

SEARCH MINERALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

February 28, 2025 and February 29, 2024

(Unaudited - Expressed in Canadian dollars)

Search Minerals Inc.

Condensed Interim Consolidated Financial Statements

Three months ended February 28, 2025 and February 29, 2024

(Unaudited - Expressed in Canadian Dollars)

	Page
Notice of no Auditor Report	3
Condensed Interim Consolidated Statements of Financial Position	4
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss	5
Condensed Interim Consolidated Statements of Cash Flows	6
Condensed Interim Consolidated Statements of Changes in Equity	7
Notes to the Condensed Interim Consolidated Financial Statements	8-16
Condensed Interim Consolidated Schedule of Mineral Properties	17

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED 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 standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

SEARCH MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at February 28, 2025 and November 30, 2024
(Unaudited - Expressed in Canadian dollars)

	Notes	February 28, 2025 \$	November 30, 2024 \$
ASSETS			
Current assets			
Cash		39,534	456,301
Receivables		5,762	58,103
Prepaid expenses and other assets		47,478	29,490
		<u>92,774</u>	<u>543,894</u>
Non-current assets			
Property and equipment	6	316,193	341,890
Reclamation deposits		50,000	50,000
Staking deposits		250,949	226,153
Mineral properties (Schedule 1)	7	29,534,807	29,210,019
		<u>30,244,723</u>	<u>30,371,956</u>
LIABILITIES AND EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Current liabilities			
Accounts payable and accrued liabilities	8	2,885,836	3,133,616
Due to related parties	8,13	494,341	504,941
Demand loans	9	1,071,954	557,997
Convertible loans – debt component	10	922,694	896,221
		<u>5,374,825</u>	<u>5,092,775</u>
Non-current liabilities			
CEBA loan	11	120,000	120,000
		<u>5,494,825</u>	<u>5,212,775</u>
Equity attributable to shareholders			
Share capital	12	43,990,461	43,990,461
Contributed surplus		6,782,149	6,782,149
Equity component of convertible loans	10	115,384	115,384
Deficit		<u>(26,138,096)</u>	<u>(25,728,813)</u>
		<u>24,749,898</u>	<u>25,159,181</u>
		<u>30,244,723</u>	<u>30,371,956</u>

Nature of Operations (Note 1)

Going Concern (Note 2)

Subsequent Events (Note 15)

Approved by the Board of Directors on April 28, 2025

"Joseph Lanzon" Director
Joseph Lanzon

"Rohan Hazelton" Director
Rohan Hazelton

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

SEARCH MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
For the three months ended February 28, 2025 and February 29, 2024
(Unaudited - Expressed in Canadian dollars)

	Notes	2025 \$	2024 \$
GENERAL AND ADMINISTRATIVE EXPENSES			
Accounting and audit		25,307	15,012
Administration and management fees	13	160,000	-
Amortization	6	25,697	30,344
Consulting fees		80,000	-
Legal fees		6,800	2,761
Office and miscellaneous		21,633	14,515
Regulatory and transfer agent fees		9,545	1,689
Shareholder communications		-	2,083
Travel and accommodation		419	-
Loss for the period before other items		(329,401)	(66,404)
Other income (expense) items			
Accretion expense	10	(26,473)	-
Finance fees	9	(85,660)	-
Interest expense	9,10,11	(60,595)	-
Staking deposits forfeited		(7,754)	-
Gain on debt settlement	13	100,600	-
Loss and comprehensive loss for the period		(409,283)	(66,404)
Basic and diluted loss per share	12(e)	(0.00)	(0.00)
Weighted average number of common shares outstanding – basic and diluted		417,987,014	417,287,014

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

SEARCH MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended February 28, 2025 and February 29, 2024
(Unaudited - Expressed in Canadian dollars)

	2025 \$	2024 \$
Cash (used in) provided by		
OPERATING ACTIVITIES		
Loss for the period	(409,283)	(66,404)
Items not affecting operating cash:		
Accretion	26,473	-
Amortization	25,697	30,344
Finance fees	85,660	-
Staking deposits forfeited	7,754	-
	<u>(263,699)</u>	<u>(36,060)</u>
Changes in non-cash working capital items:		
Receivables	52,341	(4,148)
Prepaid expenses and other assets	(17,988)	(12,564)
Accounts payable and accrued liabilities	40,726	(1,109)
	<u>(188,620)</u>	<u>(53,881)</u>
INVESTING ACTIVITIES		
Mineral property costs, net	(623,894)	(4,307)
Staking deposits, net of recoveries	(32,550)	(26,652)
	<u>(656,444)</u>	<u>(30,959)</u>
FINANCING ACTIVITIES		
Proceeds from demand loans	428,297	77,686
	<u>428,297</u>	<u>77,686</u>
Decrease in cash during the period	(416,767)	(7,154)
Cash, beginning of the period	456,301	7,292
Cash, end of the period	<u>39,534</u>	<u>138</u>
Cash paid for interest	-	-
Cash paid for income taxes	-	-

Non-cash Transactions (Note 14)

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

SEARCH MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended February 28, 2025 and February 29, 2024
(Unaudited - Expressed in Canadian dollars)

	Number of Shares #	Share Capital \$	Warrants \$	Contributed Surplus \$	Equity Component of Convertible Loans \$	Deficit \$	Total \$
Balance, November 30, 2023	417,287,014	43,972,961	371,992	6,410,157	-	(25,085,530)	25,669,580
Comprehensive loss for the period	-	-	-	-	-	(66,404)	(66,404)
Balance, February 29, 2024	417,287,014	43,972,961	371,992	6,410,157	-	(25,151,934)	25,603,176
Issued during the period:							
Pursuant to mineral property agreements	700,000	17,500	-	-	-	-	17,500
Transfer on expiry of warrants	-	-	(371,992)	371,992	-	-	-
Issuance of convertible loans	-	-	-	-	115,384	-	115,384
Comprehensive loss for the period	-	-	-	-	-	(576,879)	(576,879)
Balance, November 30, 2024	417,987,014	43,990,461	-	6,782,149	115,384	(25,728,813)	25,159,181
Comprehensive loss for the period	-	-	-	-	-	(409,283)	(409,283)
Balance, February 28, 2025	417,987,014	43,990,461	-	6,782,149	115,384	(26,138,096)	24,749,898

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

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

1. Nature of Operations

Search Minerals Inc. (the "Company") was incorporated under the provisions of the Business Corporation Act (British Columbia) on June 7, 2006. The Company is in the business of mineral exploration involving acquiring, exploring and evaluating mineral resource properties. At February 28, 2025, the Company was in the exploration and evaluation stage and had properties located in Canada. The Company has completed a Preliminary Economic Assessment which was filed on www.sedarplus.ca on July 22, 2022. The Company's corporate head office is located at 1100 – 1199 West Hastings Street, Vancouver, British Columbia, Canada. The Company's common shares are listed on the TSX Venture Exchange (the "TSX-V") under the symbol "SMY.V".

On April 8, 2024, the Company received a British Columbia Securities Commission ("BCSC") cease trade order ("CTO") for failure to file audited annual consolidated financial statements and MD&A for the years ended November 30, 2023 and 2022. The Company had also not filed its unaudited condensed interim consolidated financial statements and MD&As for the three, six and nine month periods ended February 29, 2024; May 31, 2024; and August 31, 2024, respectively. On November 20, 2024 the Company filed its annual audited consolidated financial statements and MD&A for the years ended November 30, 2023 and 2022. The Q1, Q2 and Q3 unaudited condensed interim consolidated financial statements and associated MD&As were filed on December 20, 2024. The CTO remained in effect until the BCSC reviewed the filings and other required documentation. The BCSC revoked the CTO effective March 27, 2025. The Company continues to work with the TSX-V on a reinstatement of trading.

The Company is currently exploring its mineral properties and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The amounts shown as mineral properties represent costs incurred to date, less amounts recovered from third parties and/or written-down, and do not necessarily represent current or future fair values.

2. Going Concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration programs, will result in profitable mining operations. The recoverability of the carrying value of mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values of assets.

At February 28, 2025, the Company had not yet achieved profitable operations, had an accumulated deficit of \$26,138,096 since inception and expects to incur further losses in the development of its business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. At February 28, 2025, the Company had a working capital deficiency of \$5,282,051. The above factors cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

3. Basis of Presentation and Material Accounting Policies

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

In the preparation of these condensed interim consolidated financial statements, the Company has used the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended November 30, 2024 except as outlined in Note 4.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Unless otherwise stated, all dollar amounts are in Canadian dollars.

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

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

4. New and future accounting standards and pronouncements

Certain accounting standards or amendments to existing accounting standards that have been issued that are not mandatory for the current period and have not been early adopted.

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the International Accounting Standards Board (“IASB”) issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (“ESG”)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

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

IFRS 18 – Presentation and Disclosure in Financial Statements

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

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. Management is currently assessing the effect of the standard on the Company’s financial statements.

5. Critical Accounting Estimates and Judgements

There have been no material revisions to the nature of judgements and amount of changes in estimates reported in the company’s November 30, 2024 annual financial statements.

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

6. Property and Equipment

	Vehicles \$	Buildings \$	Office furniture and equipment \$	Field equipment \$	Total \$
At November 30, 2023					
Cost	308,197	457,912	73,194	387,248	1,226,551
Accumulated amortization	(217,094)	(180,444)	(64,302)	(301,446)	(763,286)
Net book value	91,103	277,468	8,892	85,802	463,265
Year ended November 30, 2024					
Amortization	(27,332)	(55,496)	(4,225)	(34,322)	(121,375)
At November 30, 2024	63,771	221,972	4,667	51,480	341,890
At November 30, 2024					
Cost	308,197	457,912	73,194	387,248	1,226,551
Accumulated amortization	(244,426)	(235,940)	(68,527)	(335,768)	(884,661)
Net book value	63,771	221,972	4,667	51,480	341,890
Period ended February 28, 2025					
Amortization	(4,783)	(11,099)	(4,667)	(5,148)	(25,697)
At February 28, 2025	58,988	210,873	-	46,332	316,193
At February 28, 2025					
Cost	308,197	457,912	73,194	387,248	1,226,551
Accumulated amortization	(249,209)	(247,039)	(73,194)	(340,916)	(910,358)
Net book value	58,988	210,873	-	46,332	316,193

7. Mineral Properties – Schedule 1

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

The Company acquired the mineral properties primarily by staking the claims. In order to maintain title to the claims, the Company must incur minimum exploration expenditures per claim as specified by the Mineral Act of the Province of Newfoundland and Labrador. In lieu of incurring the minimum expenditures, the Company may make security deposits with the Government of Newfoundland and Labrador. If the Company is required to make security deposits during the year ending November 30, 2025, instead of incurring the minimum expenditures, then the security deposits required would be \$308,027. The security deposits will be refunded when the Company makes the required minimum expenditures and after it files required assessment reports. Other commitments relating to mineral properties are as follows:

Critical Rare Earth Element (“CREE”) District, Labrador

The Company acquired the CREE District primarily by staking the claims. In addition, the Company acquired the B&A Claims, the Quinlan Property and the Two Tom Property.

B&A Claims

On December 10, 2009, the Company entered into a binding letter of intent (the “LOI”) with B&A Minerals Limited (“B&A”), further defined in a Mining Option Agreement, for an option to acquire an undivided 100% interest in and to certain claims in southeast Labrador owned by B&A (“B&A Claims”). The B&A claims host the Company’s Foxtrot Project.

Under the terms of the Mining Option Agreement, to earn the undivided 100% interest in the B&A Claims, the Company paid B&A an aggregate of \$140,000 and issued an aggregate 1,100,000 common shares of the Company. The final payment and share issuance was made in January 2013. The Company now owns a 100% interest in the property.

The Mining Option Agreement was subject to a 3% net smelter return (“NSR”) royalty in favor of B&A, of which the Company could purchase 2% at any time for \$2,000,000 (see B&A Transaction).

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

B&A Transaction

B&A Minerals Limited held a 3% NSR royalty over the licenses contained in a large portion of the Company's Critical Rare Earth Element District in SE Labrador. On August 11, 2021, the Company entered into a non-binding letter of intent ("LOI") to purchase a 2.5% NSR from B&A for 15,000,000 common shares. Additionally, the Company will acquire 3 full licenses from B&A and partial interest in two licenses. The Company will transfer one license to B&A and retain a 0.5% NSR. The Company will grant a 0.5% NSR over the five licenses above. The Company will grant B&A quarry/gem rights over four of the licenses to be transferred to the Company as part of the transaction in exchange for a 3% NSR to Search over any production from such quarry/gem rights. On September 30, 2021, a definitive agreement was entered into and on October 13, 2021, the TSX-V provided approval of the acquisition. The B&A transaction closed on November 30, 2021 with the issuance of 15,000,000 common shares at the fair value of \$3,000,000.

B&A Minerals now holds a 0.5% NSR royalty in certain licenses contained in the Company's CREE District.

Quinlan Property

On January 13, 2011, the Company entered into a binding letter of intent (the "LOI") with Andrew Quinlan, Roland Quinlan and Tony Quinlan (the "Vendors"). Pursuant to the LOI, the Company had the option to earn an undivided 100% interest in and to certain claims owned by the Vendors known as the Fox Harbour Claims (the "Quinlan Property"). The Quinlan Property is comprised of three licenses totaling 48 claims located east of St. Lewis, Labrador. The Quinlan Property hosts the Company's Deep Fox Project.

Under the terms of the LOI, the Company earned an undivided 100% interest in Quinlan Property by making aggregate cash payments of \$90,000 and issuing an aggregate of 300,000 common shares of the Company.

The Vendors were granted a 1.5% net smelter return royalty ("NSR"). The Company may, at any time, purchase 1% of the net smelter return royalty for \$1,000,000. The Company must make annual cash advance payments of \$10,000 for the Quinlan Property to the Vendors commencing February 23, 2016 and continuing each year thereafter until commencement of commercial production, deductible against the NSR. During the year ended November 30, 2023, the Company paid the eighth \$10,000 annual cash payment.

Red Wine Property, Labrador

On June 28, 2015, the Company purchased from Great Western Minerals Group Ltd. ("GWMG") its interest in the Red Wine Property for \$20,000. GWMG had acquired its approximate 50% interest in the Red Wine Property pursuant to an option agreement between the Company and GWMG dated July 23, 2010. Following the acquisition, the Company now owns 100% of the Red Wine Property.

Option Agreement - Two Tom Property

On June 14, 2021, the Company entered into an option agreement (the "Option Agreement") with United Gold Inc, Aubrey Budgell and Donna Lewis (the "Vendors") for an option to acquire an undivided 100% interest in and to certain claims known as the Two Tom Property (the "Two Tom Property"). The Two Tom Property is part of the Red Wine district.

The Two Tom Property consists of two licenses (027378M and 016522M) totaling 16 claims.

Under the terms of the Option Agreement, the Company may earn the undivided 100% interest in the Two Tom Property by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of three years as follows:

- pay \$40,000 (paid) and issue 400,000 common shares on the acquisition date (issued at the fair value of \$84,000);
- pay \$50,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued at the fair value of \$48,000);
- pay \$50,000 (paid) and issue 400,000 common shares on or before July 2, 2023 (issued at the fair value of \$12,000); and,
- pay \$60,000 and issue 400,000 common shares on or before July 2, 2024. In August 2024, the Company and the Vendors entered into an amending agreement extending the due date. On October 10, 2024 the Company issued the 400,000 common shares and on November 5, 2024, the Company made the \$60,000 cash payment.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.0% of the net smelter return royalty for \$2,000,000.

Letter Agreement – Mann Property and Two Tom Property claim

On June 15, 2021, the Company entered into a binding letter agreement (the "Letter Agreement") with Roland Quinlan and Eddie Quinlan (the "Vendors") for an option to acquire an undivided 100% interest in and to certain claims known as the Mann#1 claims (the "Mann Property") and another claim proximal to Two Tom Property. The Mann Property claims are part of the Red Wine district.

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

The Mann Property consists of two licenses, 027380M (4 claims) and the Two Tom Property consists of license 027384M (16 claims).

Under the terms of the Letter Agreement, the Company may earn the undivided 100% interest in the claims by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of four years as follows:

- pay \$20,000 (paid) and issue 400,000 common shares on the acquisition date (issued at the fair value of \$84,000);
- pay \$30,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued at the fair value of \$48,000);
- pay \$60,000 (paid) and issue 400,000 common shares on or before July 2, 2023 (issued at the fair value of \$12,000);
- pay \$60,000 and issue 300,000 common shares on or before July 2, 2024. In August 2024, the Company and the Vendors agreed to amend and reschedule the cash payment and share issuance to a future date. On October 10, 2024 the Company issued the 300,000 common shares and the \$60,000 cash payment remains outstanding. The Vendors agreed to delay the \$60,000 cash payment until a future date; and,
- pay \$30,000 and issue 100,000 common shares on or before July 2, 2025.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.5% of the net smelter return royalty for \$2,000,000. The Company must make annual cash advance payments of \$10,000 for the Mann Property to the Vendors commencing June 15, 2026 and continuing each year thereafter until commencement of commercial production, deductible against the NSR.

Impairment of Mineral Properties

As at February 28, 2025, the Company determined that there were no impairment indicators for the claims located in the CREE District. Although the Company has a significant working capital deficiency, no key licenses have expired and the Company expects to renew all licenses. Substantive work is planned subject to completion of financings.

NunatuKavut Community Council

On August 27, 2012, as amended on November 13, 2014, the Company entered into a Mining Exploration Activities Agreement with the NunatuKavut Community Council (the "NunatuKavut"), the political representative body of the Inuit of South-Central Labrador. The agreement solidifies a relationship that has evolved through the Company's activity in and around NunatuKavut communities on the south coast. The agreement sets out a respectful way forward, meeting the interests of and ensuring mutual benefit for both parties. Key elements in the agreement address environmental protocols and safeguards for matters of historic values. The agreement also sets out hiring and business opportunities for NunatuKavut members and communities as well as certain financial considerations.

Government Assistance

The Company has received funding from the Atlantic Canada Opportunities Agency during the year ended November 30, 2023 and prior years. Of the amounts received, \$905,308 was a repayable grant. The terms of the repayment are on project success, with annual payments over time after project success is reached.

8. Accounts Payable and Accrued Liabilities

	February 28, 2025	November 30, 2024
	\$	\$
Trade payables	2,804,324	3,112,699
Interest payables	81,512	20,917
Accounts payable and accrued liabilities	2,885,836	3,133,616
Due to related parties (Note 13)	494,341	504,941
Total payables	3,380,177	3,638,557

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

9. Demand Loans

Demand loans from related parties

During the year ended November 30, 2023, the Company received non-interest bearing, due on demand loans from a company that had common former directors (\$265,250), and a former director (\$930).

During the year ended November 30, 2024, the Company received non-interest bearing, due on demand loans from a company that had common former directors (\$138,804), and a former director (\$52,056).

As at February 28, 2025, the total demand loans outstanding from related parties were \$457,040 (November 30, 2024: \$457,040).

Demand loans from arms' length parties

On October 15, 2024, the Company signed a General Service Agreement (the "GSA") with an arms' length party pursuant to which the arms' length party (the "Contractor") will provide a comprehensive metallurgical review of the Company's operations to-date. A service fee (the "Fee") of \$300,000 is payable to the Contractor upon completion of a financing by the Company equal to or greater than \$1,500,000. As at February 28, 2025, the Company accrued \$175,000 of the Fee as the estimated amount of the services completed to that date, and recorded the amount as engineering and metallurgy in mineral properties (see Schedule 1).

In order to provide the services under the GSA the Contractor is required to incur unsecured, reimbursable expenses on behalf of the Company. For accounting purposes the aggregate reimbursable expenses have been recorded as a demand loan. The reimbursable expenses are repayable on the same terms as the Fee. The reimbursable expenses will incur a 20% handling received, and a 15% annual interest rate applicable to the date of repayment.

During the three months ended February 28, 2025, the Contractor incurred \$428,298 (2024: \$nil) of reimbursable expenses. The handling fees of \$85,660 (2024: \$nil) have been accounted for as finance fees. As at February 28, 2025, the balance of the demand loan, including finance fees, was \$614,914 (November 30, 2024: \$100,957). During the three months ended February 28, 2025, the Company recorded interest on these reimbursable expenses of \$22,131 (2024: \$nil).

Subsequent to February 28, 2025, the Contractor incurred reimbursable expenses of \$299,923, which includes the handling fee of \$49,987.

10. Convertible Loans

	\$
Balance, November 30, 2024	896,221
Add: accretion expense	26,473
Balance, February 28, 2025	922,694

During the year ended November 30, 2024, the Company issued \$1,000,000 of unsecured convertible loans (the "Convertible Loans") from arms' length parties. \$300,000 of the convertible loans are due on October 7, 2025 and \$700,000 of the convertible loans are due on October 25, 2025.

The Convertible Loans have a maturity of one year from the date of issuance and bear simple interest at a rate of 15% per annum, payable at maturity. Following the full revocation of the BCSC cease trade order, the principal and interest under the Convertible Loans may be converted into common shares at the option of the holders. The conversion price of the principal will be \$0.05 per common share and the conversion price of interest will be as permitted by the policies of the TSX-V.

The Company accounted for the Convertible Loans by determining the fair value of the loan component, using a 30% discount rate, and allocated the residual value to the equity component. The fair value of the loan component was \$884,616 and the residual value allocated to the equity component was \$115,384.

During the three months ended February 28, 2025, the Company recorded interest on the Convertible Loans of \$36,986 and accretion expense of \$26,473.

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

11. CEBA Loan

During the year ended November 30, 2020, the Company obtained an unsecured line of credit as part of the Government of Canada's economic response plan to the COVID-19 pandemic (the Canada Emergency Business Account) ("CEBA loan"). The Company borrowed \$120,000 from the CEBA loan as at February 28, 2025 (November 30, 2024: \$120,000). The CEBA loan was interest free and was eligible for \$40,000 of forgiveness if \$80,000 was fully repaid by January 18, 2024. As the CEBA loan was not repaid in full by the maturity date, the CEBA loan was converted into a loan at a fixed interest rate of 5% per annum with a maturity date of December 31, 2026.

During the three months ended February 28, 2025, the Company recorded interest on the CEBA loan of \$1,478 (2024 - \$nil).

12. Share Capital**a. Common shares authorized**

Unlimited number of common shares.

b. Financings

During the three months ended February 28, 2025 and February 29, 2024, the Company did not complete any equity financing transactions.

c. Stock option plan

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of the grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX-V). Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as a director or officer of the Company.

Changes in share purchase options during the three months ended February 28, 2025 and the year ended November 30, 2024 are as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Life (Years)
Outstanding, November 30, 2023	15,780,000	\$0.15	2.58
Forfeited	(15,780,000)	\$0.15	
Outstanding, November 30, 2024	-	-	-
Outstanding and exercisable, February 28, 2025	-	-	-

d. Warrants

Changes in share purchase warrants during the three months ended February 28, 2025 and the year ended November 30, 2024 are as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life (Years)
Balance, November 30, 2023	47,934,515	\$0.09	1.35
Expired	(17,934,515)	\$0.13	
Balance, November 30, 2024	30,000,000	\$0.05	0.95
Balance, February 28, 2025	30,000,000	\$0.05	0.70

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

At February 28, 2025, the Company had 30,000,000 share purchase warrant outstanding at an exercise price of \$0.05 expiring on November 12, 2025.

e. Basic and diluted loss per share

During the three months ended February 28, 2025, potentially dilutive common shares totaling 51,080,000 (2024: 51,007,625) were not included in the calculation of basic and diluted loss per share because their effect was anti-dilutive. Potentially dilutive common shares are from exercisable share purchase options, share purchase warrants and the potential conversion of the convertible loans.

13. Related Party Transactions

During the three months ended February 28, 2025 and February 29, 2024, the Company incurred the following expenditures charged by directors and officers of the Company, or former directors and officers of the Company, and/or companies they owned or were significant shareholders of:

	2025 \$	2024 \$
Administration and management fees	160,000	-
Mineral property expenditures		
Metallurgical consulting	-	25,198
	160,000	25,198

At February 28, 2025, due to related parties of \$494,341 (November 30, 2024: \$504,941) included amounts owing to directors and officers of the Company, or former directors and officers of the Company and/or companies they control or of which they were significant shareholders. The amounts owing include amounts related to expenditures charged to the Company. The amounts owing are unsecured, non-interest bearing and due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties. Subsequent to February 28, 2025, partial amounts due to related parties were forgiven (Note 15).

On December 20, 2024, the Company and a former director and officer entered into a settlement agreement where \$270,600 of accounts payable were agreed to be settled for \$70,000 cash on execution of the agreement (paid), and \$80,000 cash and \$20,000 in shares upon full revocation of the CTO and resumption of trading on the TSXV and the closing of equity financing, or before June 20, 2025, whichever is earlier. During the three months ended February 28, 2025, the Company recorded a gain on debt settlement of \$100,600.

Key management includes the interim CEO/CFO and the former VP of Exploration and the directors of the Company. The compensation paid or payable to key management for services during the three months ended February 28, 2025 and February 29, 2024 is as follows:

	2025 \$	2024 \$
Short-term benefits	160,000	25,198
	160,000	25,198

The unsecured, non-interest bearing due on demand loans disclosed in Note 9 are related party transactions as they are with a private company with common former directors as well as with a former director.

Search Minerals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

February 28, 2025

(Unaudited - Expressed in Canadian dollars)

14. Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the condensed interim consolidated statements of cash flows. During the three months ended February 28, 2025, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

- a) exploration expenditures of \$2,367,565 included in accounts payable and accrued liabilities at February 28, 2025, less expenditures included in accounts payable at November 30, 2024 of \$2,666,671 (net inclusion of \$299,106).

During the three months ended February 29, 2024, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

- a) exploration expenditures of \$2,596,831 included in accounts payable and accrued liabilities at February 29, 2024, less expenditures included in accounts payable at November 30, 2023 of \$2,559,435 (net exclusion of \$37,396).

15. Subsequent Events*Forgiveness of Debt*

In March 2025, \$69,500 of accounts payable and accrued liabilities due to a former director and officer of the Company were forgiven.

Demand loans

Subsequent to February 28, 2025, the Company received additional demand loans from an arms' length party of \$249,936 and incurred finance fees of \$49,987 (Note 9).

Revocation of CTO

The BCSC revoked the CTO effective March 27, 2025. The Company continues to work with the TSX-V on a reinstatement of trading. Refer to Note 1 for details.

Search Minerals Inc.
CONDENSED INTERIM CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES
For the three months ended February 28, 2025 the year ended November 30, 2024
(Unaudited - Expressed in Canadian Dollars)

	Critical Rare Earth Element District, Labrador \$	Red Wine, Labrador \$	Total \$
Balance, November 30, 2023	28,475,314	389,487	28,864,801
Acquisition costs			
Cash	60,000	-	60,000
Shares	17,500	-	17,500
	77,500	-	77,500
Exploration costs			
Assays	(58,084)	-	(58,084)
Camp and rent	30,425	-	30,425
Engineering and metallurgy	103,144	-	103,144
Geological consulting, salaries, wages and benefits (Note 13)	151,980	-	151,980
Metallurgical consulting (Note 13)	25,198	-	25,198
Other	11,583	2,350	13,933
Travel and accommodation	1,122	-	1,122
	265,368	2,350	267,718
Balance, November 30, 2024	28,818,182	391,837	29,210,019
Acquisition costs			
Staking	24,500	-	24,500
	24,500	-	24,500
Exploration costs			
Assays	21,939	-	21,939
Camp	9,013	-	9,013
Consulting	45,000	-	45,000
Engineering and metallurgy	192,744	-	192,744
Other	31,592	-	31,592
	300,288	-	300,288
Balance, February 28, 2025	29,142,970	391,837	29,534,807