CAPELLA MINERALS LIMITED

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FEBRUARY 28, 2025

(Unaudited)
(Expressed in Canadian Dollars)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management of Capella Minerals Limited. Capella Minerals Limited independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

Capella Minerals Limited

Condensed Interim Consolidated Statements of Financial Position

Unaudited

Expressed in Canadian Dollars

	Note	February 28, 2025 $	May 31, 2024 $
ASSETS			
Current			
Cash		**184,559**	61,409
Prepaid expenses		**41,449**	40,880
Asset held for sale		**-**	47,449
Receivables	3	**16,762**	9,064
		242,770	**158,802**
Non-current			
Equipment		**139**	776
Exploration and evaluation assets	6	**1,352,422**	1,631,153
Investment	5	**274,328**	449,150
		1,626,889	**2,081,079**
TOTAL ASSETS		**1,869,659**	**2,239,881**
LIABILITIES			
Current			
Accounts payable, accrued & other liabilities	4	**1,007,692**	971,117
Contractual obligation payable	7	**-**	176,891
Deferred consideration payable	8	**144,532**	133,369
Convertible promissory note	9	**238,272**	214,116
		1,390,496	**1,495,493**
TOTAL LIABILITIES		**1,390,496**	**1,495,493**
EQUITY			
Share capital	11	**23,776,512**	23,776,512
Deferred equity		**121,600**	-
Reserves – warrants	11	**495,697**	495,697
Reserves – options	11	**2,062,684**	2,062,684
Reserves – foreign currency translation		**(33,222)**	(77,416)
Accumulated deficit		**(26,048,054)**	(25,616,331)
Non-controlling interests		**103,946**	103,242
		479,163	**744,388**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,869,659**	**2,239,381**

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APPROVED ON

BEHALF OF THE BOARD ON APRIL 29, 2025:

Eric Roth — Director

Glen Parsons — Director

- See accompanying notes to the condensed interim consolidated financial statements

Capella Minerals Limited

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

Unaudited
Expressed in Canadian Dollars
For the Three and Nine months ended

	Note	**Three months ended**		**Nine months ended**	
		February 28, 2025 $	February 29, 2024 $	**February 28, 2025 $**	February 29, 2024 $
General and administrative expenses					
Management and administrative fees		**(68,061)**	(140,215)	**(312,845)**	(427,083)
Regulatory and transfer agent fees		**(25,561)**	(22,597)	**(59,446)**	(43,918)
Office and general		**(10,138)**	(22,837)	**(28,758)**	(32,959)
Professional fees		**(20,704)**	(3,981)	**(26,679)**	(6,708)
Shareholder information and meetings		**(3,520)**	(7,111)	**(22,234)**	(85,257)
Travel		**(5,698)**	(7,015)	**(10,689)**	(38,504)
Share-based payments		**-**	(12,863)	**-**	(39,017)
		(133,682)	**(216,619)**	**(460,651)**	**(673,446)**
Provision against/write off deferred exploration and evaluation costs	6	**(17,389)**	(305,506)	**(110,503)**	(321,564)
Loss on sale of financial assets	5	**(15,657)**	-	**(83,239)**	(14,520)
Unrealized gain/(loss) on financial assets	5	**(843)**	15,000	**(49,883)**	15,000
Loss on disposal of assets	6	**-**	-	**(36,775)**	-
Foreign exchange gain/(loss)		**(8,937)**	(5,844)	**(30,649)**	(23,273)
Loan interest & other	9	**(4,234)**	(5,373)	**(11,226)**	(7,430)
Other	7	**-**	-	**(3,480)**	-
Deferred consideration payable interest	8	**-**	(2,714)	**(3,009)**	(8,211)
Share of losses- investment in associate		**-**	(4,500)	**-**	(12,000)
Contractual obligation payable interest		**-**	(39)	**-**	(118)
Gain on disposal of assets	6 &10	**44,400**	-	**357,692**	-
		(136,342)	(525,595)	**(431,723)**	(1,045,562)
Loss for the period					
Other comprehensive gain/(loss)					
Foreign currency translation		**6,095**	48,986	**44,194**	118,677
Comprehensive gain/(loss) for the period		**(130,247)**	**(476,609)**	**(387,529)**	**(926,885)**
Loss per share – basic and diluted	**$**	**(0.0)**	(0.0)	**(0.0)**	(0.0)
Weighted average number of shares outstanding (adjusted for impact of 6:1 share consolidation)		**39,497,532**	33,898,586	**39,497,532**	32,916,539
Attributable to:					
Owners of the company		**(132,378)**	(478,524)	**(388,233)**	(905,150)
Non-controlling interests		**2,131**	1,915	**704**	(21,735)
		(130,247)	**(476,609)**	**(387,529)**	**(926,885)**

-See accompanying notes to the condensed interim consolidated financial statements -

Capella Minerals Limited

Condensed Interim Consolidated Statements of Cash Flows

Unaudited
Expressed in Canadian Dollars
For the Three and Nine months ended

	Note	February 28, 2025 $	February 29, 2024 $
Cash provided by (used in):			
Operating activities			
Net income/(Loss) for the year		**(431,723)**	(1,045,562)
Items not affecting cash:			
Gain on disposal of asset	6 &10	**(357,692)**	-
Loss on disposal of asset	6	**36,775**	-
Realised loss on sale of financial assets	5	**83,239**	14,520
Share-based payments		**-**	39,017
Foreign exchange		**30,6492**	23,273
Share of losses in investment in associate		**-**	12,000
Write off deferred exploration and evaluation costs	6	**110,503**	280,000
Unrealized movement on financial asset	5	**49,883**	(15,000)
Other	7	**3,480**	-
Interest	9	**11,226**	-
Deferred consideration payable interest	8	**3,009**	8,211
Contractual obligation payable interest		**-**	118
Changes in non-cash working capital	14	**68,022**	428,023
		(392,629)	**(248,400)**
Investing activities			
Proceeds from disposal of asset	6	**394,400**	-
Net proceeds from sale of financial assets	5	**338,947**	40,450
Exploration and evaluation costs		**(336,092)**	(1,055,997)
Payment for acquisition- anniversary payment (Cullen)		**-**	(102,867)
		397,255	**(1,118,414)**
Financing activities			
Proceeds from shares to be issued		**121,600**	-
Proceeds from issue of shares		**-**	1,253,250
Share issue costs		**-**	(67,410)
Loan proceeds		**-**	205,078
		121,600	**1,390,918**
Change in cash		**126,226**	24,104
Effect of fluctuations in exchange rates on cash		**(3,075)**	(30,231)
Cash – beginning of year		**61,409**	57,973
Cash – end of year		**184,559**	**51,846**

Refer to Note 14 for supplemental cash flow information

- See accompanying notes to the condensed interim consolidated financial statements -

Capella Minerals Limited
Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
Unaudited
Expressed in Canadian Dollars
For the Three and Nine Months Ended February 28, 2025

	Share capital (Number of Shares)	Share capital (Amount) $	Deferred equity $	Reserves – Warrants $	Reserves – Options $	Reserves-Foreign Currency Translation $	Accumulated Deficit $	Non-controlling interests $	Total $
May 31, 2023	**195,210,195**	**22,643,814**	-	**442,554**	**2,023,667**	**(186,396)**	**(19,870,181)**	**126,075**	**5,179,533**
Loss for the year	-	-	-	-	-	-	(1,045,562)	-	(1,045,562)
Issue of shares	41,775,000	1,253,250	-	-	-	-	-	-	1,253,250
Share issue costs	-	(120,552)	-	53,143	-	-	-	-	(67,409)
Share based payments	-	-	-	-	39,017	-	-	-	39,017
Foreign currency translation	-	-	-	-	-	118,677	-	-	118,677
Movement in non-controlling interest	-	-	-	-	-	-	-	(21,735)	(21,735)
February 29, 2024	**236,985,195**	**23,776,512**	-	**495,697**	**2,062,684**	**(67,719)**	**(20,915,743)**	**104,340**	**5,455,771**
Loss for the year	-	-	-	-	-	-	(4,700,588)	-	(4,700,588)
Foreign currency translation	-	-	-	-	-	(9,697)	-	-	(9,697)
Movement in non-controlling interest	-	-	-	-	-	-	-	(1,098)	(1,098)
May 31, 2024	**236,985,195**	**23,776,512**	-	**495,697**	**2,062,684**	**(77,416)**	**(25,616,331)**	**103,242**	**744,388**
Effect of share consolidation	(197,487,663)	-	-	-	-	-	-	-	-
Shares to be issued	-	-	121,600	-	-	-	-	-	121,600
Loss for the year	-	-	-	-	-	-	(431,723)	-	(431,723)
Foreign currency translation	-	-	-	-	-	44,194	-	-	44,194
Movement in non-controlling interest	-	-	-	-	-	-	-	704	704
February 28, 2025	**39,497,532**	**23,776,512**	**121,600**	**495,697**	**2,062,684**	**(33,222)**	**(26,048,054)**	**103,946**	**479,163**

- See accompanying notes to the condensed interim consolidated financial statements –

1. Nature of Operations and Going Concern

Capella Minerals Limited (the "Company" or "Capella") is incorporated under the laws of the Province of British Columbia, Canada. The Company's corporate office and registered address and records office being located at 8681 Clay Street, Mission, British Columbia.

The Company engages primarily in the acquisition, exploration and development of base metal projects to own, sell or joint venture with a current focus in Scandinavia, specifically copper(-cobalt-zinc) projects in central Norway and copper-gold projects in northern Finland.

These condensed interim consolidated financial statements for the three and nine months ended February 28, 2025 have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred an accumulated deficit of $26,048,054 at February 28, 2025 and has no current source of revenue. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise funds sufficient to meet current and future obligations and exploration expenditure. The Company currently does not have sufficient funds and must obtain additional funding to continue its operations and steps have, and are being taken by the Board in an effort to realise cash to address the balance sheet and reposition the Company. The Company has sought to conserve cash by reducing corporate activities where possible and to manage and repay existing trade creditors and employment payables where possible.

The Company is currently evaluating all financing options at a Company and a project level in order to continue its normal course of operations. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

There can be no assurances that management's future plans for the Company will be successful. The Company requires additional financing in order to fund working capital requirements and conduct additional acquisitions, exploration and evaluation of mineral properties. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of assets and liabilities that might be necessary, should the Company be unable to continue as a going concern.

2. Basis of Presentation

These condensed interim consolidated financial statements for the three and nine months ended February 28, 2025, and February 29, 2024 ("interim financial statements") have been prepared in accordance with IAS 34 Interim Financial Reporting. These interim financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") and should be read in conjunction with the Company's annual financial statements for the year ended May 31, 2024, which were prepared in in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Historical cost

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. These financial statements have been prepared using the accrual method for cash flow transactions.

Approval

These interim consolidated financial statements of the Company and its subsidiaries for the three and nine months ended February 28, 2025, were approved and authorized for issue by the Board of Directors on April 29, 2025.

2. Basis of Presentation- continued

Principles of Consolidation

The interim condensed consolidated financial statements include the accounts of the Company and its controlled entities as follows:

Entity	Country of Incorporation	Ownership	Functional Currency
NDR Guernsey Limited	Guernsey	100%	Canadian dollar
Dimension Resources (USA) Inc.	U.S.A.	100%	Canadian dollar
Capella Minerals Sweden AB	Sweden	100%	Swedish kroner
Capella Minerals Norway AS	Norway	100%	Norwegian kroner
Cullen Finland Oy	Finland	70%	Euro
Eurolithium Oy	Finland	100%	Euro

Significant Accounting Estimates and Judgments

The preparation of the condensed interim consolidated financial statements in conformity 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 financial statements and the reported revenues and expenses during the period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

The most significant accounts that require estimates and judgements as the basis for determining the stated amounts include the valuation of exploration and evaluation assets, the valuation of share-based payments, the valuation of the contractual obligation payable, non-cash transaction and functional currency.

Significant estimates and critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

(i) Economic recoverability and probability of future benefits of exploration and evaluation costs.

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

(ii) Valuation of share-based payments

The determination of the fair value of stock options or warrants using stock pricing models requires the input of highly subjective variables, including expected price volatility. Wide fluctuations in the variables could materially affect the fair value estimate; therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company’s stock options and warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company’s earnings and equity reserves.

(iii) Non-cash transactions

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

(iv)Functional currency

The Company has evaluated the economic environment in which its entities operate in and determined that the functional currency of its incorporated entities Capella Minerals Sweden AB and Capella Minerals Norway AS is the Swedish kroner and Norwegian kroner respectively. The functional currency of Cullen Finland Oy and Eurolithium Oy has been determined to be the Euro. The functional currency of its other entities, including the parent is the Canadian dollar.

Expressed in Canadian Dollars

2. Basis of Presentation- continued

New and amended accounting standards and interpretation adopted by the Company

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The Company adopted this amended policy beginning June 1, 2024, without material impact.

IFRS 18 *Presentation and Disclosure in Financial Statements*
IFRS 18 will replace IAS 1, Presentation of Financial Statements which 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 1 January 2027. Companies are permitted to apply IFRS 18 before that date.

IAS 8.30 IAS 8.31(d) Lack of exchangeability – Amendments to IAS 21
In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the Company's financial statements.

The amendments are not expected to have a material impact on the Company's financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. As the Company's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

The amendments are not expected to have a material impact on the Company's financial statements.

3. Receivables

	February 28, 2025	May 31, 2024
	$	$
HST/GST receivable	16,732	9,033
Other receivables	30	31
	16,762	**9,064**

Expressed in Canadian Dollars

4. Accounts payable, accrued & other liabilities

	February 28, 2025	May 31, 2024
	$	$
Accounts payable & other liabilities	529,419	528,521
Accrued liabilities	478,273	442,596
	1,007,692	**971,117**

5. Financial Instruments

Categories of financial instruments

	February 28, 2025	May 31, 2024
	$	$
Financial assets		
Fair value through profit or loss (“FVTPL”)		
Investments	274,328	449,150
Amortized Cost		
Cash	184,559	61,409
Receivables	41,449	9,064
	500,336	**519,623**
Financial liabilities		
Amortized cost		
Accounts payable, accrued & other liabilities	1,007,692	971,117
Contractual obligation payable	-	176,891
Deferred consideration payable	144,532	133,369
Convertible promissory note	238,272	214,116
	1,390,496	**1,495,493**

On September 23, 2024, the Company sold 1,000,000 Prospector Metals Corp Prospector (“Prospector”) shares for gross proceeds of $112,780 and incurred $406 in fees recognizing a realized loss of $87,627 (including cost of sale fees) on its shareholding during the nine months ending February 28, 2025.

During period the Company sold a total 157,150 Grit Metal Corp (“Grit Metals” previously European Energy) shares for gross proceeds of $25,579 and incurred fees of $456 recognizing a realized loss of $16,691 in the nine months ending February 28, 2025. As at February 28, 2025, the Company had 1,079,300 Grit Metals shares valued at $161,900 included in investments including a unrealized loss of $15,036 in the nine months ending February 28, 2025. The Grit Metals shares held are subject to three staged hold periods which are removed starting September 18, 2024. The Company has recognized a discount of $39,600 on the shares held for lack of marketability due to the staged hold periods. The discount for lack of marketability is based on a Black-Scholes model for each of the three staged hold periods and will be removed as the hold periods are removed. The Company unwound $8,203 of recognized discount in the nine months ending February 28, 2025 as the first hold period expired during the period. Subsequent to the period end, the Company had sold a further 346,000 Grit Metals shares.

During the nine months ended February 28, 2025, the Company received 2,500,000 common shares (in addition to the 1,000,000 shares held at May 31, 2024) of Teako Minerals Corp (CSE: TMIN)(“Teako”) valued at $157,500 in relation to the Company’s sale of its 90 % interest in the Lokken, Norway project. Refer to Note 6. The Teako shares are subject to three staged hold periods which are removed starting December 29, 2024. The Company has recognized a discount of $20,625 on the shares held for lack of marketability due to the staged hold periods. The discount for lack of marketability is based on a Black-Scholes model for each of the three staged hold periods and will be removed as the hold periods are removed. The Company unwound $6,950 of recognized discount in the nine months ending February 28, 2025 as the first hold period expired during the period The Company recognized an unrealized loss of $50,000 on its Teako shareholding during the nine months ending February 28, 2025.

5. Financial Instruments (continued)

During the nine months ending February 28, 2025 the Company received 2,265,000 Unico Silver Ltd. ("Unico") shares as a result of its sale of its interest in Sierra Blanca and immediately transferred 1,132,750 shares to Sandstorm Gold Limited ("SSL) in repayment of the balance owing on the contractual obligation . (Refer to Note 7 & 10 for further details). On September 25, 2024, the Company sold 1,132,750 number of Unico shares for gross proceeds of $201,492 and incurred fees of $48 and recognized a realized gain of $21,079 in the nine months ending February 28, 2025.

Fair value of financial instruments
Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:
Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company's classifications of financial instruments within the fair value hierarchy are summarized below:

	February 28, 2025	May 31, 2024
	$	$
Financial Assets		
Level 1		
Quoted shares	274,328	449,150

The carrying value of cash, receivables, and accounts payable, accrued and other liabilities, deferred consideration, contractual obligation payable and convertible promissory note approximate their fair value due to their short-term maturity.

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

a) Currency Risk
The Company is primarily exposed to currency fluctuations relative to the Canadian dollar through expenditures that are predominantly denominated in US dollars, Swedish kroner, Norwegian kroner and Euro. Also, the Company is exposed to the impact of currency fluctuations on its monetary assets and liabilities.

The Company is exposed to foreign currency risk through the following financial assets and liabilities denominated in currencies other than Canadian dollars:

February 28, 2025	**Cash**	**Receivables**	**Accounts payable and accrued liabilities**	**Promissory Note**	**Deferred consideration payable**
	$	**$**	**$**	**$**	**$**
US dollars	285	-	(126,043)	(238,272)	(144,532)
Swedish kroner	12,920	850	(10,560)	-	-
Euro	-	4,092	(23,709)	-	-
Australian dollars	-	-	(92,528)	-	-
Norwegian kroner	-	-	(91,458)	-	-
Great Britain pounds	-	-	(9,281)	-	-

Expressed in Canadian Dollars

5. Financial Instruments (continued)

May 31, 2024	Cash	Receivables	Accounts payable and accrued liabilities	Promissory Note	Deferred consideration payable
	$	$	$	$	$
US dollars	207	-	(122,609)	(214,116)	(133,369)
Swedish kroner	18,847	740	(8,515)	-	-
Euro	25,023	3,246	(47,728)	-	-
Australian dollars	-	-	(78,011)	-	-
Norwegian kroner	5,684	-	(292,616)	-	-
Great Britain pounds	870	-	-	-	-
Swiss francs	4,531	-	-	-	-

At February 28, 2025 with other variables unchanged a +/- 10% change in exchange rates would decrease/increase comprehensive loss by $69,424 (2024: $23,738).

b) Interest rate and credit risk
Interest risk is the risk that the value of assets and liabilities will change when the related interest rates change. The Company is not currently exposed to interest rate risk. The Company's current financial assets and financial liabilities are not significantly exposed to interest rate risk because either they are of a short-term nature, fixed interest rate or because they are non-interest bearing. The Company has a positive cash balance. The Company has no significant concentrations of credit risk arising from operations. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk of loss to be remote. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at February 28, 2025 and February 29, 2024 the Company did not hold any short-term investments or cash equivalents.

Receivables primarily consist of goods and services tax and taxes due from the governments of Canada, Finland and Norway. Management believes that the credit risk concentration with respect to receivables is limited.

During the period the Company entered into a convertible promissory note with a rate of 8% p.a. being applied to the principal. Refer to Note 9.

c) Liquidity risk
Liquidity requirements and the raising of funds are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at February 28, 2025 the Company had cash of $184,559 (May 31, 2024 - $61,409) to settle current liabilities of $1,390,496 (May 31, 2024 - $1,495,493), $144,532 being the current portion of deferred consideration payable to Cullen Resources and a promissory note payable to related party of $238,272. The Company is currently considering strategic alternatives including monetization or joint venture of its assets in Norway.

d) Commodity Price risk
The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market prices of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

e) Equity price risk
The Company is exposed to equity price risk for equity investments at fair value through profit and loss. Equity price risk is the risk that the fair value of a financial instrument varies due to equity market changes. The Company's equity investments are exposed to equity price risk since their fair value is determined through the last closing share price on the relevant stock exchange. The Company has no specific strategy to manage the equity price risk.

At February 28, 2025 with other variables unchanged a +/- 10% change of the quoted equity investment value would result in a decrease/increase in pre-tax loss of $31,940 (2024: $7,500).

Expressed in Canadian Dollars

6. Exploration and Evaluation Assets

	Løkken, Norway	Kjøli, Norway	Hessjogruva, Norway	Vaddas-Birtavarre, Norway	Aakenus, Finland	Katajavaara, Finland	Pehro, Finland	Euro-lithium, Finland	Savant Lake, Ontario Canada	Total
	$	$	$	$	$	$	$	$	$	$
Balance May 31, 2023	**1,755,847**	**2,248,370**	**66,890**	**87,287**	**529,242**	**256,469**	**8,085**	**808,706**	**498,103**	**6,258,999**
Acquisition and tenure	30,000	30,129	23,713	-	57,243	-	-	-	-	141,085
Camp, travel, administration and other costs	32,456	30,389	1,749	-	990	10,961	1,837	-	-	78,382
Geologists and data collection	147,017	160,844	11,381	-	15,317	23,403	39,132	-	-	397,094
Drilling and assay costs	-	2,348	-	-	-	-	-	-	-	2,348
Farm out recoveries	-	-	-	(40,000)	-	-	-	-	-	(40,000)
Provision for impairment /write down of exploration costs	-	-	-	(37,000)	-	-	-	(250,000)	-	(287,000)
Foreign exchange movement	37,615	64,477	2,342	3,269	15,856	11,048	578	7,698		142,883
Balance February 29, 2024	**2,002,935**	**2,536,557**	**106,075**	**13,556**	**618,648**	**301,881**	**49,632**	**566,404**	**498,103**	**6,693,791**
Acquisition and tenure	-	-	7,132	22,959	31,016	-	-	-	-	61,107
Camp, travel, administration and other costs	2,764	1,662	617		7,019	7,569	-	-	-	19,631
Geologists and data collection	(17,682)	(9,218)	6,916		28,074	11,357	-	-	-	19,447
Drilling and assay costs	-	-	-		-	-	-	-	-	
Farm out recoveries	-	-	-	(39,939)	-	-	-	(36,750)	-	(76,689)
Sale of project	-	-	-	(34,245)	-	-	-	(777,143)	(498,103)	(1,309,491)
Provision for impairment /write down of exploration costs	(1,443,946)	(2,552,519)	-	37,000	-	-	(47,228)	250,000	-	(3,756,693)
Foreign exchange movement	11,479	23,518	1,243	669	(40,667)	(11,277)	(2,404)	(2,511)	-	(19,950)
Balance May 31, 2024	**555,550**	**-**	**121.983**	**-**	**644,090**	**309,530**	**-**	**-**	**-**	**1,631,153**
Acquisition and tenure	38,000	-	21,499	-	43,734	-	-	-	-	103,233
Camp, travel, administration and other costs	-	-	-	-	9,518	-	-	-	-	9,518
Geologists and data collection	43,755	-	33,789	-	79,389	-	-	-	-	156,933
Drilling and assay costs		-	-	-	-	-	-	-	-	-
Farm out recoveries		-	-	-	-	-	-	-	-	-
Sale of project	(503,650)	-	-	-	-	-	-	-	-	(503,650)
Provision for impairment /write down of exploration costs	(85,964)	-	-	-	-	-	-	-	-	(85,964)
Foreign exchange movement	4,209	-	(804)	-	37,439	355	-	-	-	41,199
Balance February 28, 2025	**51,900**	**-**	**176,467**	**-**	**814,170**	**309,885**	**-**	**-**	**-**	**1,352,422**

6. Exploration and Evaluation Assets (continued)

SCANDINAVIAN PROJECTS

Capella-Cullen Joint Venture (Finland)

Northern Finland Gold-Copper (formerly Aakenus-Katajavaara Copper-Gold Project) (Capella Initial 70% interest)
On August 24, 2021, the Company signed a binding letter of intent with Cullen Resources Ltd. ("Cullen") whereby Capella may earn-in to Cullen's Katajavaara and Aakenus gold-copper projects in the Central Lapland Greenstone Belt of northern Finland. The holder of the licences is local subsidiary Cullen Finland Oy.

Terms of the agreement are:

- Capella acquired an initial 70% interest in Cullen Finland Oy (Cullen's 100%-owned Finnish subsidiary and registered owner of the Katajavaara and Aakenus gold-copper projects) in return for paying Cullen AUD 50,000 upon the transaction receiving TSX.V Exchange and regulatory approval (the "Closing Date").
- Capella was required to invest a total of USD 250,000 in exploration expenditures on the two projects over a 24 month period from the Closing Date (completed). Capella may then acquire a further 10% interest in Cullen Oy (for a total 80% interest) in return for a further USD 750,000 investment in the two projects over a 4.5-year period from the Closing Date.
- Cullen will then be free carried at 20% until the completion of a Pre-Feasibility Study ("PFS") on either of the two projects. Thereafter, a standard dilution formula will apply, and should a party's direct interest fall to below 10% then they will revert to a 2% Net Smelter Royalty ("NSR") (with 1% being purchasable for USD 1 million).

In addition, the following cash payments are required to be made to Cullen:

- USD 50,000 upon the first anniversary of the Closing Date (paid)
- USD 75,000 upon the second anniversary of the Closing Date (paid)
- USD 100,000 on the third anniversary of the Closing Date (US$50,000 paid subsequent to period ended February 28, 2025)

The Company accounted for the agreement as an asset acquisition of the Katajavaara and Aakenus exploration projects and allocated the purchase price, less cash acquired, evenly across each of the projects.

100% Capella (Norway)
Hessjøgruva, Norway
On April 6, 2022, the Company entered into an Exploration and Exploitation Agreement with Hessjøgruva AS for the acquisition of a 100% interest in the Hessjøgruva copper-zinc-cobalt ("Cu-Zn-Co") project in central Norway.
Capella may acquire a 100% interest in the Hessjøgruva Cu-Zn-Co project in return for:

(i) Capella managing and funding exploration / development activities on the project.
(ii) Capella paying Hessjøgruva AS a one-time amount of Euro 500,000 upon completion of a positive Bankable Feasibility Study.
(iii) Capella providing Hessjøgruva AS with a 2.5% NSR on all future metal production from the project, retaining an option to buy-back 0.5% of this NSR at any time prior to the commencement of commercial production for Euro 1,000,000.
(iv) Capella to cover the cost of annual property payments and basic administration costs.

Capella is accounting for this as a farm in arrangement.

Norway Copper-Cobalt Projects

Løkken and Kjøli, Norway (100% Capella)
The Løkken and Kjøli copper-cobalt projects are located in north-central Norway. These projects were acquired from EMX Royalty Corp (TSXV: EMX)("EMX") in 2020, and are subject to a 2.5% Net Smelter Royalty ("NSR") of which 0.5% may be acquired for US$ 1M.

Expressed in Canadian Dollars

6. Exploration and Evaluation Assets (continued)

On August 19, 2024 the Company executed a Definitive Acquisition Agreement (the "Agreement") with Teako Minerals Corp. (CSE: TMIN)("Teako") pursuant to which Teako will acquire a 90% interest in Capella's high-grade Løkken copper-cobalt-zinc ("Cu-Co-Zn") project in Trøndelag, central Norway. In accordance with the Agreement, Capella received a combination of cash and common shares in Teako, a firm commitment by Teako to carrying out drilling on the Åmot target and bringing additional Cu-Co-Zn targets to drill-ready status, with Capella retaining a non-dilutable 10% carried interest on the Løkken project through to commercial production.

Terms of the Agreement
Key terms of the Agreement under which Teako acquired a 90% interest in the Løkken project include:
i) Capella received $C350,000 in cash and 2,500,000 common Teako shares
ii) Teako to commit to drilling the Åmot target with new funds raised within twelve months of signing the Agreement, in addition to advancing at least two further targets to drill-ready status within 24 months from signing.
iii) Teako to pay Capella a further C$1,250,000 upon a Final Investment Decision ("FID") being made to proceed to the construction of a mine within the Løkken project.
iv) Capella to retain a 10% carried interest to production, which includes capital costs, on any discovery made within the Løkken project.
v) Teako to keep the property in good standing and to make all annual advanced royalty payments to EMX Royalty Corporation ("EMX") starting 30 September 2024.
vi) Customary tag along / drag along rights, with Capella maintaining at all times a Right of First Refusal ("ROFR") on any bona fide third-party offer received for Teako's interest in the Løkken project.

In the event that Teako makes a Final Investment Decision to proceed with commercial production, Capella and Teako will then enter into a Joint Venture Agreement ("JV Agreement"). As part of this JV Agreement, Capella will not be required to make any contributions to the mine capital costs until commercial production commences (at which time Capella will be required to payback its share of capital costs by netting out 25% of the amount of any distribution to Capella until such amounts are recovered). Should the mine close prior to final repayment, the balance outstanding payable by Capella will be forgiven clear of any further obligations.

Details of the loss on disposal are detailed below:

	$
Consideration consists of:	
Cash	350,000
2,500,000 Teako shares @$0.055	137,500
Less discount for restricted trading	(20,625)
Total consideration (90%)	466,875
Less carrying value (90%)	(503,650)
Loss on disposal	**(36,775)**

The Company will retain a 10% interest in the project.

As part of a rationalization of projects, the Company recorded a provision of impairment against its Kjøli project of $2,552,519 in the year ending May 31, 2024. As a direct result of exploration activities determining limited upside potential, the Kjøli project was returned to EMX during the current reporting period.

Other

During the nine months ending February 28, 2025 the Company expensed $110,503 in exploration costs in Norway.

Expressed in Canadian Dollars

6. Exploration and Evaluation Assets (continued)

CANADIAN PROJECTS

The Domain Project consists of three mineral claims in northern Manitoba. The Company currently holds a 29.56% interest in the property, with the remaining interest held by Agnico Eagle Mines Ltd. Capitalized costs related to the property were written off during the year ended May 31, 2013.

During the nine months ending February 28, 2025, the Company sold its interest in the Domain project for cash of $44,400.

7. Contractual Obligation Payable

The Company had a contractual obligation payable in relation to its acquisition on May 14, 2018 of its interests in the Sierra Blanca gold-silver projects in Santa Cruz province, Argentina.

	February 28, 2025	May 31, 2024
	$	$
Current	-	176,891
Non-current	-	-
	-	**176,891**

On May 21, 2024 the Company reached an agreement whereby Unico Silver Ltd. ("Unico") acquired a 100% interest in Sierra Blanca S.A., the Argentine subsidiary whose sole asset is the Sierra Blanca gold-silver project in Santa Cruz Province. As a result of this agreement, the Company transferred 50% of the sale proceeds to SSL in extinguishment of the remaining contractual obligation payable balance. The liability was extinguished on July 24, 2024 with the receipt of the Unico shares. Refer Note 10 for further details.

Reconciliation of movements are as follows:

	February 28, 2025	May 31, 2024
	$	$
Opening balance	176,891	159,712
Repayment	(180,371)	-
Interest	-	157
Revaluation	3,480	17,022
Closing balance	**-**	**176,891**

8. Deferred Consideration Payable

The Company has recognised a deferred consideration payable of $144,532 in relation to its acquisition from Cullen of its interest in the Katajavaara and Aakenus gold(-copper) projects.

	February 28, 2025	May 31, 2024
	$	$
Current	144,532	133,369
Non-current	-	-
	144,532	**133,369**

As part of the acquisition of the Finnish exploration assets the Company is required to make the following cash payments to Cullen:

- USD 50,000 upon the first anniversary of the Closing Date ($67,715 paid in the year ended May 31, 2023)
- USD 75,000 upon the second anniversary of the Closing Date ($102,867 paid in year ended May 31, 2024)
- USD 100,000 on the third anniversary of the Closing Date ($72,411 paid subsequent to February 28, 2025)

The Company recognised the net present value of the deferred consideration payable of $223,064 at the date of acquisition using an interest rate of 6%.

8. Deferred Consideration Payable (continued)

Reconciliation of movements are as follows:

	February 28, 2025 $	May 31, 2024 $
Opening balance	**133,369**	223,064
Interest	3,009	11,004
Anniversary payment	-	(102,867)
Foreign exchange movements	8,154	2,168
Closing balance	**144,532**	**133,369**

Subsequent to the period, the Company paid C$72,411 (US$50,000) in relation to the third anniversary payment with the remaining balance agreed to be paid at a later date.

9. Convertible Promissory Note

	February 28, 2025 $	May 31, 2024 $
Current	238,272	214,116
Non-current	-	-

On October 13, 2023 the Company entered into a convertible promissory note with a non-executive director for US$150,000 (C$205,078). Interest shall accrue on the unpaid principal amount of this Note at the rate of 8% per annum, payable in quarterly installments on January 13, 2024, April 13, 2024, July 13, 2024, and at the Maturity Date being October 13, 2024, with the exception that the Company shall have the option to satisfy one quarterly payment of interest by the issuance of common shares. The promissory note holder has agreed to extend the maturity date to December 31, 2025. As the convertible debenture is denominated in USD and is convertible into a variable number of the Company's common shares which are listed in Canadian dollars, the instrument contains an embedded derivative liability. The fair value of the derivative liability is estimated as an immaterial amount and is included in convertible promissory note liability as at February 28, 2025. .

An amount of $11,224 was recorded as interest expense on the promissory note during the nine months ending February 28, 2025.

Reconciliation of movements are as follows:

	February 28, 2025 $	May 31, 2024 $
Opening balance	214,116	
Proceeds	-	205,078
Interest	11,226	9,513
Foreign exchange movements	12,930	(475)
Closing balance	**238,272**	**214,116**

10. Asset held for sale

The Company had a 49% interest in Sierra Blanca SA ("Sierra Blanca"), a gold-silver project located in Santa Cruz province, Argentina. Sierra Blanca is a private entity not listed on any public exchange. The Company had been recording its interest using the equity method in the consolidated financial statements. On May 21, 2024, the Company reached an agreement whereby Unico would acquire a 100% interest in Sierra Blanca S.A., the Argentine subsidiary whose sole asset is the Sierra Blanca gold-silver project in Santa Cruz Province. As a result, the Company recognised its interest in Sierra Blanca as an asset held for sale, measured at the lower of its carrying value and fair value less costs to sell, at May 31, 2024. On July 24, 2024 the Company completed the sale of its interest in Sierra Blanca with the receipt of 2,265,000 Unico shares.

Expressed in Canadian Dollars

10. Asset held for sale (continued)

As a result of this sale agreement with Unico, the Company agreed to transfer 50% of the sale proceeds (1,132,750 Unico share) to SSL in extinguishment of the remaining contractual obligation payable balance. The liability was extinguished on July 24, 2024 with the receipt and subsequent transfer of the Unico shares. Refer to Note 5 &7 for further details.

Details of the gain on disposal are detailed below:

	$
Consideration consists of:	
2,265,000 Unico shares @ $0.16	360,741
Total consideration (90%)	360,741
Less carrying value (90%)	(47,449)
Gain on disposal	**313,292**

11. Share Capital and Reserves

(i) Authorized share capital
Unlimited common shares without par value.

Share issuances

a) On November 9, 2023, the Company completed a private placement consisting of 41,775,000 units at $0.03 per unit for gross proceeds of $1,253,250. Each unit of the private placement consists of one common share in the capital of the Company and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.06 per share at any time until expiry, November 9, 2025. The Company paid finders fees of $67,409 in cash and issued a total 2,716,667 finders' warrants under the same terms and conditions as the unit warrants. The warrants are restricted from being exercised if by exercising them the holder would become a 10% shareholder. Further, the warrants are subject to an accelerated exercise clause in the event the Company's share price exceeds $0.15 for 10 consecutive trading days.

b) On December 19, 2024 the Company received TSXV Exchange approval for a previously announced 6:1 share consolidation. As a result, the Company's previous 236,985,195 common shares were consolidated on a 6 old for 1 new basis giving the Company 39,497,532 common shares outstanding post-consolidation. The Company commenced trading on a post-consolidated basis on December 23, 2024, under a new CUSIP 13960M201 and ISIN CA13960M2013.

The Company is to undertake a non-brokered private placement of up to 15,000,000 units ("Units") at $0.05 per Unit to raise gross proceeds of up to $750,000 on a post-consolidated basis, with possibility to expand. Each Unit shall consist of one post-consolidated share and one-half of one share purchase warrant, each whole warrant entitling the holder to acquire an additional post-consolidated share, at a price of $0.10 per post-consolidated share for a period of two years from date of issuance. Gross proceeds of up to $750,000 will be used for advancing the Company's Scandinavian projects and general working capital

(ii) Stock options

Under the terms of the Company’s stock option plan, the maximum number of shares in respect of which options may be outstanding is equivalent to 10% of the issued and outstanding shares of the Company. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or if the optionee is a consultant.

The vesting periods of options outstanding range from immediately to one year and maximum terms of options are set at 5 years from the grant date. All options have fully vested at February 28, 2025.

Expressed in Canadian Dollars

11. Share Capital and Reserves (continued)

a) Movements in stock options during the year:

	Options Outstanding	Weighted Average Exercise Price
Balance, May 31, 2023	**11,045,000**	**$0.13**
Expired/cancelled/forfeited	(7,045,000)	$017
Balance February 29, 2024	**4,000,000**	**$0.10**
Balance May 31, 2024	**4,000,000**	**$0.10**
Effect of share consolidation	(3,333,333)	-
Expired	(666,667)	0.60*
Balance February 28, 2025	**-**	**-**

**Adjusted for impact of share consolidation*

On December 19, 2024, the Company announced the directors had approved a consolidation of its common shares on the basis of one new common share for every six outstanding shares. The number of options outstanding at February 28, 2025 and exercise price per warrant have been adjusted for the consolidation on a 6:1 basis.

b) Fair value of options granted

On February 18, 2022, the Company granted an aggregate of 4,400,000 (pre-share consolidation) incentive stock options.

The fair value of these options granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

Risk-free interest rate	1.57%
Expected dividend yield	nil
Expected stock price volatility	176.29%
Expected life	3
Expected forfeiture rate	nil

c) Stock options outstanding

There are no stock options outstanding at February 28, 2025 (2024: 4,0000,00 pre-impact of share consolidation)

The weighted average exercise price of the options exercisable at February 28, 2025 is nil (2024 - $0.10 pre-impact of share consolidation).

(iii) Share purchase warrants

a) Movements in warrants during the year:

	Warrants Outstanding	Weighted Average Exercise Price
Balance, May 31, 2023	**76,984,927**	**$0.12**
Expired	(62,558,260)	$0.12
Issued	23,604,167	$0.06
Effect of share consolidation		
Balance February 29, 2024	**38,030,834**	**$0.08**
Balance May 31 2024	**38,030,834**	**$0.08**
Expired	(14,426,667)	$0.12
Effect of share consolidation	(19,670,139)	-
Balance February 28, 2025	**3,934,028**	**$0.36***

**Adjusted for impact of share consolidation*

Expressed in Canadian Dollars

11. Share Capital and Reserves (continued)

On December 19, 2024, the Company announced the directors had approved a consolidation of its common shares on the basis of one new common share for every six outstanding shares. The number of warrants outstanding at February 28, 2025 and exercise price per warrant have been adjusted for the consolidation on a 6:1 basis.

b) Fair value of finders' warrants issued

On November 9, 2023, the Company issued 2,716,667 finders' warrants with a fair value of $53,143. The fair value of these finders' warrants granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

Risk-free interest rate	4.57%
Expected dividend yield	nil
Expected stock price volatility	158%
Expected life	2
Expected forfeiture rate	nil

12. Related Party Transactions

Details of the transactions between the Company and other related parties are disclosed below.

a) Related party transactions

The Company incurred the following transactions in the normal course of operations in connection with an officer and/or director or companies which have or had a director and/or officers in common.

	February 28, 2025	February 29, 2024
	$	$
Management fees	173,900	298,838
Share-based payments	-	18,533

b) Related party balances recorded in current liabilities

	February 28, 2025	May 31, 2024
	$	$
Glen Parsons- Non-executive director	53,933	47,733
Perihelion Inc – Mary Little - Non-executive director	312,981	261,849
Eric Roth - CEO	173,500	174,679
Genco Professional Services- S Cooper – CFO	91,756	78,011
Marketworks Inc. – Kathryn Witter Company Secretary	44,200	26,400

c) Compensation of key management personnel (which includes officers and directors)

The remuneration for the services of key management personnel was as follows:

		February 28, 2025	**February 29, 2024**
		$	$
Salaries/Exploration/Consulting	(i)	173,900	298,838
Share based payments		-	18,533

(i) Key management were not paid post-employment benefits or other long-term benefits during the three and nine months ended February 28, 2025, and February 29, 2024.

Expressed in Canadian Dollars

12. Related Party Transactions (continued)

d) Other

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

The Company incurred the following transactions in the normal course of operations in connection with an officer and/or director or companies which have or had a director and/or officers in common:

- On October 13, 2023, the Company entered into a convertible promissory note with a non-executive director for US$150,000 (C$205,078 receipted). Interest shall accrue on the unpaid principal amount of this Note at the rate of 8% per annum, payable in quarterly installments on January 13, 2024, April 13, 2024, July 13, 2024, and at the Maturity Date being October 13, 2024, with the exception that the Company shall have the option to satisfy one quarterly payment of interest by the issuance of common shares. The promissory note holder has agreed to extend the maturity date to December 31, 2025. Interest of $11,226 has been recorded in the nine months ended February 28, 2025

13. Segmented Information

The Company's business consists of one reportable segment – the acquisition, exploration and evaluation of mineral properties. Details on a geographic basis are as follows:

	February 28, 2025	May 31, 2024
	$	**$**
Total non-current long-lived assets		
Norway	228,367	677,533
Finland	1,124,055	953,620
	1,352,422	**1,631,153**

14. Supplemental Cash Flow Information

	February 28, 2025	February 29, 2024
	$	$
Changes in non-cash working capital		
Movement in receivables	(7,698)	34,609
Movement in prepaid expenses	(569)	8,435
Movement in accounts payable and accrued liabilities	76,289	384,979
	68,022	428,023

Expressed in Canadian Dollars

14. Supplemental Cash Flow Information (continued)

	February 28, 2025 **$**	February 29, 2024 **$**
Schedule of non-cash investing and financing transactions:		
Exploration and evaluation expenditures included in accounts payable	334,716	387,260
Provision against/write off deferred exploration and evaluation costs	110,503	321,564
Investment in associate - share of losses	-	12,000
Interest	11,226	7,430
Deferred consideration payable interest	3,009	8,211
Shares received – Teako minerals	369,741	40,000
Shares received – Unico	116,875	-
Contractual obligation interest payable	-	118
Realized revaluation movement of financial asset	83,239	-
Unrealised movement of financial assets	49,883	(15,000)
Finders warrants issued	-	53,143
Repayment of contractual obligation payable	180,371	-

	February 28, 2025 **$**	February 29, 2024 **$**
Supplementary disclosure of cash flow information:		-
Cash paid for interest	-	-
Cash paid for income taxes	-	-

15. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments. There are no external requirements imposed on the Company regarding its capital management or changes to the Company's approach.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments selected with regards to the expected timing of expenditures from continuing operations.

The Company expects to require additional financings to carry out its exploration and evaluation plans and operations through its current operating period.

16. Commitments and Contingencies

As part of the Teako agreement for the Lokken project Teako will assume payments of both the annual Lokken claim holding payments and the advanced royalty due to EMX starting September 30, 2024. Teako has also assumed the underlying NSR due to EMX upon the commencement of commercial production from the Lokken project.

Teako will also pay Capella a further CAD 1,250,000 upon a Final Investment Decision (“FID”) being made to proceed to the construction of a mine within the Løkken project.

The Company also has commitments and contingencies in relation to the acquisition on September 7, 2021 of the Katajavaara and Aakenus projects located in Finland.

Terms of the agreement are:
- Capella will be required to invest a total of USD 250,000 in exploration expenditures on the two projects over a 24 month period from the date of Closing Date being the date TSXV approval was obtained. Capella may then acquire a further 10% interest in Cullen Oy (for a total 80% interest) in return for a further USD 750,000 investment in the two projects over a 4.5-year period from the Closing Date.
- Cullen will then be free carried at 20% until the completion of a Pre-Feasibility Study (“PFS”) on either of the two projects. Thereafter, a standard dilution formula will apply and should a **party’s** direct interest fall to below 10% then they will revert to a 2% Net Smelter Royalty (“NSR”) (with 1% being purchasable for USD 1 million).

In addition, the following cash payments are required to be made to Cullen:
- USD 100,000 on the third anniversary of the Closing Date

The Company has the following commitments in relation to its agreement signed on April 6, 2022 with Hessjøgruva AS for the acquisition of a 100% interest in the Hessjøgruva project:
(i) Capella managing and funding exploration / development activities on the project.
(ii) Capella paying Hessjøgruva AS a one-time amount of Euro 500,000 upon completion of a positive Bankable Feasibility Study.
(iii) Capella providing Hessjøgruva AS with a 2.5% NSR on all future metal production from the project, retaining an option to buy-back 0.5% of this NSR at any time prior to the commencement of commercial production for Euro 1,000,000.
(iv) Capella to cover the cost of annual property payments and basic administration costs.

The Company has a 1% NSR commitment to elementX’s original shareholders on any potential future metal production from the acquired REE portfolio completed during the year ended May 31, 2023.

17. Subsequent events

Subsequent to the period the Company sold 346,000 Grit Metals shares for net proceeds of $48,628.

Subsequent to the period end, the Company made payment of US$50,000 ($72,411) to Cullen Resources in relation to the third anniversary payment as required under the agreement. The balance has been agreed to be paid at a later date.