



ENDURO METALS CORPORATION

Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2024, and 2023

(Unaudited – Prepared by Management)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim consolidated financial statements of Enduro Metals Corporation (the "Company") are the responsibility of the Company's management. The condensed interim consolidated financial statements are prepared in accordance with Interim Financial Reporting under IFRS Accounting Standards as issued by the International Accounting Standards Board and reflect management's best estimates and judgments based on information currently available.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities. The Audit Committee reviews the results of the annual audit and reviews the condensed interim consolidated financial statements prior to their submission to the Board of Directors for approval.

The condensed interim consolidated financial statements as at December 31, 2024, and for the periods ended December 31, 2024 and 2023, have not been audited by the Company's independent auditors.

"Cole Evans"
Cole Evans
President & CEO
March 3, 2025

"Malcolm Davidson"
Malcolm Davidson
Chief Financial Officer
March 3, 2025

ENDURO METALS CORPORATION

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Note	December 31, 2024	September 30, 2024
ASSETS			
Current assets			
Cash		\$ 244,247	\$ 148,243
Taxes receivable		88,069	88,051
Lease assets – current	4	90,182	85,860
Prepaid expenses and deposits		48,213	4,998
Total current assets		470,711	327,152
Property and equipment	3	11,688	13,149
Lease assets – long term	4	105,717	129,624
Deposit	5	200,000	200,000
Exploration advances		50,000	50,000
Exploration and evaluation assets	5	30,964,170	30,893,179
Total Assets		\$ 31,802,286	\$ 31,613,104
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 588,233	\$ 588,265
Due to related parties	7c	658,339	658,011
Lease liabilities – current	4	90,182	85,860
Loan payable	8	402,893	-
Reclamation provision	10	130,739	130,739
Total current liabilities		1,870,386	1,462,875
Lease liabilities – long term	4	105,717	129,624
Total Liabilities		1,976,103	1,592,499
Equity			
Share capital	6	58,619,128	58,619,128
Equity reserves	6	5,852,263	5,837,014
Accumulated deficit		(34,645,208)	(34,435,537)
Total Equity		29,826,183	30,020,605
Total Liabilities and Equity		\$ 31,802,286	\$ 31,613,104

Nature and continuance of operations (Note 1)

Approved by the Board of Directors on March 3, 2025:*“Susanne Hermans”*

Susanne Hermans, Director

“Cole Evans”

Cole Evans, Director

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

ENDURO METALS CORPORATION

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

For the Three Months Ended December 31,

	Note	2024	2023
EXPENSES			
Amortization and depreciation	3	\$ 4,440	\$ 26,230
Management and consulting fees	7	120,000	144,000
Interest expense on lease	4	8,361	11,239
Corporate communications		14,912	61,266
Office and miscellaneous		9,734	6,809
Professional fees		30,445	36,899
Regulatory and compliance fees		10,355	12,769
Share-based payments	6	15,249	-
Travel		4,536	10,010
Loss before other items		(218,032)	(309,222)
OTHER ITEMS			
Income from flow-through premium	9	-	587,112
Finance income		8,361	-
Net income (loss) and comprehensive income (loss)		\$ (209,671)	\$ 277,890
Basic and diluted income (loss) per common share		\$ (0.01)	\$ 0.01
Weighted average number of common shares outstanding – basic and diluted		26,638,126	24,099,494

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

ENDURO METALS CORPORATION

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Number of shares	Share capital	Share Subscriptions received in advance	Equity reserves	Accumulated deficit	Total equity
Balance, September 30, 2023	24,099,494	\$ 57,516,115	\$ -	\$ 4,946,094	\$ (33,624,944)	\$ 28,837,265
Share subscriptions received	-	-	1,200,000	-	-	1,200,000
Net loss and comprehensive income for the period	-	-	-	-	277,890	277,890
Balance, December 31, 2023	24,099,494	57,516,115	1,200,000	4,946,094	(33,347,054)	30,315,155
Private placement	4,093,125	1,105,144	(1,200,000)	532,106	-	437,250
Share issuance costs	-	(2,131)	-	381	-	(1,750)
Share based payments	-	-	-	358,433	-	358,433
Net loss and comprehensive loss for the period	-	-	-	-	(1,088,483)	(1,088,483)
Balance, September 30, 2024	28,192,619	58,619,128	-	5,837,014	(34,435,537)	30,020,605
Share based payments	-	-	-	15,249	-	15,249
Net loss and comprehensive loss for the period	-	-	-	-	(209,671)	(209,671)
Balance, December 31, 2024	28,192,619	58,619,128	-	5,852,263	- 34,645,208	29,826,183

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

ENDURO METALS CORPORATION

Condensed Interim Consolidated Statements of Cash Flow

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

For the three months ended December 31,	2024	2023
Cash generated by (used in):		
OPERATING ACTIVITIES		
Net income (loss) for the period	\$ (209,671)	\$ 277,890
Items not affecting cash:		
Amortization of property and equipment	4,440	26,230
Interest expense on lease	8,361	11,239
Interest on loan	2,893	-
Finance income	(8,361)	-
Income from flow-through premium	-	(587,112)
Share-based payments	15,249	-
Changes in non-cash working capital items:		
Decrease (increase) in taxes receivables	(18)	(5,636)
Decrease (increase) in prepaids expenses and deposits	(43,215)	779
Increase (decrease) in accounts payable and accrued liabilities	87,568	(211,693)
Increase (decrease) in due from related parties	(95,671)	394,443
Net cash provided by (used in) operating activities	(238,425)	93,860
FINANCING ACTIVITIES		
Lease payments – net	-	(27,946)
Share subscription received	-	1,200,000
Loan proceeds	400,000	-
Net cash provided by financing activities	400,000	1,172,054
INVESTING ACTIVITIES		
Exploration and evaluation assets expenditures	(62,592)	(1,420,233)
Equipment purchases	(2,979)	-
Net cash used in investing activities	(65,571)	(1,420,233)
Change in cash for the period	96,004	(342,039)
Cash, beginning of period	148,243	487,498
Cash, end of period	\$ 244,247	\$ 145,459
Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for income taxes	\$ -	\$ -

Supplemental disclosure with respect to cash flows (Note 13)

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

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

For the Three Months Ended December 31, 2024

1. NATURE AND CONTINUANCE OF OPERATIONS

Enduro Metals Corporation (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on July 20, 2009 and is publicly listed and traded on the TSX Venture Exchange (“TSX-V”) under the symbol ENDR and on the OTC Markets Group Inc under the ticker symbol “ENDMF”, and the Frankfurt Stock Exchange (“FSE”) under the ticker symbol “SOG0”. The Company is currently engaged in the identification, acquisition and exploration of precious metal resources in Canada. The Company’s head office and principal place of business is suite 202 – 730 Vaughan Avenue, Kelowna, BC, V1Y 7E4, Canada.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receiving the continued financial support from related parties, completing sufficient equity financings or generating profitable operations in the future. The Company has not generated revenue from operations, has a working capital deficit and expects to incur further losses in the exploration and evaluation of its mineral properties. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business.

These condensed interim consolidated financial statements have been prepared in accordance with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company are primarily funded from financing activities and the issuance of capital stock.

On December 22, 2023, Enduro completed a consolidation of its Common Shares on the basis of 1:10 Common Shares. All share information presented in the condensed interim consolidated financial statements has been retroactively adjusted to reflect the share consolidation.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting under IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company.

These condensed interim consolidated financial statements do not contain all of the information required for full annual financial statements. Accordingly, these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s September 30, 2024, annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB. These unaudited condensed interim consolidated financial statements are expressed in Canadian dollars and have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting on a going concern basis. The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements as if the policies have always been in effect.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

2. MATERIAL ACCOUNTING POLICIES (continued)

Basis of Presentation

The policies applied in the condensed interim consolidated financial statements are presented below as of March 3, 2025, the date the Board of Directors approved the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim consolidated financial statements include the accounts of the Company's wholly owned dormant subsidiaries. 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. All significant inter-company transactions and balances have been eliminated upon consolidation.

Subsidiary	% Ownership	Jurisdiction	Nature of Operations
Minera Sierra Gic SA	100 %	Mexico	Mining Exploration
Enduro Gold Corporation	100 %	Canada	Mining Exploration
Enduro Silver Corporation	100 %	Canada	Mining Exploration
Enduro Copper Corporation	100 %	Canada	Mining Exploration
Enduro Mining Corporation	100 %	Canada	Mining Exploration

Critical Estimates, Judgments and Assumptions

The Company's management makes judgments in its process of applying the Company's accounting policies to the preparation of its condensed interim consolidated financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of the impacts on the carrying amounts of the Company's assets and liabilities at the end of the reporting period from uncertain future events and on the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

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

Critical Judgments

Deferred taxes

The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

Functional currency

The determination of a subsidiary's functional currency often requires significant judgment where the primary economic environment in which they operate may not be clear. This can have a significant impact on the condensed interim consolidated results of the Company based on the foreign currency translation method.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

2. MATERIAL ACCOUNTING POLICIES (continued)

Critical Estimates, Judgments and Assumptions (continued)

Exploration and evaluation assets valuation

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale. At the end of each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of impairment, if any. Indicators of impairment may include (i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at December 31, 2024.

Critical Estimates

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Reclamation provision

The Company's provision for reclamation represents management's best estimate of the present value of the future cash outflows required to settle estimated reclamation costs at the Newmont Lake property. The provision reflects estimates of future reclamation costs, inflation and the applicable risk-free interest rates for discounting the future cash outflows. Changes in the above factors could result in a change to the provision recognized by the Company.

Future Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company does not expect any material impact from future accounting pronouncements.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

2. PROPERTY AND EQUIPMENT

	Computer Equipment	Exploration Equipment	Leasehold Improvement	Total
	\$	\$	\$	\$
Cost:				
Balance, September 30, 2023	4,552	165,030	30,681	200,263
Additions	-	(165,030)	-	(165,030)
Balance, September 30, 2024	4,552	-	30,681	35,233
Additions	2,979	-	-	2,979
Balance, December 31, 2024	7,531	-	30,681	38,212
Accumulated depreciation:				
Balance, September 30, 2023	1,930	88,649	11,688	102,267
Additions	2,622	5,729	5,844	14,195
Disposals	-	(94,378)	-	(94,378)
Balance, September 30, 2024	4,552	-	17,532	22,084
Additions	2,979	-	1,461	4,440
Balance, December 31, 2024	7,531	-	18,993	26,524
Net Book Value, September 30, 2024	-	-	13,149	13,149
Net Book Value, December 31, 2024	-	-	11,688	11,688

3. RIGHT OF USE ASSET AND LEASE LIABILITIES

On October 1, 2021, the Company entered into a 63-month office lease agreement. In analysing the identified agreement, the Company applied the lease accounting model pursuant to IFRS 16 and considered all the facts and circumstances surrounding the inception of the agreement. The lease term matures on December 31, 2026.

For the period ended December 31, 2024, depreciation of the right of use asset was \$Nil (2023 - \$18,910). The right of use asset is depreciated on a straight-line basis over 63 months.

Right of use asset, September 30, 2023	245,825
Depreciation of right of use asset	(69,335)
De-recognition of right of use asset	(176,490)
Right of use asset September 30, 2024 and December 31, 2024	\$ -

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

4. RIGHT OF USE ASSET AND LEASE LIABILITIES (continued)

For the period ended December 31, 2024, finance charges on the lease liability were \$8,361 (2023 - \$11,239).

Lease liabilities, September 30, 2023	\$	286,486
Accretion		40,780
Payments		(111,782)
Lease liabilities, September 30, 2024		215,484
Accretion		8,361
Payments		(27,946)
Lease liabilities, December 31, 2024	\$	195,899
Current lease liabilities		90,182
Long-term lease liabilities		105,717
Total lease liabilities at December 31, 2024	\$	195,899

On September 1, 2024, the Company sublet its office premises and entered into 28-month office lease agreements with two tenants. The lease terms mature on December 31, 2026. In analyzing the identified agreements, the Company applied the lease accounting model pursuant to IFRS 16 and continues to account for the original lease as a lessee and for the subleases as the lessor. On the sublease commencement date the Company derecognized the right of use asset and recognized lease assets for the net investment in the subleases which resulted in a gain on recognition of lease assets of \$45,351 (2023 - \$Nil).

Lease assets, September 30, 2023	\$	-
Recognition of lease assets		221,841
Finance income		4,543
Payments		(9,315)
Lease assets, September 30, 2024	\$	215,484
Finance income		8,361
Payments		(27,944)
Lease assets, December 31, 2024	\$	195,899
Current lease assets		90,182
Long-term lease assets		105,717
Total lease assets at December 31, 2024	\$	195,899

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

5. EXPLORATION AND EVALUATION ASSETS

Period Ended	Newmont Lake British Columbia, Canada
December 31, 2024	
Acquisition Costs:	
Balance, beginning of period	\$ 5,048,269
Other	-
Balance, end of period	5,048,269
Exploration Costs:	
Balance, beginning of period	25,844,910
Assay	500
Geological consulting and related services	28,750
Drilling, exploration, and camp costs	41,741
Travel	-
Balance, end of period	25,915,901
Total	\$ 30,964,170
Year Ended	Newmont Lake British Columbia, Canada
September 30, 2024	
Acquisition Costs:	
Balance, beginning of year	\$ 5,038,023
Other	10,246
Cash payments	-
Balance, end of year	5,048,269
Exploration Costs:	
Balance, beginning of year	23,815,325
Assay	108,035
Geological consulting and related services	115,000
Drilling, exploration and camp costs	1,800,928
Supplies	-
Travel	5,622
BC METC Recovery	-
Balance, end of year	25,844,910
Total	\$ 30,893,179

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

5. EXPLORATION AND EVALUATION ASSETS (continued)

Newmont Lake Claims, British Columbia

The Company owns a 100% interest in the Newmont Lake mineral property after satisfying all the option terms in the year ended September 30, 2022. The following information is the historical option terms which were completed.

In September 2018, the Company entered into a letter agreement for an option to acquire a 100% interest in the Newmont Lake mineral property from Romios Gold Resources Inc. ("Romios"). Pursuant to the agreement, the Company acquired a 100% interest in the property by completing the following:

Completed:

- pay \$250,000 immediately upon signing.
- pay \$250,000 at 90 days following the regulatory approval.
- pay \$250,000 at 180 days following the regulatory approval.
- pay \$250,000 at 270 days following the regulatory approval.
- issue 4,000,000 shares upon the regulatory approval.
- issue 4,000,000 shares on November 29th, 2020.
- issue 4,000,000 shares on November 29th, 2021.
- incur approximately \$3,000,000 of exploration expenditures by February 22nd, 2020.
- incur approximately \$2,500,000 of exploration expenditures by February 22nd, 2021.
- incur approximately \$2,500,000 of exploration expenditures by February 22nd, 2022.
- incur an underlying annual payment of \$30,000.
- pay \$1,000,000 concurrently with the Company vesting 100% interest in the Romios Claims by February 22, 2022.

The claims are subject to a 2% Net Smelter Royalty ("NSR") held by Romios. Up to 1% of the Net Smelter Royalty ("NSR") can be bought back by the Company in increments of 0.5% for \$2,000,000 per 0.5% (gross total \$4,000,000 for 1%) for a period of two years upon 100% earn-in of the Romios Claims. The Company will issue 2,000,000 shares to Romios in the event a NI 43-101 compliant resource estimate which exceeds 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred) is confirmed/executed. An additional 1,000,000 shares of the Company will be issued to Romios for each additional 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred). The shares represent contingent consideration and the Company has assessed the fair value of the contingent consideration to be \$Nil as at the acquisition date and December 31, 2024.

As of December 31, 2024, the Company had \$200,000 (2023 - \$200,000) as a deposit with the Ministry of Energy & Mines in connection with future camp reclamation at Newmont Lake.

6. SHARE CAPITAL AND EQUITY RESERVES

During the period ended December 31, 2024, the Company did not issue any common shares.

During the year ended September 30, 2024, the Company closed a non-brokered private placement of 4,093,125 units at a purchase price of \$0.40 per unit for gross proceeds of \$1,637,250. Each unit is comprised of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a purchase price of \$0.80 per share for a period of three years. Using the residual value method, the Company allocated \$1,105,144 of the proceeds to the common shares and \$532,106 of the proceeds to the share purchase warrants. The Company paid aggregate finders' fees of \$1,750 and issued an aggregate of 4,375 finders warrants upon closing the offering. Each finder warrant entitles the holder to acquire one common share at a purchase price of \$0.40 per share for a period of three years from the date of issuance.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

6. SHARE CAPITAL AND EQUITY RESERVES (continued)

Stock Options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

A summary of changes in options is as follows:

	Number of options	Weighted average exercise price
Outstanding September 30, 2023	1,062,000	\$ 1.50
Issued	1,400,000	0.40
Cancelled/Expired	(47,000)	3.50
Outstanding September 30, 2024 and December 31, 2024	2,415,000	0.79

The following stock options were outstanding at December 31, 2024:

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
June 17, 2025	\$ 1.20	765,000	765,000
June 30, 2025	\$ 1.70	100,000	100,000
November 15, 2027	\$ 1.70	150,000	150,000
April 4, 2029	\$ 0.40	1,400,000	1,400,000
		2,415,000	2,415,000

Share-based payments

During the period ended December 31, 2024, the Company recognized \$nil (2023 - \$nil) on options that vested throughout the period but issued in prior periods. No new options were issued during the 3 months ended December 31, 2024.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

6. SHARE CAPITAL AND EQUITY RESERVES (continued)*Share-based payments* (continued)

	Period ended December 31, 2024	Year ended September 30, 2024
Volatility	-	95.37%
Risk-free interest rate	-	3.62%
Dividend yield	-	0.00%
Expected life	-	5.0 years
Expected forfeiture rate	-	0.00%

Warrants

A summary of changes in warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding September 30, 2023	2,221,900	\$ 1.50
Granted	2,050,938	0.80
Outstanding September 30, 2024	4,272,938	1.25
Expired	(2,221,900)	1.50
Outstanding December 31, 2024	2,050,938	\$ 0.80

The following warrants were outstanding at December 31, 2024:

Number of Warrants	Exercise Price	Expiry Date
2,050,938	\$ 0.80	February 26, 2026
2,050,938	\$ 0.80	

Restricted Share Units

On December 14, 2023, the Company's Restricted Share Unit ("RSU") Plan was approved by its shareholders. The RSU Plan is administered by the Compensation Committee under the supervision of the Board of Directors as compensation to officers, directors, consultants, and employees. The Compensation Committee determines the terms and conditions upon which a grant is made, including any performance criteria or vesting period.

Upon vesting, each RSU entitles the participant to receive one common share, provided that the participant is continuously employed with or providing services to the Company. RSUs track the value of the underlying common shares, but do not entitle the recipient to the underlying common shares until such RSUs vest, nor do they entitle a holder to exercise voting rights or any other rights attached to ownership or control of the common shares, until the RSU vests and the RSU participant receives common shares.

ENDURO METALS CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

For the Three Months Ended December 31, 2024 and 2023

6. SHARE CAPITAL AND EQUITY RESERVES (continued)

Restricted Share Units (continued)

A summary of changes in restricted share units is as follows:

Outstanding September 30, 2023,	-
Issued	300,000
Cancelled/Expired	-
Outstanding September 30, 2024 and December 31, 2024	300,000

Share-based payments

During the period ended December 31, 2024, the Company recognized \$15,249 (2023 - \$nil) in relation to RSUs. During the year ended September 30, 2024, 300,000 RSUs were granted and the Company recognized \$29,505 in relation to RSUs. The weighted average fair value at the measurement date was \$0.33, based on the TSX market price of the Company's shares on the date the RSUs were granted. The RSUs vest in tranches with one-third of the RSUs vesting on each one-year anniversary from the grant date.

7. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies controlled by them. The Company also transacts with corporations controlled by officers of the Company for the primary purpose of acquiring exploration and evaluation services. The remuneration of directors and other members of key management personnel during the period ended December 31, 2024, and 2023 were as follows:

	2024	2023
Consulting fees	\$ 120,000	\$ 120,000
Share-based payments	15,249	-
	\$ 135,249	\$ 120,000

b) The Company also transacts with corporations controlled by officers of the Company for the primary purpose of acquiring exploration and evaluation services. The remuneration paid to related parties for exploration and evaluation activities during period ended December 31, 2024, and 2023 were as follows:

	2024	2023
Exploration and evaluation expenditures	\$ 28,750	\$ 320,310

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7. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

c) Amounts due to/from related parties

In the normal course of operations, the Company transacts with corporations controlled by directors or officers of the Company. All amounts payable and receivable are non-interest bearing, unsecured and due on demand and also include amounts advanced for services to be rendered. The following table summarizes the amounts due to/(from) related parties:

	December 31, 2024	September 30, 2024
HEG & Associates Exploration Services	\$ 316,464	\$ 281,391
Catalina Discovery Ltd.	117,500	110,250
Directors and Management	-	-
William Slack	-	2,432
WJWS Advisory Ltd.	96,000	96,000
LHC Mine Finance Ltd.	26,000	24,000
Malcolm Davidson, CPA, Inc.	42,000	73,500
Dylan Hunko	60,375	70,438
	<u>\$ 658,339</u>	<u>\$ 658,011</u>

8. LOAN PAYABLE

During the three month period ended December 31, 2024, the Company received \$400,000 pursuant to the terms of a loan agreement (the "Loan") with Commander Resources Ltd. which has been approved by the TSX. The Loan bears interest at the rate of 12% per annum and is payable on April 30th, 2026. The Loan is secured by a security interest over Enduro's "Chachi" claims, an 8 x 4 kilometer area on the eastern side of the Newmont Lake Property.

9. FLOW-THROUGH PREMIUM LIABILITY

Flow-through shares are issued at a premium, calculated as the difference between the price of a flow-through share and the price of a share at issuance date, as tax deductions generated by the eligible expenditures are passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

Funds raised through the issuance of flow-through shares are required to be expended on qualifying Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

On May 19, 2022, the Company issued 3,333,334 flow-through shares at a purchase price of \$0.30 per flow-through share for gross proceeds of \$1,000,000. The flow-through shares were issued at a premium of \$0.04 per share. As a result, a flow-through premium liability of \$133,333 was recorded.

On May 19, 2022, the Company issued 24,000,000 flow-through shares at a purchase price of \$0.365 per flow-through share for gross proceeds of \$8,760,000. The flow-through shares were issued at a premium of \$0.105 per share. As a result, a flow-through premium liability of \$2,520,000 was recorded.

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9. FLOW-THROUGH PREMIUM LIABILITY (continued)

The following table is a continuity of the flow-through share funding and expenditures along with the corresponding impact on the flow-through share premium liability:

	Flow-through funding and expenditure requirements	Flow-through premium liability
Balance, September 30, 2023	\$ 2,037,200	\$ 587,112
Flow-through expenditures incurred and reduction of liability	(2,037,200)	(587,112)
Balance, September 30, 2024 and December 31, 2024	\$ -	\$ -

The reduction in the flow-through share premium liability is recorded in other income upon incurring flow through eligible expenditures. The Company has met its flow through obligations during the year ended September 30, 2024.

10. RECLAMATION PROVISION

During the year ended September 30, 2022, the Company incurred a reclamation liability in connection with the completion of the option agreement with Romios Gold Resources Inc. (Note 5). The initial undiscounted value of the obligation was \$232,653 and during the year ended September 30, 2022, the Company completed \$101,914 of work reducing the estimated balance to \$130,739. No additional reclamation work was completed during the period ended December 31, 2024.

A reconciliation of the changes in the Company's reclamation provision is as follows:

Balance at September 30, 2022	\$ 130,739
Reclamation work completed during the year	(-)
Balance at September 30, 2023	130,739
Reclamation work completed during the period	(-)
Balance at September 30, 2024 and December 31, 2024	\$ 130,739

11. CAPITAL MANAGEMENT

The Company's primary objectives in capital management is to safeguard the Company's ability to continue as a going concern in order to provide a return for shareholders and to maintain sufficient funds to finance its exploration and evaluation interests. Capital is comprised of the Company's shareholders' equity. As at December 31, 2024, the Company's shareholders' equity was \$29,826,183 (September 30, 2024 – \$30,020,605).

The Company manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities.

The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended December 31, 2024.

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12. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

The carrying value of the Company's receivables, accounts payable and accrued liabilities, due to related parties, and loans payable approximate their fair value because of the short-term nature of these instruments. Cash is carried at a fair value using a level 1 fair value measurement. Loans payable are accounted for using the effective interest rate method.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's management believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At December 31, 2024, the Company had a cash balance of \$244,247 (September 30, 2024 - \$148,243) to settle current liabilities of \$1,870,386 (September 30, 2024 - \$1,462,875). The Company requires additional funding to fund its current obligations.

All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company expects to fund these liabilities through the use of existing cash resources and additional equity financing.

Market risk

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

a) Interest rate risk

The Company is not exposed to any significant interest rate risk.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency.

As at December 31, 2024, the Company had minimal cash amounts in foreign currencies and considers foreign currency risk insignificant.

c) Price risk

The Company's net income or loss, and ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in mineral prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended December 31, 2024, include the Company:

- i) had an accounts payable balance of \$439,793 related to exploration and evaluation asset expenditures.

Significant non-cash transactions during the year ended September 30, 2024, include the Company:

- ii) had an accounts payable balance of \$431,394 related to exploration and evaluation asset expenditures.
- iii) had a loss of \$20,652 in the disposition of equipment.
- iv) de-recognized \$86,964 of accounts payable.

14. SEGMENTED INFORMATION

The Company has one operating segment, being the exploration of exploration and evaluation assets in Canada. The Company's total exploration and evaluation assets at December 31, 2024 were \$30,964,170 (September 30, 2024 - \$30,893,179).

15. COMMANDER PENDING TRANSACTION

On December 9, 2024, the Company entered into an agreement by way of a three-cornered amalgamation, to amalgamate with a wholly owned subsidiary of Enduro, with the shareholders of Commander Resources Ltd. ("Commander") exchanging their shares for shares of Enduro. Commander is an exploration company formed in 1989 with a Canadian focus on the search for precious and base metals. The Parties determined to subsequently structure the Proposed Transaction as a court-approved plan of arrangement, to be completed in accordance with the terms and conditions of an arrangement agreement between the Parties dated February 24, 2025 (the "Arrangement Agreement"). The Arrangement Agreement has substantially the same terms as the amalgamation agreement that the parties initially entered into on December 9, 2024, and which is now superseded by the Arrangement Agreement.

The pending transaction with Commander is considered a related party transaction due to having a director in common.

The Agreement provides for an Exchange Ratio of 0.535 of an Enduro Common Share for each one (1) Commander Common Share, representing a deemed price per Commander Common Shares of \$0.10 and a deemed price per Enduro Common Share of \$0.187 representing a 30-day VWAP. It is anticipated that upon completion of the Proposed Transaction, legacy holders of Commander Common Shares would hold approximately 45.65% of the Resulting Issuer and legacy holders of Enduro Common Shares would hold approximately 54.35% of the Resulting Issuer. Outstanding warrants and options of Commander will be exchanged for equivalent warrants and options, respectively, of Enduro based on the Exchange Ratio.

The Agreement contains customary deal-protection provisions, including a non-solicitation covenant in respect of Commander and a right of Enduro to match any superior proposal as defined and described in the definitive agreement. Under certain circumstances, if the Agreement is terminated, Enduro would be entitled to the payment of a \$400,000 termination fee from Commander. The Agreement will also be subject to a number of conditions being satisfied or waived by one or both of Enduro and Commander, including the receipt of all necessary regulatory approvals and the satisfaction of certain other closing conditions customary for a transaction of this nature.

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15. COMMANDER PENDING TRANSACTION (continued)

Commander agreed to loan Enduro \$400,000 pursuant to the terms of a loan agreement (the "Loan") between the parties dated the date of the Agreement which has been approved by the TSX. This loan was received on December 20, 2025 (see Note 8). The Loan bears interest at the rate of 12% per annum and is payable on April 30th, 2026. The Loan is secured by a security interest over Enduro's "Chachi" claims, an 8 x 4 kilometer area on the eastern side of the Newmont Lake Property.

Should the transaction proceed, the Company intends to close the transaction in the third fiscal quarter of 2025.