

FITZROY MINERALS INC.
(formerly Norseman Silver Inc.)
Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the three months ended December 31, 2024 and 2023

The accompanying unaudited condensed interim consolidated financial statements of Fitzroy Minerals Inc. 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 standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Condensed Interim Consolidated Statements of Financial Position

As at December 31, 2024 and September 30, 2024

(Unaudited and Expressed in Canadian Dollars)

	Note	December 31, 2024	September 30, 2024
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents		\$ 2,746,831	\$ 1,630,738
Other receivables	4	36,308	36,652
		2,783,139	1,667,390
Reclamation deposits		88,600	88,600
Deferred transaction costs	6	728,027	721,196
Exploration and evaluation assets	5	3,576,382	3,261,791
Total assets		\$ 7,176,148	\$ 5,738,977
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable and accrued liabilities	9	\$ 145,005	\$ 327,927
Total liabilities		145,005	327,927
SHAREHOLDERS' EQUITY			
Share capital	7	43,610,259	41,705,932
Subscription receipts	7	64,650	-
Contributed surplus	7	6,682,771	6,279,701
Deficit		(43,322,116)	(42,577,891)
Accumulated other comprehensive income		(4,421)	3,308
Total shareholders' equity		7,031,143	5,411,050
Total liabilities and shareholders' equity		\$ 7,176,148	\$ 5,738,977
Nature of operations and going concern	1		
Events after the reporting date	11		

On behalf of the Board of Directors

"Merlin Marr-Johnson" , Director & CEO
Merlin Marr-Johnson

"J. Campbell Smyth" , Director & Chairman
J. Campbell Smyth

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three months ended December 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	Note	For the three months ended December 31, 2024	For the three months ended December 31, 2023
General and Administrative Expenses			
Audit, accounting and legal	9	\$ 102,989	\$ 34,220
Bank charges interest and financing fees		1,314	2,737
Consulting fees	9	233,000	98,877
Insurance		12,000	12,500
Office and miscellaneous		960	-
Regulatory and transfer agent fees		50,082	20,951
Salary and wages	9	1,780	-
Investor relations		4,943	23,047
Stock-based compensation	7	287,902	6,818
Marketing and promotion		18,484	-
Travel		31,306	5,954
Loss from operations		(744,760)	(205,104)
Other items			
Recovery (impairment) of mineral properties	5	-	8,205
Interest income		535	469
		535	8,674
Net loss for the period		(744,225)	(196,430)
Other comprehensive income			
Exchange differences on translating foreign operations		(7,729)	-
Comprehensive loss for the period		\$ (751,954)	\$ (196,430)
Basic and diluted loss per share		\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding		114,412,089	68,076,491

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the three months ended December 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital	Subscriptions receipts	Contributed Surplus	Deficit	Accumulated other comprehensive income	Total Shareholders' Equity
			\$		\$	\$	\$	\$
Balance September 30, 2023		68,076,491	37,541,985	-	5,492,361	(40,886,990)	-	2,147,356
Subscription receipts		-	-	445,373	-	-	-	445,373
Stock-based compensation	7	-	-	-	6,818	-	-	6,818
Net loss for the year		-	-	-	-	(196,430)	-	(196,430)
Balance December 31, 2023		68,076,491	37,541,985	445,373	5,499,179	(41,083,420)	-	2,403,117
Balance September 30, 2024		102,689,135	41,705,932	-	6,279,701	(42,577,891)	3,308	5,411,050
Share issued - private placement	7	14,144,892	2,121,734	-	-	-	-	2,121,734
Subscription receipts		-	-	64,650	-	-	-	64,650
Exercise of warrants	7	50,000	7,500	-	-	-	-	7,500
Share issuance costs		-	(224,907)	-	115,168	-	-	(109,739)
Stock-based compensation	7	-	-	-	287,902	-	-	287,902
Net loss for the period		-	-	-	-	(744,225)	-	(744,225)
Exchange differences on translating foreign operations		-	-	-	-	-	(7,729)	(7,729)
Balance December 31, 2024		116,884,027	43,610,259	64,650	6,682,771	(43,322,116)	(4,421)	7,031,143

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended December 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	For the three months ended December 31, 2024		For the three months ended December 31, 2023	
Operating Activities				
Net loss for the year	\$	(744,225)	\$	(196,430)
Add items not affecting cash				
Impairment (Recovery) of mineral properties		-		(8,205)
Stock-based compensation		287,902		6,818
Changes in non-cash working capital				
Other receivables		344		6,625
Accounts payable and accrued liabilities		(56,244)		98,545
Net cash used in operating activities		(512,223)		(92,647)
Investing Activities				
Exploration and evaluation assets		(270,444)		2,091
Deferred transaction costs		(177,656)		-
Net cash used in investing activities		(448,100)		2,091
Financing Activities				
Shares issued - private placement		2,121,734		-
Subscription receipts (net of costs)		64,650		445,373
Share issuance costs		(109,739)		-
Exercise of options		7,500		-
Net cash provided by financing activities		2,084,145		445,373
Effect of foreign exchange		(7,729)		-
Increase (decrease) in cash and cash equivalents		1,116,093		354,817
Cash and cash equivalents, beginning of year		1,630,738		221,462
Cash and cash equivalents, end of year	\$	2,746,831	\$	576,279
Cash and cash equivalents comprise:				
Cash	\$	302,835	\$	576,279
Cash equivalents		2,443,996		-
	\$	2,746,831	\$	576,279

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

1. Nature of Operations

Fitzroy Minerals Inc. (the “Company”), formerly known as Norseman Silver Inc., was incorporated on September 25, 1985 under the laws of British Columbia, Canada and is a junior natural resource company. The common shares of the Company are listed on the TSX Venture Exchange (the “TSXV”) under the symbol “FTZ”. The Company is primarily engaged in the acquisition, exploration, and development of mineral properties. All of the Company’s activities to date have been of an exploratory nature. On January 26, 2024, the TSXV approved the Company’s name change from Norseman Silver Inc. to Fitzroy Minerals Inc.

The head office and principal address of the Company are located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The registered and records office is located at Suite 1400, 1050 West Pender Street, Vancouver, British Columbia, V6E 3S7.

These condensed interim consolidated financial statements were authorized by the Board of Directors on February 28, 2025.

Going Concern

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of its properties.

While the Company’s condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

At December 31, 2024, the company reported a working capital surplus of \$2,638,134 (September 30, 2024 - \$1,339,463) and a net loss of \$744,225 (December 31, 2023 – \$196,430) for the period then ended.

The Company does not have sufficient funds available to bring its mineral properties to production, if possible, which would allow it to be self-sustaining. The Company will need additional financing to continue exploring, and, if successful, develop its properties to bring them to the production stage. While in the past the Company has been successful in obtaining funding from equity financings, option agreements, loans or other arrangements, there is no assurance that these initiatives will be successful in the future.

2. Basis of Presentation

a. Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) applicable to the preparation of condensed interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual audited statements for the year ended September 30, 2024, which have been prepared in accordance with IFRS as issued by the IASB.

The policies applied in these condensed interim consolidated financial statements are based on IFRS issued and outstanding as of February 28, 2025, the date the Board of Directors approved these condensed interim consolidated financial statements.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

2. Basis of Presentation (continued)

b. Basis of Presentation

These condensed interim consolidated financial statements were prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value.

c. Basis of Consolidation

i. Subsidiaries

In addition to the Company, the condensed interim consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly, or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

ii. Consolidation Principles

Assets, liabilities, revenues, and expenses of the subsidiaries are recognized in accordance with the Company's accounting policies. Intercompany transactions are eliminated at consolidation.

d. Foreign currency translation

The functional currency of each of the Company's components has been determined to be the local currency of their home jurisdictions. Each component's functional currency is the currency of the primary economic environment in which the component operates. The Company's condensed interim consolidated financial statements are presented in Canadian dollars.

On consolidation, the assets and liabilities of foreign operations are translated into Canadian dollars at the rate of exchange prevailing at the reporting date and their income statements are translated at the average exchange rates for the reporting period. The exchange differences arising on translation for consolidation are recognized in other comprehensive income or loss. On disposal of a foreign operation, the component of other comprehensive income or loss relating to that particular foreign operation is recognized in profit or loss.

3. Material Accounting Policies

The Company's material accounting policies can be read in Note 3 to the Company's annual audited consolidated financial statements as at and for the year ended September 30, 2024.

4. Other Receivables

	December 31, 2024	September 30, 2024
GST receivable	\$ 16,036	\$ 13,759
Interest receivable	20,272	19,752
Value added tax receivable	-	3,141
	\$ 36,308	\$ 36,652

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets

	Caribou	Taquetren	Caballos	Polimet	Total
Balance September 30, 2023	788,392	1,055,779	-	-	1,844,171
Option Payments - Cash	-	-	108,700	-	108,700
Option Payments - Cash	-	500,000	-	-	500,000
Finder's Fee - Cash	-	-	-	40,500	40,500
Finder's Fee - Shares	-	-	-	33,825	33,825
Exploration expenditures	-	374,368	116,294	247,067	737,729
Government mining credit	(3,134)	-	-	-	(3,134)
Balance September 30, 2024	785,258	1,930,147	224,994	321,392	3,261,791
Exploration expenditures	-	-	126,069	181,925	307,994
Value added tax receivable	-	-	5,480	7,066	12,546
Effect of foreign exchange	-	-	(3,632)	(2,317)	(5,949)
Balance December 31, 2024	785,258	1,930,147	352,911	508,066	3,576,382

Caribou Property

On June 3, 2020, the Company entered into an option agreement (the “Caribou Option Agreement”) with Cloudbreak Discovery (Canada) Ltd. (“Cloudbreak”), at the time, a company with a common officer, to acquire a 100% interest in certain mining claims located in the Skeena Mining Division area in British Columbia, known as the Caribou Property.

Pursuant to the Caribou Option Agreement, in order to fully exercise the option (the “Caribou Option”), the Company shall pay Cloudbreak an aggregate of \$80,000 (paid) and issue 2,750,000 (issued) common shares of the Company in three instalments.

The Caribou Option Agreement was fully exercised on June 2, 2022. On June 16, 2022 the Company signed a royalty agreement with Cloudbreak, pursuant to the Caribou Option Agreement, whereby the Company granted Cloudbreak a 2.0% net smelter return (“NSR”) royalty. The Company has the right to acquire one-half of the NSR (1.0%) from Cloudbreak at a price of \$1,000,000 at any time prior to the commencement of commercial production. If the Company purchases the first half of the NSR, the Company shall have the right to acquire the remaining half of the NSR (1.0%) at a price of \$4,000,000, for an aggregate of \$5,000,000.

Taquetren Property

On May 4, 2021, the Company entered into an option agreement (the “Taquetren Option Agreement”) to acquire a 100% interest in the Taquetren Silver Project, located in the Navidad-Calcatreanu mining district, Argentina. On May 2, 2024, the Company signed an amendment to the Taquetren Option Agreement (the “Taquetren Amendment”), changing the due date for the issuance of 2,000,000 common shares and an additional exploration expenditure of USD\$500,000 from May 3, 2024 to July 4, 2024.

Pursuant to the Taquetren Option Agreement and Taquetren Amendment, in order to fully exercise the option, the Company shall:

- (i) Make payment of USD\$40,000 (paid on March 3, 2021);
- (ii) Issue 200,000 common shares (issued on May 11, 2021);
- (iii) Issue 300,000 common shares (issued on May 3, 2022) and incur USD\$70,000 (incurred) of exploration expenditures on the Taquetren Silver Project;
- (iv) Issue 500,000 common shares (issued, and issued an additional 500,000 common shares per the share adjustments provision of the option agreement on May 3, 2023), and incur USD\$200,000 (incurred) of additional exploration expenditures on the Taquetren Silver Project; and

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (continued)

- (v) Issue 2,000,000 common shares (issued, and issued an additional 941,176 common shares per the share adjustments provision of the option agreement on July 4, 2024) and incur an additional USD\$500,000 (incurred) of exploration expenditures on the Taquetren Silver Project on or before July 4, 2024.

In addition, pursuant to the Taquetren Option Agreement, the Company shall grant to the optionors a 2.0% net smelter returns ("NSR"). The Company shall retain the right to purchase at any time from the optionors one quarter of the NSR (0.5%) for USD\$1,000,000 and a second quarter of the NSR (0.5%) for USD\$2,000,000 and 5,000,000 common shares.

The Taquetren Option Agreement was fully exercised on July 4, 2024.

Caballos Property

On June 26, 2024 (the "Caballos Effective Date"), Fitzroy Minerals Caballos SpA ("Caballos Subco"), a wholly-owned subsidiary of the Company signed an option agreement (the "Caballos Option Agreement") with Inversiones y Asesorías Doce SpA (the "Caballos Optionor") in respect of the Company's acquisition (via Caballos Subco) of the Caballos Copper Project, located in the Valparaiso Region of Chile (the "Caballos Project").

Pursuant to the terms of the Caballos Option Agreement, in order to exercise the option (the "Caballos Option") to acquire the Caballos Project, Caballos Subco must complete the following conditions (collectively, the "Caballos Option Conditions"):

- (i) incur exploration expenditures of at least USD\$1,000,000 within 12 months of the Caballos Effective Date (the "Stage 1 Exploration Operations");
- (ii) incur exploration expenditures of at least an additional USD\$4,000,000 within 36 months of the completion of the Stage 1 Exploration Operations ("Stage 2 Exploration Operations"); and
- (iii) upon completion of the Stage 2 Exploration Operations, make a cash payment of USD\$2,000,000 to the Caballos Optionor.

Upon the exercise of the Caballos Option, Caballos Subco will also grant to the Caballos Optionor a 3.0% net smelter returns ("NSR") royalty on the Caballos Project, with a right for Caballos Subco to repurchase half (1.5%) of the NSR royalty for a cash payment of USD\$7,500,000.

In connection with the Caballos Option Agreement, the Company entered into a finder's agreement (the "Caballos Finder's Agreement") with Marrad Limited (a corporation controlled by Mr. Merlin Marr-Johnson, the President, Chief Executive Officer and a director of the Company) (the "Finder"), pursuant to which:

- (a) on the completion of the Stage 1 Exploration Operations, the Company will (i) make a cash payment of \$65,000 in cash to the Finder; and (ii) issue to the Finder 241,379 common shares in the capital of the Company; and
- (b) on the completion of the remaining Caballos Option Conditions, the Company will issue to the Finder 931,034 common shares in the capital in the Company.

Polimet Property

On May 10, 2024 (the "Polimet Effective Date"), Fitzroy Minerals Polimet SpA ("Polimet Subco"), a wholly-owned subsidiary of the Company signed an option agreement (the "Polimet Option Agreement") with Asesorias E Inversiones Sol SpA (the "Polimet Optionor") in respect of the Company's acquisition (via Polimet Subco) of the Polimet Copper Project, located in the Valparaiso Region of Chile (the "Polimet Project").

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (continued)

Pursuant to the terms of the Polimet Option Agreement, in order to exercise the option (the “Polimet Option”) to acquire the Polimet Project, Polimet Subco must complete the following conditions (collectively, the “Polimet Option Conditions”):

- (i) make a cash payment of USD\$80,000 (paid) upon signing the Polimet Option Agreement;
- (ii) make a cash payment of USD\$80,000 on the first anniversary from signing the Polimet Option Agreement;
- (iii) incur exploration expenditures of at least USD\$2,250,000 within 36 months of the Polimet Effective Date (the “Exploration Operations”); and
- (iv) upon completion of the Exploration Operations, make a cash payment of USD\$1,200,000 to the Polimet Optionor.

Upon the exercise of the Polimet Option, Polimet Subco will also grant to the Polimet Optionor a 2.0% net smelter returns (“NSR”) royalty on the Polimet Project, with a right for Polimet Subco to repurchase half (1.0%) of the NSR royalty for a cash payment of USD\$3,000,000.

In connection with the Polimet Option Agreement, the Company entered into a finder’s agreement (the “Polimet Finder’s Agreement”) with Marrad Limited (a corporation controlled by Mr. Merlin Marr-Johnson, the President, Chief Executive Officer and a director of the Company) (the “Finder”), pursuant to which:

- (a) upon signing the Polimet Option Agreement, the Company will (i) make a cash payment of \$40,500 in cash to the Finder; and (ii) issue to the Finder 260,192 common shares in the capital of the Company; and
- (b) on the completion of the remaining Polimet Option Conditions, the Company will issue to the Finder 644,038 common shares in the capital in the Company.

6. Deferred Transaction Costs

Buen Retiro Property

On June 25, 2024, the Company signed an exclusivity letter agreement (the “Exclusivity Agreement”) with Ptolemy Mining Limited (“Ptolemy”). Ptolemy, through a wholly-owned subsidiary, is the legal and beneficial holder of various assets located in Chile. Pursuant to the Exclusivity Agreement, the Company had been granted an exclusive right for 90 days (the “Exclusivity Period”) to complete its technical, financial and legal due diligence investigations and to negotiate a definitive acquisition agreement to acquire all the issued and outstanding ordinary shares of Ptolemy, or all the assets of Ptolemy.

Pursuant to the Exclusivity Agreement, the Company paid Ptolemy an exclusivity fee of USD\$100,000, advanced USD\$300,000 to Ptolemy, and incurred other costs totaling USD\$23,120. During the three months period ended December 31, 2024, the company paid an additional exclusivity fee of USD\$100,000 to extend the Exclusivity Period, pursuant to an extension agreement (the “Extension”) signed on September 22, 2024 and incurred other costs of USD\$4,846.

7. Share Capital

a. Authorized:

Unlimited number of common shares without par value

	December 31, 2024	September 30, 2024
Total outstanding and issued common shares:	116,884,027	102,689,135

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

7. Share Capital (continued)

b. Issued and Outstanding – Common Shares

Date	Shares	Consideration	Details
9/30/2023	68,076,491	\$37,541,985	Balance September 30, 2023
1/9/2024	12,365,000	\$1,066,332	Private Placement @ \$0.10
3/28/2024	7,602,803	\$1,003,952	Private Placement @ \$0.15
7/4/2024	2,000,000	\$340,000	Taquetren Property Option Agreement
7/4/2024	941,176	\$160,000	Taquetren Property Option Agreement
7/11/2024	200,000	\$31,606	Exercise of Options
9/20/2024	11,503,665	\$1,562,057	Private Placement @ \$0.15
9/30/2024	102,689,135	\$41,705,932	Balance September 30, 2024
10/16/2024	14,144,892	\$1,896,827	Private Placement @ \$0.15
10/22/2024	50,000	\$7,500	Exercise of Warrants
12/31/2024	116,884,027	\$43,610,259	Balance December 31, 2024

On October 22, 2024, the Company issued 50,000 common shares for proceeds of \$7,500 pursuant to the exercise of warrants.

On October 16, 2024, the Company completed a non-brokered private placement whereby the Company issued 14,144,892 units at a price of \$0.15 per unit for gross proceeds of \$2,121,734. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share at an exercise price of \$0.25, expiring on October 16, 2026. Cash finder's fees of \$109,739 and 731,591 finder warrants have been paid in connection with the private placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.25 for a period of 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$115,168 based on the following variables: weighted average risk-free rate – 2.97%; volatility – 143.06%; and expected life (years) – 2.

On September 20, 2024, the Company completed a non-brokered private placement whereby the Company issued 11,503,665 units at a price of \$0.15 per unit for gross proceeds of \$1,725,550. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share at an exercise price of \$0.25 expiring on September 20, 2026. Cash finder's fees of \$85,812 and 572,080 finder warrants have been paid in connection with the private placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.25 for a period of 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$77,681 based on the following variables: weighted average risk-free rate – 2.92%; volatility – 142.06%; and expected life (years) – 2.

On July 11, 2024, the Company issued 200,000 common shares for proceeds of \$24,000 pursuant to the exercise of stock options. The \$7,606 fair value of these options was reclassified from contributed surplus to share capital upon exercise.

On July 4, 2024, the Company issued 2,941,176 common shares valued at \$500,000 pursuant to the Taquetren Option Agreement (see Note 5).

On March 28, 2024, the Company completed a non-brokered private placement whereby the Company issued 7,602,803 units at a price of \$0.15 per unit for gross proceeds of \$1,140,420. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

7. Share Capital (continued)

b. Issued and Outstanding – Common Shares (continued)

one common share at an exercise price of \$0.25 expiring on March 28, 2026. Cash finder's fees of \$75,918 and 506,116 finder warrants have been paid in connection with the private placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.25 for a period of 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$60,550 based on the following variables: weighted average risk-free rate – 4.20%; volatility – 141.27%; and expected life (years) – 2.

On January 9, 2024, the Company completed a non-brokered private placement whereby the Company issued 12,365,000 units at a price of \$0.10 per unit for gross proceeds of \$1,236,500. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share at an exercise price of \$0.15 expiring on January 9, 2026. Cash finder's fees of \$83,600 and 836,000 finder warrants have been paid in connection with the private placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.15 for a period of 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$86,568 based on the following variables: weighted average risk-free rate – 4.04%; volatility – 139.93%; and expected life (years) – 2.

c. Share purchase warrants

Share purchase warrant activities for the period ended December 31, 2024 and year ended September 30, 2024 were as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining in Years
Balance September 30, 2023	5,235,000	\$0.27	0.74
Issued			
2024-01-09	7,018,500	\$0.15	1.28
2024-03-28	4,307,514	\$0.25	1.49
2024-09-20	6,323,911	\$0.25	1.97
Expired			
2023-12-23	(841,667)	\$0.34	-
2023-12-23	(93,333)	\$0.30	-
2023-12-31	(125,000)	\$0.34	-
2023-12-31	(7,000)	\$0.30	-
2024-08-13	(268,000)	\$0.25	-
Balance September 30, 2024	21,549,925	\$0.22	1.45
Issued			
2024-10-16	7,804,036	\$0.25	1.79
Exercised			
2024-10-22	(50,000)	\$0.15	-
Balance December 31, 2024	29,303,961	\$0.16	1.36

On July 15, 2024, the Company received TSXV approval to extend the expiry date of the 3,900,000 warrants issued on February 13, 2023 from August 13, 2024 to August 13, 2025.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

7. Share Capital (continued)

d. Stock Options

On December 1, 2024, the Company granted 60,000 stock options to purchase common shares of the Company at a price of \$0.20 per share for a period of 5 years to a consultant of the Company.

On October 16, 2024, the Company granted 1,400,000 stock options to purchase common shares of the Company at a price of \$0.20 per share for a period of 5 years to certain consultants, directors, and officers of the Company.

On September 20, 2024, the Company granted 1,400,000 stock options to purchase common shares of the Company at a price of \$0.20 per share for a period of 5 years to certain consultants, directors, and officers of the Company.

On July 11, 2024, the Company issued 200,000 common shares for proceeds of \$24,000 pursuant to the exercise of stock options. The \$7,606 fair value of these options was reclassified from contributed surplus to share capital upon exercise.

On July 11, 2024, the Company granted 250,000 stock options to purchase common shares of the Company at a price of \$0.25 per share for a period of 5 years to a consultant of the Company.

On June 20, 2024, the Company granted 550,000 stock options to purchase common shares of the Company at a price of \$0.15 per share for a period of 5 years to certain consultants and an officer of the Company.

On April 10, 2024, the Company granted 600,000 stock options to purchase common shares of the Company at a price of \$0.20 per share for a period of 5 years to a director and a consultant of the Company.

On January 15, 2024, the Company granted 1,344,149 stock options to purchase common shares of the Company at a price of \$0.15 per share for a period of 5 years to certain consultants, directors, and officers of the Company.

On November 6, 2023, the Company granted 100,000 stock options to purchase common shares of the Company at a price of \$0.12 per share for a period of 5 years to a consultant of the Company.

The following variables were used to calculate stock-based compensation:

	November 6, 2023	January 15, 2024	April 10, 2024	June 20, 2024	July 11, 2024	September 20, 2024	October 16, 2024	December 1, 2024
Weighted average risk-free interest rate	3.94%	3.34%	3.79%	3.37%	3.40%	2.73%	2.88%	2.93%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Volatility	134%	129%	129%	127%	127%	126%	126%	125%
Expected life (years)	5	5	5	5	5	5	5	5

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

7. Share Capital (continued)

d. Stock Options (continued)

A summary of the status of the stock options outstanding under the Company's stock option plan as at December 31, 2024, is as follows:

Grant Date	Expiry Date	Number of Options Granted	Number of Options Exercised	Number of Options Cancelled	Number of Options Remaining	Weighted Average Exercise Price	Weighted Average Remaining
09/02/2020	09/02/2025	400,000	(100,000)	-	300,000	0.25	0.67
11/18/2020	11/18/2025	125,000	-	(125,000)	-	0.25	0.88
02/09/2021	02/09/2026	3,075,000	-	(1,075,000)	2,000,000	0.20	1.11
06/16/2021	06/16/2026	500,000	-	(300,000)	200,000	0.20	1.46
09/03/2021	09/03/2026	700,000	-	(100,000)	600,000	0.20	1.67
04/05/2022	04/05/2027	900,000	-	(200,000)	700,000	0.20	2.26
09/25/2023	09/25/2028	2,350,000	(200,000)	-	2,150,000	0.12	3.74
11/06/2023	11/06/2028	100,000	-	-	100,000	0.12	3.85
01/15/2024	01/15/2029	1,344,149	-	-	1,344,149	0.15	4.04
04/10/2024	04/10/2029	600,000	-	-	600,000	0.20	4.28
06/20/2024	06/20/2029	550,000	-	-	550,000	0.15	4.47
07/11/2024	07/11/2029	250,000	-	-	250,000	0.25	4.53
09/20/2024	09/20/2029	1,400,000	-	-	1,400,000	0.20	4.72
10/16/2024	10/16/2029	1,400,000	-	-	1,400,000	0.20	4.79
12/01/2024	12/01/2029	60,000	-	-	60,000	0.20	4.92
Outstanding December 31, 2024		13,754,149	(300,000)	(1,800,000)	11,654,149	\$0.18	3.34

As at December 31, 2024, the exercise prices for options outstanding under the Company's stock option plan range from \$0.12 to \$0.25, and the weighted average remaining contractual life for stock options under the Company's stock option plan is 3.34 years.

e. Subscription receipts

The Company has announced a private placement to raise gross proceeds of a minimum of \$2,500,000, through the issuance of 16,666,666 units at a price of \$0.15 per unit, and a maximum of \$3,000,000, through the issuance of 20,000,000 units at a price of \$0.15 per unit. Each unit will comprise one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company at a price of \$0.25 for a period of three years. As at December 31, 2024, subscription proceeds of \$64,650 for 431,000 subscribed units had been received.

8. Financial Instruments and Risk Management

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. Cash and cash equivalents is the only financial asset that is measured at fair value subsequent to initial recognition, which is measured based on level 1 input of the fair value hierarchy.

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

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's cash and cash equivalents is held in a major Canadian financial institution which is considered to have high credibility. Management believes that the Company has no significant credit risk.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

8. Financial Instruments and Risk Management (continued)

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations associated with its financial liabilities as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. The Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

As of December 31, 2024, the Company has sufficient cash and cash equivalents on hand to meet current liabilities and its expected administrative requirements for the coming year. The Company had cash and cash equivalents and total liabilities as follows:

		<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash and cash equivalents	\$	2,746,831	\$ 1,630,738
Liabilities	\$	145,005	\$ 327,927

To execute its planned exploration program for the next twelve months, the Company will need to raise additional funds through the issuance of equity or debt instruments or the sale of assets. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and cash equivalents, and expected exercise of stock options and share purchase warrants.

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency, and other price risks.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has a cash balance and periodically short-term investments. Due to the short-term nature of these financial instruments, management believes that risks related to interest rates are not significant to the Company at this time.

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to minimal foreign currency risk at this time.

9. Related Party Transactions

The following is a summary of related party transactions with key management personnel that occurred during the three months period ended December 31, 2024 and 2023, and amounts in accounts payable and accrued liabilities at December 31, 2024 and 2023:

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2024 and 2023
(Unaudited and Expressed in Canadian Dollars)

9. Related Party Transactions (continued)

	For the period ended December 31, 2024	For the period ended December 31, 2023	Amount payable as at December 31, 2024	Amount payable as at September 30, 2024
Consulting fees - Directors & Officers	127,500	75,000	-	-
Accounting and management services	37,500	33,000	-	-
VP Exploration services	-	22,500	-	-
Finder's fees	-	-	74,325	74,325
Stock based compensation	198,362	-	-	-
Total	363,362	130,500	74,325	74,325

The above transactions with related parties, occurring in the normal course of operations, were measured at the fair value, are unsecured with no specific terms of repayment and are non-interest bearing; unless otherwise stated.

10. Capital Disclosures

The Company's objectives when managing capital are to raise the necessary equity financing to fund its exploration projects and to manage the equity funds raised which best optimizes its exploration programs and the interests of its equity shareholders at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate.

There were no changes in the Company's approach to capital management during the three months ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

11. Events After the Reporting Date

On February 19, 2025, the Company issued 100,000 common shares for proceeds of \$12,000 pursuant to the exercise of stock options.