



CONDENSED INTERIM FINANCIAL STATEMENTS
(Presented in United States (“U.S.”) Dollars)
(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Star Royalties Ltd. have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

STAR ROYALTIES LTD.

Condensed Interim Statements of Financial Position
(Presented in U.S. Dollars)
(Unaudited)

	As at	
	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash	\$ 1,015,489	\$ 1,377,630
Receivables (Note 4)	148,634	1,173,524
Marketable securities (Note 5)	2,335,474	823,674
Prepays and other	71,424	33,360
	3,571,021	3,408,188
Non-current		
Investment in Green Star joint venture (Note 6)	6,215,038	6,287,389
Royalty and stream interests (Note 7)	16,980,960	17,327,685
	23,195,998	23,615,074
	\$ 26,767,019	\$ 27,023,262
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 279,117	\$ 308,229
	279,117	308,229
Shareholders' equity		
Share capital (Note 9)	29,856,414	29,507,994
Contributed surplus	1,544,679	1,812,829
Accumulated other comprehensive loss	(4,837,104)	(4,861,562)
(Deficit) Retaining earnings	(76,087)	255,772
	26,487,902	26,715,033
	\$ 26,767,019	\$ 27,023,262

Nature of operations and going concern (Note 1)
Subsequent event (Notes 6)

Approved on behalf of the Board of Directors

<u>"Alexandre Pernin"</u>	Director	<u>"Kylie Dickson"</u>	Director
Alexandre Pernin		Kylie Dickson	

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

STAR ROYALTIES LTD.

Condensed Interim Statements of (Loss) Income and Comprehensive (Loss) Income
(Presented in U.S. Dollars)
(Unaudited)

	For the three months ended,	
	March 31, 2025	March 31, 2024
Revenue		
Royalty income	\$ 160,539	275,395
Costs of sales		
Depletion	(92,966)	(133,116)
Gross profit	67,573	142,279
Expenses		
Marketing and shareholder communications	3,930	11,583
Management and board compensation (Note 8)	360,094	731,474
Share-based compensation (Note 9)	71,446	201,889
Office and miscellaneous	43,365	32,899
Professional fees	52,917	82,343
Impairment losses on Mongolian mining royalty interests (Note 7)	270,034	-
Total expenses	(801,786)	(1,060,188)
Other (loss) income		
Foreign exchange (loss) gain	(4,542)	52,473
Interest income	10,218	20,143
Gain (loss) on marketable securities (Note 5)	468,431	(109,837)
Management fees from Green Star joint venture (Note 8)	52,258	55,605
Equity (loss) income from Green Star joint venture (Note 6)	(78,161)	1,299,459
Net (loss) income before income taxes	(286,009)	399,934
Income tax expense	(45,850)	(79,504)
Net (loss) income	\$ (331,859)	\$ 320,430
Other comprehensive (loss) income		
Items that may be reclassified subsequently to profit or loss:		
Currency translation adjustment	24,458	(1,384,235)
Comprehensive (loss) income	\$ (307,401)	\$ 1,063,805
Basic and diluted (loss) income per common share	\$ (0.00)	\$ 0.00
Weighted average number of common shares outstanding		
Basic	77,933,419	76,198,560
Diluted	77,993,419	77,363,975

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

STAR ROYALTIES LTD.

Condensed Interim Statements of Cash Flows

(Presented in U.S. Dollars)

(Unaudited)

	For the three months ended,	
	March 31, 2025	March 31, 2024
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OPERATING ACTIVITIES		
Net (loss) income	\$ (331,859)	\$ 320,430
Items not affecting cash:		
Depletion	92,966	133,116
Share-based compensation	71,446	201,889
Foreign exchange loss (gain)	4,542	(52,473)
(Gain) loss on marketable securities (Note 5)	(468,431)	109,837
Impairment loss on Mongolian mining royalty interests (Note 7)	270,034	-
Equity loss (income) from Green Star joint venture (Note 6)	78,161	(1,299,459)
Non-cash working capital items changes:		
Accounts payable and accrued liabilities	(20,729)	(86,721)
Prepays and other	(38,097)	(33,377)
Receivables	(17,483)	(91,130)
<hr/>		
Net cash used in operating activities	(359,450)	(797,888)
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Net change in cash	(359,450)	(797,888)
Effect of exchange rate changes on cash	(2,691)	(16,400)
Cash, beginning of the period	1,377,630	2,880,019
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Cash, end of the period	1,015,489	2,065,731

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

STAR ROYALTIES LTD.

Condensed Interim Statements of Changes in Shareholders' Equity
(Presented in U.S. Dollars)

	Share Capital		Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings (Deficit)	Total
	Number	Amount				
Balance, December 31, 2023	74,961,705	\$ 28,803,948	\$ 6,588,388	\$ (1,111,519)	\$ 19,538,950	\$ 53,819,767
Shares issued on vesting of restricted share units (Note 9)	978,027	386,141	(386,141)	-	-	-
Shares issued for compensation (Note 9)	1,474,352	317,905	-	-	-	317,905
Share-based compensation (Note 9)	-	-	120,335	-	-	120,335
Expiry of publicly traded warrants	-	-	(4,810,476)	-	4,810,476	-
Income and other comprehensive loss	-	-	-	(1,384,235)	320,430	(1,063,805)
Balance, March 31, 2024	77,414,084	29,507,994	1,512,106	(2,495,754)	24,669,856	53,194,202
Balance, December 31, 2024	77,414,084	29,507,994	1,812,829	(4,861,562)	255,772	26,715,033
Shares issued on vesting of restricted share units (Note 9)	1,180,096	339,596	(339,596)	-	-	-
Shares issued for compensation (Note 9)	43,103	8,824	-	-	-	8,824
Share-based compensation (Note 9)	-	-	71,446	-	-	71,446
Loss and other comprehensive loss	-	-	-	24,458	(331,859)	(307,401)
Balance, March 31, 2025	78,637,283	\$ 29,856,414	\$ 1,544,679	\$ (4,837,104)	\$ (76,087)	\$ 26,487,902

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

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
(Presented in U.S. Dollars)
(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Star Royalties Ltd. (the “Company”) is incorporated under the *Canada Business Corporations Act*. The Company is a precious metals royalty and streaming investment company. The Company conducts its green royalty investments through Green Star Royalties Ltd. (“Green Star”), a joint venture (Note 6). The head office, records office, and principal address of the Company is 1601-110 Yonge Street, Toronto, Ontario, M5C 1T4. The Company’s common shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbols “STRR”. The Company’s common shares are also traded on the OTCQX under the symbol “STRFF”.

The Company’s condensed interim financial statements as at March 31, 2025 and for the three months then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As at March 31, 2025, the Company had cash of \$1,015,489. For the three months ended March 31, 2025, the Company used cash of \$359,450 in its operating activities (three months ended March 31, 2024 - \$797,888) and incurred a comprehensive loss of \$307,401 (three months ended March 31, 2024 – comprehensive gain of \$320,430). These conditions indicate a material uncertainty which casts significant doubt on the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is contingent upon generating revenue from its royalty and stream interests, receiving management fees from Green Star, sale of marketable securities and securing sufficient funds through equity capital or other financing to meet its expenditure requirements over the next twelve months. While the Company has been successful in obtaining the necessary financing for its operations and its contractual commitments in the past, there is no assurance such financing will be available in the future and that the steps management is taking will be successful. These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

These condensed interim financial statements were approved and authorized for issue by the board of directors of the Company (the “Board of Directors”) on May 26, 2025.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with *IAS 34 Interim Financial Reporting* and do not include all the information required of full annual financial statements. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. These condensed interim financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2024, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). The accounting policies applied in preparation of these condensed interim financial statements are consistent with those applied and disclosed in Note 4 of the Company’s audited financial statements for the year ended December 31, 2024.

(b) Basis of Measurement

These condensed interim financial statements are presented in United States dollars. The Canadian dollar is the functional currency of the Company and joint operations. The functional currency determinations were conducted through an analysis of the consideration factors identified in *IAS 21 The Effects of Changes in Foreign Exchange Rates*. These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at their fair value as set out in the accounting policies in Note 4 of the audited financial statements for the year ended December 31, 2024.

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
(Presented in U.S. Dollars)
(Unaudited)

2. BASIS OF PREPARATION (CONTINUED)

(c) New and Amended Accounting Standards

- *IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments*

In May 2024, the IASB issued targeted amendments to *IFRS 9* and *IFRS 7* to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at FVOCI. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is assessing the potential effect of these amendments on our financial statements.

The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on our financial statements.

- *IFRS 18 Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued *IFRS 18* which replaces *IAS 1*. *IFRS 18* carries forward many requirements from *IAS 1* unchanged but introduces significant changes to how information is communicated in financial statements, in particular the structure of the statement of profit or loss to include defined categories and new defined subtotals, enhanced transparency of management-defined performance measures, and enhanced guidance on how companies group information in the financial statements. *IFRS 18* is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the potential impact of this new standard on our financial statements.

All other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. ESTIMATION UNCERTAINTY AND JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

The areas of judgment and sources of estimation uncertainty with the most significant effect on the amounts recognized in the financial statements are disclosed in Note 3 of the audited financial statements for the year ended December 31, 2024.

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
(Presented in U.S. Dollars)
(Unaudited)

4. RECEIVABLES

	March 31, 2025	December 31, 2024
Goods and service tax receivable	\$ 23,911	\$ 22,166
Royalty receivables	124,723	108,895
Receivable – Sabre Gold (Note 5)	-	1,389,951
	\$ 148,634	\$ 1,521,012
Allowance for lifetime expected losses	-	(365,017)
Foreign currency translation	-	17,529
Total	\$ 148,634	\$ 1,173,524
Current	\$ 148,634	\$ 1,173,524
Non-Current	\$ -	\$ -

5. MARKETABLE SECURITIES

	Number of Common Shares Held		Fair Value	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Sabre Gold Mines Corp.	-	7,407,407	\$ -	\$ 823,674
Minera Alamos Inc.	9,592,792	-	\$ 2,335,474	\$ -
			\$ 2,335,474	\$ 823,674

On October 28, 2024, Sabre Gold Mines Corp. (“Sabre Gold”) announced its acquisition by Minera Alamos Inc. (“Minera Alamos”) through a plan of arrangement (the “Transaction”), anticipated to close in early 2025. In anticipation of the Transaction, the Company entered into a debt settlement agreement with Sabre Gold on October 28, 2024, to convert the Company’s CAD\$2 million receivables from Sabre Gold (Note 4) into 6,435,006 common shares of Sabre Gold prior to closing of the Transaction. Upon the completion of the Transaction, the Company’s 6,435,006 common shares of Sabre Gold under the debt settlement agreement were converted into 4,459,459 common shares of Minera Alamos. The Company’s 7,407,407 common shares of Sabre Gold were also converted into 5,133,333 common shares of Minera Alamos. The debt settlement agreement between the Company and Sabre Gold was completed on February 5, 2025 and the acquisition of Sabre Gold by Minera Alamos was then completed on February 6, 2025. An adjustment to fair value as at March 31, 2025 resulted in an unrealized gain on marketable securities of \$468,431 (three months ended March 31, 2024 – unrealized loss on marketable securities of \$109,837).

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
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6. INVESTMENT IN GREEN STAR JOINT VENTURE

The following table discloses the continuity of the Company's investment in Green Star joint venture as at March 31, 2025:

		Investment in Joint Venture
Balance as at December 31, 2023	\$	27,756,632
Equity loss for the year		(19,753,332)
Foreign currency translation		(1,715,911)
Balance as at December 31, 2024	\$	6,287,389
Equity loss for the period		(78,161)
Foreign currency translation		5,810
Balance as at March 31, 2025	\$	6,215,038

Summarized financial information in respect of the Company's investment in Green Star joint venture as at and for the three months ended March 31, 2025:

	As at	
	March 31, 2025	December 31, 2024
Assets		
Cash	7,224,188	\$ 7,348,179
Other current asset	1,714,934	1,767,112
Non-current financial assets	4,803,183	4,802,627
Liabilities		
Current liabilities	224,588	242,565
Net assets (100%)	13,517,717	\$ 13,675,353
Star Royalties' 45.9% share of net assets	6,204,632	\$ 6,276,987

	Three months ended March 31, 2025	Three months ended March 31, 2024
Gains on royalty investments	4,682	2,783,141
Operating expenses	(236,492)	(416,232)
Other income	61,524	1,461,268
Deferred tax expenses	-	(997,114)
Net (loss) income (100%)	(170,286)	2,831,063
Star Royalties' 45.9% share of net (loss) income	(78,161)	1,299,459

Subsequent to March 31, 2025, Green Star and Locus executed a mutual termination and release agreement on April 25, 2025 and Locus AG returned \$310,811 in overcapitalization funds to Green Star. Following termination of the program, Green Star has no further funding obligations nor investment interest in CarbonNOW.

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
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7. ROYALTY AND STREAM INTERESTS

Cost	Mining Royalties	Stream Interests	Total
Balance, December 31, 2023	\$ 13,747,898	\$ 9,428,149	\$ 23,176,047
Foreign currency translation	(1,111,183)	(762,036)	(1,873,219)
Balance, December 31, 2024	\$ 12,636,715	\$ 8,666,113	\$ 21,302,828
Foreign currency translation	11,427	7,837	19,264
Balance, March 31, 2025	\$ 12,648,142	\$ 8,673,950	\$ 21,322,092

Accumulated depletion	Mining Royalties	Stream Interests	Total
Balance, December 31, 2023	\$ 1,736,228	\$ -	\$ 1,736,228
Depletion	398,378	-	398,378
Impairment loss on Elk Gold royalty	2,000,000	-	2,000,000
Foreign currency translation	(159,463)	-	(159,463)
Balance, December 31, 2024	\$ 3,975,143	\$ -	\$ 3,975,143
Depletion	92,966	-	92,966
Impairment losses on Mongolian mining royalty interests	270,034	-	270,034
Foreign currency translation	2,989	-	2,989
Balance, March 31, 2025	\$ 4,341,132	\$ -	\$ 4,341,132

Net book value			
As at December 31, 2024	\$ 8,661,572	\$ 8,666,113	\$ 17,327,685
As at March 31, 2025	\$ 8,307,010	\$ 8,673,950	\$ 16,980,960

Of the total net book value as at March 31, 2025, \$8,307,010 (December 31, 2024 - \$8,392,232) is depletable and \$8,673,950 (December 31, 2024 - \$8,935,453) is non-depletable.

Impairment losses on Mongolian mining royalty interests

Subsequent to March 31, 2025, the operators of the Baavhai Uul and Bayan Undur projects announced on April 30, 2025 that exploration efforts for both projects would be discontinued. As a result, both projects were deemed fully impaired by the respective operators. Consequently, the Company recognized an impairment loss on the Baavhai Uul royalty of \$130,650 and an impairment loss on the Bayan Undur royalty of \$139,384 for the three months ended March 31, 2025.

8. RELATED PARTY TRANSACTIONS

Related parties include key management personnel, individuals or companies controlled by key management personnel, and Green Star. Key management personnel include those with 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 members of the Board of Directors and corporate officers, including the Company's Executive Chairman, Chief Executive Officer, Chief Investment Officer, and Chief Financial Officer.

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
(Presented in U.S. Dollars)
(Unaudited)

8. RELATED PARTY TRANSACTIONS (CONTINUED)

During the period ended March 31, 2025, and 2024, key management compensation was as follows:

	Three months ended March 31,	
	2025	2024
Management and board compensation	\$ 256,444	\$ 573,670
Share-based compensation	70,294	200,062
	\$ 326,738	\$ 773,732

Pursuant to the amended management services agreement between the Company and Green Star dated September 19, 2022, the Company received management fees of \$52,258 for the three months ended March 31, 2025 (three months ended March 31, 2024 - \$55,605).

9. SHAREHOLDERS' EQUITY**(a) Authorized**

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued Share Capital

During the three months ended March 31, 2025, the Company entered into the following transactions:

- i.) In February 2025, the Company issued 43,103 common shares valued at \$8,824 (CAD\$12,500) in relation to compensation.
- ii.) In February 2025, the Company issued 1,180,096 common shares valued at \$339,596 (CAD\$482,464) in relation to vested restricted share units ("RSUs").

During the three months ended March 31, 2024, the Company entered into the following transactions:

- i.) In February 2024, the Company issued 1,474,352 common shares valued at \$317,905 (CAD\$429,040) in relation to compensation.
- ii.) In February 2024, the Company issued 978,027 common shares valued at \$386,141 (CAD\$521,839) in relation to vested RSUs.

(c) Stock Options

During the three months ended March 31, 2025, the Company recorded share-based compensation expenses of \$16,307 (three months ended March 31, 2024 - \$40,285) in relation to vesting stock options in share-based compensation in the condensed interim statements of (loss) income and comprehensive (loss) income.

(d) RSUs

On February 21, 2024, the Company granted 1,713,358 RSUs to officers of the Company. The RSUs granted are vested over three years in equal portions on the anniversary of the grant date. The fair value per unit on the grant date was CAD\$0.28, being the share price on the grant date.

STAR ROYALTIES LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2025 and 2024
(Presented in U.S. Dollars)
(Unaudited)

9. SHAREHOLDERS' EQUITY (CONTINUED)

During the three months ended March 31, 2025, the Company recorded share-based compensation expenses of \$55,139 (three months ended March 31, 2024 - \$80,050) in relation to RSUs in share-based compensation in the condensed interim statements of (loss) income and comprehensive (loss) income.

10. SEGMENT INFORMATION

The Company organizes and manages the business under (i) Star Royalties and (ii) Green Star joint venture. The operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer ("CEO") who fulfills the role of the chief operating decision-maker. The CEO is responsible for assessing the performance of the Company's operating segments, including reviewing financial information from Green Star joint venture (Note 6) and is responsible for resources allocation.

For the three months ended March 31, 2025, the Company had mining royalty income of \$152,834 from a royalty located in Australia (three months ended March 31, 2024 - \$265,015), \$7,705 from a royalty located in Canada (three months ended March 31, 2024 - \$10,380) and had equity loss of \$78,161 from Green Star joint venture located in Canada (three months ended March 31, 2024 – equity income of \$1,299,459).

The Company has non-current assets in the following geographic locations:

	March 31, 2025	December 31, 2024
United States	\$ 8,673,950	\$ 8,666,113
Canada	13,510,450	13,581,217
Australia	1,011,598	1,098,404
Mongolia	-	269,340
	\$ 23,195,998	\$ 23,615,074

Investment in Green Star joint venture of \$6,215,038 (December 31, 2024 - \$6,287,389), included in non-current assets, is located in Canada.

11. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash, receivables, and accounts payable and accrued liabilities, approximates fair value due to the short-term nature of the financial instruments.

The Company's marketable securities consist of shares of publicly traded mining companies. The fair values of these were determined using market quotes from an active market for each investment.