

SUMMA SILVER CORP.

Condensed Consolidated Interim Financial Statements
For the three months ended November 30, 2024 and 2023
(Expressed in Canadian Dollars - unaudited)

SUMMA SILVER CORP.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	November 30, 2024 (unaudited)	August 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,354,595	\$ 587,106
Receivables (Note 6)	230,195	13,203
Loan receivable (Note 3)	-	341,596
Prepaid expenses	327,262	426,554
	5,912,052	1,368,459
Non-current assets		
Restricted cash	222,339	214,102
Prepaid expenses (Note 4)	114,882	43,172
Exploration and evaluation assets (Note 4)	44,100,426	42,223,792
TOTAL ASSETS	\$ 50,349,699	\$ 43,849,525
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Notes 5 and 8)	\$ 188,469	\$ 103,909
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	55,358,692	49,937,928
Reserve (Note 7)	6,743,550	6,126,873
Accumulated other comprehensive loss	2,242,778	1,082,094
Accumulated deficit	(14,183,790)	(13,401,279)
TOTAL SHAREHOLDERS' EQUITY	50,161,230	43,745,616
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 50,349,699	\$ 43,849,525

Nature of operations and going concern (Note 1)

Subsequent event (Note 12)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on January 28, 2025.
They are signed on behalf of the Board of Directors by:

"Brian Goss"
Director

"Martin Bajic"
Director

SUMMA SILVER CORP.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss**

(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended	
	November 30, 2024	November 30, 2023
EXPENSES		
General and administrative costs	\$ 49,589	\$ 68,671
Consulting fees (Note 8)	148,591	116,104
Professional fees	77,214	22,230
Shareholder information and marketing	245,077	45,847
Investor relations and conferences	99,099	162,713
Stock-based compensation (Notes 7 and 8)	127,434	104,642
Travel	11,860	46,573
Transfer agent, regulatory and listing fees	45,091	31,696
	803,955	598,476
OTHER ITEMS		
Foreign exchange (gain) loss	(12,108)	9,179
Interest income	(9,336)	(67,783)
NET LOSS FOR THE PERIOD	782,511	539,872
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS:		
Foreign exchange differences on translation of foreign operations	(1,160,684)	(97,781)
NET (INCOME) LOSS AND COMPREHENSIVE (INCOME) LOSS FOR THE PERIOD	\$ (378,173)	\$ 442,091
Basic and diluted loss per share for the period	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	110,278,383	99,269,594

The accompanying notes form an integral part of these condensed consolidated interim financial statements

SUMMA SILVER CORP.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended	
	November 30, 2024	November 30, 2023
Cash flows provided from (used in):		
OPERATING ACTIVITIES		
Net loss for the period	\$ (782,511)	\$ (539,872)
Adjustments for item not affecting cash:		
Stock-based compensation	127,434	104,642
Interest income	(9,336)	(67,783)
Net changes in non-cash working capital items:		
Receivables	(4,067)	44,577
Loan receivable	341,596	-
Prepaid expenses	27,582	46,260
Accounts payable and accrued liabilities	35,633	(2,210)
Net cash flows used in operating activities	(263,669)	(414,386)
INVESTING ACTIVITY		
Exploration and evaluation assets	(675,260)	(1,230,426)
Net cash flows used in investing activity	(675,260)	(1,230,426)
FINANCING ACTIVITY		
Proceeds from issuance of shares	6,483,000	-
Proceeds from options exercise	-	41,875
Share issuance costs	(785,918)	-
Interest received	9,336	53,865
Net cash flows provided from financing activity	5,706,418	95,740
Net change in cash and cash equivalents	4,767,489	(1,549,072)
Cash and cash equivalents, beginning	587,106	6,997,894
Cash and cash equivalents, ending	\$ 5,354,595	\$ 5,448,822
Non-cash transactions:		
Common shares issued for exploration and evaluation property	\$ -	\$ 4,077,300
Exploration and evaluation expenditures included in accounts payable	\$ 44,472	\$ 285,476
Cash and cash equivalents is comprised of:		
Cash held in bank accounts	\$ 5,354,595	\$ 2,348,822
Cashable guaranteed investment certificates	\$ -	\$ 3,100,000

The accompanying notes form an integral part of these condensed consolidated interim financial statements

SUMMA SILVER CORP.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

	Number of shares	Amount	Reserve	Accumulated other comprehensive income	Accumulated deficit	Total
Balance, August 31, 2023	95,723,700	\$ 45,798,433	\$ 5,547,953	\$ 1,175,696	\$(10,674,860)	\$ 41,847,222
Common shares issued on the exercise of stock options (Note 6)	62,500	48,375	(6,500)	-	-	41,875
Common shares issued for exploration and evaluation assets (Notes 4 and 6)	8,912,884	4,077,300	-	-	-	4,077,300
Fair value of expired options (Note 7)	-	-	(55,027)	-	55,027	-
Stock-based compensation (Note 7)	-	-	104,642	-	-	104,642
Net loss	-	-	-	-	(539,872)	(539,872)
Other comprehensive income	-	-	-	97,781	-	97,781
Balance, November 30, 2023	104,699,084	\$ 49,924,108	\$ 5,591,068	\$ 1,273,477	\$(11,159,705)	\$ 45,628,948
Balance, August 31, 2024	104,867,575	\$ 49,937,928	\$ 6,126,873	\$ 1,082,094	\$(13,401,279)	\$ 43,745,616
Common shares issued pursuant to financing (Note 6)	16,207,500	6,158,850	324,150	-	-	6,483,000
Common shares issued pursuant to at-the-market equity program (Note 6)	501,500	212,925	-	-	-	212,925
Share issuance costs	-	(951,011)	165,093	-	-	(785,918)
Stock-based compensation (Note 7)	-	-	127,434	-	-	127,434
Net loss	-	-	-	-	(782,511)	(782,511)
Other comprehensive income	-	-	-	1,160,684	-	1,160,684
Balance, November 30, 2024	121,576,575	\$ 55,358,692	\$ 6,743,550	\$ 2,242,778	\$(14,183,790)	\$ 50,161,230

The accompanying notes form an integral part of these condensed consolidated interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Summa Silver Corp. (the "Company" or "Summa Silver") was incorporated pursuant to the provisions of the British Columbia *Business Corporations Act* on March 7, 2018. The Company is in the business of mineral exploration. The Company's registered office is located at Suite 918 – 1030 West Georgia Street, Vancouver, BC, V6E 2Y3. Summa Silver's common shares are traded on the TSX Venture Exchange (the "Exchange") under the symbol "SSVR", the OTCQX under the symbol "SSVRF" and on the Frankfurt Stock Exchange under the symbol "48X".

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At November 30, 2024, the Company had cash of \$5,354,595 (August 31, 2024 - \$587,106) and its current assets exceed its current liabilities by \$5,723,583 (August 31, 2024 - \$1,264,550). The Company currently is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of \$14,183,790 as at November 30, 2024 (August 31, 2024 - \$13,401,279). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. These factors indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its exploration activities and general and administrative costs in the next twelve months and in the future. These consolidated financial statements do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the year ended August 31, 2024 and have been consistently followed in the preparation of these condensed consolidated interim financial statements. In the current year, the Company has applied the amendment to IFRS Standards and Interpretations issued by the IASB that were effective for annual periods that begin on or after January 1, 2023.

These interim financial statements were authorized for issuance by the Company's Board of Directors and follow the same accounting policies and methods of computation as the most recent annual financial statements.

New accounting pronouncements

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

3. LOAN RECEIVABLE

The Company loaned \$273,274 (US\$200,000) on March 22, 2024, and a further \$68,322 (US\$50,000) on March 27, 2024, to an arms-length third party. The loan was unsecured, interest free, and was repaid on October 9, 2024.

SUMMA SILVER CORP.
Notes to the Condensed Consolidated Interim Financial Statements
For the three months ended November 30, 2024
(Expressed in Canadian Dollars - unaudited)

4. EXPLORATION AND EVALUATION ASSETS

Costs incurred with respect to the properties are summarized below:

	Hughes Property	Mogollon Property	Staked Properties	Total
Acquisition Costs				
Balance, August 31, 2023	\$ 2,011,941	\$ 4,826,718	\$ -	\$ 6,838,659
Additions	-	4,433,354	-	4,433,354
Balance, August 31, 2024	2,011,941	9,260,072	-	11,272,013
Additions	-	319,488	72,389	391,877
Balance, November 30, 2024	\$ 2,011,941	\$ 9,579,560	\$ 72,389	\$ 11,663,890
Deferred Exploration Costs				
Balance, August 31, 2023	20,061,228	7,538,300	-	27,599,528
Drilling	450,607	1,309,387	-	1,759,994
Consulting (Note 8)	680,644	886,198	-	1,566,842
Assays	32,637	17,662	-	50,299
Permitting	-	55,522	-	55,522
Currency translation adjustment	(59,664)	(20,742)	-	(80,406)
Balance, August 31, 2024	\$ 21,165,452	\$ 9,786,327	\$ -	\$ 30,951,779
Drilling	9,532	-	-	24,761
Consulting (Note 8)	168,974	129,329	2,272	285,346
Currency translation adjustment	838,220	336,430	-	1,174,650
Balance, November 30, 2024	\$ 22,182,178	\$ 10,252,086	\$ 2,272	\$ 32,436,536
Total				
Balance, August 31, 2024	\$ 23,177,393	\$ 19,046,399	\$ -	\$ 42,223,792
Balance, November 30, 2024	\$ 24,194,119	\$ 19,831,646	\$ 74,661	\$ 44,100,426

Hughes Property

The Company had an option agreement to acquire 100% of the Hughes property in exchange for US\$400,000 in cash and US\$400,000 in share payments payable in semi-annual instalments over a five-year period. There is an additional obligation to incur \$1,500,000 of expenditures over the same five-year period ending March 8, 2025, which has been fulfilled. The property is subject to a 1% net smelter royalty which may be reduced to 0.5% for additional payments of US\$4,000,000.

During the year ended August 31, 2022, the Company completed all remaining option payments to the vendor to earn a 100% interest in the project, subject to the 1% net smelter royalty.

Mogollon Property

On August 24, 2020 the Company signed a definitive agreement with Allegiant Gold Ltd. ("Allegiant") to earn up to a 100% interest in the Mogollon silver-gold mining district. The Company may earn up to a 100% interest in two phases:

- Phase I is an option to earn a 75% interest over three years for staged payments totaling US\$350,000 in cash, US\$1,450,000 of value in shares, and a final payment of US\$1,000,000 which may be paid in cash or shares, at the election of the Company. Phase I also includes a US\$3,000,000 work commitment on the property. During the year ended August 31, 2023, the Company completed the obligations of Phase I of the earn-in agreement.
- After the 75% earn in, the Company can elect to either form a 75/25 joint venture with Allegiant or purchase the remaining 25% interest for US\$3,000,000 in cash or shares. On November 1, 2023, the Company issued 8,912,884 shares with a fair value of \$4,077,300 (US\$3,000,000) to Allegiant (Note 6).

As of November 30, 2024, the Company had completed all remaining option payments to the vendor to earn a 100% interest in the project.

Additionally, the Company has mining lease agreements on the Mogollon property with certain lessors, which were renegotiated on September 20, 2021. The payment terms of the mining lease agreements are as follows:

- \$82,240 (US\$63,042) on signing of the amended agreement (paid);
- An additional USD\$99,067 on or before the 12-month anniversary, and each successive anniversary thereafter. Of the annual payments, as much as 75% may be paid in shares at least six months prior to the

4. EXPLORATION AND EVALUATION ASSETS (continued)

anniversary date, at the option of the Company. During the year ended August 31, 2024, the Company made cash payments to these lessors of \$91,650 (US\$67,771). During the three months ended November 30, 2024, the Company had made cash payments to these lessors of \$110,328 (US\$73,423).

The Company has an additional lease agreement on the Mogollon property which was initially negotiated on April 9, 2019. Pursuant to this lease, the Company owes an annual base payment of USD\$10,000, which is adjusted to an amount equal to the change in the Production Price Index for industrial commodities as published by the United State Bureau of Labour Statistics on each anniversary. During the year ended August 31, 2024, the Company paid \$20,569 (US\$15,093) and issued 105,991 common shares with a fair value of \$36,550 (Note 6). During the three months ended November 30, 2024, no cash payments or shares had been issued.

The Company will also be subject to a production royalty on certain portions of the property of 4%. Portions of this royalty area may be bought down to 2% for staged payments of USD\$3,000,000.

On November 22, 2021, the Company signed an additional option agreement to earn a 100% interest in two patented mining claims (the "Patents") covering the Eberle Mine immediately adjacent to the Mogollon property. The Company may earn a 100% interest in the Patents by making cash payments totaling US\$700,000 over four years as follows:

- \$128,884 (US\$100,000) on signing of the option agreement (paid);
- An additional \$199,320 (US\$150,000) on or before the 12-month anniversary (paid during the year ended August 31, 2023);
- An additional \$207,285 (US\$150,000) on or before the 24-month anniversary (paid during the year ended August 31, 2024);
- An additional \$209,160 (USD\$150,000) on or before the 36-month anniversary (paid during the three months ended November 30, 2024); and
- An additional USD\$150,000 on or before the 48-month anniversary.

After completion of the payments with respect to the Eberle Mine, the Company will not be subject to any underlying royalties or other encumbrances.

Staked Properties

During the three months ended November 30, 2024, the Company staked new properties in Nevada for a total cost of \$72,389.

As at November 30, 2024, the Company had long-term prepaid expenses of \$114,882 (August 31, 2024 - \$43,172) which relate to a bond payment and deposits for drilling services.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At November 30, 2024 and August 31, 2024, the Company's accounts payable and accrued liabilities are comprised of the following:

	November 30, 2024		August 31, 2024	
Accounts payable (Note 8)	\$	82,604	\$	26,892
Accrued liabilities (Note 8)		105,865		77,107
Total	\$	188,469	\$	103,909

6. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued

For the three months ended November 30, 2024:

As at November 30, 2024, the Company had 121,576,575 (August 31, 2024 – 104,867,575) common shares issued and outstanding.

6. SHARE CAPITAL (continued)

During the three months ended November 30, 2024, the Company sold 501,500 common shares at a weighted average sale price of \$0.425 for gross proceeds of \$212,925 pursuant to its at-the-market equity distribution program. Share issuance costs of \$5,323 were incurred in relation to the issuance. The net proceeds receivable of \$207,602 were included within accounts receivable as at November 30, 2024.

On November 1, 2024, the Company completed a brokered private placement of 16,207,500 units at a price of \$0.40 per unit for aggregate gross proceeds of \$6,483,000. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant shall be exercisable to acquire one common share at a price of \$0.55 per common share until November 1, 2026. The warrants were ascribed a fair value of \$324,150 under the residual method.

In connection with the private placement, the Company paid the agents a cash commission of \$399,525 and issued 998,813 broker warrants with a fair value of \$135,554. In addition, the agents received an advisory fee of \$20,340, 45,000 advisory broker warrants with a fair value of \$6,107, and incurred other share issuance costs of \$81,054. The Company additionally paid a cash fee of \$69,062 and granted and additional 172,655 broker warrants with a fair value of \$23,432 to an eligible arm's length finder. The broker warrants are exercisable to acquire one common share at a price of \$0.40 per common share at any time on or before November 1, 2026. The Company also incurred other share issuance costs of \$210,614.

For the three months ended November 30, 2023:

During the three months ended November 30, 2023, the Company issued 62,500 common shares in connection with the exercise of stock options, for gross proceeds of \$41,875.

On November 1, 2023, the Company issued 8,912,884 common shares with a fair value of \$4,077,300 in connection with the mining lease agreements on the Mogollon property (Note 4).

7. OPTIONS AND WARRANTS

a) Options

There were no options granted during the three months ended November 30, 2024.

Total expenses arising from stock-based compensation recognized during the three months ended November 30, 2024 was \$127,434 (November 30, 2023 - \$104,642).

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of options are determined by the Board of Directors, but shall not be less than the closing price of the Company's common shares on the day preceding the option grant date, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy.

A continuity schedule of the Company's outstanding stock options for the three months ended November 30, 2024 and 2023 are as follows:

	November 30, 2024		November 30, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of period	9,847,500	\$ 0.80	7,957,500	\$ 0.86
Exercised	-	-	(62,500)	\$ 0.67
Expired and forfeited	-	-	(50,000)	\$ 1.41
Outstanding, end of period	9,847,500	\$ 0.80	7,845,000	\$ 0.86
Exercisable, end of period	8,118,750	\$ 0.84	7,296,875	\$ 0.86

The expired options during the three months ended November 30, 2023 had a fair value of \$55,027 which was reclassified to deficit during the period.

7. OPTIONS AND WARRANTS (continued)

At November 30, 2024, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Exercise Price	Remaining contractual life (in years)
May 7, 2025	1,750,000	\$0.25	0.43
June 9, 2025	300,000	\$0.50	0.52
June 30, 2025	100,000	\$0.92	0.58
October 13, 2025	2,035,000	\$1.41	0.87
March 25, 2026	200,000	\$1.09	1.32
January 7, 2027	1,352,500	\$0.94	2.10
June 14, 2027	200,000	\$0.74	2.54
February 1, 2028	1,605,000	\$0.80	3.17
December 6, 2028	2,305,000	\$0.62	4.02

b) Warrants

As of November 30, 2024, the Company had 23,670,376 (August 31, 2024 – 14,350,158) warrants outstanding.

The fair value of the broker warrants issued during the three months ended November 30, 2024 was estimated at the date of issuance using the Black-Scholes Option Pricing Model using the following assumptions:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
November 1, 2024	November 1, 2026	\$0.40	3.09%	2 years	72%	0	\$0.14

A continuity schedule of the Company's outstanding common share purchase warrants for the three months ended November 30, 2024 and 2023 are as follows:

	November 30, 2024		November 30, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of period	14,350,158	\$ 1.16	19,434,158	\$ 1.32
Granted	9,320,218	0.53	-	-
Outstanding, end of period	23,670,376	\$ 0.91	19,434,158	\$ 1.32

At November 30, 2024, the Company had outstanding common share purchase warrants exercisable to acquire common shares of the Company as follows:

Expiry Date	Warrants outstanding	Exercise Price	Remaining contractual life (in years)
February 10, 2025	6,388,882	\$1.20	0.20
February 10, 2025	742,666	\$0.90	0.20
December 29, 2025	6,445,187	\$1.20	1.08
December 29, 2025	773,423	\$0.80	1.08
November 1, 2026	8,103,750	\$0.55	1.98
November 1, 2026	1,216,468	\$0.40	1.98

8. RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel, including its directors and officers.

During the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

(a) Key management compensation for the three months ended November 30, 2024 and 2023 was as follows:

		November 30, 2024		November 30, 2023
Consulting fees	\$	73,931	\$	73,931
Stock-based compensation	\$	74,636	\$	66,257
Fees capitalized in evaluation and exploration assets (Note 4)	\$	144,899	\$	111,138

(b) As at November 30, 2024, the Company had \$9,401 (August 31, 2024 - \$5,319) owing to related parties, which is included in accounts payable and accrued liabilities (Note 5).

9. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

		November 30, 2024		August 31, 2024
Financial assets:				
<i>Fair value through profit or loss</i>				
Cash and cash equivalents	\$	5,354,595	\$	587,106
<i>At amortized cost</i>				
Accounts receivable	\$	230,195	\$	13,203
Loan receivable	\$	-	\$	341,596
Financial liabilities:				
<i>At amortized cost</i>				
Accounts payable	\$	82,604	\$	26,892

The amount of accounts payable includes amounts due to related parties (Note 8).

The fair values of the Company's cash, receivables, loan receivable, interest receivable and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

b) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At November 30, 2024, the Company was exposed to credit risk on its cash and receivables.

The Company's cash is held with a high credit quality financial institution in Canada and as at November 30, 2024, management considers its exposure to credit risk on its cash to be low. The Company's receivables, other than proceeds on the sale of shares, consist of GST receivable from the Government of Canada and as such the risk is assessed as low (Note 6).

9. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures. At November 30, 2024, the Company had cash and cash equivalents of \$5,354,595 (August 31, 2024 - \$587,106) and accounts payable and accrued liabilities of \$188,469 (August 31, 2024 - \$103,909) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at November 30, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at November 30, 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies. As at November 30, 2024, the Company is exposed to foreign currency risk as it has cash, prepaid expenses, and accounts payable denominated in US Dollars, as follows:

	November 30, 2024	August 31, 2024
Cash	\$ 174,256	\$ 170,113
Prepaid expenses	82,000	32,000
Loan receivable	-	250,000
Accounts payable	(27,910)	(2,306)
Net exposure	228,345	449,807
Canadian dollar equivalent	\$ 319,912	\$ 606,835

As of November 30, 2024, a 5% change in the exchange rate between US dollars and Canadian dollars would impact the Company's net assets by \$15,996 (August 31, 2024 - \$30,342). The Company assessed its foreign currency risk as moderate as of November 30, 2024.

10. SEGMENTED INFORMATION

The Company is organized into business units based on exploration and evaluation assets and has four reportable operating segments, being that of acquisition and exploration and evaluation activities at the Hughes property in Nevada, the Mogollon property in New Mexico, other staked properties, and its corporate headquarters located in Canada. The Company is in the exploration stage and has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	Hughes Property	Mogollan Property	Staked Properties	Corporate	Total
As at August 31, 2024					
Current assets	\$ 27,678	\$ -	\$ -	\$ 1,340,781	\$ 1,368,459
Restricted cash	-	-	-	214,102	214,102
Prepaid expenses – long term	-	43,172	-	-	43,172
Exploration and evaluation assets	23,177,393	19,046,399	-	-	42,223,792
	\$ 23,205,071	\$ 19,089,571	\$ -	\$ 1,554,883	\$ 43,849,525
As at November 30, 2024					
Current assets	\$ 28,732	\$ -	\$ -	\$ 5,883,320	\$ 5,912,052
Restricted cash	-	-	-	222,339	222,339
Prepaid expenses – long term	69,660	45,222	-	-	114,882
Exploration and evaluation assets	24,194,119	19,831,646	74,661	-	44,100,426
	\$ 24,292,511	\$ 19,876,868	\$ 74,661	\$ 6,105,659	\$ 50,349,699

11. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue its business and maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company's capital includes the components of its shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash. In order to preserve cash, the Company does not pay any dividends.

The Company is not subject to any externally imposed capital requirements. The Company did not change their capital management approach during the three months ended November 30, 2024. The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt and/or other financing arrangements.

12. SUBSEQUENT EVENTS

On December 31, 2024, 250,000 options were cancelled unexercised.

On January 24, 2025, the Company granted 2,400,000 options to certain officers, directors and consultants of the Company. The options vest over a two-year period following the grant date, are exercisable at a price of \$0.40, and expire on January 24, 2030.