

DLP RESOURCES INC.

Consolidated Financial Statements **For the Years ended April 30, 2025 and 2024** **(Audited)**

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DLP Resources Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

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

In our opinion, the accompanying consolidated 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 IFRS Accounting 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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our 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 consolidated financial statements, which indicates that the Company has no source of operating revenues, has not yet achieved profitable operations and expects to incur further losses in the development of its business. As stated in Note 1, the Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to complete its exploration projects by issuance of share capital or through joint ventures, and/or proceeds from the disposition of a property. These matters, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Mineral property assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to note 2(d) – Judgements and estimates, note 3(a) – Accounting policy for Exploration and evaluation</i>	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:

Management assesses at each reporting period whether there is an indication that the carrying value of mineral property assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the mineral property asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment.
- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.
- Confirmed that the Company's right to explore the properties had not expired.
- Obtained management's written representations regarding the Company's future plans for the mineral property assets.
- Assessed the reasonability of the Company's financial statement disclosure regarding their mineral property assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Consolidated Financial Statements

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

In preparing the consolidated 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 to 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 risk 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 consolidated 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 on the audit resulting in this independent auditor's report is James Roxburgh.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
August 26, 2025

DLP RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Audited)

STATEMENT OF FINANCIAL POSITION
(Canadian Dollars)

	Notes	April 30, 2025	April 30, 2024
ASSETS			
Current			
Cash		\$ 820,630	\$ 1,286,839
Receivables		35,305	19,213
Prepaid expenses and advances		9,561	76,749
Total Current Assets		865,496	1,382,801
IGV receivable	4	396,199	-
Mineral properties	5	1,041,417	782,784
Property, plant and equipment	7	38,173	55,688
Reclamation deposits	6	150,931	150,931
Total Non-Current Assets		1,626,720	989,403
Total Assets		\$ 2,492,216	\$ 2,372,204
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Trade and other payables	10	\$ 124,740	\$ 425,354
Total Current Liabilities		124,740	425,354
Total Liabilities		124,740	425,354
Shareholders' Equity			
Share capital	8	18,857,377	14,326,001
Share-based payment reserves	9	7,162,096	3,321,391
Shares subscribed	8	-	801,982
Accumulated deficit		(23,651,997)	(16,502,524)
Total Shareholders' Equity		2,367,476	1,946,850
Total Liabilities and Shareholders' Equity		\$ 2,492,216	\$ 2,372,204

Nature of operations and going concern (Note 1)
Commitments (Note 5)
Subsequent events (Notes 5, 9, 15)

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

On behalf of the Board:

<u>James Stypula</u>	Director
<u>Carol Li</u>	Director

DLP RESOURCES INC.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Audited)

	Notes	Year ended April 30, 2025	Year ended April 30, 2024
General and administrative			
Salaries and benefits	10	\$ 534,238	\$ 365,173
Stock-based compensation	9	1,036,477	812,796
Consulting fees		188,600	166,680
Exploration costs	5 & 10	4,823,046	4,755,219
Office and administrative		190,272	98,956
Transfer agent and filing fees		64,878	41,129
Listing costs		29,730	30,973
Professional fees		129,053	92,164
Travel		58,023	9,960
Depreciation expense	7	14,649	18,492
		<u>7,068,966</u>	<u>6,391,542</u>
Other items			
Unrealized foreign exchange loss		11,030	20,045
Loss on sale of property, plant and equipment	7	452	-
Flow-through share premium recovery		-	(28,134)
Impairment of mineral properties		50,976	10,000
Interest income		(66,715)	-
Write-down (recovery) of IGV receivable		84,764	700,095
Loss before income taxes		<u>7,149,473</u>	<u>7,093,548</u>
Net loss and comprehensive loss for the year		<u>\$ 7,149,473</u>	<u>\$ 7,093,548</u>
Loss per share			
Weighted average shares outstanding			
- basic and diluted		122,218,086	100,833,497
Loss per share - basic and diluted		\$ 0.06	\$ 0.07

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

DLP RESOURCES INC.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Audited)

	Number of shares issued and outstanding	Share capital	Share- based payment reserve	Share subscription received	Deficit	Total shareholders' equity
Balance, May 1, 2023	93,589,510	\$ 10,084,802	\$ 1,872,802	\$ -	\$ (9,408,976)	\$ 2,548,628
Shares issued for cash						
Private placement (Note 8)	6,622,250	2,384,750	926,375	-	-	3,311,125
Share issue costs	-	(141,778)	-	-	-	(141,778)
Share subscription received (Note 8)	-	-	-	801,982	-	801,982
Shares issued on warrants exercised (Note 8 & 9)	4,286,400	1,955,894	(278,249)	-	-	1,677,645
Shares issued on options exercised (Note 8 & 9)	150,000	52,350	(22,350)	-	-	30,000
Issued for other consideration						
Finder's warrants (Note 8 & 9)	-	(22,017)	22,017	-	-	-
Restricted shares units issued (Note 8 & 9)	50,000	12,000	(12,000)	-	-	-
Stock-based compensation (Note 9)	-	-	812,796	-	-	812,796
Net loss for the year	-	-	-	-	(7,093,548)	(7,093,548)
Balance, April 30, 2024	104,698,160	\$ 14,326,001	\$ 3,321,391	\$ 801,982	\$ (16,502,524)	\$ 1,946,850
Shares issued for cash						
Private placement (Note 8)	22,545,911	5,155,460	2,630,430	(801,982)	-	6,983,908
Share issue costs	-	(510,608)	-	-	-	(510,608)
Shares issued on warrants exercised (Note 8 & 9)	121,104	80,050	(31,608)	-	-	48,442
Shares issued on options exercised (Note 8 & 9)	33,000	21,407	(9,527)	-	-	11,880
Finder's warrants (Note 8 & 9)	-	(214,933)	214,933	-	-	-
Stock-based compensation (Note 9)	-	-	1,036,477	-	-	1,036,477
Net loss for the year	-	-	-	-	(7,149,473)	(7,149,473)
Balance, April 30, 2025	127,398,175	\$ 18,857,377	\$ 7,162,096	\$ -	\$ (23,651,997)	\$ 2,367,476

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

DLP RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Audited)

	Notes	Year ended April 30, 2025	Year ended April 30, 2024
Cash flows from operating activities			
Loss for the year		\$ (7,149,473)	\$ (7,093,548)
Adjustment to reconcile loss to net cash used in operating activities:			
Stock-based compensation	9	1,036,477	812,796
Depreciation expense	7	14,649	18,492
Flow-through share premium recovery	8	-	(28,134)
Impairment of mineral properties	5	50,976	10,000
Loss on sale of property, plant and equipment	7	452	-
Write-down of IGV receivable	4	84,764	700,095
Changes in non-cash working capital balances:			
Receivables and IGV receivable		(497,055)	(435,057)
Prepaid expenses and advances		67,188	(67,607)
Trade and other payables		(240,152)	(42,004)
Total cash outflows from operating activities		(6,632,174)	(6,124,967)
Cash flows from investing activities			
Sale (acquisition) of property, plant and equipment	7	2,414	(18,787)
Investment in mineral properties	5	(314,327)	(268,572)
Total cash outflows from investing activities		(311,913)	(287,359)
Cash flows from financing activities			
Proceeds from share issuances	8	6,983,908	3,311,125
Share issue costs	8	(566,352)	(85,933)
Share subscriptions received		-	801,982
Proceeds from exercise of options	8 & 9	11,880	30,000
Proceeds from exercise of warrants	8 & 9	48,442	1,677,645
Total cash inflows from financing activities		6,477,878	5,734,819
Change in cash during the year		(466,209)	(677,507)
Cash and cash equivalents, beginning of the year		1,286,839	1,964,346
Cash and cash equivalents, end of the year		\$ 820,630	\$ 1,286,839

Supplemental disclosures to cash flows (Note 14)

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

DLP RESOURCES INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

1. NATURE OF OPERATIONS AND GOING CONCERN

DLP Resources Inc. ("DLP" or the "Company") is a publicly traded mineral exploration company and is pursuing opportunities relating to the acquisition and exploration of mineral property interests in British Columbia, Canada and Peru. The Company was incorporated on November 9, 2017 under the laws of Alberta. The registered office and records office of the Company is located at 10th Floor, 595 Howe St., Vancouver, V6C 2T5, British Columbia, Canada. The Company's Head Office is located at #201 – 135 – 10th Ave. S., Cranbrook, V1C 2N1, British Columbia, Canada.

These consolidated financial statements comprise the financial statements of DLP Resources Inc. and its wholly owned subsidiary, DLP Resources Peru S.A.C., incorporated in Peru.

These consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At April 30, 2025, the Company had no source of operating revenues, had not yet achieved profitable operations and the Company expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to complete its exploration projects by issuance of share capital or through joint ventures, and/or proceeds from the disposition of a property. As at April 30, 2025, the Company has an accumulated deficit of \$23,651,997 and has working capital of \$740,756. The Company's current forecast indicates that it is expected to have sufficient cash available for the next 12 months to continue as a going concern.

Subsequent to the year ended April 30, 2025, the Company closed its private placement offerings, comprising a brokered offering for gross proceeds of \$5,889,265 and a non-brokered offering for \$1,633,698 in gross proceeds, for aggregate gross proceeds to the Company of \$7,522,963 (Note 15).

2. BASIS OF PRESENTATION

a) Statement of Compliance

These consolidated financial statements for the years ended April 30, 2025 and 2024 (the "Audited Financial Statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board applicable to the preparation of financial statements.

These audited financial statements were approved for issue by the board of directors on August 26, 2025.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

2. BASIS OF PRESENTATION (Continued)**b) Basis of measurement**

The audited financial statements have been prepared on a historical cost basis.

These audited financial statements are presented in Canadian dollars, which is also the Company's functional currency. The functional currency of DLP Resources Peru S.A.C. is also the Canadian dollar. At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars using the exchange rate in effect at that date. At the period-end date, unsettled monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the period-end date and the related translation differences are recognized in net income.

The accounting policies have been applied consistently in all the years presented in these audited financial statements, unless otherwise indicated.

c) Basis of consolidation

These audited financial statements include the accounts of the Company and its wholly-owned and controlled subsidiary as described in note 1. Control exists when the Company has the power directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the Financial Statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated upon consolidation.

d) Judgments and estimates

The preparation of financial statements in compliance with IFRS requires management to exercise judgment in applying the Company's accounting policies and make certain critical accounting estimates. The areas involving critical judgments in applying accounting policies that have the biggest impact on the assets and liabilities recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that acquisition costs, which are capitalized as mineral properties (note 5), have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit that may include geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

2. BASIS OF PRESENTATION (continued)**Going concern evaluation**

As discussed in note 1, these audited financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these Financial Statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the consolidated statement of financial position classifications used and such adjustments could be material.

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

e) New IFRS pronouncements

New IFRS pronouncements that have been issued but are not yet effective at the date of these financial statements are listed below. We plan to apply these amendments in the annual period for which they are first required.

Amendments to IAS 1 Presentation of Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

3. MATERIAL ACCOUNTING POLICIES**a) Exploration and evaluation expenditures**

Exploration and evaluation expenditures relate to the costs incurred on the exploration for and evaluation of potential mineral reserves.

Recognition and measurement

Exploration and evaluation expenditures include costs of conducting geological surveys, and exploratory drilling and sampling. Expenditures on mineral exploration or evaluation incurred in respect of a property before the acquisition of a license/permit to explore are expensed as incurred. Costs related to the acquisition of an exploration asset are capitalized as mineral property assets. Exploration and evaluation expenditures related to the determination of a property or project's feasibility of a mineral property are expensed in the consolidated statements of comprehensive loss as incurred. Exploration and evaluation expenditures after a mineral property has been deemed commercially feasible are capitalized as development assets. To date the Company's mineral properties have not advanced past the exploration stage, accordingly, no amounts have been capitalized in respect of exploration and evaluation expenditures. Exploration costs that do not relate to any specific property are expensed as incurred.

Impairment

Management tests for impairment when facts and circumstances indicate that the carrying value of mineral property assets might exceed recoverable amounts or when the technical feasibility and commercial viability of mineral resources is demonstrable.

b) Cash

Cash includes cash on hand and deposits held with banks.

c) Foreign currency translation

The functional and reporting currency of the Company and its subsidiary is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rate of exchange prevailing on the dates of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign currency translated differences are recognized in profit or loss, except for differences on the retranslation of available-for-sale instruments, which are recognized in other comprehensive loss.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

3. MATERIAL ACCOUNTING POLICIES (continued)**d) Share Capital**

Common shares are classified as equity. Incremental costs directly attributable to the issue of new Common Shares or stock options are shown in equity as a deduction from the related proceeds, net of applicable tax.

If the Company issues units as part of financing, consisting of both common shares and common share purchase warrants, the fair value of the warrants is determined using the Black-Scholes pricing model, and fair value of the common shares is determined using market price. The allocation of value is proportionally based on their fair value.

e) Flow-through shares

Flow-through common shares are issued from time to time to finance a significant portion of the Company's exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimate premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share-capital. Upon expenditures being incurred, the Company derecognizes the liability, and recognizes a flow-through share premium recovery on the income statement.

Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian resource property exploration expenditures within a two-year period.

f) Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected. Gains and losses on disposal are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognized in profit or loss. The Company records depreciation at the following rates:

- Office furniture and equipment – 20%
- Computer equipment – 30%
- Vehicles – 30%

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

3. MATERIAL ACCOUNTING POLICIES (continued)**f) Property, Plant and Equipment (continued)**

Management conducts an annual assessment of the estimated residual values, useful lives, and depreciation methods used for property, plant and equipment. Any material changes in estimates are applied prospectively.

Non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or "CGUs"). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU, as determined by management). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Company evaluates impairment losses for potential reversals, when events or circumstances warrant such consideration.

g) Earnings/loss per share

Basic earnings/loss per share is computed by dividing the net income or loss applicable to Common Shares by the weighted average number of Common Shares outstanding for the relevant period.

Diluted earnings/loss per share is computed by dividing the net income or loss applicable to Common Shares by the sum of the weighted average number of Common Shares issued and outstanding and all additional Common Shares that would have been outstanding, if potentially dilutive instruments were converted.

h) Share-based compensation

Share-based compensation expense relates to stock options, RSUs, PSUs, and DSUs. The grant date fair value of stock options is measured using the Black-Scholes option pricing model and is recognized as an expense, with a corresponding increase in share-based payment reserves in equity, over the vesting period. The amount recognized as an expense is based on the estimate of the number of awards expected to vest, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate. Upon exercise of stock options, the consideration paid by the holder is included in share capital and the related share-based payment reserve associated with the stock options exercised is reclassified into share capital.

Where the terms of a stock option 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 compensation arrangement or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period. Share-based payments to nonemployees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

3. MATERIAL ACCOUNTING POLICIES (continued)**h) Share-based compensation (continued)**

The grant date fair value of RSUs, PSUs, and DSUs is measured using the fair value of the Company's shares at grant date and is recognized as an expense, with a corresponding increase in share-based payment reserves in equity, over the vesting period. The amount recognized as an expense is based on the estimate of the number of awards expected to vest, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate. Upon redemption of RSUs, PSUs and DSUs, the related share-based payment reserve associated with the RSUs, PSUs, and DSUs redeemed is reclassified into share capital.

i) Financial instruments

The Company applies IFRS 9, Financial Instruments, which sets out the accounting standards for the classification and measurement of financial instruments. The IFRS 9 standard provides a model for the classification and measurement of financial instruments, a single forward-looking "expected loss" impairment model, and a reformed approach for hedge accounting.

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument-by-instrument basis) on the day of acquisition to designate them as at FVTOCI.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)*

3. MATERIAL ACCOUNTING POLICIES (continued)**i) Financial instruments (continued)***Financial assets at amortized cost (continued)*

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial liabilities at FVTPL and amortized cost

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method.

j) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity in which case, the income tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

3. MATERIAL ACCOUNTING POLICIES (continued)**j) Income Taxes (continued)*****Deferred Tax (continued)***

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Company and it is probably that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

4. IGV Receivable

As at April 30, 2025, there are \$396,199 (2024 – \$nil) of receivables related to the Value Added Taxes ("IGV") in Peru, for which recoverability is uncertain.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***5. MINERAL PROPERTIES**

	Aldridge 1	Aldridge 2	Redburn	Hungry Creek	Moby Dick	NZOU	Aurora Peru	Esperanza Peru	Copper Creek	Total
Net book value, April 30, 2024	\$ 88,962	\$ 48,521	\$ -	\$ 92,302	\$ 830	\$ 39,375	\$ 473,169	\$ 19,856	\$ 19,769	\$ 782,784
Additions	-	-	-	-	-	-	297,219	17,390	-	314,609
Impairment of mineral properties	-	-	-	(11,601)	-	(39,375)	-	-	-	(50,976)
Sale of mineral properties	-	-	-	(5,000)	-	-	-	-	-	(5,000)
Net book value, April 30, 2025	\$ 88,962	\$ 48,521	\$ -	\$ 75,701	\$ 830	\$ -	\$ 770,388	\$ 37,246	\$ 19,769	\$ 1,041,417

	Aldridge 1	Aldridge 2	Redburn	Hungry Creek	Moby Dick	NZOU	Aurora Peru	Esperanza Peru	Copper Creek	Total
Net book value, April 30, 2023	\$ 84,613	\$ 48,521	\$ 10,000	\$ 92,302	\$ 461	\$ 39,375	\$ 224,453	\$ -	\$ 19,769	\$ 519,494
Additions	4,349	-	-	-	369	-	248,716	19,856	-	273,290
Impairment of Mineral properties	-	-	(10,000)	-	-	-	-	-	-	(10,000)
Net book value, April 30, 2024	\$ 88,962	\$ 48,521	\$ -	\$ 92,302	\$ 830	\$ 39,375	\$ 473,169	\$ 19,856	\$ 19,769	\$ 782,784

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***5. MINERAL PROPERTIES (continued)****Exploration costs**

During the year ended April 30, 2025, the Company incurred \$4,833,570 (2024 - \$4,789,452) on exploration costs which have been included on the consolidated statements of comprehensive loss. During the year ended April 30, 2025, the Company received \$10,524 (2024 - \$34,233) for the BC Mining Exploration Tax Credit refund. The following tables summarize the exploration costs incurred.

Year ended April 30, 2025

Exploration Costs	General	Redburn	Hungry Creek	NZOU	Aurora - Peru	Copper Creek	Esperanza - Peru	Total
Geology	\$ -	\$ -	\$ 238	\$ 12,925	\$ 271,281	\$ -	\$ -	\$ 284,444
Drilling	-	-	-	583,603	2,701,155	-	-	3,284,758
Reclamation	9,892	-	-	-	-	-	-	9,892
Resource estimate	-	-	-	-	215,233	-	-	215,233
Wages/Travel/Admin	-	-	18,052	11,828	861,670	1,885	128,203	1,021,638
Maps & Reproductions	-	-	400	383	15,356	1,466	-	17,605
BC Mining Exploration Credit	(10,524)	-	-	-	-	-	-	(10,524)
Total	\$ (632)	\$ -	\$ 18,690	\$ 608,739	\$ 4,064,695	\$ 3,351	\$ 128,203	\$ 4,823,046

Year ended April 30, 2024

Exploration Costs	General	Redburn	Hungry Creek	NZOU	Aurora - Peru	Copper Creek	Esperanza - Peru	Total
Geology	\$ -	\$ -	\$ 39,928	\$ 24,200	\$ 157,537	\$ 15,575	\$ 187,802	\$ 425,042
Geophysics	-	-	-	-	22,365	-	-	22,365
Geochemistry	-	-	18,772	-	5,531	-	-	24,303
Drilling	5,800	-	15,225	730,294	2,137,829	648,655	-	3,537,803
Wages/Travel/Admin	-	355	3,816	11,976	676,500	35,065	48,447	776,159
Maps & Reproductions	425	-	1,206	675	229	1,198	47	3,780
BC Mining Exploration Credit	(34,233)	-	-	-	-	-	-	(34,233)
Total	\$ (28,008)	\$ 355	\$ 78,947	\$ 767,145	\$ 2,999,991	\$ 700,493	\$ 236,296	\$ 4,755,219

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

5. MINERAL PROPERTIES (continued)**Aldridge 1 (RJ) and Aldridge 2 (JR) Properties**

The Aldridge 1 (RJ) and Aldridge 2 (JR) mineral properties are separate claim blocks located near Cranbrook B.C. in the East Kootenay region of the province. The Aldridge 1 property is 50 claims totaling 17,930 hectares; the Aldridge 2 property is 6 claims totaling 1,940 hectares.

On March 1, 2020, the Company entered into a property earn-in agreement (the "Earn-In Agreement") with each of Jonathan Sean Kennedy, R.D. Craig Kennedy, Darlene E. Lavoie, Thomas Peter James Kennedy, Michael Cameron Kennedy and Frederick A. Cook (for Salt Spring Imaging, Ltd.) (together, the "Field Experts"). Under the Earn-In Agreement, the Field Experts have agreed to grant to the Company an option to acquire up to a 100% interest in certain mineral claims: four (4) Son of Captain claims totaling 127 ha and the Liger claim totaling 84 ha.

In order to exercise the option to acquire a 100% interest in the properties (Aldridge 1, Aldridge 2, and Hungry Creek), the Company issued 450,000 common shares of the Company (the "Earn-In Shares") through the issuance of 112,500 Earn-In Shares per year, over a four-year period, issuable to the Field Experts on a pro-rata basis. A total of 450,000 Earn-In Shares have been issued and the Company has acquired a 100% interest in the properties.

The Field Experts are entitled to a 1% Net Smelter Return Royalty ("NSR") payable on each of the Properties, with the Company being able to buy back such NSR royalties in exchange for an aggregate of \$1,000,000, payable to the Field Experts on a pro-rata basis at the Company's discretion.

Redburn Creek Property

During the year ended April 30, 2024, the Company decided to cease exploration on the property and wrote off the previously capitalized costs of \$10,000.

Hungry Creek Property

The Hungry Creek Property, totalling 27,424 hectares, is comprised of 52 claims 100% owned by the Company located west of Kimberley, B.C.

On March 1, 2020, the Company entered into the Earn-In Agreement which added one additional Hungry Miner claim, totaling 63 ha, to the property.

On January 7, 2025, the Company sold 6 claims of the Hungry Creek Property totaling 4,800 hectares for \$5,000 consideration.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

5. MINERAL PROPERTIES (continued)**Moby Dick Property**

The property is comprised of two staked claims totaling 738 ha.

NZOU Property

On August 17, 2020, the Company entered into an option agreement with 453999 BC Ltd. ("453") whereby it had the option to acquire up to a 100% interest on two mineral claims, totaling 822.2 ha, known as the NZOU Property.

Under the terms of the option agreement, the Company earned a 51% interest in the NZOU Property by incurring exploration expenditures in the aggregate of \$65,000 and issuing common shares in the aggregate of 300,000.

During the year ended April 30, 2025, the Company terminated the option agreement and recorded an impairment of \$39,375 on the carrying value of the property. The Company's 51% interest in the property has reverted to 453.

Aurora – Peru Property

On November 25, 2021, the Company entered into an option contract and mining assignment agreement (the "Option") with SMRL Parobamba II ("SP II") whereby the Company can acquire a 100% interest in one mining concession comprising 400 hectares of the Aurora Project. As of April 30, 2025, the Company has staked additional claims totaling 12,400 hectares, expanding the Aurora Project.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***5. MINERAL PROPERTIES (continued)****Aurora – Peru Property (continued)**

In order to earn an undivided 100% ownership interest in the Aurora Project in accordance with the Option, the Company must make the following cash payments to SP II (all of which include all applicable taxes) and incur exploration expenditures on the Aurora Project as follows:

Event	Cash Payments	Cash Payments (Cumulative)	Property Work Commitment (Cumulative)
Execution of letter of intent	US\$5,000 (paid)	US\$5,000	Nil
Signing of option agreement	US\$70,000 (paid)	US\$75,000	Nil
The latest of 6 months from the date of execution of the option agreement, or the date on which the last of the permits required for drilling the Aurora Project is approved and issued (the "Effective Date")	US\$75,000 (paid)	US\$150,000	Nil
Due within 12 months on May 25, 2023	US\$75,000 (paid)	US\$225,000	US\$400,000 (completed)
Due within 18 months on November 25, 2023	US\$75,000 (paid)	US\$300,000	
Due within 24 months on May 25, 2024	US\$100,000 (paid)	US\$400,000	US\$950,000 (completed)
Due within 30 months on November 25, 2024	US\$75,000 (paid)	US\$475,000	
Due within 36 months on May 25, 2025	US\$200,000 ¹	US\$675,000	US\$1,750,000 (completed)
Due within 42 months on November 25, 2025	US\$75,000	US\$750,000	
Due within 48 months on May 25, 2026	US\$100,000	US\$850,000	
Due within 51 months on August 25, 2026	US\$2,150,000	US\$3,000,000	US\$3,000,000 (completed)
		US\$3,000,000	US\$3,000,000

¹ US\$200,000 paid subsequently

SP II will retain a 1.5% NSR on the property. The Company will be entitled at any time to reduce the NSR by 1.0% (to 0.5%) for cash consideration of US\$1,000,000. Upon exercising this right, the Company will be entitled to repurchase the remaining 0.5% NSR, reducing the NSR to nil, for cash consideration of US\$500,000.

Subsequent to the year ended April 30, 2025, SP II agreed to amend the terms of the cash payment originally due within 48 months. The payment due on May 25, 2026 was reduced from US\$2,250,000 to US\$100,000, with the remaining balance of US\$2,150,000 deferred to August 25, 2026.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***5. MINERAL PROPERTIES (continued)****Copper Creek Property**

The property is comprised of 27 staked claims totaling 11,297 hectares, located in north of Kimberly, BC.

Esperanza – Peru Property

The property is comprised of 5 staked claims totaling 4,600 hectares, located in Peru.

6. RECLAMATION DEPOSITS

Reclamation bonds are non-interest bearing funds posted by the Company and held by the BC Government to cover future liabilities concerning un-reclaimed disturbance created by the Company for permitted work performed. The total bond dollars required for each property is determined by the Ministry of Energy and Mines. The bond funds are returned to the Company once the permitted work for a property is completed, and reclamation work is done to a standard approved by the ministry.

As at April 30, 2025 and 2024, the Company has reclamation bonds on the following properties:

Reclamation Bonds	April 30, 2025		April 30, 2024	
Aldridge 1	\$	10,850	\$	10,850
Aldridge 2		3,000		3,000
Hungry Creek		48,250		48,250
DD Property		28,000		28,000
Moby Dick		35,800		35,800
Copper Creek		25,031		25,031
Total	\$	150,931	\$	150,931

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***7. PROPERTY AND EQUIPMENT**

	Office Furniture & Equipment Computer			Vehicle	Total
Balance - May 1, 2023	\$ 11,400	\$ 1,586		\$ 42,407	\$ 55,393
Additions - cost	13,440	5,347		-	18,787
Accumulated depreciation and amortization	(4,244)	(1,526)		(12,722)	(18,492)
Net book value, April 30, 2024	\$ 20,596	\$ 5,407		\$ 29,685	\$ 55,688
Balance - May 1, 2024	\$ 20,596	\$ 5,407		\$ 29,685	\$ 55,688
Additions - cost	-	3,586		-	3,586
Disposal	(6,452)	-		-	(6,452)
Depreciation and amortization	(3,451)	(2,293)		(8,905)	(14,649)
Net book value, April 30, 2025	\$ 10,693	\$ 6,700		\$ 20,780	\$ 38,173

8. SHARE CAPITAL

The Company is authorized to issue an unlimited number of Class A Common Shares with no par value.

Activities for the year ended April 30, 2025

On January 31, 2025, the Company completed a private placement by issuing 6,486,706 units at a price of \$0.21 per unit for gross proceeds of \$1,362,208. Each unit consists of one common share and one common share purchase warrant, exercisable at a price of \$0.40 per warrant share for a period of 2 years. In connection with the private placement, the Company paid cash commissions of \$13,117 and legal fees of \$15,306 and issued 62,461 finder's warrants. Each finder's warrant entitles the holder to acquire one share at a price of \$0.21 per share, for a period of 2 years from the date of issuance.

On May 3, 2024, the Company completed a private placement by issuing 16,059,205 units at a price of \$0.40 per unit for gross proceeds of \$6,423,682, of which \$801,982 was received during the year ended April 30, 2024. Each unit consists of one common share and one common share purchase warrant, exercisable at a price of \$0.54 per warrant share for a period of 3 years. In connection with the private placement, the Company paid cash commissions of \$399,750 and legal fees of \$82,435. The Company also issued 999,376 finder's warrants. Each finder's warrant entitles the holder to acquire one common share of the Company at a price of \$0.40 per share, for a period of 2 years from the date of issuance.

During the year ended April 30, 2025, the Company incurred the remaining \$326,069 of qualified flow-through expenditures. As at April 30, 2025, the Company has satisfied all its flow-through obligations.

During the year ended April 30, 2025, the Company issued 121,104 shares pursuant to the exercise of warrants at an exercise price of \$0.40 per share for gross proceeds of \$48,442. The Company reallocated the fair value of these warrants previously recorded in the amount of \$31,608 from equity reserves to share capital.

During the year ended April 30, 2025, the Company issued 33,000 shares pursuant to the exercise of options at an exercise price of \$0.36 per share for gross proceeds of \$11,880. The Company reallocated the fair value of these options previously recorded in the amount of \$9,527 from equity reserves to share capital.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)*

8. SHARE CAPITAL (continued)***Activities for the year ended April 30, 2024***

On September 28, 2023, the Company completed a private placement via the issuance of 4,000,250 units at a price of \$0.50 per Unit for gross proceeds of \$2,000,125. Each Unit consists of one common share and one common share purchase warrant, exercisable at a price of \$0.80 per warrant share for a period of 2 years. In connection with the private placement, the Company paid commissions of \$44,389 and legal fees of \$34,589. The Company also issued 88,778 finders' warrants. Each finder's warrant entitles the holder to acquire one common share of the Company at a price of \$0.50 per share, for a period of 2 years from the closing of the financing.

On November 1, 2023, the Company completed a private placement via the issuance of 2,622,000 units at a price of \$0.50 per Unit for gross proceeds of \$1,311,000. Each Unit consists of one common share and one common share purchase warrant, exercisable at a price of \$0.80 per warrant share for a period of 2 years.

On December 15, 2023, the Company issued 50,000 common shares of the Company at a deemed price of \$0.24 per share to a consultant of the Company pursuant to a RSU award agreement dated December 15, 2022.

During the year ended April 30, 2024, the Company issued 4,286,400 shares pursuant to the exercise of warrants at exercise prices ranging from \$0.25 to \$0.40 per share for gross proceeds of \$1,677,645. The Company reallocated the fair value of these warrants previously recorded in the amount of \$278,249 from equity reserves to share capital.

During the year ended April 30, 2024, the Company issued 150,000 shares pursuant to the exercise of options at an exercise price of \$0.20 per share for gross proceeds of \$30,000. The Company reallocated the fair value of these options previously recorded in the amount of \$22,350 from equity reserves to share capital.

During the year ended April 30, 2024, the Company incurred \$1,527,100 of qualified flow-through expenditures and recognized a \$28,134 flow-through share premium recovery on the statement of comprehensive loss. As at April 30, 2024, \$326,069 remained to be spent on qualifying expenditures.

As at April 30, 2024, the Company had received \$801,982 in share subscriptions for a private placement completed subsequent to year end.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***9. WARRANTS, OPTIONS, SHARE-BASED AWARDS****a) Warrants**

Changes in share purchase warrants for the years ended April 30, 2025 and 2024 were as follows:

	Warrants	Exercise price (C\$)	Fair value (C\$)	Expiry Date
Outstanding at May 1, 2023	16,387,020	0.39		
Issued for private placement	4,000,250	0.80	571,464	September 28, 2025
Issued for finders	88,778	0.50	22,017	September 28, 2025
Issued for private placement	2,622,000	0.80	354,911	November 1, 2025
Warrants exercised	(4,286,400)	0.39	(278,249)	
Warrants expired	(1,952,667)	0.40	(143,268)	
Outstanding at April 30, 2024	16,858,981	0.55		
Issued for private placement	16,059,205	0.54	2,298,709	May 3, 2027
Issued for finders	999,376	0.40	209,549	May 3, 2026
Issued for private placement	6,486,706	0.40	331,721	January 31, 2027
Issued for finders	62,461	0.21	5,384	January 31, 2027
Warrants exercised	(121,104)	0.40	(31,608)	
Warrants expired	(579,235)	0.30	(102,098)	
Outstanding at April 30, 2025	39,766,390	0.48		

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***9. WARRANTS, OPTIONS, SHARE-BASED AWARDS (continued)****a) Warrants (continued)**

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

Issue Date	Warrants	Exercise price (C\$)	Expiry Date
November 22, 2022	3,343,200	0.40	November 22, 2025 ²
December 15, 2022	935,600	0.40	December 15, 2025 ³
February 6, 2023	5,168,814	0.40	February 6, 2026 ⁴
September 28, 2023	4,000,250	0.54 ¹	September 28, 2025 ⁵
September 28, 2023	88,778	0.50	September 28, 2025
November 1, 2023	2,622,000	0.54 ¹	November 1, 2025 ⁶
May 3, 2024	16,059,205	0.54	May 3, 2027
May 3, 2024	999,376	0.40	May 3, 2026
January 31, 2025	6,486,706	0.40	January 31, 2027
January 31, 2025	62,461	0.21	January 31, 2027
	39,766,390	0.48	

1) During the year ended April 30, 2025, TSXV approved the reduction in the exercise price of these warrants from \$0.80 to \$0.54.

2) During the year ended April 30, 2025, TSXV approved the extension of expiry date from November 22, 2024 to November 22, 2025.

3) During the year ended April 30, 2025, TSXV approved the extension of expiry date from December 15, 2024 to December 15, 2025.

4) During the year ended April 30, 2025, TSXV approved the extension of expiry date from February 6, 2025 to February 6, 2026.

5) Subsequent to the year ended April 30, 2025, TSXV approved the extension of expiry date from September 28, 2025 to September 28, 2026.

6) Subsequent to the year ended April 30, 2025, TSXV approved the extension of expiry date from November 1, 2025 to November 1, 2026.

The Company uses the Black-Scholes option pricing method to estimate the fair value of the finders' warrants. The expected volatility assumption inherent in the pricing model is based on the historical volatility of the Company's stock over a term equal to the expected term of the finders' warrants issued. The weighted average assumptions used in this pricing model, and the resulting fair values per finders' warrant for those issued during the year ended April 30, 2025 and the year ended April 30, 2024 were as follows:

	<u>Year ended</u> <u>April 30, 2025</u>	<u>Year ended</u> <u>April 30, 2024</u>
Risk-free rate:	4.07%	4.53% to 4.91%
Expected life:	2 years	2 years
Expected volatility:	100.56%	95.05% to 96.02%
Expected dividends:	Nil	Nil
Weighted average fair value per warrant:	\$0.20	\$0.15

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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9. WARRANTS, OPTIONS, SHARE-BASED AWARDS (continued)**b) Stock Options**

The Company has an incentive Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The terms of the Plan provide that the Directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant at terms of up to five years. No amounts are paid or payable by the recipient on receipt of the option, and the options granted are not dependent on any performance-based criteria.

During the year ended April 30, 2025, the Company granted:

- 1) 1,209,995 stock options to officers and directors of the Company with an exercise price of \$0.19 for a three-year period;
- 2) 200,000 stock options to consultants of the Company with an exercise price of \$0.36 for a five-year period; and
- 3) 150,000 stock options to consultants of the Company with an exercise price of \$0.19 for a three-year period.

The total stock-based compensation expense for the year ended April 30, 2025 was \$156,953 (2024 - \$164,082)

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***9. WARRANTS, OPTIONS, SHARE-BASED AWARDS (continued)****b) Stock Options (continued)**

Changes in stock options for the years ended April 30, 2025 and 2024 were as follows:

	Stock Options	Weighted average exercise price (C\$)
Outstanding at May 1, 2023	2,925,000	0.19
Granted	371,860	0.42
Exercised	(150,000)	0.20
Outstanding at April 30, 2024	3,146,860	0.21
Granted	1,559,995	0.21
Exercised	(33,000)	0.36
Outstanding at April 30, 2025	4,673,855	0.21

As at April 30, 2025, the Company's outstanding share options were as follows:

Expiry Date	Exercise Price	Number outstanding	Weighted-average remaining contractual life (years)	Number exercisable
June 1, 2025	\$0.150	1,000,000	0.09	1,000,000 ¹
July 29, 2025	\$0.290	150,000	0.25	150,000 ²
November 29, 2026	\$0.200	650,000	1.58	650,000
July 27, 2027	\$0.200	200,000	2.24	200,000
December 12, 2027	\$0.200	400,000	2.62	400,000 ³
December 29, 2027	\$0.200	375,000	2.67	375,000
January 2, 2029	\$0.430	191,860	3.68	191,860
January 10, 2027	\$0.400	150,000	1.70	112,500
April 9, 2029	\$0.465	30,000	3.95	20,000
June 13, 2029	\$0.360	167,000	4.12	33,667
January 9, 2028	\$0.190	657,895	2.70	219,298
January 20, 2028	\$0.190	552,100	2.73	184,033
January 31, 2028	\$0.190	150,000	2.76	37,500 ⁴
		4,673,855	1.95	3,573,858

¹ exercised subsequent to the year ended April 30, 2025² expired subsequent to the year ended April 30, 2025, unexercised³ 33,334 expired subsequent to the year ended April 30, 2025, unexercised⁴ 75,000 expired subsequent to the year ended April 30, 2025, unexercised

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***9. WARRANTS, OPTIONS, SHARE-BASED AWARDS (continued)****b) Stock Options (continued)**

The Company uses the Black-Scholes option pricing model to estimate the fair value for all stock-based compensation. The expected volatility assumption inherent in the pricing model is based on the historical volatility of the Company's stock over a term equal to the expected term of the option granted. The assumptions used in this pricing model, and the resulting weighted average fair values per option for those granted during the years ended April 30, 2025 and April 30, 2024 were as follows:

	<u>Year ended</u> <u>April 30, 2025</u>	<u>Year ended</u> <u>April 30, 2024</u>
Risk-free rate:	2.93%	3.25% to 3.81%
Expected life:	3 years	3 to 5 years
Expected volatility:	98.77%	111% to 112%
Expected dividends:	Nil	Nil
Weighted average fair value per option:	\$0.15	\$0.32

c) Restricted Share Units

On January 2, 2024, the Company issued 654,650 RSUs to officers and employee of the Company. All 654,650 RSUs vested on January 2, 2025.

On April 2, 2024, the Company issued 400,000 RSUs to consultants of the Company. All 400,000 RSUs vested on April 2, 2025.

On April 9, 2024, the Company issued 10,000 RSUs to a consultant of the Company. All 10,000 RSUs vested on April 9, 2025 and were redeemed through the issuance of shares subsequent to the year-end.

On January 9, 2025, the Company issued 1,347,369 RSUs to officers and employees of the Company. All 1,347,369 RSUs will vest on January 9, 2026.

On January 20, 2025, the Company issued 52,100 RSUs to an officer of the Company. All 52,100 RSUs will vest on January 20, 2026.

The total stock-based compensation expense for RSUs for the year ended April 30, 2025 was \$427,164 (2024 - \$135,713).

As at April 30, 2025, the Company's outstanding Restricted Share Units were as follows:

	Restricted Share Units	Fair Value per Unit (C\$)
Outstanding at May 1, 2023	246,000	0.23
Granted	1,064,650	0.40
Redeemed	(50,000)	0.24
Outstanding at April 30, 2024	1,260,650	0.38
Granted	1,399,469	0.21
Outstanding at April 30, 2025¹	2,660,119	0.29

¹10,000 RSUs redeemed subsequent to the year ended April 30, 2025.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***9. WARRANTS, OPTIONS, SHARE-BASED AWARDS (continued)****d) Performance Share Units**

As at April 30, 2025, the Company's outstanding Performance Share Units were as follows:

	Performance Share Units	Fair Value per Unit (C\$)
Outstanding at April 30, 2023, 2024 and 2025	314,000	0.23

The total stock-based compensation expense for the PSUs for the year ended April 30, 2025 was \$nil (2024 - \$47,883).

e) Deferred Share Units

On January 9, 2025, the Company issued 2,104,000 Deferred Share Units (the "DSUs") to directors of the Company. Each DSU entitles the holder to acquire one common share of the Company upon vesting. All 2,104,000 DSUs will vest on the date the awardee ceases to be an eligible person. For the purpose of this agreement, "eligible person" means a Director, Officer, Employee, Management Company Employee or Consultant of the Company, a subsidiary of the Company, or an Eligible Charitable Organization.

On January 2, 2024, the Company issued 1,162,795 Deferred Share Units (the "DSUs") to directors of the Company. Each DSU entitles the holder to acquire one common share of the Company upon vesting. All 1,162,795 DSUs will vest on the date the awardee ceases to be an eligible person.

The total stock-based compensation expense for the DSUs for the year ended April 30, 2025 was \$452,360 (2024 - \$465,118).

	Deferred Share Units	Fair Value per Unit (C\$)
Outstanding at May 1, 2023	-	-
Granted	1,162,795	0.40
Outstanding at April 30, 2024	1,162,795	0.40
Granted	2,104,000	0.22
Outstanding at April 30, 2025	3,266,795	0.28

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***10. RELATED PARTY TRANSACTIONS**

- a) The Company's related parties include key management personnel and directors and any transactions with such parties for goods and/or services are made on regular commercial terms and are considered to be at arm's length. Key management are those personnel having the authority and responsibility for planning, directing, and controlling the Company and comprise the Chief Executive Officer, Chief Financial Officer and Vice-President, Exploration of the Company.

The Company incurred the following transaction with key management personnel for the years ended April 30, 2025 and 2024:

	Year ended		Year ended	
	April 30, 2025		April 30, 2024	
Salaries and benefits	\$	409,733	\$	348,711
Salaries included in exploration costs		188,731		115,820
Professional fees		66,000		22,000
Stock-based compensation		849,126		728,144
	\$	1,513,590	\$	1,214,675

At April 30, 2025, the Company owed \$5,775 (2024 - \$11,550), included in trade and other payables, to an accounting firm of which an officer of the Company is a partner.

- b) In connection with the mineral property assets (note 5), a director and an officer of the Company shall retain and be entitled to a royalty (the "Royalty") entitling each of them to 0.5% (total of 1%) of all Net Smelter Returns on the area currently comprising the mineral claims named "JR 1", "JR 2" and "JR 3" (collectively, the "Royalty Area") in accordance with the terms and conditions set out. The Royalty shall constitute an interest in land and will be a covenant running with the Royalty Area.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

*(Expressed in Canadian Dollars)**(Audited)***11. INCOME TAXES**

The nature and tax effect of the temporary differences giving rise to the deferred tax assets and liabilities at April 30, 2025 and 2024 are summarized as follows:

	Year Ended April 30, 2025	Year Ended April 30, 2024
Loss before income taxes	\$ (7,149,473)	\$ (7,093,548)
Income tax rate	27.00%	27.00%
Income tax recovery using statutory rate	(1,930,358)	(1,915,258)
Net adjustments for amortization and non-deductible amounts	481,187	174,459
Flow through amounts	-	412,317
True up of prior year amounts	(10,981)	19,901
Difference in tax rate of foreign jurisdiction	(95,543)	(94,272)
Change in unrecognized benefit of tax pool assets	1,555,695	1,402,853
Income tax expense (recovery)	\$ -	\$ -

Deferred tax assets and liabilities

	April 30, 2025	April 30, 2024
Deferred tax assets		
Non-capital loss carry-forwards	\$ 4,388,928	\$ 2,872,447
Mineral properties	83,865	126,876
Property and equipment	14,203	11,806
Share issue costs	182,586	102,758
	4,669,582	3,113,887
Unrecognized deferred tax assets	(4,669,582)	(3,113,887)
Deferred tax assets	\$ -	\$ -

The Company has non-capital loss carry-forwards of approximately \$5,845,000 (2024 - \$4,140,000) that will expire between 2036 and 2045. The Company also has Peruvian non-capital loss carry-forwards of approximately \$9,578,000.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

12. FINANCIAL INSTRUMENT AND RISK MANAGEMENT***Risk Management***

The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

Fair value

The Company's consolidated financial instruments include cash, reclamation deposits and trade and other payables. *IFRS 7 Financial Instruments: Disclosures* ("IFRS 7") establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs in making fair value measurements as follows:

- Level 1 - applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 - applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 - applies to assets or liabilities for which there are unobservable market data.

The recorded amounts of cash, reclamation deposits and trade and other payables approximate their respective fair values due to their short-term nature.

Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in a major Canadian and Peruvian bank. The carrying amount of financial assets represents the maximum credit exposure.

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The Company does not have any exposure to interest rates.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing other liabilities. All of the Company's financial liabilities are due within one year.

DLP RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Years ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Audited)

12. FINANCIAL INSTRUMENT AND RISK MANAGEMENT (continued)***Currency risk***

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's currency risk is presently limited to cash, receivables, and trade and other payables of the Peruvian subsidiary that are denominated in Peruvian Sol ("PEN"). A 10% decrease (increase) of the value of the Canadian dollar relative to PEN as at April 30, 2025 would result in an additional \$28,974 foreign exchange loss (gain) reported in the Company's consolidated statement of comprehensive loss for the year ended April 30, 2025 (2024 - \$423,927).

13. CAPITAL MANAGEMENT

The Company monitors its cash and common shares as capital. The Company's objectives when maintaining capital are to maintain sufficient capital base in order to meet its short-term obligations. The Company is not exposed to any externally imposed capital requirements.

14. SUPPLEMENTAL DISCLOSURES TO CASH FLOWS

As at April 30, 2025:

- There was \$nil (2024 - \$4,718) included in trade and other payables which relates to mineral properties.
- There was \$101 (2024 - \$55,845) included in trade and other payables which relates to share issue costs.

15. SUBSEQUENT EVENTS

Subsequent to the year ended April 30, 2025, the Company closed its private placement offerings, comprising a brokered offering for gross proceeds of \$5,889,265 and a non-brokered offering for \$1,633,698 in gross proceeds, for aggregate gross proceeds to the Company of \$7,522,963.

Pursuant to the offering, the Company issued an aggregate of 25,076,542 units of the Company at an issue price of \$0.30 per unit, comprising 19,630,883 units issued under the brokered offering and 5,445,659 units issued under the non-brokered offering. Each unit comprises one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.45 per warrant share for a period of three years from the date of issuance.

In connection with the brokered offering, the agent received an aggregate cash fee of \$284,518. In addition, the Company issued to the agent 902,502 non-transferable broker warrants. Each broker warrant entitles the agent to purchase one common share at the offering price, \$0.30, for a period of 24 months following the date of issuance. In addition, the Company paid a cash fee of \$696 to a finder in connection with the non-brokered offering.