



Nickelex
Resource Corporation

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Condensed Consolidated Interim Financial Statements
Nine Months Ended September 30, 2024 and 2023
(Expressed in Canadian Dollars)
(Unaudited)

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Notice of no Auditor Review of Condensed Consolidated Interim Financial Statements

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

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

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

Nickelex Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Comprehensive Loss

Three and Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

	Note	Three months ended		Nine months ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		\$	\$	\$	\$
Administration	8	-	6,000	-	36,000
Consulting	8	1,174	5,689	12,449	14,094
Exploration and evaluation	6,8	63	19,365	5,223	35,570
Investor relations and corporate development	8	5,274	2,591	12,632	7,429
Office and general	8	446	4,622	2,022	15,517
Professional fees	8	6,035	12,842	48,787	49,487
Regulatory fees and taxes		4,731	2,231	25,339	12,815
Shareholders' communication		150	1,103	(1,282)	1,646
Transfer agent		-	1,065	4,362	4,257
		17,873	55,508	109,532	176,815
Foreign exchange		(2,552)	5,353	4,562	590
Unrealized (gain) loss on marketable securities	5	75	175	(250)	750
		(2,477)	5,528	4,312	1,340
Loss and comprehensive loss for the period		15,396	61,036	113,844	178,155
Loss per share - basic and diluted		-	-	-	-
Weighted average number of shares outstanding - basic and diluted	9	90,203,230	90,203,230	90,203,230	90,203,230

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

Nickelex Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars, Unaudited)

	Note	September 30, 2024	December 31, 2023
		\$	\$
Assets			
Current			
Cash		5,803	36,979
Other receivables		501	2,880
Marketable securities	5	1,325	1,075
Prepaid expenses		2,698	18,576
		10,327	59,510
Non-current			
Reclamation bonds		12,000	12,000
Mineral properties	6	-	-
Other investments	7	1,450,000	1,450,000
		1,462,000	1,462,000
		1,472,327	1,521,510
Liabilities			
Current			
Account payable and accrued liabilities	6	762,149	728,078
Due to related parties	8	537,471	484,881
Other liabilities	9	-	22,000
		1,299,620	1,234,959
Shareholders' Equity			
Share capital	9	18,262,802	18,262,802
Reserves		634,276	700,061
Warrant reserve		-	20,675
Deficit		(18,724,371)	(18,696,987)
		172,707	286,551
		1,472,327	1,521,510

Going Concern (Note 1)

APPROVED BY THE BOARD OF DIRECTORS

Lawrence Page ("signed") Director

Brian McGrath ("signed") Director

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

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Condensed Consolidated Interim Statements of Changes in Equity

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

	Share capital	Share capital	Share- based payments reserve	Warrant reserve	Deficit	Total
	Number	\$		\$	\$	\$
Balance, December 31, 2022	90,203,230	18,262,802	656,804	20,675	(17,440,531)	1,499,750
Fair value of warrants expired	-	-	(8,122)	-	8,122	-
Net loss	-	-	-	-	(178,155)	(178,155)
Balance, September 30, 2023	90,203,230	18,262,802	648,682	20,675	(17,610,564)	1,321,595
Balance, December 31, 2023	90,203,230	18,262,802	700,061	20,675	(18,696,987)	286,551
Fair value of warrants expired	-	-	(65,785)	(20,675)	86,460	-
Net loss	-	-	-	-	(113,844)	(113,844)
Balance, September 30, 2024	90,203,230	18,262,802	634,276	-	(18,724,371)	172,707

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

Nickelex Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

	September 30, 2024	September 30, 2023
	\$	\$
Operating Activities		
Net Loss	(113,844)	(178,155)
<i>Items not involving cash</i>		
Unrealized foreign exchange	2,865	113
Unrealized (gain) loss on marketable securities	(250)	750
<i>Changes in non-cash working capital</i>		
Other receivables	2,379	167
Prepays	15,878	(2,428)
Accounts payable and accrued liabilities	31,206	95,219
Due to related parties	52,590	9,944
Cash used in Operating Activities	(9,176)	(74,390)
Financing Activity		
Share subscriptions refunded	(22,000)	-
Cash used in Financing Activity	(22,000)	-
Decrease in Cash	(31,176)	(74,390)
Cash, Beginning of Period	36,979	137,494
Cash, End of Period	5,803	63,104

Supplemental cash flow information (Note 11)

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

Nickelex Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

1. Nature of Operations and Going Concern

Nickelex Resource Corporation (*formerly Valterra Resource Corporation*) (the "Company") was incorporated in Alberta on September 26, 1996, continued to the Yukon on May 8, 1997 and subsequently to British Columbia on February 22, 2008. On October 4, 2023, the Company effected a name change and rebranding changing its name from Valterra Resource Corporation to Nickelex Resource Corporation. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed consolidated interim financial statements were prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As of September 30, 2024, the Company had a working capital deficit of \$1,289,293 (December 31, 2023 - \$1,175,449). The Company incurred a net loss of \$113,844 for the nine months ended September 30, 2024 (2023 - \$178,155) and had an accumulated deficit of \$18,724,371 as of September 30, 2024 (December 31, 2023 - \$18,696,987).

As of September 30, 2024, the Company does not have sufficient capital to meet the requirements for its administrative overhead or maintaining its mineral interests. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. In order to finance future activities, the Company will be required to issue further share capital through private placements and the exercise of options and warrants or obtain additional debt. There can be no assurance that such financing will be available to the Company and, therefore, a material uncertainty exists which casts significant doubt over the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The economic uncertainties around persistent inflation pressure and geopolitical events have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown. However, as at September 30, 2024, the Company has not been significantly impacted by these matters.

2. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 - Interim Financial Reporting, using historical cost and the accrual basis, except for cash flow information and financial instruments measured at fair value. The Company's functional and presentation currency is the Canadian dollar. Control is based on whether an investor has power over the investee, exposure of rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns.

Nickelex Resource Corporation

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

2. Basis of Preparation, continued

The condensed consolidated interim financial statements of the Company include the following entities controlled by the Company: Valterra Resource (US) Corporation, incorporated in the United States of America, and Minera Reyterra S.A. de C.V, incorporated in Mexico. All inter-company transactions and balances have been eliminated upon consolidation.

These condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2024 which have been prepared in accordance with IFRS as issued by the IASB.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on November 26, 2024.

3. Summary of Material Accounting Policies and Accounting Judgements

The same material accounting policies are used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual consolidated financial statements and reflect all the adjustments necessary for fair presentation in accordance with IFRS of the results for the interim periods presented.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Areas of significant judgement and estimates for the nine months ended September 30, 2024 in the application of IFRS that have a significant effect on the Company's financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed in Note 3 of the Company's annual audited consolidated financial statements for the year ended December 31, 2023.

4. Financial Instruments

The Company's financial instruments include cash and reclamation bonds which are classified as financial assets measured at amortized cost, marketable securities and other investments which are classified as financial assets measured at fair value through profit or loss and accounts payable, accrued liabilities, due to related parties and other liabilities, which are classified as financial liabilities measured at amortized cost. Marketable securities and other investments were categorized, respectfully, as Level 1 and Level 3 within the fair value hierarchy. All other instruments approximate their fair values due to the short period to maturity.

The Company is exposed to material other price risk with respect to its other investments that presently are not listed or traded upon a stock exchange. The maximum exposure to other price risk is the carrying value of the investments.

Nickelex Resource Corporation

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

5. Marketable Securities

The Company owns 5,000 common shares of Eminent Gold Corp. (EMNT.V) with a fair value of \$1,325 (December 31, 2023 - \$1,075). During the nine months ended September 30, 2024, the Company recognized an unrealized gain of \$250 (2023 – unrealized loss of \$575).

6. Mineral Properties

Mineral property acquisition costs were \$nil as of September 30, 2024, and December 31, 2023.

During prior periods, management considered the ability of the Company to raise sufficient financing to be an indicator of impairment, leading to a test of recoverable amount. A value in use calculation was not applicable as the Company did not have any expected cash flows from using the properties at this stage of operations. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than \$nil, and therefore recorded an impairment provision in accordance with Level 3 of the fair value hierarchy at that time.

Swift Katie, British Columbia

The property is located near Salmo, British Columbia and is subject to a 3% net smelter royalty (“NSR”) of which the Company has the option to purchase one-half (1.5%) for \$1,000,000 per 1% and the option to purchase a further one-sixth (0.5%) for an additional \$1,500,000 at any time prior to the commencement of commercial production.

Beginning December 31, 2010 and annually thereafter, the Company is required to make an annual advance minimum royalty (“AMR”) payment of \$50,000. These payments are adjusted annually according to the Consumer Price Index base of December 31, 2006 and are deductible from future NSR payments (December 31, 2021, 2022 and 2023 - unpaid).

In addition to the NSR and the AMR, if the Company completes a positive feasibility study, the Company will issue 2,500 common shares to the optionors and if the Company achieves commercial production, the Company will issue 5,000 common shares to the optionors.

Thompson Nickel Belt, Manitoba

On October 13, 2023, the Company signed a definitive agreement with CanAlaska Uranium Ltd. (“CanAlaska”) to earn up to an 80% interest in the contiguous Strong, Strong Extension, Moak North and Wilson Mineral Exploration Licenses in the Thompson Nickel Belt (“TNB”), Manitoba (the “Licenses”). The four Licenses are located 30 km north of the Thompson Nickel Mine and cover an area of 30,283 hectares.

The transaction, which remains subject to the approval of the TSX Venture Exchange (“Exchange Approval”), will provide that the Company may earn:

- a 49% interest in the Licenses by making a cash payment of \$35,000, issuing 5,000,000 common shares (“Shares”) and incurring exploration expenditures of \$2,000,000 over the first 2 years;
- an increased interest to 70% by making an additional cash payment of \$50,000, issuing an additional 7,500,000 Shares and incurring additional exploration expenditures of \$3,500,000 by the end of the third year; and
- an increased interest to 80% by making an additional cash payment of \$65,000, issuing an additional 25,000,000 Shares and incurring additional exploration expenditures of \$3,500,000 by the end of the fifth year.

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Notes to the Condensed Consolidated Interim Financial Statements

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6. Mineral Properties, continued

In the event any share issuance would cause CanAlaska to become a new Control Person, then the Company will be required to obtain shareholder approval before issuing such shares. If shareholder approval is not received, the Company may then pay the outstanding obligation in cash in lieu of shares based on the fair market value of the shares at the time of payment.

During the 49% and 70% earn-in stages, CanAlaska will be the operator and will be entitled to charge an operator fee. The Company will have deciding voting rights on annual exploration programs while sole funding at the various option stages and will have the right to assume operatorship after successfully earning a 70% interest.

The Company will also pay CanAlaska \$3,000,000 after completing a positive feasibility study on the Licenses with such payment able to be satisfied in common shares at the Company's sole discretion.

After the successful completion of the last of the 49%, 70% and 80% earn-in stages, the parties will enter into a joint venture agreement, under which the parties will either co-contribute on a simple pro-rata basis or dilute on a pre-defined straight-line dilution formula. Any party diluting to a 10% interest will automatically forfeit its interest and in lieu thereof will be granted a 2% net smelter return royalty, half of which may be purchased by the other party at its sole discretion for \$2,000,000 at any time prior to the commencement of commercial production.

The Company has agreed with the optionor to hold completion of the agreement conditions in abeyance pending satisfaction of certain conditions precedent.

Arlington, British Columbia

On April 19, 2024 the Company signed a letter agreement with Origen Resources Inc. ("Origen") (the "Arlington Agreement"), to earn a 100% interest in nine claims, totaling 3,572 ha, located within the Boundary District of south-central British Columbia. On November 8, 2024, the Company and Origen agreed to mutually terminate the Arlington Agreement.

The Arlington Agreement, which was subject to Exchange Approval, provided that the Company may earn a 100% interest by:

- Making a cash payment of \$80,000 within seven business days of completing an equity financing and a cash payment of \$50,000 on or before the first anniversary of Exchange Approval; and
- Issuing common shares to Origen valued at \$200,000 within seven business days of Exchange Approval; and issuing additional common shares to Origen valued at \$200,000, or 2 million common shares, whichever is greater in aggregate value, by the first anniversary of Exchange Approval; and
- Incurring exploration expenditures of \$250,000 on or before the first anniversary of Exchange Approval.

Origen would retain a NSR of 2%, provided that the Company would have the right to purchase 1% of such royalty at any time for the price of \$1,000,000.

Weepah, Nevada, USA

With respect to a terminated option agreement, a contractual obligation remains outstanding of US\$98,750 (2023 – US\$98,750) and is included in accounts payable and accrued liabilities.

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties, continued

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the nine months ended September 30, 2024 and 2023 were:

	Swift Katie		Strong		Total	Total
	\$	\$	\$	\$	\$	\$
	2024	2023	2024	2023	2024	2023
Geological Services	-	13,225	-	13,792	-	27,017
Project Supervision	627	1,810	-	-	627	1,810
Travel	-	-	-	5,134	-	5,134
	627	15,035	-	18,926	627	33,961
General					4,596	1,609
					5,223	35,570

7. Other Investments

The Company owns 4,000,000 common shares of Pilar Gold Inc. ("Pilar") and 500,000 common shares of Laiva Gold Inc. ("Laiva"), both non-publicly traded companies. No fair value gains or losses were recognized during the three and nine months ended September 30, 2024 or 2023. Other investments as of September 30, 2024, were:

	Pilar Gold	Laiva Gold	Total
	\$	\$	\$
Balance, December 31, 2023	1,200,000	250,000	1,450,000
Balance, September 30, 2024	1,200,000	250,000	1,450,000

8. Related Party Balances and Transactions

Except as disclosed elsewhere, the Company entered into the following related party transactions:

(a) Fees were charged by Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, a director of the Company effective August 31, 2023, as follows:

- \$20,869 (2023 - \$2,565) for professional services;
- \$4,680 (2023 - \$nil) for Chief Financial Officer services;
- \$191 (2023 - \$2,440) for consulting services;
- \$12,325 (2023 - \$1,965) for corporate development services;
- \$2,633 (2023 - \$125) for geological services; and
- \$138 (2023 - \$77) for mark-up on out-of-pocket expenses.

Amounts payable as of September 30, 2024, were \$345,031 (December 31, 2023 - \$301,231).

(b) Fees in the amount of \$4,000 (2023 - \$9,000) were charged by Graham Thatcher, a former officer of the Company, for Chief Financial Officer services. Amounts payable as of September 30, 2024, were \$9,450 (December 31, 2023 - \$5,250).

(c) Legal fees in the amount of \$3,780 (2023 - \$5,060) were charged by, or accrued to, Page Law Corporation, a company controlled by Arie Page, an officer of the Company. Fees are included in professional fees, mineral property acquisition or exploration expenditures or share issue costs where applicable. Amounts payable as of September 30, 2024, were \$20,701 (December 31, 2023 - \$16,920).

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

8. Related Party Balances and Transactions, continued

(d) Amounts payable related to prior year legal fees charged by Aspen West Investments Inc., (formerly Page Law Corporation) and Lawrence Page K.C. Law Corporation, companies controlled by Lawrence Page, a director of the Company, as of September 30, 2024, were \$123,396 (December 31, 2023 - \$123,396).

(e) Amounts payable related to prior year geological consulting services charged by Joseph A. Kizis, Jr., a director of the Company, as of September 30, 2024, were \$38,893 (US\$28,750) (December 31, 2023 - \$38,084 (US\$28,750)).

These transactions were in the normal course of operations. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

The Company has no long-term employee or post-employment benefits. A summary of compensation awarded to key management, including amounts in (a) and (b) above, was as follows:

	September 30, 2024	September 30, 2023
	\$	\$
Short-term benefits	8,680	9,000
	8,680	9,000

9. Share Capital

(a) Authorized

Unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

(b) Other

As at December 31, 2023, subscription proceeds totalling \$22,000 were included in other liabilities with respect to two private placements that subsequently expired. During the nine months ended September 30, 2024, the Company returned all subscription proceeds.

(c) Stock Options

Stock options outstanding and exercisable as of September 30, 2024 were:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2023	8,900,000	\$0.08	3.33
Balance, September 30, 2024	8,900,000	\$0.08	2.57

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

Expiry date	Exercise price	Remaining life (years)	Options Outstanding
October 19, 2025	\$0.08	1.05	100,000
December 21, 2025	\$0.10	1.22	4,550,000
October 17, 2028	\$0.05	4.05	3,650,000
November 1, 2028	\$0.05	4.09	600,000
			8,900,000

(d) Share Purchase Warrants

Share purchase warrants outstanding as of September 30, 2024 were:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2023	41,222,400	\$0.10	0.77
Expired	(33,222,400)	\$0.10	
Balance, September 30, 2024	8,000,000	\$0.10	1.06

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding
October 21, 2025	\$0.10	1.06	8,000,000
			8,000,000

The weighted average fair value of share purchase warrants expired was \$0.02 (2023 - \$0.18) and contingently exercisable warrants expired was \$nil (2023 - \$0.24).

(e) Diluted Loss per Share

Excluded from the calculation of diluted loss per share were 8,900,000 stock options and 8,000,000 warrants (2023 – 4,650,000 and 52,172,551 respectively), that could potentially dilute basic earnings per share in the future but were not included as being antidilutive for each of the three- and nine-month periods ending September 30, 2024 and 2023.

10. Segmented Information

The Company has one operating segment, the acquisition and exploration of mineral properties. As of September 30, 2024, the Company's non-current assets were located in Canada (\$12,000), Brazil (\$1,200,000) and Finland (\$250,000) (December 31, 2023 – Canada (\$12,000), Brazil (\$1,200,000) and Finland (\$250,000)).

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Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars, Unaudited)

11. Supplemental Cash Flow Information

	September 30, 2024	September 30, 2023
Cash:	\$	\$
Interest paid	-	-

12. Events after the Reporting Period

On November 8, 2024, the Company and Origen agreed to mutually terminate the Arlington Agreement (Note 6).