

**INTERIM  
FINANCIAL  
STATEMENTS FOR  
THE NINE MONTHS  
ENDED SEPTEMBER  
30, 2025 AND  
SEPTEMBER 30,  
2024**



**LAURION**  
MINERAL EXPLORATION INC.



TSX.V: LME | OTCID:  
LMEFF | FSE:5YD





## **LAURION MINERAL EXPLORATION INC.**

Unaudited Condensed Interim Consolidated Financial Statements  
(Expressed in Canadian dollars)

**For the three-month and nine-month periods ended September 30, 2025**

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, then such financial statements must be accompanied by a notice to this effect. Management of LAURION Mineral Exploration Inc. has prepared these condensed interim consolidated financial statements. Management has compiled the unaudited condensed interim consolidated statement of financial position of LAURION Mineral Exploration Inc. as at September 30, 2025, the audited consolidated statement of financial position as at December 31, 2024 and the unaudited condensed interim consolidated statements of comprehensive loss, changes in shareholder's equity and cash flows for the nine-month period ended September 30, 2025 and September 30, 2024. The Company's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the September 30, 2025 condensed interim consolidated financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

# LAURION MINERAL EXPLORATION INC.

## Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited - Prepared by Management)

	Note	As at September 30, 2025 \$	As at December 31, 2024 \$
<b>Assets</b>			
Current			
Cash and cash equivalents		5,628,032	6,052,644
Restricted cash	4 and 10	975,879	3,754,706
Receivables	5	430,087	261,946
Prepaid expenses		72,817	90,430
Marketable securities	6	-	28,980
		<u>7,106,815</u>	<u>10,188,706</u>
<b>Liabilities</b>			
Current			
Accounts payable and accrued liabilities		463,447	143,002
Flow-through share premium	7	136,168	480,340
		<u>599,615</u>	<u>623,342</u>
<b>Shareholders' equity</b>			
Share capital	7	45,486,342	45,309,110
Contributed surplus		4,362,523	4,369,228
Warrants		2,431,997	2,431,997
Deficit		(45,773,662)	(42,544,971)
		<u>6,507,200</u>	<u>9,565,364</u>
		<u>7,106,815</u>	<u>10,188,706</u>
<b>Going concern</b>	2		
<b>Commitment</b>	10		
<b>Subsequent events</b>	11		

Approved by the Board:

Cynthia Le Sueur-Aquin  
Director

Michael Burmi  
Director

## LAURION MINERAL EXPLORATION INC.

### Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited - Prepared by Management)

	Note	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
<b>Expenses</b>					
Professional fees	9	184,399	83,022	264,092	155,651
Management fees	9	37,440	79,363	101,260	137,604
Stock-based compensation	7	49,143	15,601	63,022	28,669
General and administrative		18,551	20,214	51,775	56,291
Investor relations	9	61,780	23,188	212,817	76,589
Public company costs		15,896	2,536	73,370	46,322
Travel		2,337	53	22,640	8,688
Exploration and evaluation	6 and 9	1,784,873	380,677	3,001,146	2,095,892
		2,154,419	604,654	3,790,122	2,605,706
Part XII.6 tax		21,141	7,537	86,082	40,370
Flow-through share premium recovery	7	(211,950)	(45,409)	(344,172)	(256,872)
Option income	6	-	-	(90,000)	(89,190)
Loss (gain) on sale of marketable securities	6	-	-	(2,958)	3,360
Interest income		(61,319)	(111,492)	(210,383)	(346,437)
		1,902,291	455,290	3,228,691	1,956,937
<b>Loss and comprehensive loss for the period</b>		(1,902,291)	(455,290)	(3,228,691)	(1,956,937)
<b>Loss per common share-basic and diluted</b>		(0.007)	(0.002)	(0.012)	(0.007)
<b>Weighted average number of common shares- basic and diluted</b>		274,050,163	267,301,626	273,736,737	265,763,012

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

## LAURION MINERAL EXPLORATION INC.

### Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

(Unaudited - Prepared by Management)

	Number of common shares	Share capital \$	Contributed surplus \$	Warrants \$	Deficit \$	Total \$
<b>Balance, December 31, 2024</b>	273,494,904	45,309,110	4,369,228	2,431,997	(42,544,971)	9,565,364
Exercise of stock options (note 7)	602,379	107,505	-	-	-	107,505
Fair value of exercised stock options	-	69,727	(69,727)	-	-	-
Stock-based compensation (note 7)	-	-	63,022	-	-	63,022
Loss for the period	-	-	-	-	(3,228,691)	(3,228,691)
<b>Balance, September 30, 2025</b>	274,097,283	45,486,342	4,362,523	2,431,997	(45,773,662)	6,507,200
<b>Balance, December 31, 2023</b>	263,346,102	41,639,037	4,429,280	2,431,997	(39,628,542)	8,871,772
Flow-through share private placement (note 7)	3,725,633	1,676,535	-	-	-	1,676,535
Finder's fees	-	(75,000)	-	-	-	(75,000)
Flow-through share premium	-	(204,910)	-	-	-	(204,910)
Share issuance costs	-	(55,810)	-	-	-	(55,810)
Exercise of stock options (note 7)	750,000	142,500	-	-	-	142,500
Fair value of exercised stock options	-	98,904	(98,904)	-	-	-
Stock-based compensation (note 7)	-	-	28,669	-	-	28,669
Loss for the period	-	-	-	-	(1,956,937)	(1,956,937)
<b>Balance, September 30, 2024</b>	267,821,735	43,221,256	4,359,045	2,431,997	(41,585,479)	8,426,819

# LAURION MINERAL EXPLORATION INC.

## Condensed Interim Consolidated Statements of Cash Flow

(Expressed in Canadian dollars)

(Unaudited - Prepared by Management)

For the nine-month period ended

	September 30, 2025 \$	September 30, 2024 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Loss for the period	(3,228,691)	(1,956,937)
Items not affecting cash		
Stock-based compensation (note 7)	63,022	28,669
Option income (note 6)	-	(29,190)
Loss (gain) on sale of marketable securities	(2,958)	3,360
Flow-through share premium recovery (note 7)	(344,172)	(256,872)
Changes in non-cash working capital		
Receivables	(168,141)	(56,397)
Prepaid expenses	17,613	(92,380)
Accounts payable and accrued liabilities	320,444	(2,422)
Cash flows used in operating activities	(3,342,883)	(2,362,169)
<b>Financing activities</b>		
Private placement (note 7)		
Flow-through shares	-	1,676,535
Finder's fees	-	(75,000)
Share issue costs	-	(55,810)
Exercise of stock options (note 7)	107,505	142,500
Cash flows from financing activities	107,505	1,688,225
<b>Investing activities</b>		
Proceeds from the sale of marketable securities	31,939	25,831
Cash flows from investing activities	31,939	25,831
<b>Net decrease in cash</b>	(3,203,439)	(648,113)
<b>Cash and cash equivalents, beginning of period</b>	9,807,350	9,044,904
<b>Cash and cash equivalents, end of period</b>	6,603,911	8,396,791
<b>Summary</b>		
Cash and cash equivalents	5,628,032	6,236,621
Restricted cash (note 4 and 10)	975,879	2,160,169
	6,603,911	8,396,790

## **LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

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### **1. Nature of operations**

LAURION Mineral Exploration Inc. (the “Company”) is a public company engaged in the acquisition, exploration and development of mineral resource properties. The Company is incorporated under the laws of Ontario and its registered office is located at 40 King Street West, Suite 6600, Toronto, Ontario, M5H 3S1.

### **2. Going concern**

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company is in the exploration stage and does not generate revenue. For the nine-month period ended September 30, 2025, the Company incurred a loss of \$3,228,691 (September 30, 2024 - \$1,956,937) and a cashflow deficit from operations of \$3,342,883 (September 30, 2024 - \$2,362,169). The losses and cashflow deficit from operations limit the Company’s ability to fund operations and the acquisition, exploration and development of mineral resource properties.

The continued operation of the Company is dependent upon the Company’s ability to secure equity financing to meet its existing obligations and finance the acquisition, exploration and development of mineral resource properties. The Company is actively seeking to raise the necessary equity financing, however, there can be no assurance that additional equity financing will be available. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material.

### **3. Basis of presentation**

#### Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) (“IFRS Accounting Standards”) applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*.

The accounting policies used in these condensed interim consolidated financial statements are consistent with those disclosed in the Company’s audited consolidated financial statements for the year ended December 31, 2024.

These condensed interim consolidated financial statements do not include certain information and disclosures normally included in annual consolidated audited financial statements prepared in accordance with IFRS and should be read in conjunction with the Company’s annual audited financial statements for the year ended December 31, 2024.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on November 17, 2025.

### **4. Restricted cash**

Restricted cash represents the proceeds from the issuance of flow-through common shares. As at September 30, 2025, the Company had internally restricted cash of \$975,879 (December 31, 2024 - \$3,754,706) which is not available for working capital purposes and must be expended exclusively for Canadian Exploration Expenditures (“CEE”) by December 31, 2025.

**LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
 For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

**5. Receivables**

At September 30, 2025, receivables consist of Goods and Service Tax / Harmonized Sales Tax in the amount of \$231,563 (December 31, 2024 - \$146,462) and interest receivable of \$198,524 (December 31, 2024 - \$115,484).

**6. Exploration and evaluation**

Ishkōday

The Company holds the following interests in the Ishkōday situated in the Onaman-Tashota Greenstone Camp in the Irwin, Walters, Elmhirst and Pifher Townships located 25 km northeast of the Town of Beardmore, Ontario and 220 km northeast of Thunder Bay, Ontario:

100% interest:	Interest	Hectares
Ishkōday	15 mining leases	657
Ishkōday North	164 boundary and single cell claims	2,864
Ishkōday South	5 boundary cell claims	64
Ishkōday East	28 boundary and single cell claims	336
Brenbar (a)	2 mining leases	255
Jubilee-Elmhirst (b)	4 mining leases	74
Beurox (c)	1 mining lease	447
Twin Falls and Irwin (d)	54 boundary, single, and multi cell claims	1,089
		5,786

**(a) Brenbar**

The Company holds 100% interest in Brenbar which consists of 2 mining leases covering 255 hectares contiguous and to the west of Ishkōday. The leases are subject a 3% net smelter return royalty on gold production and 1.5% net smelter return royalty on base metal production. The Company has the option to purchase 1% of the royalty for \$1,000,000.

The Company earned its initial 60% interest in Brenbar by making option payments, issuing common shares, and incurring exploration expenditures as follows:

	Option	Common Shares		Exploration
	Payments	Number	Fair Value	Expenditures
	\$		\$	\$
Upon execution of agreement	50,000	300,000	48,000	-
September 18, 2020	40,000	160,000	32,800	-
December 18, 2020	25,000	100,000	20,000	100,000
	115,000	560,000	100,800	100,000

The Company increased its ownership in Brenbar from 60% to 100% in 2023 by making option payments, issuing common shares, and incurring exploration expenditures as follows:

	Option	Common shares		Exploration
	payments	Number	Fair value	expenditures
	\$		\$	\$
	115,000	560,000	100,800	100,000
December 18, 2021	25,000	100,000	72,000	100,000
December 18, 2022	25,000	100,000	58,000	-
February 1, 2023 <sup>(1)</sup>	-	100,000	51,000	-
	165,000	860,000	281,800	200,000

## LAURION MINERAL EXPLORATION INC.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

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### 6. Exploration and evaluation (continued)

<sup>(1)</sup> In accordance with the option agreement, if the Company did not incur \$100,000 of exploration expenditures during the required period, the Company had the option to issue 100,000 common shares in lieu of the required exploration expenditures. As at December 18, 2022, the Company had not met the required exploration expenditure commitment of \$100,000. On February 1, 2023, the Company issued 100,000 common shares to satisfy the expenditure commitment thereby fulfilling all payments under the option agreement. As a result, the Company retained a 100% interest in Brenbar, and the claims have been transferred into the Company's name.

#### (b) *Jubilee-Elmhirst*

The Company holds a 100% interest in Jubilee-Elmhirst, subject to a 2% net smelter return royalty. At any time, the Company has the option to reduce the royalty to 1% by making a payment of \$1,000,000.

#### (c) *Beaurox*

The Company holds a 100% interest in Beaurox, subject to a 3% net smelter return royalty. At any time, the Company has the option to reduce the royalty to 1.5% by making a payment of \$1,500,000 or to 2% by making a payment of \$1,000,000.

#### (d) *Twin Falls and Irwin*

On October 10, 2023, the Company acquired a 100% interest in the Twin Falls property, subject to a 1% net smelter return royalty on gold and base metal production from the property. At any time, the Company has the option to reduce the royalty to 0.5% by making payment of \$500,000. As consideration for the property, the Company issued 142,857 common shares of the Company to the vendors with a fair value of \$82,857. On January 14, 2024, the Company completed the acquisition of the Irwin Claims, consisting of two individuals claims. The total consideration paid to the vendors for the Irwin Claims was \$5,000.

#### Midlothian and Doon

The Company owns a 30% joint venture interest and Canadian Gold Miner Corp. ("Canadian Gold") owns a 70% joint venture interest in Midlothian consisting of 11 claims (152 claim units) covering 2,520 hectares located 80 km west-southwest of Kirkland Lake and 25 km west-southwest of the Town of Matachewan and Doon consisting of 1,721 hectares located adjacent to Midlothian. Doon is subject to the following:

- a) net smelter royalty of 2% covering 333 hectares which can be reduced to 1% by making a payment of \$1,500,000 plus a \$1,500,000 commercial payment; and
- b) net smelter royalty of 2% covering 1,388 hectares which can be reduced to 1% by making a payment of \$1,500,000 and commercial payment of \$1,500,000.

The joint venture will incur exploration expenditures. If a joint venture partner does not fund its proportionate interest in the joint venture, its interest will be diluted and, when its interest is reduced below 10%, its interest will be reduced solely to a 3% net smelter returns royalty on Midlothian ("Midlothian NSR") and 1% net smelter returns royalty on Doon. The other joint venture partner will have the option to reduce the Midlothian NSR from 3% to 2% by making a payment of \$1,000,000. As the joint venture is not structured as a separate vehicle, the joint venture will be accounted for as a joint operation in accordance with IFRS 11, *Joint Arrangements*. During the nine-month period ended September 30, 2025, and the year ended December 31, 2024, the Company did not incur any exploration expenditures.

On November 19, 2021, the Company and Canadian Gold granted an option to Canada Nickel Company Inc. ("Canada Nickel") to acquire a 100% interest in the Midlothian property by making cash payments, issuing common shares, and incurring exploration expenditures. All option payments and common shares are allocated 30% to the Company and 70% to Canadian Gold, based on their respective joint venture interests at the time of payment. The terms of the option agreement are as follows:

**LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
 For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

**6. Exploration and evaluation (continued)**

	Option Payments \$	Common Shares	Exploration Expenditures \$
Upon grant of option (received)	50,000	100,000	–
May 19, 2023 (received)	100,000	35,000	–
August 17, 2023 (incurred) <sup>(1)</sup>	–	–	500,000
February 19, 2024 (received)	200,000	70,000	–
November 19, 2024 (received) <sup>(2)</sup>	300,000	105,000	–
November 19, 2025	400,000	140,000	2,000,000
	1,050,000	450,000	2,500,000

<sup>(1)</sup> Due to permit delays, Canada Nickel was unable to meet the required exploration expenditures by the original first work commitment date of November 19, 2022. Canada Nickel requested an extension of the first work commitment date and on May 19, 2023, the Company, Canada Nickel, and Canadian Gold agreed to extend the first work commitment date to August 17, 2023. Canada Nickel incurred the required exploration expenditures by the revised commitment date.

<sup>(2)</sup> During the year ended December 31, 2024, the Company and Canadian Gold agreed to extend the due date of the cash option payment to January 31, 2025, which was further extended to April 30, 2025. During the nine-month period ended September 30, 2025, the Company received the cash option payment and recognized total cash option payments of \$90,000.

On February 19, 2024, the Company recorded an option payment of \$89,190 which comprised of \$60,000 and 21,000 common shares of Canada Nickel with a fair value of \$29,190. On November 19, 2024, the Company recorded an option payment of \$30,240, representing the fair value of 31,500 common shares received from Canada Nickel.

During the nine-month period ended September 30, 2025, the Company sold 31,500 (September 30, 2024 – 21,000) common shares of Canada Nickel and recognized a gain on marketable securities of \$2,958 compared to a loss of \$3,360 during the nine-month period ended September 30, 2024.

The Company and Canadian Gold will retain a net smelter return royalty of 4% for gold and 2% for nickel with a commercial production payment of \$4,000,000.

**Davidson-Tisdale and North Tisdale**

As part of the consideration for the Company selling its interest in Davidson-Tisdale and North Tisdale in 2010, the Company received and continues to hold a 2% net smelter royalty payable on commercial production from certain mineral rights known as the North Tisdale.

**Exploration Agreement**

On March 3, 2025, the Company entered into an exploration agreement (the “Exploration Agreement”) with the Company’s First Nation partners (collectively, the “First Nations”). Under the terms of the Exploration Agreement, the Company had agreed to issue an aggregate of 750,000 warrants. Each warrant would have entitled the holder to acquire one non-voting common share of the Company at an exercise price of \$0.38 per share for a period of five years from the date of issuance. Based on the TSX Venture Exchange’s review, the issuance of the warrants was not approved. The Company intends to issue stock options under its stock option plan as an alternative. The Company also agreed to make annual payments equal to 4% of certain eligible exploration expenditures, up to a maximum of \$4 million. If eligible expenditures exceed \$4 million, the annual payment will be the greater of 4% of the first \$4 million or 3% of the defined total eligible expenditures, up to a maximum of \$6 million. In addition, during the nine-month period ended September 30, 2025, the Company made one-time capacity payments to the First Nations totalling \$75,000.

## LAURION MINERAL EXPLORATION INC.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

### 7. Share capital

Authorized:

Unlimited number of special shares, voting, redeemable, convertible, participating  
500,000 Class A shares, voting, non-redeemable, convertible, non-participating  
Unlimited number of common shares

#### *Private placements*

On April 12, 2024, the Company closed a non-brokered private placement consisting of 3,725,633 flow-through common shares at a price of \$0.45 per flow-through common share for gross proceeds of \$1,676,535. In connection with the private placement, the Company paid a cash finder's commission of \$75,000 and incurred share issuance costs of \$55,810. The issuance of the 3,725,633 flow-through common shares resulted in a flow-through share premium liability of \$204,910. The flow-through share premium liability is reversed into the statement of loss and comprehensive loss as the Company incurs flow-through eligible exploration and evaluation expenditures. In connection with this financing, during the nine-month period ended September 30, 2025, the Company recorded a flow-through share premium recovery of \$139,950 (December 31, 2024 - \$64,959) resulting in a flow-through share premium liability at September 30, 2025 of \$nil (December 31, 2024 - \$139,950).

On October 22, 2024, the Company closed a non-brokered private placement consisting of 5,673,169 flow-through common shares at a subscription price of \$0.46 per flow-through common share for gross proceeds of \$2,609,658. In connection the private placement, the Company paid a cash finder's commission of \$127,999 and incurred share issuance costs of \$53,415. The issuance of the 5,673,169 flow-through common shares resulted in a flow-through share premium liability of \$340,390. The flow-through share premium liability is reversed into the statement of loss and comprehensive loss as the Company incurs flow-through eligible exploration and evaluation expenditures. In connection with this financing, during the nine-month period ended September 30, 2025, the Company recorded a flow-through share premium recovery of \$204,222 (December 31, 2024 - \$nil) resulting in a flow-through share premium liability at September 30, 2025 of \$136,168 (December 31, 2024 - \$340,390).

#### *Stock options*

Effective October 5, 2010, the Company adopted a new rolling 10% stock option plan (the "2010 Stock Option Plan"). The 2010 Stock Option Plan replaced the Company's previous incentive stock option plan, dated August 11, 2000, as amended and restated on March 3, 2004, June 20, 2005 and August 30, 2006.

Pursuant to the 2010 Stock Option Plan the Company may grant stock options to its directors, officers, employees and consultants for up to 10% of the number of common shares outstanding. The maximum term of each option is 10 years and the exercise price shall not be less than the closing price of the common shares prevailing on the date of the grant, less a discount up to 25% in accordance with the policies of the TSX Venture Exchange.

A continuity of the Company's stock options is presented below:

	Weighted-average exercise price \$	Number of stock options
Balance, December 31, 2023	0.26	3,695,031
Granted	0.45	250,000
Exercised	0.19	(750,000)
Forfeited	0.40	(250,000)
Balance, December 31, 2024	0.28	2,945,031
Granted	0.38	821,429
Exercised	0.18	(602,379)
Expired	0.17	(150,000)
Balance, September 30, 2025	0.33	3,014,081

**LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

**7. Share capital (continued)**

The weighted average share price at the exercise dates for the nine-month period ended September 30, 2025, was \$0.30 (December 31, 2024 - \$0.40).

On September 16, 2025, the Company granted 250,000 stock options to a director. The stock options have an exercise price of \$0.35 per share and a term of five years. The stock options vest in three equal tranches, with one-third vesting on the date of grant and the first and second anniversary of the grant date. The fair value of the stock options granted was \$47,602.

On September 2, 2025, the Company granted 250,000 stock options to a consultant. The stock options have an exercise price of \$0.38 per share and a term of five years. The stock options vest in three equal tranches, with one-third vesting on the date of grant and the first and second anniversary of the grant date. The fair value of the stock options granted was \$44,292.

On August 1, 2025, the Company granted 71,429 stock options to a consultant. The stock options have an exercise price of \$0.42 per share and a term of three years. The stock options vest in three equal tranches, with one-third vesting every six months over an eighteen-month period. The fair value of the stock options granted was \$10,164.

On June 2, 2025, the Company granted 250,000 stock options to a consultant. The stock options have an exercise price of \$0.40 per share and a term of two years. The stock options vest in four equal tranches, with one-quarter vesting every three months over a twelve-month period. The fair value of the stock options granted was \$18,062.

On February 12, 2024, the Company granted 250,000 stock options to a consultant. The stock options have an exercise price of \$0.45 per share and a term of five years. The stock options vest in three equal tranches, with one-third vesting on each anniversary of the grant date, beginning on the first anniversary. The fair value of the stock options granted was \$61,951.

The fair value of the stock options granted during the nine-month period ended September 30, 2025, and year ended December 31, 2024 has been estimated using the Black-Scholes option pricing model. The weighted average assumptions used in the Black-Scholes option pricing models are as follows:

	September 30, 2025	December 31, 2024
Risk-free interest rate	2.73%	3.69%
Expected volatility based on historical volatility	64%	67%
Expected life of stock options	3.91 years	5 years
Expected dividend yield	0%	0%
Weighted average grant date fair value	\$0.15	\$0.25

**LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
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**7. Share capital (continued)**

A summary of the Company's stock options outstanding at September 30, 2025, is presented below:

	Expiry date	Number of stock options exercisable	Number of stock options outstanding
\$0.23	December 14, 2025	576,837	576,837
\$0.23	January 26, 2026	115,000	115,000
\$0.23	April 13, 2026	212,045	212,045
\$0.55	August 19, 2026	18,106	18,106
\$0.82	January 11, 2027	29,000	29,000
\$0.40	June 2, 2027	62,500	250,000
\$0.95	October 5, 2027	250,000	250,000
\$0.42	August 1, 2028	-	71,429
\$0.45	February 12, 2029	83,333	250,000
\$0.11	July 16, 2029	500,000	500,000
\$0.15	September 9, 2029	241,664	241,664
\$0.38	September 2, 2030	83,333	250,000
\$0.35	September 16, 2030	83,333	250,000
		2,255,151	3,014,081

*Warrants*

The Company had no warrants outstanding during the nine-month period ended September 30, 2025, or during the year ended December 31, 2024.

**8. Financial instruments and risk management**

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

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

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

The fair values of cash and cash equivalents, restricted cash, receivables, and accounts payable and accrued liabilities approximated their respective carrying value due to their short term to maturity. The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument: The Company accounts for its marketable securities at fair value using level 1 inputs. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

## **LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

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### **8. Financial instruments and risk management (continued)**

#### Risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration and financing activities, including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

#### *Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's cash and cash equivalents, restricted cash, and receivables. The Company limits its exposure to credit risk on its cash and cash equivalents and restricted cash by holding deposits with a Canadian chartered bank and reputable financial institutions, from which management believes the risk of loss to be remote.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due, other than amounts owing to related parties. Accounts payable and accrued liabilities are subject to normal trade terms.

#### *Market risk*

Market risk is the risk that changes in market prices, such as equity prices and interest rates will affect the Company's income or the value of its financial instruments. The Company is exposed to equity price risk with respect to marketable securities. The Company's approach to managing equity price risk is to optimize the return from its marketable securities within acceptable parameters for equity price risk.

#### *Capital management*

Capital of the Company consists of share capital, contributed surplus, warrants reserve and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can acquire, explore and develop mineral resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's principal source of capital is from the issuance of common shares. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the period.

**LAURION MINERAL EXPLORATION INC.**

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited – Prepared by Management)  
For the three-month and nine-month periods ended September 30, 2025 (Expressed in Canadian dollars)

**9. Related party transactions****Compensation of key management personnel**

The Company considers its directors and officers to be key management personnel. Transactions with key management personnel are set out as follows:

	For the nine-month period ended	
	September 30, 2025	September 30, 2024
	\$	\$
Exploration and evaluation	137,918	139,580
Management fees	99,691	134,004
Investor relations	52,673	18,641
	290,282	292,225
Stock-based compensation	16,780	18,351
	307,062	310,576

During the nine-month period ended September 30, 2025, the Company incurred exploration and evaluation expenditures of \$166,955 (September 30, 2024 – \$214,742), for amounts paid to AquinTerra Inc. (“AquinTerra”), a company controlled by the Chief Executive Officer, for exploration and evaluation services provided to the Company by subcontractors engaged through AquinTerra.

During the period ended September 30, 2024, management fees included \$50,000 in special committee fees incurred in connection with the Company’s special committee, which was established on June 14, 2023.

During the year ended December 31, 2023, the Company engaged a third-party advisor and paid a financial advisory fee of \$338,675 (USD \$250,000). Pursuant to an agreement with a director of the Company, the fee was initially recoverable by the Company if a transaction, deemed satisfactory by the Company, was not secured as a result of, or in connection with, the engagement by August 21, 2024, subsequently extended to June 21, 2025. The Company has further extended the deadline to June 21, 2026 and amended the agreement to remove the condition of recoverability tied to securing a transaction as a result of, or in connection with, the engagement.

Additional related party transactions are disclosed in note 7.

**10. Commitment**

Pursuant to private placements of flow-through common shares, the Company is committed to make eligible Canadian Exploration Expenditures of \$975,879 by December 31, 2025.

**11. Subsequent events***Stock option grants*

On October 1, 2025, the Company granted 200,000 stock options to a consultant with an exercise price of \$0.38 per common share and an expiry date six months from the grant date. The options vested immediately on the grant date.

On October 10, 2025, the Company granted 250,000 stock options to a consultant with an exercise price of \$0.35 per common share and an expiry date of five years from the grant date. The stock options vest in three equal tranches, with one-third vesting on each anniversary of the grant date, beginning on the first anniversary.