



**KENORLAND MINERALS LTD.**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2025**

**(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)**

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## **NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**KENORLAND MINERALS LTD.**

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars - Unaudited)

	Note	March 31, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		31,220,433	28,192,218
Receivables	3, 10	2,869,610	1,677,694
Prepaid expenses		619,026	485,445
		34,709,069	30,355,357
<b>Investments</b>	4	5,055,844	2,754,865
<b>Investment in associates</b>	5	590,779	610,052
<b>Exploration and evaluation assets and royalty</b>	6	23,782,773	24,913,451
<b>Equipment</b>		33,488	35,749
<b>Right-of-use asset</b>		175,103	195,308
		<b>64,347,056</b>	<b>58,864,782</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	7, 10	4,239,585	970,392
Advances received	6	4,129,413	3,544,796
Current portion of lease liability		83,366	80,257
Flow-through premium liability	8	1,049,425	1,049,425
		9,501,789	5,644,870
<b>Deferred income tax liability</b>		3,460,000	3,460,000
<b>Lease liability</b>		115,549	137,448
		13,077,338	9,242,318
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	8	41,297,094	40,847,258
Reserves	8	5,204,975	5,084,156
Retained earnings		4,767,649	3,691,050
		51,269,718	49,622,464
		<b>64,347,056</b>	<b>58,864,782</b>

**Nature and continuance of operations (Note 1) and subsequent events (Note 14)****Approved and authorized for issuance by the Board of Directors on May 27, 2025.**

“Jessica Van Den Akker”  
Director

“Jay Sujir”  
Director

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

**KENORLAND MINERALS LTD.**

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

(Expressed in Canadian Dollars - Unaudited)

	Note	For the three months ended March 31,	
		2025	2024
		\$	\$
<b>Revenue</b>	10	1,493,782	1,142,847
<b>Operating expenses</b>			
Conference and marketing		77,360	76,473
Consulting	10	60,739	45,751
Depreciation		22,466	22,698
Foreign exchange gain		(17,485)	(22,852)
Insurance		17,874	14,798
Interest on lease liability		6,345	8,446
Management fees	10	16,500	16,500
Office expenses		100,239	82,862
Professional fees		121,014	94,894
Project generation		7,582	-
Salaries and benefits	10	644,140	582,419
Share-based compensation	8, 10	470,655	479,283
Transfer agent and filing fees		17,752	68,429
Travel and related		28,304	26,874
		(1,573,485)	(1,496,575)
<b>Loss from operations</b>		(79,703)	(353,728)
<b>Other income (expenses)</b>			
Gain on sale of mineral properties	6	-	167,891
Interest and other income	10	294,563	353,037
Net change in fair value of investments	4	881,012	(287,712)
Equity loss in investment in associates	5	(19,273)	(21,702)
		1,156,302	211,514
<b>Net income (loss) for the period</b>		1,076,599	(142,214)

**Earnings (loss) per common share (Note 9)**

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

**KENORLAND MINERALS LTD.**

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars - Unaudited)

	Number of Shares Issued	Share Capital	Reserves	Retained Earnings	Total Shareholders' Equity
	#	\$	\$	\$	\$
<b>Balance, December 31, 2023</b>	<b>63,560,499</b>	<b>30,848,698</b>	<b>4,548,242</b>	<b>7,050,359</b>	<b>42,447,299</b>
Shares issued for cash	91,484	68,730	-	-	68,730
Options exercised	911,836	184,089	(184,089)	-	-
Warrants exercised	587,853	871,798	(460,301)	-	411,497
Warrants expired	-	-	(322,715)	322,715	-
Shares issued for exploration and evaluation assets	214,287	150,001	-	-	150,001
Share-based compensation	-	-	479,283	-	479,283
Net loss for the period	-	-	-	(142,214)	(142,214)
<b>Balance, March 31, 2024</b>	<b>65,365,959</b>	<b>32,123,316</b>	<b>4,060,420</b>	<b>7,230,860</b>	<b>43,414,596</b>
Shares issued for cash	8,701,964	7,972,789	-	-	7,972,789
Share issuance costs	-	(63,908)	-	-	(63,908)
Options exercised	2,530,585	815,061	(677,561)	-	137,500
Options expired	-	-	(11,534)	11,534	-
Share-based compensation	-	-	1,712,831	-	1,712,831
Net loss for the period	-	-	-	(3,551,344)	(3,551,344)
<b>Balance, December 31, 2024</b>	<b>76,598,508</b>	<b>40,847,258</b>	<b>5,084,156</b>	<b>3,691,050</b>	<b>49,622,464</b>
Options exercised	912,524	449,836	(349,836)	-	100,000
Share-based compensation	-	-	470,655	-	470,655
Net income for the period	-	-	-	1,076,599	1,076,599
<b>Balance, March 31, 2025</b>	<b>77,511,032</b>	<b>41,297,094</b>	<b>5,204,975</b>	<b>4,767,649</b>	<b>51,269,718</b>

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

**KENORLAND MINERALS LTD.**

## Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars - Unaudited)

	For the three months ended March 31,	
	2025	2024
	\$	\$
<b>Cash flows used in operating activities</b>		
Net income (loss) for the period	1,076,599	(142,214)
Adjustments for items not affecting cash and cash equivalents		
Depreciation	22,466	22,698
Net change in fair value of investments	(881,012)	287,712
Gain on sale of mineral properties	-	(167,891)
Share-based compensation	470,655	479,283
Interest on lease liability	6,345	8,446
Equity loss in investment in associates	19,273	21,702
Change in non-cash working capital items		
Receivables	(1,191,916)	(64,815)
Prepaid expenses	(133,581)	272,241
Accounts payable and accrued liabilities	(550,432)	(918,923)
Current income tax liability	-	(268,456)
	(1,161,603)	(470,217)
<b>Cash flows provided by investing activities</b>		
Exploration and evaluation assets expenditures	(5,708,874)	(6,563,019)
Advances received for exploration and evaluation assets expenditures	9,573,827	6,673,549
Option payments received	250,000	-
	4,114,953	110,530
<b>Cash flows provided by financing activities</b>		
Shares issued for cash	-	68,730
Options exercised	100,000	-
Warrants exercised	-	411,497
Repayment of lease liability	(25,135)	(24,799)
	74,865	455,428
<b>Change in cash and cash equivalents during the period</b>	3,028,215	95,741
<b>Cash and cash equivalents, beginning of the period</b>	28,192,218	25,430,198
<b>Cash and cash equivalents, end of the period</b>	<b>31,220,433</b>	<b>25,525,939</b>
<b>Non-cash transactions</b>		
Exploration and evaluation assets expenditures in accounts payable	4,086,128	783,503
Shares issued for exploration and evaluation assets	-	150,001
Options exercised	349,836	184,089
Warrants exercised	-	460,301
Warrants expired	-	322,715
Value of shares received on sale of mineral properties	1,419,967	167,891

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

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Kenorland Minerals Ltd. (the “Company” or “Kenorland”) was incorporated on May 29, 2018 under the Business Corporations Act of British Columbia. Its principal business activity is the acquisition and exploration of mineral properties. The Company is listed for trading on the TSX Venture Exchange (“TSX-V”), Frankfurt Stock Exchange, and OTCQX under the symbol “KLD.V”, “3WQ0”, and “KLDCF”, respectively.

The head office of the Company is located at 1570 – 1111 West Georgia Street, Vancouver, B.C., V6E 4M3 and the registered and records office of the Company is located at 830 – 999 West Broadway, Vancouver, B.C., V5Z 1K5.

The Company’s exploration and evaluation assets are at the exploration stage and are without a known body of commercial ore. The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenditures may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The amounts shown as exploration and evaluation assets costs represent acquisition, holding and deferred exploration costs and do not necessarily represent present or future recoverable values. The recoverability of the amounts shown for exploration and evaluation assets costs is dependent upon the Company obtaining the necessary financing to complete the exploration and development of the properties, the discovery of economically recoverable reserves and future profitable operations.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2025, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its exploration activities and raise equity capital or borrowings sufficient to meet current and future obligations. There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company’s business or ability to raise funds. So far, the Company has had minimal or no impact due to these issues.

These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months.



## KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

The following is a summary of significant accounting policies used in the preparation of these condensed interim consolidated financial statements.

#### Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").

This condensed interim financial report does not include all of the information required of a full annual financial report and is 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. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the years ended December 31, 2024 and 2023.

These condensed interim consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on May 27, 2025.

#### Basis of presentation

These condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted.

#### Basis of consolidation

The condensed interim consolidated financial statements include the financial statements of the Company and the following subsidiaries:

Name	Jurisdiction	Percentage owned	
		March 31, 2025	December 31, 2024
1223437 B.C. Ltd.	Canada	100%	100%
Northway Resources Alaska Corporation	USA	100%	100%
Kenorland Minerals North America Ltd.	Canada	100%	100%
1118892 B.C. Ltd.	Canada	100%	100%
Kenorland Minerals USA Inc.	USA	100%	100%
1431275 B.C. Ltd.	Canada	100%	100%

All intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

#### Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year.

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

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Use of estimates (continued)**

The most significant accounts that require estimates and judgements as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, determination of functional currency, level of control or influence over companies, going concern of operations, accounting and impairment of royalty interests, valuation of share-based compensation, recognition of deferred tax amounts, and fair value of private company investments.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are as follows:

#### Economic recoverability and probability of future economic benefits of exploration and evaluation assets and royalty

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

#### Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions within the reporting entity.

#### Level of control or influence over companies

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over these other companies. Management has used its judgment to determine which companies are controlled and require consolidation and those which are significantly influenced and require equity accounting.

#### Going concern of operations

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption is not appropriate for the condensed interim consolidated financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statements of financial position classifications used (Note 1).

## KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### Use of estimates (continued)

##### Accounting for royalty interests

There is judgement as to whether the royalty interests should be accounted for as a financial asset, intangible asset or tangible asset. These interests, where the right to receive cash or metal exist only to the extent there is production and there are no interest payments, minimum payment obligations or any other means to enforce production or guarantee repayment are classified as tangible assets by the Company. The purchase price of each interest acquired is economically similar to holding a direct interest in the underlying mineral asset. Existence risk (the commodity physically existing in the quantity demonstrated), production risk (that the operator can achieve production and operate a commercially viable project), timing risk (commencement and quantity produced, determined by the operator), and price risk (returns depending on the future commodity price, driven by future supply and demand) are all risks which the Company indirectly participates in on a similar basis to an owner of the underlying mineral license.

##### Impairment of royalty interests

Royalty interests are assessed at each reporting date for indicators of impairment. The assessment requires the use of estimates and assumptions for variables such as the production profile, production commissioning dates as applicable, forecast commodity rates and guidance from the mine operators such as reserve and resource estimates and/or other relevant information which would indicate reduced or ceased production from royalty interests.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

##### Valuation of share-based compensation

The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, risk-free interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

##### Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

##### Fair value of private company investments

Where the fair values of investments in private companies recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair value and this value may not be indicative of recoverable value.

## KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiaries is the Canadian dollar. 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*.

Transactions in currencies other than Canadian dollars are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

#### Standards issued or amended but not yet effective

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 condensed interim consolidated financial statements.

### 3. RECEIVABLES

	March 31, 2025	December 31, 2024
	\$	\$
Accounts receivable	735,917	148,802
Accrued receivable	1,103,993	1,224,237
Sales tax receivable	1,029,700	304,655
	<b>2,869,610</b>	<b>1,677,694</b>

### 4. INVESTMENTS

A summary of the Company's investment in equity instruments is as follows:

	Marketable Securities				Private company investments			
	Kingfisher	Jayden	J2 Metals	Targa	Plethora	Auranova	Koulou	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2023	31,500	416,809	40,537	584,854	106,612	-	1,600,000	2,780,312
Addition	-	-	-	258,039	-	-	-	258,039
Change in fair value of investments	(7,700)	(250,086)	-	(665,700)	-	-	640,000	(283,486)
Balance as at December 31, 2024	23,800	166,723	40,537	177,193	106,612	-	2,240,000	2,754,865
Addition	-	-	-	-	-	1,419,967	-	1,419,967
Change in fair value of investments	18,200	(27,788)	-	-	-	890,600	-	881,012
Balance as at March 31, 2025	<b>42,000</b>	<b>138,935</b>	<b>40,537</b>	<b>177,193</b>	<b>106,612</b>	<b>2,310,567</b>	<b>2,240,000</b>	<b>5,055,844</b>

## KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

### 4. INVESTMENTS (continued)

#### Auranova Resources Inc.

In January 2025, the Company received an aggregate of 9,242,267 shares of Auranova Resources Inc. ("Auranova") at a weighted average fair value of \$0.15 per share in connection with the option agreement of the South Uchi Property entered into in November 2024 (Note 6).

### 5. INVESTMENT IN ASSOCIATES

A summary of the Company's investment in associates is as follows:

	<b>Prospector</b>
	<b>\$</b>
<b>Balance as at December 31, 2023</b>	724,172
Equity loss	(114,120)
<b>Balance as at December 31, 2024</b>	610,052
Equity loss	(19,273)
<b>Balance as at March 31, 2025</b>	<b>590,779</b>

#### Prospector Royalty Corp.

As at March 31, 2025, the Company held 39.38% (December 31, 2024: 39.38%) interest in Prospector Royalty Corp. ("Prospector").

Prospector's financial information as at December 31, 2024 and March 31, 2025 and loss and comprehensive loss for the year ended December 31, 2024 and for the three months ended March 31, 2025 are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Cash	166,191	961,482
Other current assets	15,630	15,471
Non-current assets	1,359,000	659,000
Total assets	1,540,821	1,635,953
Current liabilities	(40,431)	(86,616)
Net assets	1,500,390	1,549,337
Loss and comprehensive loss for the period	(49,847)	(289,829)
Company's share of loss during the period	(19,273)	(114,120)

# KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

## 6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY

The Company's costs and expenditures for the periods related to exploration and evaluation of mineral properties are as follows:

	Chebistuan	Chicobi	Eeyou Istchee	Frotet	Hunter	Northwestern Ontario Portfolio	O'Sullivan	Others	Separation Rapids
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at December 31, 2023</b>	<b>214,708</b>	<b>82,107</b>	<b>483,275</b>	<b>3,682,353</b>	<b>226,208</b>	<b>701,051</b>	<b>280,811</b>	<b>1,715,972</b>	<b>-</b>
Acquisition costs	-	-	-	-	-	370,001	-	-	-
Exploration expenditures:									
Assays	22,885	25,227	-	197,615	48,746	746,869	166,144	176,543	7,620
Camp and heavy equipment	8,225	85,422	-	77,253	108,110	175,364	128,045	69,590	-
Consulting and personnel	74,680	140,670	206	654,590	286,282	1,141,037	522,460	432,218	6,297
Drilling	20,366	398,007	-	1,108,578	1,016,604	-	654,035	-	-
Fuel	753	330	-	67,561	4,093	166,513	4,122	45,194	-
Geophysics	-	-	153,600	-	293,611	146,550	-	150,170	-
Helicopter and fixed wing	-	-	-	-	-	861,760	-	263,289	-
Site development and reclamation	932	2,650	572	10,235	54,462	46,181	345	177,905	-
Staking and claim maintenance	50,969	12,013	418,354	-	3,411	110,361	3,922	70,932	15,751
Supplies	39,287	14,047	-	125,553	67,130	340,609	96,285	78,146	-
Travel and accommodations	4,825	1,775	-	43,958	13,830	164,804	35,461	125,676	-
	222,922	680,141	572,732	2,285,343	1,896,279	4,270,049	1,610,819	1,589,663	29,668
Contribution received from optionees	(222,922)	-	-	-	(1,896,279)	-	(1,610,819)	-	(29,668)
Contribution from joint venture partner	-	(675,597)	-	(2,285,343)	-	-	-	-	-
Consideration received	(200,000)	-	-	-	-	-	-	(258,039)	-
Gain on sale of mineral properties	-	-	-	-	-	-	-	258,039	-
Government grant	-	-	-	-	-	(60,000)	-	-	-
Impairment of exploration and evaluation assets	-	-	-	-	-	(978,381)	-	(53,807)	-
Transfer of exploration and evaluation assets	-	-	-	(3,682,353)	-	-	-	-	-
<b>Balance as at December 31, 2024</b>	<b>14,708</b>	<b>86,651</b>	<b>1,056,007</b>	<b>-</b>	<b>226,208</b>	<b>3,932,719</b>	<b>280,811</b>	<b>3,251,828</b>	<b>-</b>

# KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

## 6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)

	South Thompson	South Uchi	Total Canada	Tanacross	Healy	Total USA	Total	Frotet Royalty	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at December 31, 2023</b>	<b>337,414</b>	<b>1,268,721</b>	<b>8,992,620</b>	<b>1,574,047</b>	<b>6,534,852</b>	<b>8,108,899</b>	<b>17,101,519</b>	<b>-</b>	<b>17,101,519</b>
Acquisition costs	-	-	370,001	50,000	-	50,000	420,001	-	420,001
Exploration expenditures:									
Assays	43,175	436,046	1,870,870	42,254	1,158	43,412	1,914,282	-	1,914,282
Camp and heavy equipment	-	49,220	701,229	75,627	-	75,627	776,856	-	776,856
Consulting and personnel	-	229,943	3,488,383	253,176	-	253,176	3,741,559	-	3,741,559
Drilling	-	-	3,197,590	1,851	-	1,851	3,199,441	-	3,199,441
Fuel	-	21,936	310,502	14,589	-	14,589	325,091	-	325,091
Geophysics	1,251,422	92,400	2,087,753	62,000	-	62,000	2,149,753	-	2,149,753
Helicopter and fixed wing	-	111,291	1,236,340	-	-	-	1,236,340	-	1,236,340
Site development and reclamation	117,854	113,800	524,936	6,208	2,065	8,273	533,209	-	533,209
Staking and claim maintenance	25,839	50,511	762,063	331,480	176,638	508,118	1,270,181	-	1,270,181
Supplies	1,592	51,582	814,231	52,258	-	52,258	866,489	-	866,489
Travel and accommodations	32,606	50,391	473,326	37,796	-	37,796	511,122	-	511,122
	1,472,488	1,207,120	15,837,224	927,239	179,861	1,107,100	16,944,324	-	16,944,324
Contribution received from optionees	-	(136,085)	(3,895,773)	(293,491)	-	(293,491)	(4,189,264)	-	(4,189,264)
Contribution from joint venture partner	-	-	(2,960,940)	-	-	-	(2,960,940)	-	(2,960,940)
Consideration received	-	(250,000)	(708,039)	-	-	-	(708,039)	-	(708,039)
Gain on sale of mineral properties	-	-	258,039	-	-	-	258,039	-	258,039
Government grant	(300,000)	(140,000)	(500,000)	-	-	-	(500,000)	-	(500,000)
Impairment of exploration and evaluation assets	-	-	(1,032,188)	-	-	-	(1,032,188)	-	(1,032,188)
Transfer of exploration and evaluation assets	-	-	(3,682,353)	-	-	-	(3,682,353)	3,682,353	-
<b>Balance as at December 31, 2024</b>	<b>1,509,902</b>	<b>1,949,756</b>	<b>12,308,590</b>	<b>2,207,795</b>	<b>6,714,713</b>	<b>8,922,508</b>	<b>21,231,098</b>	<b>3,682,353</b>	<b>24,913,451</b>

# KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

## 6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)

	Chebistuan	Chicobi	Eeyou Istchee	Hunter	Northwestern Ontario Portfolio	O'Sullivan	Others	South Thompson
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at December 31, 2024</b>	<b>14,708</b>	<b>86,651</b>	<b>1,056,007</b>	<b>226,208</b>	<b>3,932,719</b>	<b>280,811</b>	<b>3,251,828</b>	<b>1,509,902</b>
Acquisition costs	-	-	-	-	50,000	-	-	-
Exploration expenditures (recovery):								
Assays	3,105	-	-	3,018	(17,408)	(13,431)	(6,736)	-
Camp and heavy equipment	123,131	5,060	-	82,408	-	-	-	-
Consulting and personnel	718,402	3,781	1,269	176,967	5,299	10,831	7,375	-
Drilling	591,838	-	-	405,291	-	-	-	-
Fuel	22,079	392	-	36,581	-	-	-	-
Geophysics	-	-	-	32,623	-	-	-	14,900
Helicopter and fixed wing	-	-	-	-	-	-	-	-
Site development and reclamation	1,545	-	-	19,990	5,810	126	12,130	7,225
Staking and claim maintenance	2,010	5,342	964	2,076	55,964	839	287,795	1,151
Supplies	168,849	1,009	-	40,167	18,329	1,122	48,210	-
Travel and accommodations	16,831	725	-	6,850	-	1,923	(321)	206
	1,647,790	16,309	2,233	805,971	117,994	1,410	348,453	23,482
Contribution received from optionees	(1,647,790)	-	-	(805,971)	-	(1,410)	-	-
Consideration received	-	-	-	-	-	-	-	-
Government grant	-	-	-	-	(140,000)	-	-	-
<b>Balance as at March 31, 2025</b>	<b>14,708</b>	<b>102,960</b>	<b>1,058,240</b>	<b>226,208</b>	<b>3,910,713</b>	<b>280,811</b>	<b>3,600,281</b>	<b>1,533,384</b>



# KENORLAND MINERALS LTD.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars - Unaudited)

## 6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)

	South Uchi	Total Canada	Tanacross	Healy	Total USA	Total	Frotet Royalty	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at December 31, 2024</b>	<b>1,949,756</b>	<b>12,308,590</b>	<b>2,207,795</b>	<b>6,714,713</b>	<b>8,922,508</b>	<b>21,231,098</b>	<b>3,682,353</b>	<b>24,913,451</b>
Acquisition costs	-	50,000	-	-	-	50,000	-	50,000
Exploration expenditures (recovery):								
Assays	5,117	(26,335)	-	-	-	(26,335)	-	(26,335)
Camp and heavy equipment	1,231,050	1,441,649	-	-	-	1,441,649	-	1,441,649
Consulting and personnel	1,950,384	2,874,308	-	-	-	2,874,308	-	2,874,308
Drilling	2,160,090	3,157,219	166,175	-	166,175	3,323,394	-	3,323,394
Fuel	129,515	188,567	-	-	-	188,567	-	188,567
Geophysics	-	47,523	-	-	-	47,523	-	47,523
Helicopter and fixed wing	111,690	111,690	-	-	-	111,690	-	111,690
Site development and reclamation	53,925	100,751	208	-	208	100,959	-	100,959
Staking and claim maintenance	25,151	381,292	-	-	-	381,292	-	381,292
Supplies	628,050	905,736	1,076	-	1,076	906,812	-	906,812
Travel and accommodations	241,801	268,015	625	-	625	268,640	-	268,640
	6,536,773	9,500,415	168,084	-	168,084	9,668,499	-	9,668,499
Contribution received from optionees	(6,534,039)	(8,989,210)	-	-	-	(8,989,210)	-	(8,989,210)
Consideration received	(1,669,967)	(1,669,967)	-	-	-	(1,669,967)	-	(1,669,967)
Government grant	-	(140,000)	-	-	-	(140,000)	-	(140,000)
<b>Balance as at March 31, 2025</b>	<b>282,523</b>	<b>11,009,828</b>	<b>2,375,879</b>	<b>6,714,713</b>	<b>9,090,592</b>	<b>20,100,420</b>	<b>3,682,353</b>	<b>23,782,773</b>

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)**

#### **Chebistuan Property, Quebec, Canada**

The Chebistuan Property is located in Quebec and was acquired by nominal staking costs and acquisition from arm's length vendors. Certain mineral claims are subject to a 2% net smelter return royalty and half of the royalty (1.0%) can be redeemed at the Company's discretion for consideration of \$1,000,000 payable in cash. The Company holds the right of first refusal over this same 1% of royalty.

In July 2020, and later amended in June 2021, the Company entered into an exploration with venture option agreement with Newmont Corporation ("Newmont") wherein Newmont can earn up to an 80% interest in the Chebistuan Property. Under the agreement, the Company is the operator and will be compensated based on exploration expenditures incurred. In order to acquire an 80% interest, Newmont must make exploration expenditures as follows:

- a) to acquire an undivided 51% interest, advance the Company a minimum of \$700,000 in qualifying expenditures to complete the geochemical sampling work (advanced); approval of the geochemical sampling work; and incur or advance the Company an additional \$2,000,000 in qualifying exploration expenditures (funded and earned).
- b) to acquire an additional undivided 29% interest (for a total undivided interest of 80%), incur additional qualifying exploration expenditures to furnish the Company with a NI43-101-compliant prefeasibility study demonstrating the Chebistuan Property contains an inferred resource of at least 1,500,000 gold ounces within six years of the effective date of the venture agreement (as defined below).

In September 2024, Newmont and the Company entered into a venture agreement. In October 2024, Newmont provided notice to enter Phase 2 of the earn-in agreement to potentially earn an additional 29% interest in the Chebistuan Property and paid a one-time cash payment of \$200,000.

#### **Chicobi Property, Quebec, Canada**

The Chicobi Property is located 30 kilometers northeast of the town of Amos, Quebec.

In February 2019, the Company entered into an earn in and joint venture exploration agreement with Sumitomo Metal Mining Canada Limited ("Sumitomo"). Under the agreement, Sumitomo can earn up to a 70% interest in the Chicobi Property by making exploration expenditures as follows:

- a) to acquire an undivided 51% interest, Sumitomo must fund an aggregate of \$4.9 million in expenditures on the Chicobi Property on or before May 31, 2022 (funded and earned).
- b) to acquire an additional undivided 19% interest (for a total undivided interest of 70%), Sumitomo must, within 90 days following the completion of acquiring 51% interest, notify the Company that they will fund an aggregate of an additional \$10 million in expenditures on the property within three years.

In July 2022, Sumitomo notified the Company that Sumitomo would not exercise the right to earn the additional 19% interest. The parties formed a joint venture on a 49/51 basis and the Company will remain the operator.

In November 2024, Sumitomo elected to withdraw from the earn in and joint venture exploration agreement effective December 6, 2024. Sumitomo will transfer its participating interest to Kenorland, resulting in Kenorland owning 100% interest in the Chicobi Property.

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)**

#### **Eeyou Istchee Property, Quebec, Canada**

During the years ended December 31, 2023 and 2024, the Company staked claims located in Quebec within the Opinaca geological subprovince.

#### **Frotet Property, Quebec, Canada**

The Frotet Property is located north of Chibougamau, Quebec. Certain mineral claims are subject to a 2% net smelter return royalty and half of the royalty (1.0%) can be redeemed at the Company's discretion for consideration of \$1,000,000 payable in cash.

In February 2024, the Company completed the exchange with Sumitomo of the Company's 20% participating interest in the Frotet Property for a 4.0% net smelter return royalty on all minerals extracted from the Frotet Property (the "Frotet Royalty"). The Frotet Royalty is subject to the following buy down rights:

- A 0.25% royalty interest may be purchased for a \$3,000,000 cash payment to the Company within five years of the grant of the Frotet Royalty upon the closing of the transaction.
- A 0.50% royalty interest may be purchased for a \$10,000,000 cash payment to the Company within ten years of the grant of the Frotet Royalty upon the closing of the transaction, provided Sumitomo has exercised the first buy down right.

In the event Sumitomo exercises the buy down rights, the Frotet Royalty would be reduced to an uncapped 3.25% net smelter return royalty on all minerals extracted from the property. Kenorland will remain the operator of the Frotet Property for at least one year following the transaction to facilitate a successful transition of operatorship to Sumitomo.

As the Frotet Royalty is a pre-development royalty interest on future potential revenues of an exploration and evaluation stage mineral property, the Company determined that the acquisition cost of the Frotet Royalty should be the carrying cost of the 20% participating interest in the Frotet Project. As a result, the Company allocated the value of the 20% participating interest in the Frotet Project of \$3,682,353 to the Frotet Royalty.

#### **Hunter Property, Quebec, Canada**

The Hunter Property is located within the southern Abitibi Greenstone Belt, Quebec.

In January 2022, the Company entered into a property option agreement with a wholly owned subsidiary of Centerra Gold Inc. ("Centerra") pursuant to which Kenorland has agreed to grant Centerra the option to acquire up to a 70% interest in the Hunter Property.

Pursuant to the property option agreement, Centerra can earn an initial 51% interest in the Hunter Property by incurring an aggregate of \$5,000,000 in mineral exploration expenditures on or before the fourth anniversary of the property option agreement (the "Hunter First Option"). Centerra can earn an additional 19% interest, for an aggregate 70% interest held (the "Hunter Second Option") by completing a technical report in respect of the Hunter Property that establishes a mineral resource of at least one million ounces of gold prepared in accordance with the requirements of National Instrument 43-101 of the Canadian Securities Administrators on or before the fourth anniversary of the exercise of the Hunter First Option, provided that Centerra must provide notice of its intent to exercise the Hunter Second Option within 90 days of the exercise of the Hunter First Option. Following the earning of a 70% interest, Centerra and Kenorland will form a joint venture in respect of the property. In the event a joint venture participant's interest is diluted to below 10%, it will exchange its joint venture interest for a net smelter return royalty of 2% on currently unencumbered claims and 1.5% on claims currently encumbered by an existing royalty.

**KENORLAND MINERALS LTD.**

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(Expressed in Canadian Dollars - Unaudited)

**6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)****Northwestern Ontario Portfolio, Ontario, Canada**

The Northwestern Ontario portfolio represent mineral claims the Company has staked within the Wabigoon subprovince in Northwestern Ontario. The portfolio consists of Algoman, Flora, Stormy Lake, and Western Wabigoon properties.

In March 2024, the Company entered into an option agreement with certain arm's length vendor to acquire additional mining claims located in Ontario, Canada. Pursuant to the agreement, the terms are as follows:

	<b>Total cash payment (\$)</b>
Upon execution of agreement or extension of the claim anniversary	(paid) 30,000
1 <sup>st</sup> anniversary	(paid) 50,000
2 <sup>nd</sup> anniversary	75,000
3 <sup>rd</sup> anniversary	100,000
4 <sup>th</sup> anniversary	150,000
<b>Total Requirement</b>	<b>405,000</b>

Additionally, the option agreement is subject to a 2.0% net smelter return royalty with a 1.0% buyback provision, exercisable by a one-time payment of \$1,000,000 in cash.

In October 2024, the Company entered into two option agreements with certain arm's length vendors to acquire additional mining claims located in Ontario, Canada. Pursuant to the agreements, the terms are as follows:

	<b>Total cash payment (\$)</b>	<b>Total expenditures required (\$)</b>
Upon execution of agreement or extension of the claim anniversary	(paid) 60,000	-
1 <sup>st</sup> anniversary	100,000	100,000
2 <sup>nd</sup> anniversary	150,000	-
3 <sup>rd</sup> anniversary	225,000	-
4 <sup>th</sup> anniversary	150,000	-
5 <sup>th</sup> anniversary	300,000	-
<b>Total Requirement</b>	<b>985,000</b>	<b>100,000</b>

Additionally, each option agreement is subject to a 2.0% net smelter return royalty with a 1.0% buyback provision, exercisable by a one-time payment of \$2,000,000 and \$1,000,000 in cash, respectively.

During the year ended December 31, 2024, the Company entered into five options agreements with certain arm's length vendors to acquire additional mining claims. The Company paid a total of \$130,000 in cash and issued shares valued at \$150,001. The Company terminated these option agreements in December 2024. As a result, the Company recorded an impairment of exploration and evaluation assets of \$978,381.

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)**

#### **O'Sullivan Property, Quebec, Canada**

The Company holds a 100% interest in mining claims located within the Abitibi greenstone belt in Northern Quebec.

In December 2022, the Company entered into an earn in and joint venture exploration agreement with Sumitomo. Under the agreement, Sumitomo can earn up to a 70% interest in the O'Sullivan Property by making exploration expenditures as follows:

- a) to acquire an undivided 51% interest, Sumitomo must fund an aggregate of \$4.9 million in expenditures on the O'Sullivan Property on or before December 15, 2025, of which \$1.2 million are guaranteed expenditures.
- b) to acquire an additional undivided 19% interest (for a total undivided interest of 70%), Sumitomo must incur additional qualifying exploration expenditures to deliver a NI-43-101 compliant feasibility study on the O'Sullivan Property disclosing mineral resources in the measured and indicated categories of not less than 1,500,000 ounces of gold (or AuEq) within an additional seven years.

Once Sumitomo has earned a 70% interest, the Company will have the option to convert the minority joint venture interest into a net smelter return royalty of 4% on the property. If the participating interest in the joint venture property of any party is diluted to 10% or less whether by reason of failure to complete funding contribution requirements or default, the participating interest will be deemed to have been automatically converted to a 3% net smelter return royalty in favor of the other party in respect of minerals produced from the property, with 1% subject to buyback for \$1 million. If the party whose participating interest is forfeited, they will be deemed to have abandoned the property and the full benefit, ownership and title of the property shall be deemed to have passed to the other party for the payment of good and valuable consideration.

#### **Other Properties, Canada**

The other properties represent mineral claims the Company has staked in the provinces of British Columbia, Manitoba, Ontario, Quebec, and Saskatchewan, Canada.

#### **South Thompson Property, Manitoba, Canada**

During the years ended December 31, 2020 and 2022, the Company staked claims located in Manitoba.

In July 2024, the Company entered into a definitive purchase and sale agreement (the "Agreement") with Evolution Nickel Corporation ("Evolution"), an Ontario private company. Pursuant to the Agreement, Evolution will acquire 100% of the South Thompson Property by issuing 26,000,000 common shares of Evolution (for a 50% equity ownership interest prior to the closing of the Financing (as defined below)) to Kenorland and grant Kenorland a 2% net smelter return royalty over the entirety of the South Thompson Property at closing of the transaction ("Closing").

In addition to customary conditions precedent for a transaction of this nature, including the prior approval of the TSX-V, Closing is conditional upon Evolution completing an equity financing for gross proceeds of not less than \$4,000,000 (the "Financing"). Closing is expected to occur prior to June 30, 2025.

## **KENORLAND MINERALS LTD.**

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025

(Expressed in Canadian Dollars - Unaudited)

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### **6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)**

#### **South Uchi Property, Ontario, Canada**

During the year ended December 31, 2021, the Company staked claims located within the Birch-Uchi greenstone Belt, in the Red Lake district of Northwestern Ontario (the "South Uchi Property").

Certain mineral claims are subject to a 2% net smelter return royalty and half of the royalty (1%) may be purchased by Kenorland at any time for an aggregate payment of \$1,000,000 which may be paid in cash or through the issuance of common shares of Kenorland, at the discretion of the optionor.

In November 2024, the Company entered into an option agreement with Auranova. Under the agreement, Auranova can earn up to a 70% interest in the South Uchi Property by fulfilling the following conditions:

- a) to acquire an undivided 51% interest (the "First Option"), Auranova must:
  - pay \$250,000 upon signing the Agreement (received).
  - pay an additional \$250,000 upon receiving the drilling permit (received).
  - complete at least 15,000 metres of diamond drilling or incur \$8,000,000 in qualifying expenditures on or before the second anniversary of the drilling permit issuance.
  - issue to Kenorland common shares of Auranova representing a 19.9% equity interest (received).
  - grant Kenorland the right to receive additional shares, for no additional consideration, to maintain a 19.9% equity ownership until Auranova raises a minimum of \$10,000,000 through share issuances (received).
  - enter into an investor rights agreement granting Kenorland the right to appoint one director to Auranova's board and maintain its pro-rata equity ownership for so long as Kenorland holds a 7.5% interest therein.
  - Kenorland shall act as operator during the First Option period in exchange for a management fee.
- b) to acquire an additional undivided 19% interest (for a total undivided interest of 70%) (the "Second Option"), Auranova must incur additional \$10,000,000 in qualifying expenditures on the South Uchi Property on or before the third anniversary of Auranova's election to proceed with the Second Option. If Auranova does not exercise the Second Option, it will transfer a 2% interest back to Kenorland, resulting in Kenorland holding a 51% interest and Auranova holding a 49% interest under a joint venture arrangement.
- c) Upon completion of the Second Option, Auranova will hold a 70% interest in the project, and Kenorland will retain a 30% free-carried interest until the completion of a NI 43-101-compliant Preliminary Economic Assessment ("PEA") demonstrating at least 1,000,000 ounces of gold equivalent in any category of mineral resource. Kenorland will also have the right to receive common shares of Auranova, for no additional consideration, to maintain a minimum 10% equity ownership in Auranova from the election to exercise the Second Option until the PEA is delivered. If a party's joint venture interest is diluted below 10%, it will automatically convert to a 1% net smelter return royalty.

## KENORLAND MINERALS LTD.

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(Expressed in Canadian Dollars - Unaudited)

### 6. EXPLORATION AND EVALUATION ASSETS AND ROYALTY (continued)

#### Healy Property, Alaska, USA

Pursuant to the option agreement with Newmont effective July 2018, the Company was entitled to acquire a 70% interest in a property located in Fairbanks Recording District, Alaska, USA (the "Healy Property") upon incurring aggregate expenditures of US\$4,000,000 on the property during the Phase 1 period of the contribution. In December 2021, the Company received acknowledgement it had completed the Phase 1 earn-in. Upon completing the Phase 1 earn-in requirement, the value of the Company's initial contribution is US\$4,000,000 (70% interest) and the value of optionor's initial contribution is US\$1,715,000 (30% interest). The Company and the optionor shall fund an adopted program on a pro-rata basis in accordance with their respective participating interests.

#### Tanacross Property, Alaska, USA

The property is located northeast of Tok, Alaska and was acquired by staking and a payment of \$20,000 to an arm's length vendor in June 2017 (the "Tanacross Property") and Freeport-McMoRan Mineral Properties Inc. held a 1% net smelter royalty in the property.

In July 2022, the Company entered into an earn-in agreement with Antofagasta Minerals S.A. ("Antofagasta"), a wholly owned subsidiary of Antofagasta PLC. Under the agreement, Antofagasta can earn up to a 70% interest in the Tanacross Property. In March 2024, Antofagasta terminated the earn-in agreement.

#### Advances Received

The balances of excess funding the Company received as the operator of the project are as follows:

	March 31, 2025	December 31, 2024
	\$	\$
Chebistuan	421,345	2,069,392
Chicobi	75,976	87,691
Frotet	2,500,468	870,182
Hunter	674,978	131,238
O'Sullivan	42,030	44,273
Opinaca	16,531	30,105
Rupert	288,217	311,915
South Uchi	109,868	-
	<b>4,129,413</b>	<b>3,544,796</b>

### 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2025	December 31, 2024
	\$	\$
Accounts payable	3,640,246	262,195
Accrued liabilities	567,015	683,924
Payroll taxes payable	32,324	24,273
	<b>4,239,585</b>	<b>970,392</b>

## KENORLAND MINERALS LTD.

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### 8. SHARE CAPITAL AND RESERVES

#### Authorized Share Capital

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

#### Issued Share Capital

During the year ended December 31, 2024:

- The Company issued 214,287 common shares in connection with the property option agreements for the Stormy Lake Property valued at \$150,001.
- The Company issued 2,928,136 common shares in connection with the cashless exercise of 3,964,880 stock options and issued 514,285 common shares in connection with the cash exercise of 514,285 stock options for proceeds of \$137,500. The Company reallocated \$861,650 from reserves to share capital in connection with the exercise of these options.
- The Company issued 587,853 common shares in connection with the exercise of warrants for proceeds of \$411,497. The Company reallocated \$460,301 from reserves to share capital in connection with the exercise of these warrants.
- The Company issued 286,462 common shares to Sumitomo at a weighted average price of \$0.95 per share for proceeds of \$273,432 in connection with the investor rights agreements as part of the strategic investment by Sumitomo.
- The Company issued 191,115 common shares to Centerra at a weighted average price of \$1.05 per share for proceeds of \$200,646 in connection with the investor rights agreements as part of the strategic investment by Centerra.
- The Company closed a flow-through financing and issued 8,315,871 common shares at a weighted average price of \$1.19 per share for aggregate gross proceeds of \$9,862,963. The Company incurred expenses of \$63,908 related to the financing. The flow-through common shares had an associated flow-through premium liability of \$2,295,522 on issuance.

During the three months ended March 31, 2025:

- The Company issued 512,524 common shares in connection with the cashless exercise of 813,213 stock options and issued 400,000 common shares in connection with the cash exercise of 400,000 stock options for proceeds of \$100,000. The Company reallocated \$349,836 from reserves to share capital in connection with the exercise of these options.

#### Flow-Through Premium Liability

The following is a continuity schedule of the liability portion of the flow-through share issuances:

	Liability portion of the flow-through share issuance
	\$
Balance, December 31, 2023	-
Flow-through premium liability	2,295,522
Flow-through premium recovery	(1,246,097)
<b>Balance, December 31, 2024 and March 31, 2025</b>	<b>1,049,425</b>

The Company is required to incur \$9,862,963 of eligible exploration and evaluation expenditures by December 31, 2025 in connection with the issuance of flow-through shares in May 2024. As at March 31, 2025, the Company has a remaining obligation of \$4,508,972.



## KENORLAND MINERALS LTD.

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### 8. SHARE CAPITAL AND RESERVES (continued)

#### Stock Options

In September 2024, the Company approved an omnibus share incentive plan (the "Incentive Plan") for the issuance of stock options, restricted share units, performance share units, and deferred share units to its officers, directors, employees and consultants ("Awards"). Awards are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to Awards may not exceed 15,045,158 shares at the time of granting. The exercise price and vesting terms of such Awards are determined by the Board of Directors of the Company at the time of grant.

In January 2024, the Company granted 2,180,000 stock options with a total value of \$851,033 to directors, officers, employees and a consultant of the Company. All options granted are exercisable at a price of \$0.75 per share for a period of five years. The options vest one-third immediately, followed by one-third every year thereafter.

In December 2024, the Company granted 5,230,000 stock options with a total value of \$3,245,398 to directors, officers, employees and consultants of the Company. All options granted are exercisable at a price of \$1.22 per share for a period of five years. The options vest one-third immediately, followed by one-third every year thereafter.

During the three months ended March 31, 2025, the Company recognized share-based compensation of \$470,655 (March 31, 2024 - \$479,283).

The following weighted average assumptions were used in the Black-Scholes option-pricing model for the valuation of the stock options granted:

	For the three months ended March 31,	
	2025	2024
Risk-free interest rate	-	3.43%
Dividend yield	-	Nil
Expected life	-	5 years
Volatility	-	57%
Weighted average fair value per option granted	-	\$0.39

Stock option transactions are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price \$
Balance, December 31, 2023	9,979,997	0.51
Granted	7,410,000	1.08
Exercised	(4,479,165)	0.24
Expired	(14,285)	0.70
<b>Balance, December 31, 2024</b>	<b>12,896,547</b>	0.93
Exercised *	(1,213,213)	0.40
<b>Balance, March 31, 2025</b>	<b>11,683,334</b>	0.98

\* In accordance with the Incentive Plan, 813,213 stock options were exercised on a cashless basis (net exercise) for the issuance of 512,524 common shares.

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**8. SHARE CAPITAL AND RESERVES (continued)****Stock Options (continued)**

A summary of the stock options outstanding and exercisable at March 31, 2025 is as follows:

<b>Number of Stock Options Outstanding</b>	<b>Number of Stock Options Exercisable</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
		<b>\$</b>	
600,000	600,000	1.00	February 4, 2026
1,150,000	1,150,000	0.70	February 14, 2027
2,680,000	2,680,000	0.82	January 20, 2028
2,023,334	1,296,667	0.75	January 23, 2029
5,230,000	1,743,333	1.22	December 16, 2029
<b>11,683,334</b>	<b>7,470,000</b>		

**9. EARNINGS (LOSS) PER COMMON SHARE**

The following table sets forth the computation of basic and diluted earnings (loss) per common share:

	<b>For the three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Numerator		
Net income (loss) attributable to shareholders	\$ 1,076,599	\$ (142,214)
Denominator		
For basic-weighted average number of common shares outstanding	76,990,431	63,920,771
Effect of dilutive stock options	2,641,903	-
For diluted weighted average number of common shares outstanding	79,632,334	63,920,771
Earnings (loss) per common share		
Basic	\$ 0.01	\$ (0.00)
Diluted	\$ 0.01	\$ (0.00)

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### 10. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2025, the Company entered into the following transactions with related parties, not disclosed elsewhere in the condensed interim consolidated financial statements:

- The Company earned revenue of \$8,703 (March 31, 2024 - \$1,635) and rent reimbursement of \$6,816 (March 31, 2024 - \$8,316) from a company related by way of a common officer and a common director. As at March 31, 2025, \$15,279 (December 31, 2024 - \$10,077) was included in receivables owing from this company.
- The Company received reimbursement of rent of \$nil (March 31, 2024 - \$2,700) and reimbursement of consulting fees of \$30,557 (March 31, 2024 - \$11,889) from Prospector. As at March 31, 2025, \$31,366 (December 31, 2024 - \$17,639) was included in receivables owing from this company.
- As at March 31, 2025, \$3,606 (December 31, 2024 - \$237,320) was included in accounts payable and accrued liabilities owing to officers and a director of the Company in relation to salaries and benefits and reimbursement of expenses.

Key management personnel includes 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 consists of members of the Company's Board of Directors and corporate officers and related companies. Summary of key management personnel compensation (includes officers and directors of the Company) is as follows:

	For the three months ended March 31,	
	2025	2024
	\$	\$
Management fees	16,500	16,500
Salaries and benefits	195,000	182,375
Share-based compensation	249,447	249,213
	<b>460,947</b>	<b>448,088</b>

### 11. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Unobservable inputs that are supported by little or no market activity, therefore requiring an entity to develop its own assumptions about the assumption that market participants would use in pricing.

The fair value of the Company's cash and cash equivalents, receivables, accounts payable and accrued liabilities, and advances received approximates their carrying values. The Company's listed company investments are measured at fair value using Level 1 inputs. The Company's private company investments and investments in warrants are measured at fair value using Level 3 inputs. The carrying value of the Company's lease liability is measured at the present value of the discounted future cash flows.

## KENORLAND MINERALS LTD.

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### 11. FINANCIAL INSTRUMENTS (continued)

For Level 3 inputs, specific valuation techniques used to fair value financial instruments, specifically those that are not quoted in an active market, as such the Company utilized a market approach:

- The use of quoted market prices in active or other public markets.
- The use of most recent transactions of similar instruments.
- Changes in expected technical milestones of the investee.
- Changes in management, strategy, litigation matters or other internal matters.
- Significant changes in the results of the investee compared with the budget, plan, or milestone.

As at March 31, 2025, the Company's private company equity investments of \$4,657,179 (December 31, 2024 - \$2,346,612) were recorded at fair value based on the most recent equity transactions of the private companies. There were no transfers between levels 2 and 3 during the year ended December 31, 2024 and during the three months ended March 31, 2025.

#### Financial Risk Factors

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out in Canada and the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and US dollars. As at March 31, 2025, the Company had a foreign currency net monetary asset position of approximately US\$1,652,000. Each 10% change in the US dollar relative to the Canadian dollar will result in a foreign exchange gain/loss of approximately \$238,000.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's cash and cash equivalents is held in a large Canadian financial institution. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk. The Company's sales tax receivable is due from the Government of Canada and Revenue Quebec therefore, the credit risk exposure is low.

As at March 31, 2025, the maximum exposure to credit risk is the carrying value of the trade accounts receivable. The Company has not provided for an expected credit loss as management believes the receivables are fully collectible.

c) Interest rate risk

The Company has cash and cash equivalents balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks or credit unions.

d) Commodity price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of gold. The Company monitors metals prices to determine the appropriate course of action to be taken.

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### 11. FINANCIAL INSTRUMENTS (continued)

e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board are actively involved in the review, planning, and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

f) Market price risk

Market price risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Company's income or the value of its holdings of financial instruments.

### 12. CAPITAL MANAGEMENT

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company is currently unable to self-finance its operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable. The Company's share capital is not subject to any external restrictions and the Company did not change its approach to capital management during the period.

### 13. SEGMENTED INFORMATION

The Company has one operating segment, being the exploration of mineral properties. Geographic information is as follows:

As at March 31, 2025			
	Canada	USA	Total
	\$	\$	\$
Exploration and evaluation assets and royalty	14,692,181	9,090,592	23,782,773
Equipment	33,488	-	33,488
Right-of-use asset	175,103	-	175,103
	14,900,772	9,090,592	23,991,364

  

As at December 31, 2024			
	Canada	USA	Total
	\$	\$	\$
Exploration and evaluation assets and royalty	15,990,943	8,922,508	24,913,451
Equipment	35,749	-	35,749
Right-of-use asset	195,308	-	195,308
	16,222,000	8,922,508	25,144,508

## **KENORLAND MINERALS LTD.**

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### **14. SUBSEQUENT EVENTS**

- a) Subsequent to March 31, 2025, the Company issued 19,880 common shares in connection with the cashless exercise of 39,355 stock options and issued 20,000 common shares in connection with the cash exercise of 20,000 stock options for proceeds of \$20,000.
- b) In May 2025, the Company issued an aggregate of 209,054 common shares to Sumitomo and Centerra at a price of \$1.53 per share for total proceeds of \$320,480 in connection to the investor rights agreements as part of the strategic investments by Sumitomo and Centerra.