



**ABASCA RESOURCES INC.**

**FINANCIAL STATEMENTS**

**YEARS ENDED**

**APRIL 30, 2025 AND 2024**

(Expressed in Canadian Dollars)

## **Independent Auditor's Report**

To the Shareholders of Abasca Resources Inc.

### **Opinion**

We have audited the financial statements of Abasca Resources Inc. (the "Company"), which comprise the statements of financial position as at April 30, 2025 and 2024, and the statements of loss and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### **Basis for opinion**

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

### **Material uncertainty related to going concern**

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss during the year ended April 30, 2025 and, as of that date, the Company had an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

### **Other information**

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

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

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

### **Responsibilities of management and those charged with governance for the financial statements**

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

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The engagement partner of the audit resulting in this independent auditor's report is Jessica Di Rito.

**McGovern Hurley LLP**



**Chartered Professional Accountants  
Licensed Public Accountants**

Toronto, Ontario  
July 16, 2025

**ABASCA RESOURCES INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)  
As at April 30,

| <b>ASSETS</b>                                      | <b>2025</b>         | <b>2024</b>       |
|----------------------------------------------------|---------------------|-------------------|
| Current                                            |                     |                   |
| Cash and cash equivalents                          | \$ 1,130,468        | \$ 705,619        |
| Amounts receivable and prepaid expenses (note 6)   | 355,887             | 163,464           |
|                                                    | <b>1,486,355</b>    | 869,083           |
| Property and equipment (note 5)                    | 22,867              | 48,911            |
| <b>TOTAL ASSETS</b>                                | <b>\$ 1,509,222</b> | <b>\$ 917,994</b> |
| <b>LIABILITIES</b>                                 |                     |                   |
| Current                                            |                     |                   |
| Accounts payable and accrued liabilities (note 10) | \$ 610,949          | \$ 64,836         |
| Flow-through shares premium liability (note 11)    | -                   | 434,000           |
|                                                    | <b>610,949</b>      | 498,836           |
| <b>SHAREHOLDERS' EQUITY</b>                        |                     |                   |
| Share capital (note 7)                             | 13,749,775          | 8,832,378         |
| Reserves (notes 8 and 9)                           | 3,263,379           | 2,162,417         |
| Accumulated deficit                                | (16,114,881)        | (10,575,637)      |
|                                                    | <b>898,273</b>      | 419,158           |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>  | <b>\$ 1,509,222</b> | <b>\$ 917,994</b> |

Nature and continuance of operations (note 1)  
Commitments and contingencies (note 11)  
Subsequent event (note 13)

*Approved and authorized for issue on behalf  
of the Board of Directors on July 16, 2025*

|                          |          |
|--------------------------|----------|
| <u>"Denis Arsenault"</u> | Director |
| <u>"Dawn Zhou"</u>       | Director |

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

**ABASCA RESOURCES INC.**  
**STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE YEARS ENDED APRIL 30,**  
(Expressed in Canadian Dollars)

|                                                                               | 2025                | 2024                |
|-------------------------------------------------------------------------------|---------------------|---------------------|
| <b>EXPENSES</b>                                                               |                     |                     |
| Exploration expenses (note 6)                                                 | \$ 6,783,447        | \$ 2,770,067        |
| General administrative                                                        | 10,864              | 14,778              |
| Investor relations and promotion                                              | 4,010               | 38,311              |
| Management fees and salaries (note 10)                                        | 94,223              | 93,719              |
| Professional fees (note 10)                                                   | 69,327              | 71,239              |
| Transfer agent and regulatory                                                 | 26,580              | 26,647              |
| Stock-based compensation (note 8)                                             | 414,800             | -                   |
| <b>Loss before other income</b>                                               | <b>7,403,251</b>    | <b>3,014,761</b>    |
| <b>Other income expense</b>                                                   |                     |                     |
| Interest income                                                               | (69,105)            | (53,395)            |
| Flow-through shares premium (notes 7 & 11)                                    | (871,250)           | (554,491)           |
| <b>LOSS AND COMPREHENSIVE LOSS FOR THE YEAR</b>                               | <b>\$ 6,462,896</b> | <b>\$ 2,406,875</b> |
| <b>LOSS PER SHARE (basic and diluted)</b>                                     | <b>\$ 0.08</b>      | <b>\$ 0.05</b>      |
| <b>Weighted average number of common shares outstanding basic and diluted</b> | <b>79,615,598</b>   | <b>51,637,369</b>   |

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

**ABASCA RESOURCES INC.**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars)

|                                | Number of<br>Shares | Amount<br>\$      | Stock<br>Options<br>\$ | Warrants<br>\$   | Deficit<br>\$       | Total<br>\$    |
|--------------------------------|---------------------|-------------------|------------------------|------------------|---------------------|----------------|
| <b>Balance, April 30, 2024</b> | <b>53,137,369</b>   | <b>8,832,378</b>  | <b>1,177,365</b>       | <b>985,052</b>   | <b>(10,575,637)</b> | <b>419,158</b> |
| Issuance of common shares      | 44,732,143          | 7,100,000         | -                      | -                | -                   | 7,100,000      |
| Issuance of warrants           |                     | (1,642,280)       | -                      | 1,642,280        | -                   | -              |
| Issue costs - cash             | -                   | (103,073)         | -                      | (32,466)         | -                   | (135,539)      |
| Flow-through shares premium    | -                   | (437,250)         | -                      | -                | -                   | (437,250)      |
| Issuance of stock options      | -                   | -                 | 414,800                | -                | -                   | 414,800        |
| Expiry of stock options        | -                   | -                 | (193,865)              | -                | 193,865             | -              |
| Expiry of warrants             | -                   | -                 | -                      | (729,787)        | 729,787             | -              |
| Loss for the year              | -                   | -                 | -                      | -                | (6,462,896)         | (6,462,896)    |
| <b>Balance, April 30, 2025</b> | <b>97,869,512</b>   | <b>13,749,775</b> | <b>1,398,300</b>       | <b>1,865,079</b> | <b>(16,114,881)</b> | <b>898,273</b> |

  

|                                | Number of<br>Shares | Amount<br>\$     | Stock<br>Options<br>\$ | Warrants<br>\$ | Deficit<br>\$       | Total<br>\$      |
|--------------------------------|---------------------|------------------|------------------------|----------------|---------------------|------------------|
| <b>Balance, April 30, 2023</b> | <b>46,137,369</b>   | <b>7,733,924</b> | <b>1,177,365</b>       | <b>729,787</b> | <b>(8,168,762)</b>  | <b>1,472,314</b> |
| Issuance of common shares      | 7,000,000           | 2,250,000        | -                      | -              | -                   | 2,250,000        |
| Issuance of warrants           | -                   | (260,000)        | -                      | 260,000        | -                   | -                |
| Issue costs                    | -                   | (21,546)         | -                      | (4,735)        | -                   | (26,281)         |
| Flow-through shares premium    | -                   | (870,000)        | -                      | -              | -                   | (870,000)        |
| Loss for the year              | -                   | -                | -                      | -              | (2,406,875)         | (2,406,875)      |
| <b>Balance, April 30, 2024</b> | <b>53,137,369</b>   | <b>8,832,378</b> | <b>1,177,365</b>       | <b>985,052</b> | <b>(10,575,637)</b> | <b>419,158</b>   |

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

**ABASCA RESOURCES INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED APRIL 30,**  
(Expressed in Canadian Dollars)

|                                              | 2025                | 2024               |
|----------------------------------------------|---------------------|--------------------|
| <b>CASH PROVIDED BY (USED IN):</b>           |                     |                    |
| <b>OPERATING ACTIVITIES</b>                  |                     |                    |
| Loss for the year                            | \$ (6,462,896)      | \$ (2,406,875)     |
| Items not affecting cash:                    |                     |                    |
| Amortization                                 | 26,044              | 22,703             |
| Flow-through shares premium                  | (871,250)           | (554,491)          |
| Share-based compensation                     | 414,800             | -                  |
|                                              | (6,893,302)         | (2,938,663)        |
| Changes in non-cash working capital balances |                     |                    |
| Accounts receivable and prepaid expenses     | (192,423)           | (5,943)            |
| Accounts payable and accrued liabilities     | 546,113             | (103,954)          |
| <b>Cash used in operating activities</b>     | <b>(6,539,612)</b>  | <b>(3,048,560)</b> |
| <b>FINANCING ACTIVITIES</b>                  |                     |                    |
| Private placements - cash                    | 7,100,000           | 2,250,000          |
| Private placements - issue costs             | (135,539)           | (26,281)           |
| <b>Cash provided by financing activities</b> | <b>6,964,461</b>    | <b>2,223,719</b>   |
| <b>CHANGE IN CASH DURING THE YEAR</b>        | <b>424,849</b>      | <b>(824,841)</b>   |
| <b>CASH, BEGINNING OF THE YEAR</b>           | <b>705,619</b>      | <b>1,530,460</b>   |
| <b>CASH, END OF THE YEAR</b>                 | <b>\$ 1,130,468</b> | <b>\$ 705,619</b>  |
| <b>SUPPLEMENTAL INFORMATION</b>              |                     |                    |
| Finders' warrants issued                     | \$ 18,300           | \$ -               |
| Warrants issued                              | 1,623,980           | 260,000            |
| Interest received                            | 69,105              | 53,395             |

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

## **1. NATURE OF OPERATIONS**

Abasca Resources Inc. ("Abasca" or the "Company") was formed by way of an amalgamation on January 31, 2019 under the *Business Corporation Act* (British Columbia). The Company is an exploration stage company focused on the acquisition, exploration and development of mineral property interests in Saskatchewan, Canada. The address of the Company's corporate office and its principal place of business is suite 208, 4<sup>th</sup> Avenue North, Saskatoon, Saskatchewan. The Company's common shares are traded on the TSX Venture Exchange under the symbol ABA.

The financial statements were approved by the Audit Committee on July 16, 2025.

Although the Company has taken steps to verify title to its exploration and evaluation properties in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and, environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

As at April 30, 2025, the Company has a cumulative deficit of \$16,114,881 (April 30, 2024 - \$10,575,637), continuing losses and is not yet generating positive cash flows from operations. These factors indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue its operations as a going concern.

These financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. There is no assurance that these funds will be available on terms acceptable to the Company or at all. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

## **2. MATERIAL ACCOUNTING POLICIES**

### ***Statement of compliance***

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

### ***Basis of presentation***

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### ***Functional and presentation currency***

These financial statements are presented in Canadian dollars, the functional and presentation currency of the Company. The functional currency is the currency of the primary economic environment in which an entity operates.

### ***Cash and cash equivalents***

Cash and cash equivalents in the statement of financial position comprise cash at banks, on hand and short-term money market investments with original maturities of 90 days or less which are readily convertible into a known amount of cash. The Company's cash and cash equivalents are invested with major financial institutions in business accounts and are available on demand by the Company. As at April 30, 2025 and 2024, the Company had no cash equivalents.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Share-based payment transactions***

The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification. Unexercised expired and modified stock option values are transferred to deficit.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the transaction is measured at the fair value of the equity instrument granted.

### ***Government grants***

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### ***Income taxes***

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Equity***

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. Share capital, stock options, warrants and broker units are classified as equity. Incremental costs directly attributable to the issuance of shares, warrants and broker units are recognized as a deduction from equity and allocated between share capital and warrants. Expired stock options and warrants are transferred to deficit.

### ***Flow-through shares***

The Company finances some exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. When the common shares are offered, the difference (“premium”) between the amount recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through share related liability which is reversed into the statement of comprehensive loss when the eligible expenditures are incurred. The amount recognized as a flow-through share related liability represents the difference between the fair value of the common shares and the amount the investor pays for the flow-through shares. The Company indemnifies the subscribers of flow-through shares for additional taxes payable by the subscribers if the Company does not meet its expenditure requirements.

### ***Warrants***

Upon the issuance of a unit of shares and warrants, the Company uses the relative fair value method using the Black-Scholes option pricing model in attributing value to each of the shares and warrants issued in a unit. Unexercised expired warrants are transferred to deficit.

### ***Loss per share***

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants, finders’ warrants and stock options outstanding that may add to the total number of common shares. Diluted loss per share does not include the effect of stock options, warrants and finders’ warrants as they are anti-dilutive. See notes 8 and 9.

### ***Provisions***

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at April 30, 2025 and 2024.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Interest income***

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### ***Exploration and evaluation properties***

The acquisition costs of exploration and evaluation properties are expensed in the statements of loss in the year incurred, as permitted under IFRS 6, *Exploration for and Evaluation of Mineral Resources*.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

### ***Equipment***

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis.

Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where equipment consists of major components with different useful lives, the components are accounted for as separate items. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Depreciation is recognized based on the cost of an item of equipment, less its estimated residual value, over its estimated useful life at the following rates:

| Detail                | Rate    | Method        |
|-----------------------|---------|---------------|
| Exploration equipment | 3 years | Straight-line |

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Restoration, rehabilitation and environmental obligations***

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value.

These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as at April 30, 2025 and 2024 as the disturbance to date is minimal.

### ***Financial instruments***

Financial assets at amortized cost are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured using the effective interest method, less any impairment losses. The Company's cash and amounts receivable are subsequently measured at amortized cost.

A financial asset is classified as fair value through profit and loss ("FVTPL") if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as FVTPL if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Realized and unrealized gains and losses are reflected in the statement of loss. Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset. The Company does not currently have any financial assets measured at FVTPL.

Financial liabilities at amortized cost are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Financial liabilities are de-recognized when the obligations are discharged, cancelled or expired. The Company's accounts payable and accrued liabilities is subsequently measured at amortized cost.

**Impairment of financial assets:** Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Financial instruments (continued)***

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of a provision for expected credit losses. When an account receivable is considered uncollectible, it is written off against the provision for expected credit losses account. Changes in the carrying amount of the provision for expected credit losses are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value: Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;  
Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has no financial instruments subsequently measured at fair value.

### ***Impairment of non-financial assets***

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to a periodic impairment assessment. The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

### ***Significant accounting judgments and estimates***

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

#### **(i) Assets' carrying values and impairment charges**

In the determination of carrying values and impairment charges, management looks at the recoverable amount, being the higher of value in use and fair value less costs to sell in the case of non-financial assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***Significant accounting judgments and estimates (continued)***

#### **(ii) Income and other taxes**

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

#### **(iii) Share-based payments and warrants**

Management determines recognized amounts for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards and warrants are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment is used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The Company currently estimates the expected volatility of its common shares based on historical volatility taking into consideration the expected life of the options and warrants. The Company also estimates the expected volatility of its common shares based on comparable companies when trading data is not available.

#### **(iv) Going Concern**

As described in note 1, management uses its judgement in determining whether the Company is able to continue as a going concern.

### ***New and future accounting policies and standards***

During the year ended April 30, 2025, the Company adopted a number of amendments and improvements of existing standards. These included amendments to IAS 1. These new standards and amendments did not have any material impact on the Company's financial statements.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company will adopt these pronouncements as of their effective date and is currently assessing the impacts of adoption.

IFRS 18 – In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

## **2. MATERIAL ACCOUNTING POLICIES (Continued)**

### ***New and future accounting policies and standards (continued)***

#### Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

## **3. MANAGEMENT OF CAPITAL**

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company manages its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, contributed surplus, reserves and deficit which at April 30, 2025 totalled \$898,273 (2024 - \$419,158). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the years ended April 30, 2025 and 2024.

The Company is not subject to any capital requirements imposed by a regulator or lending institution other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of April 30, 2025, the Company believes it is compliant with the policies of the TSXV.

## **4. FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

### **Fair Value of Financial Instruments**

The Company's financial assets include cash and accounts payable and accrued liabilities, all of which are measured at amortized cost.

The carrying value of cash, amounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short term to maturity.

#### **4. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)**

##### Financial risk management objectives and policies

The Company's financial instruments include cash, amounts receivable, and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### *(i) Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities.

##### *(ii) Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is not significant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

##### *(iii) Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

##### *(iv) Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares as required. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2025, the Company had a cash balance of \$1,130,468 (2024 - \$705,619) to settle accounts payable and accrued liabilities of \$610,949 (2024 - \$64,836). All of the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

**5. PROPERTY AND EQUIPMENT**

|                                       | <b>Exploration<br/>equipment</b> |
|---------------------------------------|----------------------------------|
| <b>Cost</b>                           |                                  |
| Balance April 30, 2023 and 2024       | 78,125                           |
| Addition                              | -                                |
| <b>Balance April 30, 2025</b>         | <b>78,125</b>                    |
| <b>Accumulated Depreciation</b>       |                                  |
| Balance April 30, 2023                | (6,511)                          |
| Addition                              | (22,703)                         |
| <b>Balance April 30, 2024</b>         | <b>(29,214)</b>                  |
| Addition                              | (26,044)                         |
| <b>Balance April 30, 2025</b>         | <b>(55,258)</b>                  |
| Net book value, April 30, 2024        | 48,911                           |
| <b>Net book value, April 30, 2025</b> | <b>22,867</b>                    |

**6. EXPLORATION AND EVALUATION PROPERTIES**

**Key Lake South (“KLS”) Project**

The Company owns a 100% interest in the Key Lake South Project. The following table sets out the exploration expenses for the years ended April 30, 2025 and 2024 for KLS:

|                                    | <b>2025</b>      | <b>2024</b>      |
|------------------------------------|------------------|------------------|
| Mineral property and staking costs | -                | 14,247           |
| Drilling                           | 6,817,085        | 2,558,477        |
| Geology                            | 7,350            | 194,049          |
| Geophysics                         | -                | 20,350           |
| Mineral resource estimate          | 26,470           | -                |
| Metallurgy                         | 56,498           | -                |
| Government assistance TMEI         | (150,000)        | (50,000)         |
| Amortization                       | 26,044           | 22,703           |
| <b>Total</b>                       | <b>6,783,447</b> | <b>2,759,826</b> |

The Saskatchewan Targeted Mineral Exploration Incentive (“TMEI”) supports the diversification of Saskatchewan’s mineral sector by encouraging exploration for base metals, precious metals, and diamonds as well as other components such as airborne geophysical data and complementary ground-based geoscience investigations.

The TMEI provides up to \$150,000 financial assistance in the form of a grant to eligible exploration companies that undertake exploration drilling for critical minerals . For the year ended April 30, 2025, the Company was entitled to \$150,000 (2024 - \$50,000) under the TMEI assistance program. The \$150,000 (2024- \$50,000) was included in amounts receivable and prepaid expenses as at April 30, 2025 and received subsequent to April 30, 2025.

**General Exploration**

During the year ended April 30, 2025, the Company incurred \$nil (2024 - \$10,241) in general exploration.

**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

**7. SHARE CAPITAL**

a) Authorized: Unlimited number of common shares without par value.

b) Rights in shares: 1 vote per common share

c) Escrow shares:

As at April 30, 2025, there were 10,031,938 (April 30, 2024 – 20,063,874) common shares held in escrow. Half of these escrowed shares have been released on July 9, 2025 and the balance will be released on January 9, 2026.

d) Issued and outstanding :

|                                                     | Number            | Amount<br>\$      |
|-----------------------------------------------------|-------------------|-------------------|
| <b>Balance - April 30, 2023</b>                     | <b>46,137,369</b> | <b>7,733,924</b>  |
| Issuance of common shares <sup>(i)(ii)</sup>        | 7,000,000         | 2,250,000         |
| Issuance of warrants <sup>(i)(ii)</sup>             | -                 | (260,000)         |
| Share issuance costs - cash <sup>(i)(ii)</sup>      | -                 | (21,546)          |
| Flow-through shares premium                         | -                 | (870,000)         |
| <b>Balance – April 30, 2024</b>                     | <b>53,137,369</b> | <b>8,832,378</b>  |
| <b>Balance - April 30, 2024</b>                     | <b>53,137,369</b> | <b>8,832,378</b>  |
| Issuance of common shares <sup>(iii)(iv)(v)</sup>   | 44,732,143        | 7,100,000         |
| Issuance of warrants <sup>(iii)(iv)(v)</sup>        | -                 | (1,642,280)       |
| Share issuance costs - cash <sup>(iii)(iv)(v)</sup> | -                 | (103,073)         |
| Flow-through shares premium                         | -                 | (437,250)         |
| <b>Balance – April 30, 2025</b>                     | <b>97,869,512</b> | <b>13,749,775</b> |

<sup>(i)</sup> On June 21, 2023, the Company completed a non-brokered flow-through private placement and issued 2,000,000 units at price of \$0.50 per unit for gross proceeds of \$1,000,000.

Each flow-through unit was comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.60 for a period of 24 months expiring June 21, 2025. The fair value of the warrants was estimated at \$60,000 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 126%, risk-free interest rate of 4.63%, expected life of 2 years and share price of \$0.16. Issue costs of \$2,081 were allocated to the warrants. The volatility was determined based on the Company's peer group. An amount of \$620,000 was allocated to flow-through shares premium.

A corporation controlled by a director of the Company subscribed for the entire 2,000,000 flow-through units.

**7. SHARE CAPITAL (Continued)**

(ii) On July 28, 2023, the Company completed a non-brokered flow-through private placement and issued 5,000,000 units at price of \$0.25 per unit for gross proceeds of \$1,250,000.

Each flow-through unit was comprised of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.30 for a period of 24 months expiring July 28, 2025. The fair value of the warrants was estimated at \$200,000 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 126%, risk-free interest rate of 4.68%, expected life of 2 years and share price of \$0.16. The volatility was determined based on the Company's peer group. Issue costs of \$2,654 were allocated to the warrants. An amount of \$250,000 was allocated to flow-through shares premium.

Two directors subscribed for an aggregate 960,000 units and a corporation controlled by a director of the Company subscribed for 2,860,000 units for aggregate gross proceeds of \$955,000.

(iii) On June 27, 2024, the Company completed a non-brokered private placement and issued 1,071,428 units at a price of \$0.14 per unit and 21,875,000 flow-through units at a price of \$0.16 per unit for aggregate gross proceeds of \$3,650,000.

Each unit and flow-through unit were comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.20 for a period of 24 months expiring June 27, 2026. The fair value of the warrants was estimated at \$751,760 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 146%, risk-free interest rate of 4.02%, expected life of 2 years and share price of \$0.11. Issue costs of \$7,770 were allocated to the warrants. The volatility was determined based on the Company's peer group. An amount of \$437,250 was allocated to flow-through shares premium.

A corporation controlled by a director of the Company subscribed for 15,168,750 flow-through units and an officer of the Company subscribed for 312,500 flow-through units for aggregate gross proceeds of \$2,477,000.

(iv) On December 20, 2024, the Company completed a non-brokered flow-through private placement and issued 20,000,000 flow-through units at a price of \$0.16 per unit for aggregate gross proceeds of \$3,200,000.

Each unit and flow-through unit were comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.20 for a period of 24 months expiring December 20, 2026. The fair value of the warrants was estimated at \$811,420 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 152%, risk-free interest rate of 3.05%, expected life of 2 years and share price of \$0.145. Issue costs of \$23,645 were allocated to the warrants. The volatility was determined based on the Company's peer group. \$nil was allocated to the flow-through premium.

Finder's fees totaling \$72,000 were paid under the private placement and 450,000 finders' warrants valued at \$18,300 with the same terms as described above were issued and valuation inputs.

Two corporations controlled by a director of the Company subscribed for 11,062,500 flow-through units and three directors of the Company subscribed for 187,500 flow-through units for aggregate gross proceeds of \$1,800,000.

**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

**7. SHARE CAPITAL (Continued)**

(v) On April 30, 2025, the Company completed a first tranche of a non-brokered private placement and issued 1,785,715 units at a price of \$0.14 per unit for aggregate gross proceeds of \$250,000.

Each unit was comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.20 for a period of 24 months expiring April 30, 2027. The fair value of the warrants was estimated at \$60,800 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 155% (based on the Company's historical volatility), risk-free interest rate of 2.47%, expected life of 2 years and share price of \$0.11. Issue costs of \$1,051 were allocated to the warrants.

**8. STOCK OPTIONS**

The Company has a Stock Option Plan (the "Plan") for directors, officers and employees, consultants of the Company. The maximum number of common shares that is issuable under the Plan is fixed at 10% of the number of common shares issued and outstanding. Options expire after a maximum period of ten years following the date of grant. Vesting provisions are determined at the time of each grant.

The following summarizes the stock option activity for the years ended April 30, 2025 and 2024:

|                                                | <b>Number of<br/>Stock Options</b> | <b>Weighted Average<br/>Exercise Price<br/>\$</b> |
|------------------------------------------------|------------------------------------|---------------------------------------------------|
| <b>Balance – April 30, 2023 and April 2024</b> | <b>4,180,000</b>                   | <b>0.43</b>                                       |
| <b>Balance – April 30, 2024</b>                | <b>4,180,000</b>                   | <b>0.43</b>                                       |
| Granted                                        | 3,050,000                          | 0.15                                              |
| Expired                                        | (680,000)                          | 0.10                                              |
| <b>Balance April 30, 2025</b>                  | <b>6,550,000</b>                   | <b>0.34</b>                                       |

At April 30, 2025, the following stock options were outstanding and exercisable:

| <b>Date of Grant</b> | <b>Options<br/>Outstanding<sup>(1)</sup></b> | <b>Exercise<br/>Price (\$)</b> | <b>Grant Date<br/>Fair Value (\$)</b> | <b>Expiry Date</b> | <b>Weighted Average<br/>Remaining<br/>Contractual Life<br/>(years)</b> |
|----------------------|----------------------------------------------|--------------------------------|---------------------------------------|--------------------|------------------------------------------------------------------------|
| February 3, 2023     | 3,500,000                                    | 0.50                           | 983,500                               | February 3, 2028   | 2.76                                                                   |
| December 27, 2024    | 3,050,000                                    | 0.15                           | 414,800                               | December 27, 2029  | 4.66                                                                   |
|                      | <b>6,550,000</b>                             | <b>0.34</b>                    | <b>1,398,300</b>                      |                    | <b>3.65</b>                                                            |

<sup>(1)</sup> All options are exercisable

<sup>(ii)</sup> On December 27, 2024, the Company granted 3,050,000 stock options exercisable at \$0.15 for 5 years to directors and officers of the Company. The grant date fair value of these options of \$414,800 was estimated using the Black Scholes valuation model with the following weighted average assumptions: share price - \$0.15, risk free interest rate - 3.04%, expected volatility - 163%, expected dividend yield - 0%, expected forfeiture rate of - 0% and expected life - 5 years. The volatility was determined based on the Company's peer group. The options vested immediately and the fair value was recorded as share-based payment on the statement of loss for the year ended April 30, 2025.

**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

**9. WARRANTS**

The following summarizes the warrants and finders' warrants activity for the years ended April 30, 2025 and 2024:

|                                         | <b>Number of<br/>Warrants</b> | <b>Grant Date<br/>Fair Value</b> | <b>Weighted<br/>Average<br/>Exercise<br/>Price</b> |
|-----------------------------------------|-------------------------------|----------------------------------|----------------------------------------------------|
| <b>Balance – April 30, 2023</b>         | <b>4,069,104</b>              | <b>\$ 729,787</b>                | <b>\$ 0.60</b>                                     |
| Issued in a private placements (note 7) | 3,500,000                     | 255,265                          | 0.39                                               |
| <b>Balance – April 30, 2024</b>         | <b>7,569,104</b>              | <b>\$ 985,052</b>                | <b>\$ 0.50</b>                                     |
| <b>Balance – April 30, 2024</b>         | <b>7,569,104</b>              | <b>\$ 985,052</b>                | <b>\$ 0.50</b>                                     |
| Expired                                 | (4,069,104)                   | (729,787)                        | 0.60                                               |
| Issued in private placements (note 7)   | 22,816,074                    | 1,609,814                        | 0.20                                               |
| <b>Balance – April 30, 2025</b>         | <b>26,316,074</b>             | <b>\$ 1,865,079</b>              | <b>\$ 0.22</b>                                     |

As at April 30, 2025, the Company had warrants and finders' warrants outstanding as follows:

| <b>Date of Issue</b> | <b>Number of<br/>Warrants</b> | <b>Exercise<br/>Price<br/>(\$)</b> | <b>Fair Value<br/>(\$)</b> | <b>Expiry Date</b> | <b>Remaining<br/>Contractual Life<br/>(years)</b> |
|----------------------|-------------------------------|------------------------------------|----------------------------|--------------------|---------------------------------------------------|
| June 21, 2023        | 1,000,000                     | 0.60                               | 57,919                     | June 21, 2025      | 0.14                                              |
| July 28, 2023        | 2,500,000                     | 0.30                               | 197,346                    | July 28, 2025      | 0.24                                              |
| June 27, 2024        | 11,473,216                    | 0.20                               | 743,990                    | June 27, 2026      | 1.16                                              |
| December 20, 2024    | 10,450,000                    | 0.20                               | 806,075                    | December 20, 2026  | 1.64                                              |
| April 30, 2025       | 892,858                       | 0.20                               | 59,749                     | April 30, 2027     | 2.00                                              |
|                      | <b>26,316,074</b>             | <b>0.22</b>                        | <b>1,865,079</b>           |                    | <b>1.25</b>                                       |

**10. RELATED PARTY TRANSACTIONS**

a) *Remuneration of directors and officers was as follows:*

|                             | <b>Years ended<br/>April 30,</b> |                   |
|-----------------------------|----------------------------------|-------------------|
|                             | <b>2025</b>                      | <b>2024</b>       |
| Fees, salaries and benefits | \$ 295,222                       | \$ 279,988        |
| Share-based payments        | 414,800                          | -                 |
|                             | <b>\$ 710,022</b>                | <b>\$ 279,988</b> |

For the year ended April 30, 2025, the salaries and benefits amount above includes \$79,789 (2024 - \$78,672) for fees invoiced by a corporation controlled by the CFO of the Company for his services. Included in accounts payable and accrued liabilities at April 30, 2025 is \$1,000 (2024- \$1,000) to directors and \$nil (2024 - \$5,978) owed to the CFO. The amounts payable are unsecured, non-interest bearing and are due on demand.

**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

**10. RELATED PARTY TRANSACTIONS (Continued)**

*b) Private Placements*

As part of the flow-through private placement completed on December 20, 2024, two corporations controlled by a director of the Company subscribed for 11,062,500 flow-through units and three directors of the Company subscribed for 187,500 flow-through units for aggregate gross proceeds of \$1,800,000.

As part of the private placement completed on June 27, 2024, a corporation controlled by a director of the Company subscribed for 15,168,750 flow-through units and an officer of the Company subscribed for 312,500 flow-through units for aggregate gross proceeds of \$2,477,000.

As part of the flow-through private placement completed on June 21, 2023, a corporation controlled by a director of the Company subscribed for 2,000,000 flow-through units for gross proceeds of \$1,000,000.

As part of the flow-through private placement completed on July 28, 2023, two directors subscribed for a total of 960,000 units and a corporation controlled by a director of the Company subscribed for 2,860,000 units for aggregate gross proceeds of \$955,000.

*c) Professional Fees*

The following table provides details of expenses included in professional fees for the years ended April 30, 2025 and 2024.

|            | 2025   | 2024   |
|------------|--------|--------|
|            | \$     | \$     |
| Legal fees | 37,848 | 36,009 |

Legal expenses were incurred with a law firm in which a director is a partner.

**11. COMMITMENTS AND CONTINGENCIES**

*Flow-through obligation*

As at April 30, 2025, the Company is required to incur \$643,584 (2024 - \$700,938 ) in qualifying exploration expenditures by December 31, 2025 to meet its flow-through commitments. The following table is a continuity of the flow-through share funding and expenditures along with the corresponding impact on the flow-through share premium liability.

|                                                               | Flow-through<br>funding and<br>expenditure<br>requirements | Flow-through<br>premium<br>liability |
|---------------------------------------------------------------|------------------------------------------------------------|--------------------------------------|
|                                                               | \$                                                         | \$                                   |
| Balance, April 30, 2023                                       | 1,184,055                                                  | 118,491                              |
| Flow-through funds raised and premium recorded as a liability | 2,250,000                                                  | 870,000                              |
| Flow-through expenditures incurred and reduction of liability | (2,733,117)                                                | (554,491)                            |
| <b>Balance, April 30, 2024</b>                                | <b>700,938</b>                                             | <b>434,000</b>                       |
| Flow-through funds raised and premium recorded as a liability | 6,700,000                                                  | 437,250                              |
| Flow-through expenditures incurred and reduction of liability | (6,757,354)                                                | (871,250)                            |
| <b>Balance, April 30, 2025</b>                                | <b>643,584</b>                                             | <b>-</b>                             |

## **11. COMMITMENTS AND CONTINGENCIES (Continued)**

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

### *Management contracts*

The Company entered into agreements for the services of its key executives. Under the agreements, additional payments totaling \$235,000 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the financial statements. The commitment upon termination of the agreement is \$15,000. The minimum commitment due within one year under the terms of the agreements is \$235,000.

### *Environmental*

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

## **12. INCOME TAX**

### *a) Provision for income taxes*

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

|                                                      | <b>2025</b> | <b>2024</b> |
|------------------------------------------------------|-------------|-------------|
| Canadian statutory income tax rate                   | 27%         | 27%         |
|                                                      | \$          | \$          |
| Loss before income tax                               | (6,462,896) | (2,406,875) |
| Expected income tax recovery based on statutory rate | (1,745,000) | (641,000)   |
| Adjustment to expected income tax recovery:          |             |             |
| Share-based compensation                             | 110,000     | -           |
| Share issuance costs                                 | (37,000)    | (7,000)     |
| Flow-through renunciation                            | 1,366,000   | 188,000     |
| Change in unrecorded deferred tax assets recognized  | 306,000     | 460,000     |
| Deferred income tax provision (recovery)             | -           | -           |

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**ABASCA RESOURCES INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**APRIL 30, 2025 AND 2024**  
(Expressed in Canadian Dollars)

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*b) Deferred income tax*

Unrecognized deferred tax assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

|                                 | <b>2025</b>      | <b>2024</b>      |
|---------------------------------|------------------|------------------|
|                                 | \$               | \$               |
| Non-capital loss carry forwards | 1,577,000        | 1,381,000        |
| Shares issuance costs           | 73,000           | 37,000           |
| Mineral property costs          | 3,143,000        | 4,389,000        |
| Other temporary differences     | 47,000           | 7,000            |
|                                 | <b>4,840,000</b> | <b>5,814,000</b> |

The tax losses expire from 2038 to 2045. The other temporary differences do not expire under current legislation.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

**13. SUBSEQUENT EVENTS**

a) On June 6, 2025, the Company closed the 2<sup>nd</sup> tranche of a non-brokered private placement with aggregate gross proceeds of \$1,000,000 and issued 6,250,000 flow-through units of the Company at a price of \$0.16 per unit. All flow-through units were comprised of one common share of the Company and one-half of one non-transferable common share purchase warrant with each full warrant entitling the holder thereof to purchase one common share at an exercise price of \$0.20 per warrant for a period of 24 months expiring on June 6, 2027. Three corporations controlled by a director of the Company subscribed for 6,150,000 flow-through units for aggregate gross proceeds of \$984,000.

b) On June 21, 2025, 1,000,000 warrants exercisable at \$0.60 expired unexercised.

**END OF NOTES TO FINANCIAL STATEMENTS**