "Option Agreement") with Harvest Gold Corp. (the "Optionee" or "Harvest Gold") for the Optionee to earn a 100% interest in the Urban Barry Property. As consideration, the Optionee will make cash payments of \$90,000 and issue up to 2,750,000 common shares of the Optionee to the Company, and incur \$300,000 exploration expenditures from the date of the Exchange's acceptance (February 28, 2024) as follows:

	<u>Cash</u>	<u>Shares</u>	<u>Exploration expenditures</u>
Upon signing of the Option Agreement and the Exchange's approval	\$ 15,000 (received)	-	\$ -
Upon updated claims status with Ministère des ressources naturelles et des forêts	-	1,000,000 (received)	-
July 2, 2024 **	30,000 (received)	-	-
December 15, 2024	-	500,000 (received)	-
February 28, 2025	-	-	100,000 (incurred)
July 2, 2025 *	45,000	-	-
December 15, 2025	-	250,000	-
February 28, 2026	-	-	200,000
If there is an NI 43-101 inferred resource estimate of 1,000,000 oz AuEq or greater	-	1,000,000	-
	<u>\$ 90,000</u>	<u>2,750,000</u>	<u>\$ 300,000</u>

* On June 26, 2025, the Company and the Optionee agreed to extend the timing for this payment, subject to late fees payable in cash if the payment is not received by August 1, 2025.

** On July 22, 2024, the Company and the Optionee agreed to extend the timing for this payment by paying late fees in cash.

Upon exercise of the Option, the Company will retain a 2.0% NSR on the Urban Barry Property. The Optionee shall have the right, to purchase 1.0% of the NSR from the Company in consideration of \$1,000,000.

The Optionee will expend \$100,000 on the property within one year of the date of the Exchange's approval and an additional \$200,000 on or before the second anniversary of the Exchange's approval of the Option Agreement. The Optionee is to complete two years of work commitments prior to returning any claims.

During the year ended March 31, 2024, the Company received the first cash payment of \$15,000 and recognized the proceeds received in excess of the staking costs of \$2,387 as other income. During the year ended March 31, 2025, the Company received 1,500,000 common shares of the Optionee with a fair value of \$62,500 (Note 7) and recognized the proceeds received as other income. The Company also received \$30,000 option payment plus \$5,000 late fee from the Optionee, and recognized the proceeds received as other income. Harvest Gold also met its exploration spending of \$100,000.

9. CONVERTIBLE NOTE AND SETTLEMENT OF ACCOUNTS PAYABLE

On October 25, 2022, the Company, Pioneer and 101252103 Saskatchewan Ltd. entered into a debt settlement agreement where the Company will make the following payments to settle in full the debt to Pioneer and 101252103 Saskatchewan Ltd.:

- a) Cash payments in the aggregate amount of \$100,000 as follows (paid):
 - i. The greater of \$50,000 and such amount equal to 10% of the gross proceeds received by the Company from a 2022 fall private placement over \$500,000 up to \$1,000,000, up to a maximum of \$100,000; and
 - ii. The balance, if any, which is the difference between \$100,000 and the amount paid per above, shall be paid out of proceeds to be received by the Company from any equity or debt financing by the Company subsequent to the 2022 fall private placement.In December 2022, the Company paid the aggregate amount of \$100,000 to Pioneer.
- b) The issuance by the Company to Pioneer of an unsecured convertible note of \$150,000 (the "Convertible Note"), with a term of two years, convertible at:
 - i. \$0.18 per share in year one; or
 - ii. The greater of market price and \$0.10 per share in year two.

The convertible note does not bear any interest and is convertible by Pioneer any time, and can be forced to convert by the Company any time after one year from the issuance of the convertible note.

On November 22, 2022, the Company issued the Convertible Note. The Convertible Note was bifurcated into an embedded derivative representing the conversion option and a host liability. The derivative liability of this Convertible Note was valued at \$63,000, determined using the Black-Scholes Option Pricing Model assuming an expected life of 2 years, expected dividend yield of 0%, a risk-free interest rate of 3.93% and an expected volatility of 163.44%. The residual amount of \$87,000, subtracting the issuance transaction cost of \$4,000 allocated by proration, resulted in \$83,000 recognized as host liability of the Convertible Note, and will be amortized using the effective annual interest rate of 34.48%. The issuance transaction cost of \$2,997 related to the derivative liability by proration was expensed. During the year ended March 31, 2025, the Company incurred \$24,762 accretion expense (2024 - \$32,238) in connection with the amortization of the host liability of this Convertible Note, resulting in Note payable – host liability of \$150,000 immediately prior to the conversion of the Note (\$125,238 as of March 31, 2024). The Note was converted on November 22, 2024.

During the year ended March 31, 2025, the Company recorded a gain on re-valuation of derivative liability of \$30,000 (2024 - \$75,000).

On November 22, 2024, the Company issued 1,500,000 shares in the conversion of the Convertible Note. The shares were recorded at the sum of the carrying amount of the host liability (\$150,000) and the carrying amount of the derivative liability (\$Nil) immediately before the conversion.

- c) The issuance of the Company's common shares with a deemed value of \$50,000 at a deemed price per share as may be allowed under the Exchange policies. The Company may, at its option and at any time prior to December 1, 2022, elect to pay Pioneer \$50,000 in cash instead.

The Company elected to pay Pioneer \$50,000 in cash in December 2022.

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10. SHARE CAPITAL

(a) Authorized:

As of March 31, 2025, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the year ended March 31, 2025:

On November 22, 2024, the Company issued 1,500,000 shares in a conversion of the Convertible Note (Note 9(b)).

During the year ended March 31, 2024:

On May 15, 2023, the Company completed a non-brokered private placement by issuing 6,818,182 units (the "Units") at a price of \$0.11 per unit and 1,428,572 flow-through units of the Company (the "Flow-Through Units") at a price of \$0.14 per Flow-Through Unit for gross proceeds to the Company of \$950,000 (the "Offering"). Each Unit is comprised of one common share of the Company ("Common Share") and one half of one common share purchase warrant ("Warrant"), and each Flow-Through Unit is comprised of one flow-through common share of the Company and one half of one common share purchase warrant. Each full Warrant entitles the holder to purchase one common share of the Company ("Warrant Share") at an exercise price of \$0.22 for a period of three years expiring on May 15, 2026. The fair value of the warrants was \$252,504, which was included in equity reserves. The fair value has been estimated as using the Black-Scholes Option Pricing Model with the following assumptions: share price on the announcement date of \$0.14, risk-free interest rate of 3.83%, dividend yield of 0%, volatility of 157.47% and expected life of three years. In connection with this financing, the Company paid cash finder's fee of \$14,648, and issued 129,900 agent's warrants. Each agent's warrant entitles the holder to purchase one common share of the Company at a price of \$0.11 per share for a period of one year, expiring on May 15, 2024. The Company fair valued the agent's warrants at \$9,743. The fair value has been estimated using the Black-Scholes Option Pricing Model with the following assumptions: share price on the issuance date of \$0.08, risk-free interest rate of 3.83%, dividend yield of 0%, volatility of 213.36% and expected life of one year.

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10. SHARE CAPITAL (Continued)

(c) Stock options:

The Company has established a stock option plan for directors, employees and consultants, which is administered by the board of directors with full and final authority regarding granting all options. The exercise prices shall be determined by the board, but shall, in no event, be less than the closing market price of the Company's shares on the grant date, less the maximum discount permitted under the Exchange's policies. The number of common shares issuable under the plan may not exceed 10% of the issued and outstanding common shares. In addition, the number of common shares which may be reserved for issuance to any one individual may not exceed 5% of the issued common shares on a yearly basis. Options may be exercisable for a maximum of ten years from the date of grant.

Stock option transactions and the number of stock options for the year ended March 31, 2025 are summarized as follows:

Expiry date	Exercise price	March 31, 2024	Granted	Exercised	Expired / Cancelled	March 31, 2025		
September 17, 2025	\$ 0.450	150,000	-	-	-	150,000		
January 4, 2028 (d)	\$ 0.075	1,800,000	-	-	(225,000)	1,575,000		
March 27, 2028	\$ 0.110	175,000	-	-	-	175,000		
September 27, 2028 (d)	\$ 0.060	1,310,000	-	-	(125,000)	1,185,000		
Options outstanding		3,435,000	-	-	(350,000)	3,085,000		
Options exercisable		3,435,000	-	-	(350,000)	3,085,000		
Weighted average exercise price	\$	0.09	\$	-	\$	0.07	\$	0.09

As at March 31, 2025, the weighted average contractual remaining life of options is 2.95 years (March 31, 2024 – 3.95 years).

Stock option transactions and the number of stock options for the year ended March 31, 2024 are summarized as follows:

Expiry date	Exercise price	March 31, 2023	Granted	Exercised	Expired / Cancelled	March 31, 2024		
June 1, 2023 (a)	\$ 0.450	276,250	-	-	(276,250)	-		
March 27, 2024 (b)	\$ 0.450	110,625	-	-	(110,625)	-		
March 27, 2024 (b)	\$ 0.075	225,000	-	-	(225,000)	-		
December 1, 2023 (c)	\$ 0.075	225,000	-	-	(225,000)	-		
September 17, 2025	\$ 0.450	150,000	-	-	-	150,000		
January 4, 2028	\$ 0.075	1,800,000	-	-	-	1,800,000		
March 27, 2028	\$ 0.110	175,000	-	-	-	175,000		
September 27, 2028	\$ 0.060	-	1,310,000	-	-	1,310,000		
Options outstanding		2,961,875	1,310,000	-	(836,875)	3,435,000		
Options exercisable		2,961,875	1,310,000	-	(836,875)	3,435,000		
Weighted average exercise price	\$	0.15	\$	0.06	\$	0.25	\$	0.09

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10.SHARE CAPITAL *(Continued)*

(c) Stock options *(Continued)*:

- (a) With the resignations and replacement of certain directors, 276,250 of the options with an original expiration date of September 17, 2025, expired on June 1, 2023, all being one year after the resignations. The weighted average contractual remaining life of options as at March 31, 2024, is calculated based on the updated expiry date of these options.
- (b) With the resignation of a director, the options, with original expiration dates of September 17, 2025, and January 4, 2028, expired on March 27, 2024.
- (c) With a director not standing for re-election at the September 1, 2023 annual general meeting, the options, with an original expiration date of January 4, 2028 expired on December 1, 2023.
- (d) With the resignation of a former director, the options with original expiration dates of January 4, 2028, and September 27, 2028, expired on December 9, 2024, 90 days after the resignation.

The weighted average assumptions used to estimate the fair value of options for the year ended March 31, 2024 of \$53,710 were as follows:

	2025	2024
Expected dividend yield	n/a	0.00%
Expected stock price volatility	n/a	154.10%
Risk-free interest rate	n/a	4.40%
Forfeiture rate	n/a	0.00%
Expected life of options	n/a	5 years
Share price on grant date	n/a	\$0.045

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10.SHARE CAPITAL (Continued)

(d) Warrants:

The continuity of warrants for the year ended March 31, 2025 is as follows:

Expiry date	Exercise price	March 31, 2024	Issued	Exercised	Expired	March 31, 2025		
April 15, 2024	(a) \$ 0.69	1,777,778	-	-	(1,777,778)	-		
December 14, 2025	\$ 0.12	15,875,000	-	-	-	15,875,000		
May 15, 2026	\$ 0.22	4,123,376	-	-	-	4,123,376		
Warrants outstanding		21,776,154	-	-	(1,777,778)	19,998,376		
Weighted average exercise price	\$	0.19	\$	-	\$	0.69	\$	0.14

(a) On April 12, 2023, the Exchange approved the extension of the 1,777,778 share purchase warrants with an original expiry date of April 15, 2023, to be extended for one year with a new expiration date of April 15, 2024. The exercise price of \$0.69 and all the other terms and conditions of the warrants remained unchanged. Subsequently, these warrants expired on April 15, 2024.

As at March 31, 2025, the weighted average contractual remaining life of warrants is 0.79 years (March 31, 2024 – 1.65 years).

The continuity of warrants for the year ended March 31, 2024 is as follows:

Expiry date	Exercise price	March 31, 2023	Issued	Exercised	Expired	March 31, 2024		
September 14, 2023	\$ 0.45	590,567	-	-	(590,567)	-		
April 15, 2024	(a) \$ 0.69	1,777,778	-	-	-	1,777,778		
December 14, 2025	\$ 0.12	15,875,000	-	-	-	15,875,000		
May 15, 2026	\$ 0.22	-	4,123,376	-	-	4,123,376		
Warrants outstanding		18,243,345	4,123,376	-	(590,567)	21,776,154		
Weighted average exercise price	\$	0.19	\$	0.22	\$	0.45	\$	0.19

(e) Agent's warrants:

The continuity of agent's warrants for the year ended March 31, 2025 is as follows:

Expiry date	Exercise price	March 31, 2024	Issued	Exercised	Expired	March 31, 2025		
May 15, 2024	\$ 0.11	129,900	-	-	(129,900)	-		
Agent's warrants outstanding		129,900	-	-	(129,900)	-		
Weighted average exercise price	\$	0.11	\$	-	\$	0.11	\$	-

As at March 31, 2025, the weighted average contractual remaining life of agent's warrants is nil (March 31, 2024 – 0.12 year).

The continuity of agent's warrants for the year ended March 31, 2024 is as follows:

Expiry date	Exercise price	March 31, 2023	Issued	Exercised	Expired	March 31, 2024		
May 15, 2024	\$ 0.11	-	129,900	-	-	129,900		
Agent's warrants outstanding		-	129,900	-	-	129,900		
Weighted average exercise price	\$	-	\$	0.11	\$	-	\$	0.11

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11. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company and companies controlled by key management personnel. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity and include certain directors and officers. Key management compensation comprise of:

For the year ended March 31, 2025:

	Service for	Key management compensation	TOTAL
Daniel Rodriguez ⁽¹⁾ CEO	Management fees	\$ 105,000	\$ 105,000
Mark T. Brown ⁽²⁾ CFO	Professional fees, financing fees	\$ 68,600	\$ 68,600

For the year ended March 31, 2024:

	Service for	Key management compensation	Share-based payments	TOTAL
Daniel Rodriguez ⁽¹⁾ CEO	Management fees	\$ 120,000	\$ 6,150	\$ 126,150
Mark T. Brown ⁽²⁾ CFO	Professional fees	\$ 99,150	\$ 6,150	\$ 105,300
Owen Garfield ⁽³⁾ Former Director	Marketing fees, recorded in shareholder communications	\$ 28,000	\$ 5,125	\$ 33,125
Other directors and officers	Option grant	\$ -	\$ 21,525	\$ 21,525

Related party balances:

	Services for:	As at March 31, 2025	As at March 31, 2024
Daniel Rodriguez ⁽¹⁾	Management Fees	\$ 47,250	\$ -
Daniel Rodriguez ⁽¹⁾	Expenses reimbursement	3,169	1,761
Pacific Opportunity Capital Ltd. ⁽²⁾	Accounting/ Financing	35,280	6,352
Mark T. Brown ⁽²⁾	Expenses reimbursement	1,804	-
Total		\$ 87,503	\$ 8,113

Amounts owing are unsecured, non-interest bearing and have no specific terms of repayment.

- (1) Daniel Rodriguez was appointed as the Chief Executive Officer, effective June 1, 2022. The Company signed an executive management agreement with Mr. Rodriguez where the Company must pay Mr. Rodriguez one-year's management fee of \$120,000 if the Company is substantially sold or has a change of control (more than 50% change in ownership of the Company or a sudden change in the board of directors such that 50% of the board is changed at one meeting).
- (2) Mark T. Brown was appointed as the Chief Financial Officer, effective June 1, 2022. Mr. Brown's accounting and financing fees were incurred with Pacific Opportunity Ltd., a private company controlled by Mr. Brown.
- (3) Owen Garfield was appointed as the Director effective June 1, 2022 and resigned on September 10, 2024. Mr. Garfield's marketing fees were incurred with Navitas Surveyors Ltd., a private company controlled by Mr. Garfield.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

12. CAPITAL RESOURCES

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject, other than flow-through commitments (Note 14). The capital of the Company comprises cash and shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- a. Liquidity risk
- b. Market risk
- c. Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in the note.

The Company monitors its ability to meet its short-term administrative expenditures by matching investment income received to expenditures to be incurred and by disposing of its investments when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at March 31, 2025, the Company had a cash balance of \$35,174 and an amount receivable of \$7,414 to settle accounts payable and accrued liabilities of \$108,291, and due to related parties of \$87,503.

The Company's management team will continue to monitor the cash and will rely on equity financings to meet its capital requirements.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Interest rate risk

The Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments include cash, marketable securities, accounts payable and accrued liabilities, due to related parties, and note payable. The carrying amounts of the financial liabilities are reasonable estimates of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of a secondary market and the significant cost of obtaining external appraisals.

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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

Cash and marketable securities are measured at Level 1, and note payable – derivative liability was measured at Level 2.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

March 31, 2025	Level 1	Level 2	Level 3	Total
Cash	\$ 35,174	\$ -	\$ -	\$ 35,174
Marketable securities	\$ 45,000	\$ -	\$ -	\$ 45,000

March 31, 2024	Level 1	Level 2	Level 3	Total
Cash	\$ 245,647	\$ -	\$ -	\$ 245,647
Note payable - derivative liability	\$ -	\$ 30,000	\$ -	\$ 30,000

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14. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the year ended March 31, 2024, the Company received \$200,000 from the issuance of flow-through units at a premium to the market price and recognized a deferred premium on flow-through shares of \$42,857. The Company incurred the entire \$200,000 in qualifying exploration expenditures and renounced eligible expenditures of \$200,000 on December 31, 2023. These expenditures are not available to the Company for future deduction from taxable income. As a result, the Company reversed the entire \$42,857 flow through premium and has no deferred premium on flow-through shares as at March 31, 2024.

15. INCOME TAXES

The difference between tax expense for the year and the expected income taxes based on the statutory tax rates arises as follows:

	March 31, 2025	March 31, 2024
Loss before tax	\$ (274,504)	\$ (858,034)
Statutory tax rate	27.00%	27.00%
Expected income tax recovery	\$ (74,100)	\$ (231,700)
Non-deductible and other items	2,400	3,200
True-up adjustments	(14,200)	-
Change in deferred tax asset not recognized	85,900	228,500
Income tax recovery	\$ -	\$ -

The unrecognized deductible temporary differences as at March 31, 2025 and 2024 are comprised of the following:

	March 31, 2025	Expiry date	March 31, 2024	Expiry date
Exploration and evaluation assets	\$ 8,598,000	None	\$ 8,566,000	None
Equipment	14,000	None	13,000	None
Financing costs	25,000	2026-2029	33,000	2025-2028
Non-capital losses	7,434,000	2027-2045	7,136,000	2027-2044
Marketable securities	18,000	None	-	N/A
Convertible note	-	N/A	5,000	2024
Unrecognized deductible temporary differences	\$ 16,089,000		\$ 15,753,000	

On May 15, 2023, the Company entered into flow-through share subscription agreements whereby it was committed to incur within a 24-month period a total of \$200,000 of qualifying CEE, which was entirely incurred by March 31, 2024. A flow through premium of \$42,857 was recognized initially, and was entirely recognized as other income during the year ended March 31, 2024.