

JZR GOLD INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

(Expressed in Canadian dollars)

(UNAUDITED – PREPARED BY MANAGEMENT)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED 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 interim financial statements 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 interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

JZR GOLD INC.**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

As at September 30, 2024 and June 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

	Note	September 30, 2024	June 30, 2024
ASSETS			
Current			
Cash and cash equivalents		\$ 167,180	\$ 135,648
Amounts receivable		9,645	2,622
Prepaid expenses		82,065	61,164
Total current assets		258,890	199,434
Security deposits		33,500	33,500
Loan receivable	4	46,011	44,660
Mineral properties and deferred exploration costs	4	816,726	789,469
Intangible asset	5	11,975,839	11,294,171
Total assets		\$ 13,130,966	\$ 12,361,234
LIABILITIES & SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	6	\$ 667,834	\$ 841,600
Due to related parties	6	260,472	233,429
Convertible debentures	8	1,817,765	-
Loan payable	7	11,629	861,629
Total liabilities		2,757,700	1,936,658
Shareholders' equity			
Share capital	9	18,981,842	18,981,842
Reserves		2,232,140	2,211,668
Equity portion of convertible debenture	8	183,119	-
Subscriptions receivable		(170,566)	(70,566)
Deficit		(10,853,269)	(10,698,368)
		10,373,266	10,424,576
Total liabilities and shareholders' equity		\$ 13,130,966	\$ 12,361,234

Nature and continuance of operations and going concern (Note 1)**Subsequent events** (Note 14)**Approved and authorized on behalf of the Board:**“Rob Klenk”

Director

“Graham Carter”

Director

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

JZR GOLD INC.**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the three months ended September 30, 2024 and 2023

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

	Note	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
EXPENSES			
Filing fees	\$	1,620	\$ 1,766
Interest and charges	7,8	7,505	30,063
Office and miscellaneous		11,929	20,799
Professional fees		19,284	27,708
Consulting fees		64,353	42,020
Transfer agent fees		16,790	14,587
Share based compensation	9	20,472	153,560
Total general and administrative expenses		141,953	290,503
Accretion expense		12,948	-
Loss and comprehensive loss for the period	\$	154,901	\$ 290,503
Basic and diluted loss per common share	\$	(0.01)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted		47,633,282	38,252,355

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

JZR GOLD INC.**CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management – Expressed in Canadian Dollars)

	Note	Number of Shares	Share Capital	Subscriptions Receivable	Share-based Payment Reserve	Warrant Reserve	Equity Portion of Convertible Debentures	Deficit	Total
Balance, June 30, 2023		38,030,617	\$ 17,277,535	\$ (109,651)	\$ 1,797,719	\$ 228,969	\$ -	\$ (9,588,535)	\$ 9,606,037
Units issued in private placement	9	9,302,666	1,565,400	39,085	-	-	-	-	1,604,485
Share issuance costs	9	-	(7,200)	-	-	-	-	-	(7,200)
Bonus shares issued in connection with short term loans	8,9	300,000	144,000	-	-	-	-	-	144,000
Broker warrants in connection with private placement	9	-	4,120	-	-	(4,120)	-	-	-
Expiry of broker warrants	9	-	(2,013)	-	-	2,013	-	-	-
Share-based compensation	9	-	-	-	187,087	-	-	-	187,087
Net loss and comprehensive loss for the year		-	-	-	-	-	-	(1,109,833)	(1,109,833)
Balance, June 30, 2024		47,633,283	18,981,842	(70,566)	1,984,806	226,862	-	(10,698,368)	10,424,576
Equity portion of convertible debenture	8	-	-	(100,000)	-	-	183,119	-	83,119
Share-based compensation	9	-	-	-	20,472	-	-	-	20,472
Net loss and comprehensive loss for the period		-	-	-	-	-	-	(154,901)	(154,901)
Balance, September 30, 2024		47,633,283	18,981,842	(170,566)	2,005,278	226,862	183,119	(10,853,269)	10,373,265

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

JZR GOLD INC.**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**

For the three months ended September 30, 2024 and 2023

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
OPERATING ACTIVITIES		
Net loss for the period	\$ (154,901)	\$ (290,503)
Items not affecting cash:		
Accretion of discount on convertible debentures	12,948	-
Accrued interest	6,586	29,186
Share based compensation	20,472	153,560
Changes in non-cash working capital items:		
Increase in amounts receivable	(7,023)	(3,697)
Decrease in prepaid expenses	(20,901)	16,142
Decrease in due to related parties	27,042	(11,567)
Decrease in accounts payable and accrued liabilities	(173,767)	(48,816)
Net cash used in operating activities	(289,543)	(155,695)
INVESTING ACTIVITIES		
Mineral property, rights, and deferred exploration costs, net of recoveries	(27,257)	(23,999)
Payment made for deferred acquisition of net profit interests	(681,668)	-
Net cash used in investing activities	(708,925)	(23,999)
FINANCING ACTIVITIES		
Issuance of convertible debt	1,880,000	-
Repayment on loan	(850,000)	-
Funds received on loan	-	35,000
Net cash provided by financing activities	1,030,000	35,000
Change in cash during the period	31,532	(144,695)
Cash, beginning of period	135,648	166,753
Cash, end of period	\$ 167,180	\$ 22,058

Supplemental disclosure with respect to cash flows (Note 11)

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

JZR GOLD INC.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

JZR Gold Inc. (the “Company”) was incorporated under the laws of the Province of British Columbia and is in the business of the exploration and development of mineral properties. The Company’s principal place of business, head office and records office is located at 404 – 1688 152nd Street, Surrey, British Columbia, Canada, V4A 4N2. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

The Company’s common shares are listed on the TSX Venture Exchange with the symbol “JZR.V”.

The Company is in the process of exploring and developing its mineral properties and rights and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

Going concern of operations

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing and to develop profitable operations. As at the current reporting period, the Company does not have sufficient cash resources to meet its obligations for the next twelve months of operations.

Management is actively targeting sources of additional financing from investors, shareholders and through alliances with financial entities, and is considering issuances of debt or equity or other business and financial transactions which would assure continuation of the Company’s operations. To the extent financing is not available, working capital commitments may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company. Management is closely monitoring economic trends, global financial conditions, and the equity markets to determine the appropriate course of action to be taken by the Company.

The Company has incurred a loss of \$154,901 for the three-month period ended September 30, 2024 (2023 - \$290,503), with an accumulated deficit of \$10,853,269 (June 30, 2024 - \$10,698,368) and had a working capital deficiency of \$2,498,810 (June 30, 2024 - \$1,737,224). Although it has been successful to date, there can be no assurance that the Company will be able to raise the funds necessary to continue future operations and commitments. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN (cont'd...)*Going concern of operations (cont'd...)*

The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations, such adjustments could be material. These conditions create a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION**Statement of compliance**

These financial statements, including comparative periods, have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). These financial statements are prepared using IFRSs in effect as at June 30, 2024. Material accounting policy information and the applicable basis of measurement used in the preparation of these financial statements are described in Note 3.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are classified as fair value through profit or loss. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements were authorized for issuance by the Board of Directors on November 26, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION*Basis of presentation*

These condensed interim financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited financial statements for the period ended June 30, 2024, and do not include all the information required for full annual financial statements in accordance with IFRS, as issued by the IFRIC. It is suggested that the condensed interim financial statements be read in conjunction with the annual audited financial statements.

Except as otherwise indicated hereunder, these condensed interim financial statements have been prepared using the same policies and methods as the financial statements of the Company for the year ended June 30, 2024. Refer to Note 3 of the Company's financial statements for the year ended June 30, 2024 for more information on new accounting standards and amendments not yet effective.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

The Company owns the Spider Mineral Property which is located in the Province of British Columbia (“B.C.”) comprising of claims that are 100% owned by the Company. The Spider Mineral Property is comprised of certain Crown granted mineral claims and several land lots in fee simple within the township of Camborne, B.C.

During the year ending June 30, 2024, the Company reacquired multiple lots in connection with the Spider Property for cash consideration of \$3,312.

The following table summarizes mineral rights and property costs:

	Spider
Balance, June 30, 2023	693,011
Property taxes	458
Site exploration	96,000
Balance, June 30, 2024	\$ 789,469
Property taxes	2,546
Site exploration	24,710
Balance, September 30, 2024	\$ 816,726

Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for uncertainties arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated titles to all of its mineral properties and, to the best of its knowledge, the titles to all of the Company’s properties are in good standing. Site exploration costs consists of consulting fees paid to related and third-party service providers.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

5. INTANGIBLE ASSET

On January 20, 2021, the Company acquired from a third party, its interest in a JV Royalty Agreement dated July 6, 2020 (“JVRA”) with Eco Mining Oil & Gaz Drilling and Exploration EIRELI (“Eco”) with respect to the Vila Nova gold project, which is mine in the development phase located in Amapa, Brazil. The Company acquired the right to acquire the JVRA for the Vila Nova property from a third party through issuance of 5,125,000 common shares valued at \$1,981,000.

Pursuant to a purchase and sale agreement, the Company acquired a 100% interest in the JVRA, wherein the Company shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JVRA, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

- an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property (payment made by third party prior to acquisition of the JVRA);
- a second payment of USD\$500,000 (paid); and
- a final payment of up to USD\$5,000,000 (paid).

As of September 30, 2024, \$9,994,840 (\$7,440,839 USD) had been paid to Eco in relation to the payments for the option and acquisition of the net profits interest. If exercised and all payments are made, the Company shall receive a 50% net profits interest from all products and minerals produced from the Vila Nova property and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation. In the event the JVRA is terminated, the cash amounts advanced will convert into a 2-year term loan with interest bearing 6% per annum. Additional payments totaling \$209,340 (\$150,000 USD) were made subsequent to September 30, 2024 (Note 14).

The following table summarizes the net carrying amount of the intangible asset:

	Vila Nova
Balance, June 30 and September 30, 2023	\$ 10,427,956
Option and acquisition payments made	866,215
Balance, June 30, 2024	\$ 11,294,171
Option and acquisition payments made	681,668
Balance, September 30, 2024	\$ 11,975,839

As the intangible asset was not yet available for use, management has performed its impairment test for the intangible asset as at September 30, 2024. The recoverable amount for the intangible asset was based on value in use using a discounted cash flow model. The significant assumptions applied by management in determining value in use included revenue projections and projected cash flows based on financial budgets approved by management over a period of 5 years and a pre-tax discount rate of 20%.

The recoverable amount of the intangible asset exceeded its carrying amount and accordingly, no impairment was recognized as at September 30, 2024.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. Related parties are defined as key management personnel as well as any companies that are controlled by Officers or Directors of the Company. During the three-month periods ended September 30, 2024 and 2023, the Company paid or accrued wages and recognized share-based compensation to key management personnel in the following manner:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Short-term employee benefits	\$ 25,000	\$ 70,180
Share-based compensation	20,472	109,066
	\$ 45,472	\$ 179,246
Recorded as:		
Consulting fees	\$ 1,000	\$ 46,180
Share-based compensation	20,472	109,066
Site exploration costs	24,000	24,000
	\$ 45,472	\$ 179,246
Options issued	nil	nil

As at September 30, 2024, included in accounts payable and accrued liabilities was:

- \$55,221 (June 30, 2024 - \$74,929) was owed for corporate expenses to the President of the Company; and
- \$74,000 (June 30, 2024 - \$53,500) was owed for professional fees to a company controlled by the Chief Financial Officer; and
- \$131,250 (June 30, 2024 - \$105,000) was owed for consulting fees to a company controlled by a director of the Company.

All amounts remaining owing to related parties are non-interest bearing and have no fixed terms of repayment.

As at September 30, 2024, \$433,182 (June 30, 2024 - \$433,182) was owing to a former President of the Company and \$153,560 (June 30, 2024 - \$147,072) was owed to a company owned by the former President of the Company. The outstanding balances remain in accounts payable as at September 30, 2024.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

7. LOAN PAYABLE

During the period ended September 30, 2024, the Company repaid loan principal for \$1,000,000, resulting in \$11,629 of residual interest owing.

8. CONVERTIBLE DEBENTURES

During the year, the Company issued unsecured convertible debentures for total proceeds of \$1,980,000 (the “Debentures”). The Debentures mature one year from the date of issuance and shall bear interest at a rate of 10% per annum, payable and compounded annually. The principal sum or any portion thereof, may be converted into units consisting of one common share and one warrant at a conversion price of \$0.25 per unit, commencing on the date that is six months from the date that the Debentures are issued. Each warrant shall entitle the holder to acquire one additional common share of the Company at a price of \$0.25 per share for a period of eighteen (18) months from the date that the warrants are issued.

For accounting purposes, the convertible debenture has been separated into its liability and equity component using the effective interest rate method. The fair value of the liability component of the convertible debenture at the time of issue was calculated as being equivalent to the discounted cash flows for the debenture assuming an effective interest rate of 21.21% per annum. The effective interest rates were based on the estimated rate for a debenture without a conversion feature. The equity component has been recorded under equity, which was calculated as the difference between the face value of the convertible debenture and the fair value of the liability component.

As at September 30, 2024, the Company accrued \$7,936 (2023 - \$nil) of interest expenses and \$12,948 (2023 – \$nil) of accretion expenses, respectively in connection with these Debentures.

9. SHARE CAPITAL

Authorized unlimited common voting shares, no par value.

Issued

As at September 30, 2024, the number of shares issued, but not fully paid, was 635,422 (June 30, 2024 – 635,422).

During the three-month period ended September 30, 2023, the Company issued 300,000 bonus common shares in relation to the loan payable (Note 7) at a fair value of \$120,000.

Stock options

As at September 30, 2024, the Company has a stock option plan in place (the “Stock Option Plan”) under which it can grant a maximum number of stock options equal to 10% of the total issued and outstanding common shares. The purpose of the Stock Option Plan is to encourage ownership of the Company’s common shares by persons who are directors, senior officers and employees, as well as consultants, and employees of management companies providing services to the Company. The term of any option granted under the Stock Option Plan may not exceed 10 years. The vesting periods for all options granted pursuant to the Stock Option Plan will be determined at the discretion of the Board of Directors at the time of the grant. The vesting schedule shall provide for a vesting period of at least 12 months and that the options will vest equally on a quarterly basis over the vesting period in respect to options granted to consultants performing investor relations activities. The number of options granted to any one person may not exceed 5% of the outstanding listed common shares in a 12-month period.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

9. SHARE CAPITAL (cont'd...)**Stock options (cont'd...)**

During the period ended September 30, 2024, the Company:

- cancelled 25,000 incentive stock options with an exercise price of \$0.35; and,
- cancelled 200,000 incentive stock options with an exercise price of \$0.80.

During the year ended June 30, 2024, the Company granted 500,000 incentive stock options with a term of ten years. Each option entitles the holders to acquire one common share at a price of \$0.15 per share.

	As at September 30, 2024		As at June 30, 2024	
	Number of Options	Weighted Ave. Exercise Price	Number of Options	Weighted Ave. Exercise Price
Outstanding, beginning of period	2,775,000	\$ 0.48	2,275,000	\$ 0.56
Granted	-	\$ -	500,000	\$ 0.15
Expired/Cancelled	(225,000)	\$ 0.75	-	\$ -
Outstanding, end of period	<u>2,550,000</u>	<u>\$ 0.46</u>	<u>2,775,000</u>	<u>\$ 0.48</u>

As at September 30, 2024, the following stock options are outstanding and exercisable:

<i>Number of options outstanding</i>	<i>Number of options exercisable</i>	<i>Exercise price</i>	<i>Remaining life (yrs)</i>	<i>Expiry</i>
675,000	675,000	\$ 0.35	1.40	February 22, 2026
500,000	500,000	\$ 0.45	6.93	September 3, 2031
675,000	675,000	\$ 0.80	2.60	May 6, 2027
200,000	133,333	\$ 0.65	3.05	October 17, 2027
500,000	166,667	\$ 0.15	9.55	April 16, 2034
<u>2,550,000</u>	<u>1,983,333</u>		<u>2.65</u>	

During the three-month period ended September 30, 2024, the Company recorded share-based compensation of \$20,472 (2023 - \$153,560) relating to stock options. Share-based compensation is measured at the fair value of options at the date of grant and is expensed over the vesting period. The amount was estimated using the Black-Scholes option pricing model with the following assumptions:

	May 2022	October 2022	April 2024
Expected volatility	104%	99%	99%
Expected life	5 years	5 years	10 years
Risk-free interest rate	2.94%	3.72%	3.64%
Dividend yield	0.00%	0.00%	0.00%
Exercise price	\$ 0.80	\$ 0.65	\$ 0.20
Spot price	\$ 0.77	\$ 0.64	\$ 0.15
Forfeiture rate	0.00%	0.00%	0.00%

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

9. SHARE CAPITAL (cont'd...)**Share purchase warrants**

Share purchase warrant transactions are summarized as follows:

As at September 30, 2024 the following warrants were outstanding and exercisable:

	Number of Warrants		Weighted Average Exercise Price
Balance at June 30, 2023	9,183,850	\$	0.83
Issued	9,410,666	\$	0.31
Expired	(1,745,517)	\$	0.80
Balance at September 30, 2024, and June 30, 2024	16,848,999	\$	0.34

Number of Warrants	Exercise Price	Expiry Date
3,250,000	\$ 0.30	November 15, 2024
3,313,332	\$ 0.30	December 5, 2024
875,001	\$ 0.90	October 27, 2024
4,000,000	\$ 0.40	October 23, 2025
36,000	\$ 0.40	October 23, 2025
5,362,666	\$ 0.25	January 16, 2025
12,000	\$ 0.25	January 16, 2025
16,848,999		

Subsequent to September 30, 2024, 4,125,001 warrants expired unexercised.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segment in two geographic locations, being the acquisition and development of mineral rights and properties in Canada and Brazil. Other than the intangible asset, the remaining operations pertained to the properties in Canada.

As at September 30, 2024:	<u>Canada</u>	<u>Brazil</u>	<u>Total</u>
Security deposits	\$ 33,500	\$ -	\$ 33,500
Loans receivable	46,011	-	46,011
Mineral properties and deferred exploration costs	816,726	-	816,726
Intangible asset	-	11,975,839	11,975,839
Total	\$ 896,237	\$11,975,839	\$12,872,076

As at June 30, 2024:

Security deposits	\$ 33,500	\$ -	\$ 33,500
Loans receivable	44,660	-	44,660
Mineral properties and deferred exploration costs	789,469	-	789,469
Intangible asset	-	11,294,171	11,294,171
Total	\$ 867,629	\$11,294,171	\$12,161,800

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

- i. Cash and cash equivalents at September 30, 2024 is comprised of cash of \$156,995 (June 30, 2024 - \$125,463) and cash equivalents of \$10,185 (June 30, 2024 - \$10,185).
- ii. Non-cash investing and financing activities

The significant non-cash transactions during the three-month period ended September 30, 2024:

- Accrued interest on loans of \$7,936;
- Recognized share-based compensation of \$20,472.

The significant non-cash transactions during the three-month period ended September 30, 2023 were:

- Recognized share-based compensation of \$153,560 on options vested
- Recognized share-based compensation of \$120,000 on the issuance of 300,000 bonus common shares
- Expiry of 4,500 broker warrants with a fair value of \$847.

- iii. Interest paid

Interest paid during the three-month period ended September 30, 2024 was \$nil (2023 - \$nil).

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist of cash and cash equivalents, loan receivable, security deposits, accounts payable and accrued liabilities, due to related parties and loan payable.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

As September 30, 2024, the Company's cash and cash equivalents is measured using level 1 inputs of the fair value hierarchy, consisting of quoted prices in active markets for identical assets. The fair value of all other financial instruments approximates their carrying values due to the relatively short-term maturity of these instruments, or attached market rates of interest, as the loan receivable and security deposits are not short term.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at September 30, 2024 as follows:

	Fair Value Measurements Using			Balance, June 30, 2024
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
Cash and cash equivalents	167,180	–	–	167,180

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at June 30, 2024 as follows:

	Fair Value Measurements Using			Balance, June 30, 2024
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
Cash and cash equivalents	135,648	–	–	135,648

12. FINANCIAL INSTRUMENTS AND RISKS (cont'd...)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and security deposits are held with high credit quality financial institutions, and the loan receivable is secured by the asset sold. The Company believes it does not have material exposure to credit risk. The Company's exposure to and management of credit risk have not changed materially from that of the year ended June 30, 2024.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had a cash balance of \$167,180 to settle current liabilities of \$2,757,700.

There is a risk that the Company may not be able to fulfill its obligation when a liability is due. 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. The Company's exposure to and management of liquidity risk have not changed materially from that of the year ended June 30, 2024.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and comprises: currency risk, interest rate risk and other price risk. The Company's exposure to and management of market risk have not changed materially from that of the year ended June 30, 2024.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has \$33,500 of security deposits earning interest at an average rate of 0.57% per annum. Cash is held in banks receiving market rates of interest. The loan receivable does not bear interest and the loan payable is at a set interest rate of 12% per annum, which approximates a market rate of interest. As such, the Company does not believe that it is materially exposed to interest rate risk.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have assets or liabilities denominated in a foreign currency and therefore is not exposed to currency risk.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer by factors affecting all similar financial instruments traded in the market. The Company considers commodity prices when raising money through equity issuances of units or common shares of the Company. However, the Company is not directly exposed to other price risk with respect to commodity and equity prices, as it does not hold or trade commodities or marketable securities. When considering an equity raise of funds, the Company closely monitors commodity prices of gold and the stock market price of the Company's common shares to determine the appropriate course of action to be taken by the Company.

JZR GOLD INC.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three months ended September 30, 2024

(Unaudited – Prepared by Management - Expressed in Canadian Dollars)

13. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

In the management of capital, the Company monitors its capital structure which comprises all components of shareholders' equity, which totaled \$10,373,266 at September 30, 2024 (June 30, 2024 - \$10,424,576).

The Company sets the amount of capital in proportion to risk. 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. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the year ended June 30, 2024.

14. SUBSEQUENT EVENTS

Subsequent to September 30, 2024, the Company:

- completed a non-brokered private placement of its common shares for total proceeds of \$975,000; and
- advanced an additional \$150,000 USD in relation to the JVRA.