



**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS
ENDED AUGUST 31, 2024 AND 2023
(expressed in Canadian Dollars)**

**NOTICE OF NO AUDITOR REVIEW
OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED AUGUST 31, 2024 & 2023**

The accompanying condensed interim consolidated financial statements of Stuhini Exploration Ltd. (the “Company”) for the three and six months ended August 31, 2024 and 2023, 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 consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of the condensed interim consolidated statements by an entity’s auditor. These unaudited condensed interim consolidated financial statements include all adjustments, consisting of normal and recurring items, that management considers necessary for a fair presentation of the financial position, results of operations and cash flows.

STUHINI EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)



As at	Note	August 31, 2024	February 29, 2024
ASSETS			
Current			
Cash and cash equivalents	5	\$ 624,978	\$ 885,340
Short-term investment	6	500,000	500,000
Amounts receivable	7	48,439	86,145
Prepaid expenses	8	115,590	117,124
Marketable securities	9	100,000	100,000
Total current		1,389,007	1,688,609
Exploration and evaluation assets	10	9,911,995	9,822,067
Reclamation bonds	10	185,963	185,963
Equipment		877	1,056
Total assets		\$ 11,487,842	\$ 11,697,695
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable		\$ 52,270	\$ 7,150
Accrued liabilities		14,469	61,378
Due to related parties	12	62,807	34,159
Total current		129,546	102,687
Deferred tax liability		123,000	178,000
Total liabilities		252,546	280,687
Shareholders' equity			
Share capital	11	13,840,122	13,816,997
Reserves	11	1,128,027	1,036,076
Deficit		(3,732,853)	(3,436,065)
Total shareholders' equity		11,235,296	11,417,008
Total liabilities and shareholders' equity		\$ 11,487,842	\$ 11,697,695

Nature and continuance of operations (Note 1)
Subsequent events (Notes 1 and 10)

Approved and authorized for issuance on behalf of the Board of Directors on October 25, 2024:

“David O’Brien”
David O’Brien, Director

“Josef Anthony Fogarassy”
Josef Anthony Fogarassy, Director

STUHINI EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)



		Three months ended		Six months ended	
		August 31,		August 31,	
	Note	2024	2023	2024	2023
Expenses:					
Advertising and promotion		\$ 18,878	\$ 33,347	\$ 57,653	\$ 80,374
Amortization		74	105	179	220
Consulting fees	12	37,068	61,408	82,706	205,770
Office expenses		6,681	7,460	14,783	13,880
Project investigation costs	12	27,427	960	44,546	3,560
Professional fees	12	16,574	46,644	39,306	80,661
Regulatory fees		16,861	19,756	30,361	28,311
Share-based compensation	11,12	42,723	72,511	91,793	212,188
Travel, meals, and entertainment		13,246	2,594	25,177	8,211
Operating expenses		(179,532)	(244,785)	(386,504)	(633,175)
Other items					
Unrealized gain/(loss) on marketable securities	9	-	15,000	-	(20,000)
Recovery of flow-through share premium liabilities		-	-	-	11,044
Interest earned	5,6	13,316	-	34,716	-
Net loss before income taxes		(166,216)	(229,785)	(351,788)	(642,131)
Income tax – deferred		51,000	24,000	55,000	50,000
Net and comprehensive loss		\$ (115,216)	\$ (205,785)	\$ (296,788)	\$ (592,131)
Loss per share, basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding; basic and diluted		46,480,411	46,260,302	46,392,911	44,766,620

STUHINI EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)



	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, February 28, 2023	38,492,911	\$ 10,877,958	\$ 681,661	\$ (2,395,646)	\$ 9,163,973
Private placements	6,000,000	2,400,000	-	-	2,400,000
Share issuance costs	-	(61,086)	3,750	-	(57,336)
Shares issued for property	1,862,500	600,125	-	-	600,125
Share-based compensation	-	-	263,328	-	263,328
Net loss for the period ended	-	-	-	(592,131)	(592,131)
Balance, August 31, 2023	46,355,411	\$ 13,816,997	\$ 948,739	\$ (2,987,777)	\$ 11,777,959
Balance, February 29, 2024	46,355,411	\$ 13,816,997	\$1,036,076	\$ (3,436,065)	\$ 11,417,008
Shares issued for property	125,000	23,125	-	-	23,125
Share-based compensation	-	-	91,951	-	91,951
Net loss for the period ended	-	-	-	(296,788)	(296,788)
Balance, August 31, 2024	46,480,411	\$ 13,840,122	\$ 1,128,027	\$ (3,732,853)	\$ 11,235,296

STUHINI EXPLORATION LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)



	Six months ended	
	August 31,	
	2024	2023
Cash flows used in operating activities		
Loss for the period	\$ (296,788)	\$ (592,131)
Items not affecting cash used in operations		
Amortization	179	220
Income taxes	(55,000)	(50,000)
Recovery of flow-through share premium liabilities	-	(11,044)
Share-based compensation	91,951	263,328
Unrealized loss on marketable securities	-	20,000
Changes in non-cash working capital items		
Amounts receivable	37,706	76,413
Prepaid expenses	1,534	9,675
Accounts payable	17,787	(1,047)
Accrued liabilities	(48,446)	(31,638)
Due to related parties	(1,240)	3,776
Net cash used in operating activities	(252,317)	(312,448)
Cash flows used in investing activities		
Exploration and evaluation assets, net of tax credits	(8,045)	(1,025,447)
Funds paid for reclamation bond	-	(100,000)
Net cash used in investing activities	(8,045)	(1,125,447)
Cash flows provided by financing activities		
Issuance of shares for cash, net of issuance costs	-	2,342,664
Net cash provided by financing activities	-	2,342,664
Change in cash and cash equivalents	(260,362)	904,769
Cash and cash equivalents, beginning	885,340	960,451
Cash and cash equivalents, ending	\$ 624,978	\$ 1,865,220
Non-cash transactions:		
Shares issued for property	\$ 23,125	\$ 62,250
Deferred exploration costs included in accounts payable and amounts due to related parties	\$ 58,758	\$ -

STUHINI EXPLORATION LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED AUGUST 31, 2024 AND 2023

(Expressed in Canadian Dollars)

(Unaudited)



1. NATURE AND CONTINUANCE OF OPERATIONS

Stuhini Exploration Ltd. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on July 7, 2017. The Company is focused on acquisition, exploration, and development of mineral properties in Western Canada, namely the Provinces of British Columbia (“BC”) and Manitoba, and the Yukon. The Company’s shares (“Common Shares”) are traded on the TSX Venture Exchange (the “Exchange”) under the symbol “STU” and, as of September 6, 2023, the Company’s Common Shares are also traded on OTCQB under the symbol “STXPF”. On April 4, 2022, the Company incorporated Arizada Metals Corp. (“Arizada”) under the Arizona Business Corporations Act. The Company holds 100% of the issued and outstanding shares of Arizada, which has executed an option agreement to acquire mineral exploration properties in Arizona, USA (Note 10). Subsequent to August 31, 2024, on October 23, 2024, the Company incorporated Stuhini Nevada Ltd. (“Stuhini Nevada”) under the Nevada Business Corporations Act. The Company holds 100% of the issued and outstanding shares of Stuhini Nevada.

The Company’s head office and registered records office address is 1245 Broadway W., Unit 105, Vancouver, BC V6H 1G7.

These condensed interim consolidated financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company’s ability to realize its assets and discharge its liabilities is dependent upon the Company obtaining the necessary financing and ultimately upon its ability to achieve profitable operations. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

Failure to arrange adequate financing on acceptable terms and/or achieve profitability may have an adverse effect on the financial position, results of operations, cash flows and prospects of the Company. These condensed interim consolidated financial statements do not give effect to adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going-concern. These adjustments could be material.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

Statement of Compliance and Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with accounting policies consistent with International Financial Reporting Standards (“IFRS”) IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The condensed interim consolidated financial statements, prepared in conformity with accounting policies consistent with IAS 34, follow the same accounting principles and methods of application as the most recent audited consolidated financial statements. Since the condensed interim consolidated financial statements do not include all disclosures required by the IFRS for annual financial statements, they should be read in conjunction with the Company’s audited consolidated financial statements for the year ended February 29, 2024.

The condensed interim consolidated financial statements were authorized for issue by the board of directors on October 25, 2024.

Basis of Presentation and Consolidation

The condensed interim consolidated financial statements of the Company as at and for the three- and six-month periods ended August 31, 2024 and 2023, comprise the Company and its wholly-owned subsidiary, Arizada, (together referred to as “Stuhini” or the “Company”). Arizada is consolidated from the date of its incorporation, as Stuhini is the sole shareholder and therefore has the control and power to govern the financial and operating policies of Arizada as to obtain benefits from its activities. The Company will continue to consolidate until the date Stuhini no longer has control over Arizada. The financial statements of

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(Unaudited)



Arizada and are prepared for the same reporting period as the parent company, using consistent accounting policies. Balances, transactions, income and expenses between Stuhini and Arizada are eliminated on consolidation.

The condensed interim consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except certain financial instruments, which are recorded at fair value. All amounts are expressed in Canadian dollars.

The preparation of condensed interim consolidated financial statements in compliance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year. Actual results could differ from these estimates. The areas involving significant assumptions and estimates are disclosed in Note 3.

Functional and Presentation Currencies

The functional currency of the Company is the Canadian dollar. The functional currency of the Company's subsidiary, Arizada, is also the Canadian dollar, which is determined to be the currency of the primary economic environment in which Arizada operates.

Accounting Standards Issued but not yet Effective

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective up to the date of issuance of the Company's condensed interim consolidated financial statements. The Company intends to adopt the standards when they become effective. The Company has not yet determined the impact of these standards on its consolidated financial statements but does not anticipate that the impact will be significant.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgments in applying accounting policies

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- the classification/allocation of expenses as exploration and evaluation expenditures or operating expenses;
- the classification and measurement of the Company's financial assets and liabilities;
- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the determination whether there have been any events or changes in circumstances that indicate the impairment of its exploration and evaluations assets.

Key sources of estimation uncertainty include the following:

- the recoverability of the carrying value of exploration and evaluation assets when impairment indicators exist;
- recoverability and measurement of deferred tax assets;
- provisions for restoration and environmental obligations and contingent liabilities; and
- measurement of share-based payments.

4. FINANCIAL INSTRUMENTS AND RISKS

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 at the fair value hierarchy are:

Level 1 — quoted prices in active markets for identical assets and liabilities.

Level 2 — observable inputs other than quoted prices in active markets for identical assets and liabilities.

Level 3 — unobservable inputs in which there is little or no market data available, which require the reporting entity to develop its own assumptions.

Categories of financial instruments

As at:	August 31, 2024	February 29, 2024
Financial assets:		
FVTPL		
Cash and cash equivalents	\$ 624,978	\$ 885,340
Short-term investment	\$ 500,000	\$ 500,000
Marketable securities	\$ 100,000	\$ 100,000
Amounts receivable	\$ 115,590	\$ 86,145
Reclamation bonds	\$ 185,963	\$ 185,963
Financial liabilities:		
Amortized cost		
Accounts payable	\$ 52,270	\$ 7,150
Accrued liabilities	\$ 14,469	\$ 61,378
Due to related parties	\$ 62,807	\$ 34,159

Assets and liabilities measured at fair value on a recurring basis:

As at August 31, 2024	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 624,978	\$ -	\$ -	\$ 624,978
Short-term investment	500,000	-	-	500,000
Marketable securities	100,000	-	-	100,000
	\$ 1,224,978	\$ -	\$ -	\$ 1,224,978

Accounts payable, accrued liabilities, and due to related parties approximate their fair value due to the short-term nature of these instruments.

Risk management

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. Management, the Board of Directors, and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk:

Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash, which is held with a high-credit quality financial institution and amounts receivable from the Government of Canada. As such, the Company's credit risk exposure is minimal.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at August 31, 2024, the Company had a total of \$1,000,000 invested in short-term guaranteed

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investment certificates (“GIC”) with varying maturities, which are held at the major Canadian banking institution (Notes 5 and 6). Aside from the funds held in GICs, as at August 31, 2024, the Company had no other interest accumulating financial assets that could become susceptible to interest rate fluctuations. The Company believes that the interest rate risk continues to be low.

ii. Currency risk:

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company’s main operations currently are in Canada; the Company does not have a permanent presence, other than the required statutory agent, in Arizona. The Company holds its cash in Canadian dollars and pays its US vendors by converting its Canadian dollar cash to the US dollars on as needed basis. A significant change in the currency exchange rates between the Canadian dollar relative to US dollar could have an effect on the Company’s results of operations, financial position, and/or cash flows. At August 31, 2024, the Company had no hedging agreements in place with respect to foreign exchange rates. As the majority of the transactions of the Company are denominated in Canadian dollars, movements in the foreign exchange rates are not expected to have a material impact on the consolidated statements of comprehensive loss.

iii. Equity price risk:

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the levels of equity indices and the value of individual stocks. The Company is exposed to equity price risk as a result of its investment in marketable securities following the sale of the Metla Property in exchange for common shares of Brixton Metals Corporation (Notes 9 and 10). The Company closely monitors the commodity markets and the stock market generally as well as individual equity movements in order to determine the appropriate course of action to be taken with respect to its interest in marketable securities.

Liquidity risk:

Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure. As at August 31, 2024, the Company had cash and cash equivalents of \$624,978 to settle current financial liabilities of \$129,546.

The following table details the remaining contractual maturities of the Company’s financial liabilities as of August 31, 2024:

	Within 1 year	1-5 years	5+ years
Accounts payable	\$ 52,270	\$ -	\$ -
Accrued liabilities	14,469	-	-
Amounts due to related parties	62,807	-	-
	\$ 129,546	\$ -	\$ -

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

	August 31, 2024	February 29, 2024
Cash at bank and on hand	\$ 124,978	\$ 185,340
Cash held in short-term guaranteed investment certificates (“GIC”)	500,000	700,000
Total cash and cash equivalents	\$ 624,978	\$ 885,340

Cash at bank earns interest at floating rates based on daily bank deposit rates. Cash in GIC is deposited for varying periods of between three and twelve months, depending on the immediate cash requirements of the Company, and earns interest at the respective short-term deposit rates. For the six-month period ended August 31, 2024, the Company recorded an interest income of \$13,353 on cash held in GIC (August 31, 2023 - \$Nil). During the six-month period ended August 31, 2024, the Company reinvested \$15,606 earned in interest into the GIC and transferred \$223,741 into regular bank account reducing the principal held in GIC to \$500,000. As at August 31, 2024, the Company recorded \$3,955 interest receivable on the balance in GIC (February 29, 2024 - \$14,344) (Note 7).

The Company deposits cash only with major Canadian banking institution of high-quality credit standing.

STUHINI EXPLORATION LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

THREE AND SIX MONTHS ENDED AUGUST 31, 2024 AND 2023

(Expressed in Canadian Dollars)

(Unaudited)

**6. SHORT-TERM INVESTMENT**

Short-term investment consists of \$500,000 non-redeemable 12-month GIC with an annual interest rate of 5.7%, maturing on September 6, 2024. For the six-month period ended August 31, 2024, the Company recorded an interest income of \$14,290 on cash held in non-redeemable GIC (August 31, 2023 - \$Nil). As at August 31, 2024, \$28,033 were included in amounts receivable (February 29, 2024 - \$13,742) (Note 7).

Subsequent to August 31, 2024, the Company cashed in \$500,000 GIC and \$28,500 in accrued interest thereon on its maturity, of which \$300,000 were reinvested into a 100-day cashable GIC with an annual interest rate of 4.2%, maturing on December 15, 2024, and renewable automatically.

7. AMOUNTS RECEIVABLE

Amounts receivable consisted of the following:

	August 31, 2024	February 29, 2024
GST receivable	\$ 16,451	\$ 58,059
Interest earned on redeemable GIC (Note 5)	3,955	14,344
Interest earned on short-term investment held in GIC (Note 6)	28,033	13,742
Total amounts receivable	\$ 48,439	\$ 86,145

8. PREPAID EXPENSES

Prepaid expenses consisted of the following:

	August 31, 2024	February 29, 2024
Prepaid exploration costs	\$ 58,587	\$ 50,799
Prepaid operating expenses	57,003	66,325
Total prepaid expenses	\$ 115,590	\$ 117,124

9. MARKETABLE SECURITIES

The Company's marketable securities consist of 1,000,000 common shares of Brixton Metals Corporation (the "BBB Shares") valued at \$100,000 (February 29, 2024 - \$100,000). As at August 31, 2024, and May 31, 2024, BBB Share price was \$0.10 and was the same as on February 29, 2024; therefore, the Company did not recognize any unrealized loss or gain associated with its investment in BBB Shares (August 31, 2023 - \$20,000 loss).

STUHINI EXPLORATION LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

THREE AND SIX MONTHS ENDED AUGUST 31, 2024 AND 2023

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**10. EXPLORATION AND EVALUATION ASSETS**

Exploration and evaluation assets (“E&E Assets”) consist of the Ruby Creek, the Que, the South Thompson, the Big Ledge and the Lindsay Properties. The costs incurred on the Company’s exploration and evaluation assets are summarized as follows:

As at August 31, 2024	Ruby Creek Property	Que Property	South Thompson Property	Big Ledge Property	Lindsay Property	Total
Total E&E Assets, February 29, 2024	\$ 9,024,980	\$ 394,058	\$ 57,552	\$ 289,183	\$ 56,294	\$9,822,067
Option payments - cash	-	35,000	-	-	14,000	49,000
Option payments – shares	-	23,125	-	-	-	23,125
Other acquisition costs	(19,800)	-	-	-	3,507	(16,293)
Additions, acquisition costs	(19,800)	58,125	-	-	17,507	55,832
Deferred exploration costs:						
Assaying	13,720	-	-	27,333	-	41,053
Camp and travel	-	30,022	-	2,940	-	32,962
Equipment use/rental	5,930	-	-	600	-	6,530
Geology	3,620	2,597	-	36,450	3,467	46,134
Other deferred exploration costs	-	4,200	-	-	-	4,200
Additions, deferred exploration costs	23,270	36,819	-	67,323	3,467	130,879
Exploration tax credits received	(46,557)	-	-	(50,226)	-	(96,783)
Total E&E Assets, August 31, 2024	\$ 8,981,893	\$ 489,002	\$ 57,552	\$ 306,280	\$ 77,268	\$9,911,995
<hr/>						
As at February 29, 2024	Ruby Creek Property	Que Property	South Thompson Property	Big Ledge Property	Lindsay Property	Total
Total E&E Assets, February 28, 2023	\$ 7,528,034	\$ 320,235	\$ 41,762	\$ 248,903	\$ 52,955	\$8,191,889
Mineral tenure/lease payments	49,320	-	-	-	-	49,320
Acquisition/option payments	1,186,698	66,375	15,790	-	44,064	1,312,927
Write-off	-	-	-	-	(74,065)	(74,065)
Additions, acquisition costs	1,236,018	66,375	15,790	-	(30,001)	1,288,182
Deferred exploration costs:						
Assaying	28,852	-	-	94	-	28,946
Camp and travel	96,976	-	-	1,855	26,156	124,987
Equipment use/rental	84,665	-	-	1,881	15,394	101,940
Geology	148,672	7,448	-	58,794	50,742	265,656
Write-off	-	-	-	-	(58,952)	(58,952)
Additions, deferred exploration costs	359,165	7,448	-	62,624	33,340	462,577
Exploration tax credits received	(98,237)	-	-	(22,344)	-	(120,581)
Total E&E Assets, February 29, 2024	\$ 9,024,980	\$ 394,058	\$ 57,552	\$ 289,183	\$ 56,294	\$9,822,067

In addition to the above property acquisition and deferred exploration costs, at August 31, 2024, the Company had \$58,587 in prepayments on the future exploration programs on its mineral properties (February 29, 2024 - \$50,799), which were recorded as part of prepaid expenses (Note 8).

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(Unaudited)

**Ruby Creek Property**

On July 30, 2019, the Company entered into an option agreement (the “Ruby Creek Option Agreement”) with Global Drilling Solutions Inc. (“Global Drilling”), a private BC corporation wholly owned by Barry Hanslit, the Company’s co-founder and a major shareholder, whereby the Company was granted a right to acquire a 100% interest in Global Drilling’s Ruby Creek Property (the “Ruby Creek Option”). The Ruby Creek Property is located within the Atlin Mining Division of BC approximately 20 kilometres (“km”) east of Atlin and, as initially acquired, consisted of 49 contiguous mineral claims of which one is a mining lease.

Based on the Ruby Creek Option Agreement, to fully exercise its Ruby Creek Option, the Company was required to issue a total of 7,300,000 Common Shares and make cash payments for a total of \$1,060,000 over a four-year term, as detailed in the table below. The Company fully exercised its Ruby Creek Option on June 5, 2023. Upon exercise of the Ruby Creek Option, Global Drilling continues to hold a 1% net smelter returns royalty (“NSR”) on portions of the Ruby Creek Property originally optioned by Global Drilling to the Company.

Date	Common Shares Issued	Cash Payments Made
December 31, 2019	800,000	\$ -
On or before December 31, 2020	1,250,000	-
On or before December 31, 2021	1,750,000	120,000
On or before December 31, 2022	1,750,000	300,000
On or before December 31, 2023	1,750,000	640,000
Total	7,300,000	\$ 1,060,000

In September of 2020, the Company staked additional claims contiguous to the Ruby Creek Property, which were added to the original claims. In July of 2021, with a cash payment of \$60,000, the Company acquired from Brixton Metals Corporation (“Brixton”) five (5) additional mineral claims (the “Island Claims”) that are contiguous with the Ruby Creek Property. 1% NSR is retained by Brixton and 1% NSR is retained by third parties from whom Brixton originally acquired these claims. In February of 2023, the Company staked an additional claim contiguous to the Ruby Creek Property which was also added to the original Ruby Creek Property. In September of 2023, the Company staked two new claims which were added to the Ruby Creek Property increasing total claims to 58 claims. On June 3, 2024, the Company entered into a purchase and sale agreement to sell these two new claims for a one-time cash payment of \$20,000 and a 0.5% NSR. The Company received the cash payment on June 11, 2024, at which point the claims were transferred to the purchaser.

The mineral lease, associated with the historical Molybdenum deposit, included as part of the Ruby Creek Property is subject to an annual flat fee lease payment of \$49,320 with no work requirement. The Company decided to renew the 2024/25 year lease in February of 2024, ahead of schedule, extending the lease until March 27, 2025. The \$49,320 annual lease payment was included in the Company’s property acquisition costs for the year ended February 29, 2024.

During the six-month period ended August 31, 2024, the Company spent \$23,270 (February 29, 2024 - \$359,165) in deferred exploration costs associated with the exploratory, drilling, and mine development programs on Ruby Creek Property. During the six-month period ended August 31, 2024, the Canada Revenue Agency issued an exploration tax refund for the eligible exploration expenses on the Ruby Creek Property totalling \$46,557, which was used to reduce the deferred exploration costs (February 29, 2024 - \$98,237).

As at August 31, 2024, the Company had a total of \$125,000 in reclamation bonds on deposit with the BC Ministry of Energy, Mines and Low Carbon Innovation in connection with the Ruby Creek Property.

Que Property

On February 17, 2020, the Company entered into an option agreement (the “Que Option Agreement”) whereby the Company was granted the right to acquire a 100% interest in the Que Property (the “Que Option”) located in southcentral Yukon. To fully exercise the Que Option, the Company is required to make the following options payments:

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(Unaudited)



Date	Common Shares	Cash Payment
April 1, 2020 (Common Shares issued)	200,000	\$ -
1 st Anniversary of approval (Common Shares issued)	50,000	-
2 nd Anniversary of approval (Common Shares issued)	75,000	-
3 rd Anniversary of approval (Common Shares issued)	112,500	-
4 th Anniversary of approval (Common Shares issued, cash payment made) ⁽¹⁾	125,000	35,000
5 th Anniversary of approval	375,000	60,000
Total	937,500	\$ 95,000

(1) The Company issued 125,000 Common Shares representing the 4th anniversary option payment on March 19, 2024. The Common Shares were valued at \$23,125.

During the year ended February 28, 2021, the Company staked an additional 96 claims bringing the entire claims package to 204 claims.

During the six-month period ended August 31, 2024, the Company spent \$36,819 (February 29, 2024 - \$7,448) in deferred exploration costs associated with the exploratory program on the Que Property.

South Thompson Property

In 2021, the Company acquired through staking seven MELs ("Mineral Exploration Licenses") covering 47,509 ha along the southern extent of the Thompson Nickel Belt, approximately 35 km northwest of Grand Rapids, Manitoba. The Company paid \$2,807 in staking fees and \$23,754 as a reclamation bond on the claims. In 2022, the Company applied for a 5-year mineral license for an additional MEL with a goal to consolidate its areas of interest under one MEL. The application was approved on September 13, 2022, and the Company was granted a five-year mineral exploration license on an additional 15,368 ha. The Company paid \$401 in staking fees, and \$17,745 as a reclamation bond associated with the new claim. Upon approval of the new claim, the Company dropped four of the previous seven MEL's outside the consolidated area and consolidated the remaining claims under the newly approved 30,336 ha MEL.

On May 23, 2023, the Company entered into a net smelter returns royalty agreement (the "NSR Agreement") with Mr. Lindsay, the Company's consultant and the Que Property optionor ("Lindsay"), in recognition of the information Lindsay provided to the Company that enabled the Company to identify the South Thompson Property. As a result, the Company agreed to compensate Lindsay by granting him a 1% NSR royalty (the "Manitoba NSR Royalty") in respect of all concentrates and ores produced from the South Thompson Property, with an option to repurchase at any time 0.5% of the Manitoba NSR Royalty for a consideration of \$50,000.

The Company did not have any deferred exploration costs associated with the South Thompson Property during the six-month period ended August 31, 2024, and for the year ended February 29, 2024.

As at August 31, 2024, the Company had a \$41,500 reclamation bond on deposit with the Manitoba Ministry of Innovation, Energy and Mines in connection with the South Thompson Property.

Big Ledge Property

On July 26, 2021, the Company acquired the Big Ledge Property located in southeast BC approximately 57 km south of the city of Revelstoke.

During the six-month period ended August 31, 2024, the Company spent \$67,323 in deferred exploration costs associated with the exploratory program on the Big Ledge Property (February 29, 2024 - \$62,624). During the same period, the Canada Revenue Agency issued an exploration tax refund for the eligible exploration expenses on the Big Ledge Property totalling \$50,226, which was used to reduce the deferred exploration costs (February 29, 2024 - \$22,344).

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**Lindsay Property**

In June 2022, the Company, through Arizada, acquired by staking and through the acquisition of Mineral Exploration Permits, four properties, covering a total of 3,781 ha, in the southeast quadrant of Arizona (the “Arizona Properties”). The Company paid \$52,213 in staking and permitting fees associated with the Arizona Properties. During the year ended February 29, 2024, the Company paid an additional \$4,079 to renew its permits associated with the Arizona Properties.

On May 23, 2023, the Company entered into a purchase agreement with a vendor (the “Purchase Agreement”) for the acquisition of strategic information and access to a proprietary database of mineral prospects in Arizona and Manitoba (“Strategic Information”). The Company made a \$35,000 cash payment on signing of the Purchase Agreement and agreed to additional annual cash payments in respect of each Arizona property for a total of \$620,000 (provided the Company has not abandoned such properties prior thereto) expiring on May 25, 2027. The Company also agreed to 1% net smelter returns royalty (the “NSR Royalty”) in respect of all ores and concentrates produced from the Arizona Properties upon achieving commercial production, with an option to repurchase 0.5% NSR Royalty on any of the four Arizona Properties for consideration of \$1,000,000 per Arizona Property.

During May and June of 2023, the Company carried out a fieldwork program on Arizona claims. As a result of the fieldwork, three of the Arizona Properties were allowed to lapse and the remaining Lindsay Property was reduced in size to four claims totalling 1,285 ha (the “Lindsay Property”).

During the six-month period ended August 31, 2024, the Company made the first annual payment pursuant to the Purchase Agreement totalling \$14,000 for the Lindsay Property, and paid an additional \$3,507 in annual permitting fees. In addition, during the same period, the Company spent \$3,467 in deferred exploration costs associated with the Lindsay Property (February 29, 2024 - \$92,292, which were spent on all Properties initially acquired in Arizona).

Should the Company wish to continue with the option agreement, it is committed, solely at the Company’s election, to making the following cash payments for the Lindsay Property:

Date	Cash Payment
Initial payment on signing of the Purchase Agreement (Paid)	\$ 35,000
1 st Anniversary payment (Paid)	14,000
2 nd Anniversary payment	28,000
3 rd Anniversary payment	56,000
4 th Anniversary payment	112,000
Total	\$ 246,000

In connection with its mineral properties in Arizona the Company was required to put up a \$19,463 (US\$15,000) one-time reclamation bond with the Arizona State Land Department.

Metla Property

As at August 31, 2024, and February 29, 2024, the Company held a 1.0% NSR on the Metla Property, a mineral property the Company sold to Brixton Metals Corporation in 2020.

11. SHARE CAPITAL**Authorized share capital**

Unlimited number of Common Shares without par value.

Share issuances during the six-month period ended August 31, 2024

On March 19, 2024, the Company issued 125,000 Common Shares pursuant to the Que Option Agreement. The Common Shares were valued at \$23,125 (Note 10).

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**Stock purchase options**

The Company has adopted a Rolling Stock Option Plan (the “Plan”) pursuant to which options may be granted to directors, officers, employees, and consultants of the Company. Under the terms of the Plan, the Company can issue a maximum of 10% of the issued and outstanding Common Shares at the time of the grant. Options granted under the Plan, including vesting and the term, are determined by, and at the discretion of, the Board of Directors.

A continuity of options are as follows:

	Six months ended August 31, 2024		Year ended February 29, 2024	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Options outstanding, beginning	3,210,000	\$0.45	3,470,000	\$0.45
Granted	-	n/a	1,070,000	\$0.24
Expired	(595,000)	\$0.30	(1,330,000)	\$0.55
Options outstanding, ending	2,615,000	\$0.35	3,210,000	\$0.34
Options exercisable, ending	2,130,000	\$0.38	2,215,000	\$0.40

The options outstanding and exercisable at August 31, 2024, are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Weighted Average Remaining Life	Expiry Date
345,000	345,000	\$ 0.25	0.50	February 28, 2025
1,200,000	1,200,000	\$ 0.48	1.41	January 26, 2026
100,000	100,000	\$ 0.50	1.51	March 6, 2026
970,000	485,000	\$ 0.21	1.89	July 23, 2026
2,615,000	2,130,000	\$ 0.35	1.47	

The total share-based compensation related to the vesting of the options the Company granted during the years ended February 29, 2024, and February 28, 2023, was determined to be \$91,951 (August 31, 2023 - \$263,328). Of the total share-based compensation, \$158 (August 31, 2023 - \$29,727) was recorded as consulting expenses, and \$Nil (August 31, 2023 - \$21,413) was recorded as advertising and promotion expenses.

Stock purchase warrants

A continuity of warrants are as follows:

	Six months ended August 31, 2024		Year ended February 29, 2024	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning	8,398,370	\$0.47	5,375,420	\$0.46
Issued	-	n/a	3,022,950	\$0.50
Expired	(43,243)	\$0.50	-	n/a
Warrants outstanding, ending	8,355,127	\$0.47	8,398,370	\$0.47

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The warrants outstanding and exercisable at August 31, 2024, are as follows:

Number of Warrants Outstanding	Exercise Price	Weighted Average Remaining Life	Expiry Date
1,148,750 ⁽²⁾	\$ 0.60	0.18	August 4, 2026
1,111,316 ⁽²⁾	\$ 0.60	0.22	August 19, 2026
1,969,091	\$ 0.35	0.56	December 20, 2026
32,000 ⁽¹⁾	\$ 0.35	0.56	December 20, 2026
1,030,908	\$ 0.35	0.62	January 13, 2025
40,112 ⁽¹⁾	\$ 0.35	0.62	January 13, 2025
3,000,000	\$ 0.50	0.79	March 17, 2025
22,950 ⁽¹⁾	\$ 0.50	0.79	March 17, 2025
8,355,127	\$ 0.47	0.55	

⁽¹⁾ Finders' warrants

⁽²⁾ These warrants have been extended from the original expiry date on August 4th 2024, and August 19th 2024 by two additional years, resulting in expiry dates of August 4th 2026, and August 19th 2026, respectively. All other terms of extended warrants remained unchanged.

12. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, key management personnel, close family members and enterprises that are controlled by these individuals. Key management personnel are those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

The Company incurred the following transactions with related parties, including key management personnel:

	August 31, 2024	August 31, 2023
	\$	
Consulting fees paid or accrued to the Company's CEO	15,333	\$ 12,834
Accounting fees paid or accrued to the Company's CFO	10,360	13,230
Consulting and investor relations fees paid to the Company's Corporate Secretary	17,283	19,779
Deferred exploration costs and general business consulting fees paid or accrued to an entity controlled by the Company's VP of Exploration and Project Development	47,035	66,615
Project management fees and deferred exploration costs paid or accrued to an entity controlled by the common-law spouse of the Company's co-founder and major shareholder	-	14,253
Deferred exploration costs and general business consulting fees paid or accrued to a director of the Company	4,500	4,570
Consulting fees paid or accrued to an entity controlled by a director of the Company	2,500	833
Consulting fees accrued to a director	-	833
Share-based compensation for options granted to directors and officers	78,546	167,414
Total related party transactions	\$ 175,557	\$ 300,361

Amounts due to related parties consist of amounts owed directly to the officers and directors of the Company, or to the companies controlled by them, for the professional services provided by them. These amounts are unsecured, non-interest bearing, and due on demand. At August 31, 2024, the Company owed a total of \$62,807 (February 29, 2024 - \$34,159) to its related parties.