Delta Resources Limited

(An exploration stage company)
Financial Statements

December 31, 2024 and 2023

Page

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Delta Resources Limited

Opinion

We have audited the financial statements of Delta Resources Limited (the "Entity"), which comprise:

- the statements of financial position as at December 31, 2024 and 2023
- the statements of net loss and other comprehensive loss for the years then ended
- the statements of changes in equity for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"*Auditor's Responsibilities for the Audit of the Financial Statements*"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Entity is still in the exploration stage and, as such, no revenue has been generated and it has negative cash flows from its operating activities. Accordingly, the Entity depends on its ability to raise financing in order to discharge its commitments and liabilities in the normal course of operations.

As stated in Note 2 in the financial statements, these events or conditions, along with other matters as set forth in Note 2 in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Entity's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the **"*Material Uncertainty Related to Going Concern*"** section of the auditor’s report, we have determined that there are no other key audit matters to communicate in our auditor’s report.

Other Information

Management is responsible for the other information. Other information comprises the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this auditor’s report is Nathalie Labelle.

KPMG LLP*

Montréal, Canada

April 9, 2025

*CPA auditor, public accountancy permit No. A119245

(In Canadian dollars)

	As at December 31, 2024 $	As at December 31, 2023 $
ASSETS		
Current assets:		
Cash and cash equivalents (Note 6)	**5,651,128**	6,098,012
Restricted cash (Note 11)	**150,000**	-
Other receivables	**9,446**	6,786
Grants receivable	**140,000**	340,000
Sales tax receivable	**112,385**	254,654
Refundable tax credit on mining duties and refundable tax credit related to resources	**23,311**	-
Prepaid expenses	**145,481**	95,301
	6,231,751	6,794,753
Non-current assets:		
Property and equipment (Note 7)	**12,271**	19,190
	12,271	19,190
Total assets	**6,244,022**	6,813,943
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities (Notes 8 and 14)	**422,209**	992,830
Other liabilities related to flow-through shares (Note 9)	**1,752,511**	115,185
Total liabilities	**2,174,720**	1,108,015
EQUITY		
Common shares and warrants (Note 10)	**51,563,122**	47,649,454
Contributed surplus	**9,443,781**	8,906,027
Deficit	**(56,937,601)**	(50,849,553)
Total equity	**4,069,302**	5,705,928
Total liabilities and equity	**6,244,022**	6,813,943

Going concern, related party transactions, contingent liabilities, commitments and subsequent events (Notes 2, 14, 15, 16 and 20).

These financial statements were approved by the Company’s board of directors on April 9, 2025.

”Frank Candido” *” Sara Paquet”*

Frank Candido, Director Sara Paquet, Director

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

Delta Resources Limited

(An exploration stage company)
Statements of net loss and comprehensive loss
For the years ended December 31,
(In Canadian dollars)

	2024	2023
	$	$
Operating Expenses		
Exploration and evaluation expenditures (Note 11)	**4,867,566**	6,571,354
Shareholders' information	**78,973**	127,724
Legal, financial and other corporate expenses	**639,986**	627,456
Management fees (Note 14)	**144,000**	142,000
General and administrative expenses	**280,336**	259,056
Depreciation of property and equipment (Note 7)	**6,919**	5,659
Share-based compensation (Note 10)	**446,074**	597,497
Other	**-**	27,586
	6,463,854	8,358,332
Other Income		
Interest income	**138,132**	184,396
	138,132	184,396
Loss before income taxes	**(6,325,722)**	(8,173,936)
Income taxes recovery (Note 12)	**237,674**	1,067,729
Loss and comprehensive loss for the year	**(6,088,048)**	(7,106,207)
Basic and fully diluted loss per common share (Note 18)	**(0.057)**	(0.077)
Weighted average number of shares outstanding (Note 18)	**107,199,463**	91,765,537

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

(In Canadian dollars)

	2024	2023
	$	$
CASH PROVIDED BY (USED IN):		
Operating activities:		
Net loss and comprehensive loss for the year	**(6,088,048)**	(7,106,207)
Items not involving cash:		
Refundable tax credit on mining duties and refundable tax credit related to resources		
Share-based compensation	**446,074**	597,497
Share purchase warrants issued in consideration of exploration and evaluation expenditures	**100,531**	-
Depreciation of property and equipment	**6,919**	5,659
Share issuance in consideration of exploration and evaluation expenditures (Note 11)	**832,666**	141,700
Income taxes recovery	**(237,674)**	(1,067,729)
	(4,939,532)	(7,429,080)
Net change in non-cash operating working capital items (Note 13)	**(304,503)**	237,490
Cash flows related to operating activities	**(5,244,035)**	(7,191,590)
Investing activities:		
Acquisition of property and equipment	**-**	(20,111)
Deposit in restricted cash (Note 11)	**(150,000)**	-
Cash flows related to investing activities	**(150,000)**	(20,111)
Financing activities:		
Repayment of long-term debt	**-**	(30,000)
Issuance of common shares and warrants	**5,000,000**	10,450,170
Proceeds from the exercise of stock options, warrants and brokers warrants	**11,000**	780,146
Share issue costs	**(63,849)**	(882,902)
Cash flows related to financing activities	**4,947,151**	10,317,414
(Decrease) increase in cash and cash equivalents	**(446,884)**	3,105,713
Cash and cash equivalents, beginning of year	**6,098,012**	2,992,299
Cash, end of year	**5,651,128**	6,098,012

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

Delta Resources Limited
(An exploration stage company)
Statements of Changes in Equity
For the years ended December 31,
(In Canadian dollars)

	Common shares (note 10)	Common shares and warrants $ (note 10)	Contributed surplus $ (note 10)	Deficit $	Total $
Balance, January 1, 2024	**101,738,488**	**47,649,454**	**8,906,027**	**(50,849,553)**	**5,705,928**
Common shares and warrants issuance	**25,000,000**	**3,125,000**	**-**	**-**	**3,125,000**
Common share issuance in consideration of exploration and evaluation expenditures	**6,866,667**	**832,666**	**-**	**-**	**832,666**
Stock options exercised	**100,000**	**19,851**	**(8,851)**	**-**	**11,000**
Share purchase warrants issued in consideration of exploration and evaluation expenditures	**-**	**-**	**100,531**	**-**	**100,531**
Stock options issued	**-**	**-**	**446,074**	**-**	**446,074**
Share issue costs	**-**	**(63,849)**	**-**	**-**	**(63,849)**
Net loss and comprehensive loss for the year	**-**	**-**	**-**	**(6,088,048)**	**(6,088,048)**
Balance, December 31, 2024	**133,705,155**	**51,563,122**	**9,443,781**	**(56,937,601)**	**4,069,302**
Balance, January 1, 2023	73,444,508	38,259,528	8,066,503	(43,743,346)	2,582,685
Common shares and warrants issuance	23,865,400	9,593,010	-	-	9,593,010
Stock options issued	-	-	597,497	-	597,497
Stock options exercised	800,000	244,535	(101,535)	-	143,000
Common share issuance in consideration of exploration and evaluation expenditures	380,000	141,700	-	-	141,700
Warrants exercised	3,003,930	575,983	-	-	575,983
Broker warrants issued	-	-	353,821	-	353,821
Broker warrants exercised	244,650	71,421	(10,259)	-	61,162
Share issue costs	-	(1,236,723)	-	-	(1,236,723)
Net loss and comprehensive loss for the year	-	-	-	(7,106,207)	(7,106,207)
Balance, December 31, 2023	101,738,488	47,649,454	8,906,027	(50,849,553)	5,705,928

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

1. Statute of incorporation and nature of activities

Delta Resources Limited (the "Company") is a corporation continued under the *Business Corporations Act* (Ontario) incorporated on January 19, 1946. The Company changed its name to Delta Resources Limited from Golden Hope Mines Limited in June 2019. The Company's principal operations are mining properties and exploration expenditures made on properties that are not in commercial production. The Company is exploring its mining properties and has not determined whether or not the properties contain economically recoverable resources. The address of the registered office is 1718, Christine Crescent, Kingston, Ontario, Canada, K7L 4V4.

The Company's common shares are traded on the TSX Venture Exchange under the symbol DLTA, on the Over-The-Counter Bulletin Board (OTCBB) under the symbol DTARF and on the Frankfurt Stock Exchange under the symbol 6G01.

2. Going concern

The Company has not yet determined whether its mining properties contain mineral deposits that are economically recoverable. The recoverability of mining properties is dependent on the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; and the ability to obtain the financing required to complete exploration, evaluation, development and construction or the proceeds from the sale of such assets.

The Company had recurring losses in the current and prior years, including a net loss of $6,088,048 for the year ended December 31, 2024, has an accumulated deficit of $56,937,601 (2023 - $50,849,553) since its inception, and expects to incur further losses in the development of its business. Further, the business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in the discovery of economically recoverable reserves and resources and/or profitable mining operations.

In addition to ongoing working capital requirements, the Company must secure sufficient funding for the exploration and evaluation programs and pay general and administrative costs. The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. As at December 31, 2024, the Company has a working capital of $4,057,031 (2023 - $5,686,738). Management estimates that funds on hand will not be sufficient to meet the Company's obligations and commitments and to pursue and complete the development of its mining properties. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

The conditions and uncertainties described above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's business plan is dependent on raising additional funds to finance operations within and beyond the next 12 months. Any funding shortfall may be met in the future in a number of ways, including, but not limited to, the issuance of new debt or equity instruments, reduction in expenditures and/or the introduction of joint venture partners and/or business combinations on terms which are acceptable to the Company. Although the Company has been successful in the past at raising funds, there can be no assurance the Company will be able to secure financing in the future or that these sources of funding will be available.

The accompanying financial statements have been prepared using assumptions 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. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

3. Statement of compliance with IFRS

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). On April 9, 2025 the Board of Directors approved, for issuance, theses financial statements.

4. Material Accounting Policy Information

Basis of measurement

These financial statements have been prepared on the historical cost basis except for share-based compensation transactions, which are measured at fair value at grant date pursuant to IFRS 2, Share-Based payment.

Refundable tax credit on mining duties and refundable tax credit related to resources

The Company is eligible for a refundable credit on mining duties under the Québec *Mining Tax Act*. This refundable credit on mining duties is equal to 16% applicable tax on 50% of the eligible expenses. The accounting treatment for refundable credits on mining duties depends on management's intention to either go into production in the future or to sell its mining properties to another mining producer once the technical feasibility and the economic viability of the properties have been demonstrated. This assessment is made at the level of each mining property.

In the first case, the credit on mining duties is recorded as an income tax recovery under IAS 12, *Income Taxes*, which generates a deferred tax liability and deferred tax expense since the exploration and evaluation assets have no tax basis following the Company's election to claim the refundable credit.

In the second case, it is expected that no mining duties will be paid in the future and, accordingly, the credit on mining duties is recorded against exploration and evaluation assets.

The Company is also eligible for a refundable tax credit related to resources for mining industry companies in relation to eligible expenses incurred. The refundable tax credit related to resources can represent up to 38.75% for eligible expenses incurred, thereafter is recorded as a government grant against exploration and evaluation assets.

The credits related to resources and credits for mining duties recognized against exploration and evaluation expenditures are initially recorded at fair value when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant.

Leases

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Government grant

Government grant is recognized when there is reasonable assurance of their recovery and recorded as a reduction of the related expense or cost of the asset acquired or as other income, as applicable.

Mining properties

Exploration and evaluation expenditure are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrated.

4. Material Accounting Policy Information – Cont'd

Mining properties – Cont'd

Costs related to exploration and evaluation of mineral properties, option and lease payments and costs of acquiring mineral rights are recognized in profit or loss as incurred. The cost of exploration and evaluation expenditures acquired in exchange of common shares of the Company are recognized at the closing market price of the common shares at the acquisition transaction date.

Any option payments or proceeds from the sale of royalty interests received by the Company are recorded as income in the period received.

Disposal of interest in connection with option agreement

On the disposal of interest in connection with the option agreement, the Company does not recognize expenses related to the exploration and evaluation performed on the project by the acquirer. In addition, the cash or the closing market price at the transaction date of the common shares consideration received directly from the acquirer is recognized as proceeds relating to the grant of options on mining projects in profit or loss.

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred tax

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

Equity Instruments and share-based payments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The Company applies a fair value-based method of accounting to all share-based payments.

Units that consist of common shares and common share purchase warrants issued by the Company for cash consideration are recorded under common shares and warrants caption at the proceeds received, net of direct issue costs. When those warrants are exercised, the consideration received is recorded in common shares and warrants caption.

4. Material Accounting Policy Information – Cont'd

Equity Instruments and share-based payments – Cont'd

Non-employee common shares, warrants and stock options payment transactions in which the Company acquires non-financial assets and services are recognized when the risks and rewards of the assets is transferred, or the services are rendered to the Company. If there are unidentifiable services, then they are measured at grant date. The Company measures the non-financial assets or services received, and the corresponding increase in equity, at the fair value of the non-financial assets or services received, unless that fair value cannot be estimated reliably. If the fair value of the non-financial assets received or services cannot be estimated reliably, the Company measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of the common shares issued is determined by using the closing price on the TSX Venture Exchange of the day preceding the issuance date. The fair value of warrants and stock options issued is determined using the Black-Scholes option-pricing model. The amount recorded in equity for common shares is recorded in common shares and warrants caption and amounts recorded for warrants and stock options are credited to contributed surplus. On the exercise of warrants and stock options, common shares and warrants caption is credited for the consideration received and the related fair value amounts previously credited to contributed surplus.

Transactions with shareholders such as extension of the exercise period of warrants, where shareholders are acting in their capacity as shareholders and the Company is not receiving a benefit from the shareholders, are recognized directly in equity. Increase of fair value resulting from the modification of the equity instrument at modification date and the corresponding debit amount associated with the distribution made to the shareholders are both recorded in contributed surplus.

Stock options issued to employees, management and directors are measured at their fair value of each tranche on the grant date and recognized in their respective vesting period. The Company also provides for an estimate of the forfeiture rates in determining the total stock-based compensation expense. The Company uses the Black-Scholes option-pricing model to estimate the fair value of stock options issued to employees, management and directors. The cost of stock options is presented as share-based compensation expense, with a corresponding credit to contributed surplus. On the exercise of stock options, common shares and warrants caption is credited for the consideration received and the related fair value amounts previously credited to contributed surplus.

Flow-through shares

The Federal and Provincial tax legislation permits an entity to issue securities to investors whereby the deductions for tax purposes relating to resource expenditures may be claimed by the investors and not by the entity. These securities are referred to as flow-through shares. The Company finances a portion of its exploration programs with flow-through shares.

At the time of the issuance of flow-through shares, the Company allocates the proceeds between share capital and an obligation to deliver the tax deductions, which is recorded as a liability related to flow-through shares. The Company estimates the fair value of the liabilities related to flow-through shares using the residual method, deducting the fair value of the common shares and warrants issued from the cash consideration received from the flow-through shares financing.

The liability related to flow through shares recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

4. Material Accounting Policy Information – Cont'd

Loss per share

The Company presents and discloses segment information based on the internal reports that are regularly reviewed by the Board of Directors in order to assess each segment's performance. In this regard, the Company conducts its business in a single operating segment, being the acquisition, exploration and development of exploration properties.

Financial instruments

Financial assets and financial liabilities at amortized cost

Classification of assets

The Company classifies financial instruments in accordance with IFRS 9. The Company's cash, other receivable, accounts payable, accrued liabilities and long-term debt are classified and measured at amortized cost.

Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument's effective interest rate. The fair values of the Company's financial assets and liabilities classified in this category approximate their carrying amounts due to their short-term nature.

Recognition, derecognition and measurement

Regular purchases and sales of financial assets are recognized at cost on the trade date – the date on which the Company commits to purchase or sell the investment. Transaction costs are expensed as incurred in the statement of comprehensive income (loss). Financial assets are derecognized when the rights to receive cash flows have expired or the Company has transferred substantially all risks and rewards of ownership. Subsequent to initial recognition, all financial assets and financial liabilities are measured at amortized cost using the effective interest rate method. The update is committed if its effect is not significant.

New accounting standards and interpretations issued but not yet effective

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued a new Accounting Standard, IFRS 18 *Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 will introduce the following main changes from IAS 1:

- improved consistency and structure in the Statement of Earnings, including:
  - formally defined *Operating Profit* and *Profit or Loss before Financing and Income Tax* subtotals;
  - *Operating*, *Investing* and *Financing* income and expenses categories, based on a company's main business activities; and
  - an analysis of the *Operating* expenses by function or by nature, directly on the face of the Statement of Earnings, with details regarding their nature in the notes when expenses are presented by function in the Statement of Earnings.
- new guidance regarding Management-defined Performance Measures ("MPMs"); and
- new guidance regarding aggregation of items in the financial statements.

The new standard is effective for annual periods beginning on or after January 1, 2027, and applies retrospectively. Early adoption is permitted. The impact on the Company's financial statements is being assessed by Management.

4. Material Accounting Policy Information – Cont'd

New accounting standards and interpretations issued but not yet effective – Cont'd

Amendments to IFRS 9 (Accounting for electronic payments)

The IASB has issued amendments to IFRS 9 and IFRS 7 in May 2024. These amendments related to classification of financial assets and accounting for settlement by electronic payments. Following the amendments to IFRS 9, companies that recognize or derecognize financial assets or financial liabilities on the payment initiation date could see a change to their accounting as a general requirement is added that reiterate the following requirements:

- financial instruments are recognized when an entity becomes a party to a contract;
- a financial asset is derecognized when rights to the cash flows expire, or the asset is transferred; and
- a financial liability is derecognized when it is settled, which is the date on which the liability is extinguished.

The amendments allow an exception that would apply only for financial liabilities. The exception would allow a company to derecognize a financial liability before the settlement date, when it uses an electronic payment system and, after initiating the payment, when:

- it has no practical ability to withdraw, stop or cancel the payment instruction;
- it has no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

These amendments apply for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The impact for the Company is being assessed by management.

5. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions based on currently available information that affect the reported amounts of assets, liabilities and contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual results could differ from those estimated. By their very nature, these estimates are subject to measurement uncertainty and the effect of any changes in estimates on the financial statements of future periods could be material.

In the process of applying the Company's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the financial statements.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. 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. There is a material uncertainty regarding the Company's ability to continue as a going concern.

(in Canadian dollars)

6. Cash and cash equivalents

	December 31, 2024 $	December 31, 2023 $
Cash	**5,651,128**	1,698,012
Cash equivalents	**-**	4,400,000
	5,801,128	6,098,012

Cash equivalents consist of guaranteed investment certificate issued by a Canadian financial institution, bearing interest at rates of 4.92%, and maturing in January 2024.

7. Property and equipment

	Equipment $	**Computer $**	**Total $**
2024			
Cost:			
Balance at January 1	**10,072**	**17,773**	**27,845**
Balance at December 31	**10,072**	**17,773**	**27,845**
Accumulated Depreciation:			
Balance at January 1	**(2,310)**	**(6,345)**	**(8,655)**
Additions	**(2,335)**	**(4,584)**	**(6,919)**
Balance at December 31	**(4,645)**	**(10,929)**	**(15,574)**
Net book value	**5,427**	**6,844**	**12,271**
2023			
Cost:			
Balance at January 1	**2,990**	**4,744**	**7,734**
Additions	**7,082**	**13,029**	**20,111**
Balance at December 31	**10,072**	**17,773**	**27,845**
Accumulated Depreciation:			
Balance at January 1	**(435)**	**(2,561)**	**(2,996)**
Additions	**(1,875)**	**(3,784)**	**(5,659)**
Balance at December 31	**(2,310)**	**(6,345)**	**(8,655)**
Net book value	**7,762**	**11,428**	**19,190**

(in Canadian dollars)

8. Accounts payable and accrued liabilities

	December 31, 2024 $	December 31, 2023 $
Trade payables	**389,391**	905,430
Payables to related parties	**5,700**	3,833
Government remittance	**-**	28,534
Accruals	**27,118**	55,033
	422,209	992,830

9. Other liabilities related to flow-through shares

	December 31, 2024 $	December 31, 2023 $
Balance, beginning of year	**115,185**	325,754
Increase in the year	**1,875,000**	857,160
Decrease related to the incurring of expenses	**(237,674)**	(1,067,729)
Balance, end of year	**1,752,511**	115,185

Other liabilities related to flow-through shares represents the renunciation of tax deductions to investors following flow-through shares financing.

During the year ended December 31, 2024, the Company committed to pay, before December 31, 2025, $5,000,000 in eligible exploration and evaluation expenses, in accordance with the *Income Tax Act* of Canada. These tax deductions were transferred to investors in flow-through share investments in 2024. In connection with this commitment, the Company incurred cumulative eligible expenses of $326,638 as at December 31, 2024.

During the year ended December 31, 2023, the Company committed to pay, before December 31, 2024, $4,500,090 in eligible exploration and evaluation expenses, in accordance with the *Income Tax Act* of Canada. These tax deductions were transferred to investors in flow-through share investments in 2023. As at December 31, 2024, the Company has respected all of its regulatory requirements in relation with flow-through financing.

The disallowance of certain expenses by tax authorities could have negative tax consequences for investors or the Company. In such an event, the Company would indemnify each flow-through share subscriber for the additional taxes payable by such subscriber as a result of the Company's failure to renounce the qualifying expenditures as agreed.

(in Canadian dollars)

10. Common shares and warrants

Common shares

Authorized: An unlimited number of common shares, without par value:

Changes in Company's number of issued and outstanding common shares were as follows:

	December 31, 2024		December 31, 2023	
	Number of common shares	**Amount $**	Number of common shares	Amount $
Balance, beginning of year	**101,738,488**	**47,649,454**	73,444,508	38,259,528
Common shares issued pursuant to private placements (19)(23)	**-**	**-**	16,722,400	5,950,080
Common shares issued pursuant to flow-through placement (3)(20)	**25,000,000**	**3,125,000**	7,143,000	3,642,930
Common share issuance in consideration of exploration and evaluation expenditures (1)(2)(4)(5)(7)(8)(9)(10)(11)(12)(17)(21)	**6,866,667**	**832,666**	380,000	141,700
Stock options exercised (6)(14)(16)	**100,000**	**19,851**	800,000	244,535
Warrants exercised (13)(15)(18)	**-**	**-**	3,003,930	575,983
Broker warrants exercised (22)	**-**	**-**	244,650	71,421
Share issue costs	**-**	**(63,849)**	-	(1,236,723)
Balance, end of year	**133,705,155**	**51,563,122**	101,738,488	47,649,454

For the year ended December 31, 2024

(1) On December 23, 2024, the Company issued 1,250,000 common shares under the Property and Option Purchase Agreement with Metals Creek Resources Corp. related to the Metals Creek Property. The total fair value of the common shares issued of $156,250 was determined using the closing price on the TSX Venture Exchange as at December 20, 2024.

(2) On November 28, 2024, the Company issued 100,000 common shares under the Option Agreement pursuant to the third anniversary related to the Beaucage Property. The total fair value of the common shares issued of $14,000 was determined using the closing price on the TSX Venture Exchange as at November 27, 2024.

(3) On November 18, 2024, the Company issued 25,000,000 Charity Flow-Through Units for $0.20 per Charity Flow-Through Unit, for aggregate gross proceeds of $5,000,000. Each Charity Flow-Through Unit consists of one flow-through common share of the Company and one non-flow-through common share purchase warrant, with each Warrant being exercisable to acquire an additional non-flow-through common share of the Company at $0.25 for 36 months from the date of issuance. An amount of $5,000,000 was allocated to common shares and warrants, while an amount of $1,875,000 was attributed to other liabilities related to flow-through shares (Note 9).

(4) On November 11, 2024, the Company issued 500,000 common shares under the Property Acquisition Agreement with 2278481 Ontario Inc. and Orebot Inc. for the acquisition of the Orebot Property. The total fair value of the common shares issued of $60,000 was determined using the closing price on the TSX Venture Exchange as at November 8, 2024 of the Company.

10. Common shares and warrants – Cont'd

Common shares – Cont'd

(5) On September 25, 2024, the Company issued 2,000,000 common shares under the Option Termination related to the Laurie & Horne property. The total fair value of the common shares issued of $230,000 was determined using the closing price on the TSX Venture Exchange as at September 24, 2024. The Company also issued 1,500,000 warrants of Delta, at a price of $0.12, for a period of 24 months. The fair value of these warrants was $100,531 based on the Black-Scholes option pricing model and based on the following assumptions: risk-free rate of 2.88%, life of 2 years, expected volatility of 105.8% and no expected dividends.

(6) On July 4, 2024, the Company received $11,000 following the exercise of 100,000 stock options at a price between $0.11 each. An amount of $8,851 has been recorded and transferred from contributed surplus.

(7) On July 2, 2024, the Company issued 666,667 common shares under the Option Agreement pursuant to the signature related to the Gold Creek Property. The total fair value of the common shares issued of $76,666 was determined using the closing price on the TSX Venture Exchange as at June 28, 2024.

(8) On July 5, 2024, the Company issued 400,000 common shares under the Option Agreement pursuant to the signature related to the English property. The total fair value of the common shares issued of $50,000 was determined using the closing price on the TSX Venture Exchange as at July 4, 2024.

(9) On June 11, 2024, the Company issued 1,400,000 common shares following the acquisition of a 100% interest in the Laurie & Horne property. The total fair value of the common shares issued of $182,000 was determined using the closing price on the TSX Venture Exchange as at June 10, 2024.

(10) On May 24, 2024, the Company issued 200,000 common shares under the Option Agreement pursuant to the third anniversary related to the Dollier/Cartier property. The total fair value of the common shares issued of $27,000 was determined using the closing price on the TSX Venture Exchange as at May 23, 2024.

(11) On February 14, 2024, the Company issued 350,000 common shares following the acquisition of a 100% interest in 21 claims on the Dollier property. The total fair value of the common shares issued of $36,750 was determined using the closing price on the TSX Venture Exchange as at February 13, 2024.

For the year ended December 31, 2023

(12) On November 28, 2023, the Company issued 100,000 common shares under the Option Agreement pursuant to the second anniversary related to the Beaucage Property. The total fair value of the common shares issued of $9,500 was determined using the closing price on the TSX Venture Exchange as at November 28, 2023.

(13) On September 11, 2023, the Company received $31,250 following the exercise of 125,000 warrants at $0.25 each.

(14) On September 8, 2023, the Company received $130,000 following the exercise of 750,000 stock options at a price between $0.10 and $0.26 each. An amount of $92,683 has been recorded and transferred from contributed surplus.

(15) On August 10, 2023, the Company received $360,000 following the exercise of 2,000,000 warrants at $0.18 each.

(16) On June 2, 2023, the Company received $13,000 following the exercise of 50,000 stock options at $0.26 each. An amount of $8,852 has been recorded and transferred from contributed surplus.

(17) On May 26, 2023, the Company issued 200,000 common shares under the Option Agreement pursuant to the second anniversary related to the Dollier Property. The total fair value of the common shares issued of $89,000 was determined using the closing price on the TSX Venture Exchange as at May 26, 2023.

(18) Between April 27 and May 19, 2023 and April 27, 2023, the Company received $184,733 following the exercise of 878,930 warrants at $0.25 and $0.18 each.

(in Canadian dollars)

10. Common shares and warrants – Cont'd

Common shares – Cont'd

(19) On May 17, 2023, the Company issued 635,555 units to directors and key management personnel and 11,586,845 units to third parties at a price of $0.45 per unit, for gross proceeds of $5,500,080. Each unit consists of one common share and one half share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at $0.63 for a 24-month period.

(20) On May 17, 2023, the Company issued 7,143,000 National Flow-Through units at a price of $0.63 per unit, for gross proceeds of $4,500,090. Each unit consists of one common share and one half share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at $0.63 for a 24-month period. An amount of $4,500,090 was allocated to common shares and warrants, while an amount of $857,160 was attributed to other liabilities related to flow-through shares (Note 9).

(21) On May 16, 2023, the Company issued 80,000 common shares under the Option Agreement related to the Tremblay Property. The total fair value of the common shares issued of $43,200 was determined using the closing price on the TSX Venture Exchange as at May 16, 2023.

(22) Between March 16, 2023 and May 16, 2023, the Company received $61,162 following the exercise of 244,650 broker warrants at $0.25 each. An amount of $10,259 has been recorded and transferred from contributed surplus.

(23) On January 30, 2023 the Company completed a non-brokered private placement by issuing 4,500,000 units of the Company at a price of $0.10 per unit, for gross proceeds of $450,000. Each unit consists of one common share and one common share purchase warrant exercisable for up to 24 months from closing at $0.18.

Share purchase warrants

Changes in Company's number of share purchase warrants were as follows:

	December 31, 2024		December 31, 2023	
	Number of share purchase warrants	**Weighted average exercise price**	Number of share purchase warrants	Weighted average exercise price
Balance, beginning of year	**27,380,187**	**$0.35**	22,223,408	$0.27
Issued	**26,500,000**	**0.24**	14,182,700	0.49
Exercised	**-**	**-**	(3,003,930)	0.19
Expired	**(3,322,419)**	**0.25**	(6,021,991)	0.44
Balance, end of year	**50,557,768**	**$0.30**	27,380,187	$0.35

(in Canadian dollars)

10. Common shares and warrants – Cont'd

Share purchase warrants – Cont'd

At December 31, 2024, the following exercisable share purchase warrants were outstanding:

Share purchase warrants	Price	Expiry
2,500,000	0.18	January 30, 2025
9,682,700	0.63	May 17, 2025
2,790,068	0.25	July 23, 2025 (1)
9,085,000	0.18	July 23, 2025 (1)
1,500,000	0.12	September 24, 2026
25,000,000	0,25	November 18, 2027
50,557,768		

(1) The Company extend the exercise period from December 22, 2024 to July 23, 2025 during the year ended December 31, 2024.

Broker share purchase warrants

Changes in Company's number of broker share purchase warrants were as follows:

	December 31, 2024		December 31, 2023	
	Number of broker share purchase warrants	**Weighted average exercise price**	Number of broker share purchase warrants	Weighted average exercise price
Balance, beginning of year	**1,996,163**	**$0.38**	1,737,170	$0.32
Issued (1)(5)	**-**	**-**	1,130,256	0.44
Exercised (2)(3)(4)	**-**	**-**	(244,650)	0.25
Expired	**(865,907)**	**0.25$**	(626,613)	0.45
Balance, end of year	**1,130,256**	**$0.44**	1,996,163	$0.38

<u>For the year ended December 31, 2023</u>

(1) On May 17, 2023, the Company issued 1,095,256 broker warrants as part of the private placements on that day. Each warrant entitles its holder to purchase one common share of the Company at $0.45 for a 24-month period. The fair value of these warrants was $352,598 based on the Black-Scholes option pricing model and based on the following assumptions: risk-free rate of 4.04%, life of 2 years, expected volatility of 103.6% and no expected dividends.

(2) On May 16, 2023, the Company received $25,312 following the exercise of 101,250 broker warrants at $0.25 each.

(3) In April 2023, the Company received $31,475 following the exercise of 125,900 broker warrants at $0.25 each.

(in Canadian dollars)

10. Common shares and warrants – Cont'd

Broker share purchase warrants – Cont'd

(4) On March 16, 2023, the Company received $4,375 following the exercise of 17,500 broker warrants at $0.25 each.

(5) On January 30, 2023, the Company issued 35,000 broker warrants as part of the private placements on that day. Each warrant entitles its holder to purchase one common share of the Company at $0.25 for a 24-month period. The fair value of these warrants was $1,223 based on the Black-Scholes option pricing model and based on the following assumptions: risk-free rate of 3.74%, life of 2 years, expected volatility of 87.2% and no expected dividends.

At December 31, 2024, the following exercisable broker share purchase warrants were outstanding:

Broker share purchase warrants	Price	Expiry
35,000	0.25	January 30, 2025
1,095,256	0.45	May 17, 2025
1,130,256		

The weighted average fair value of broker share purchase warrants granted during the year ended December 31, 2024 was Nil (2023 - $0.31).

Share-based compensation

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

	December 31, 2024		December 31, 2023	
	Number of stock options	**Weighted average exercise price**	Number of stock options	Weighted average exercise price
Balance, beginning of year	**8,998,000**	**$0.21**	4,405,000	$0.23
Issued (1)(2)(4)(6)(7)(9)(10)	**4,350,000**	**0.19**	5,393,000	0.19
Exercised (3)(5)(8)	**(100,000)**	**0.11**	(800,000)	0.18
Expired unexercised	**(725,000)**	**0.13**	-	-
Balance, end of year	**12,523,000**	**$0.21**	8,998,000	$0.21

For the year ended December 31, 2024

(1) On November 25, 2024, the Company granted 3,150,000 stock options to directors and key management personnel, 500,000 stock options to employees and 400,000 to consultants at an exercise price of $0.20 per common share expiring November 25, 2027. The fair value of these stock options was $299,434 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.22%, life of 3 years, expected volatility of 103.9% and no expected dividends.

10. Common shares and warrants – Cont'd

Share-based compensation – Cont'd

(2) On August 26, 2024, the Company granted 100,000 stock options to Apollo Shareholder Relations Ltd, investor relations services, at an exercise price of $0.12 per common share expiring August 24, 2025. The fair value of these stock options was $4,717 based on the Black-Scholes option pricing model (25% of the common shares will vest every 4 months from the date of issuance) and based on the following assumptions: risk-free rate of 3.37%, life of 1 year, expected volatility of 99.9% and no expected dividends.

(3) On July 4, 2024, the Company received $11,000 following the exercise of 100,000 stock options at a price at $0.11 each.

(4) On February 6, 2024, the Company granted 200,000 stock options to employees at an exercise price of $0.105 per common share expiring February 6, 2029. The fair value of these stock options was $16,904 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.52%, life of 5 years, expected volatility of 111.3% and no expected dividends.

<u>For the year ended December 31, 2023</u>

(5) On September 8, 2023, the Company received $130,000 following the exercise of 750,000 stock options at a price between $0.10 and $0.26 each.

(6) On August 21, 2023, the Company granted 1,420,000 stock options to directors and key management personnel and 443,000 stock options to an employee and consultants at an exercise price of $0.265 per common share expiring August 31, 2028. 931,500 stock options vest on December 31, 2023, and 931,500 stock options vest on December 31, 2024. The fair value of these stock options was $342,856 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 4.14%, life of 5 years, expected volatility of 99.6% and no expected dividends.

(7) On July 6, 2023, the Company granted 150,000 stock options to an employee at an exercise price of $0.32 per common share expiring July 6, 2028. 50,000 stock options vest on October 6, 2023 and 100,000 stock options vest on January 6, 2024. The fair value of these stock options was $36,669 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.91%, life of 5 years, expected volatility of 100.6% and no expected dividends.

(8) On June 2, 2023, the Company received $13,000 following the exercise of 50,000 stock options at $0.26 each.

(9) On April 4, 2023, the Company granted 550,000 stock options to consultants at an exercise price of $0.41 per common share expiring April 4, 2028. These stock options are vesting at grant date. The fair value of these stock options was $168,165 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 2.85%, life of 5 years, expected volatility of 98% and no expected dividends.

(10) On February 14, 2023, the Company granted 2,300,000 stock options to directors and key management personnel and 530,000 stock options to consultants at an exercise price of $0.10 per common share expiring February 14, 2028. These stock options are vesting at grand date. The fair value of these stock options was $181,379 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.39%, life of 5 years, expected volatility of 93.2% and no expected dividends.

(in Canadian dollars)

10. Common shares and warrants – Cont'd

Share-based compensation – Cont'd

At December 31, 2024, the following exercisable stock options were outstanding:

Stock options	Exercisable	Price	Expiry
1,180,000	1,180,000	0.26	July 10, 2025
200,000	200,000	0.40	August 24, 2025
100,000	25,000	0.12	August 26, 2025
1,700,000	1,700,000	0.25	January 7, 2027
2,530,000	2,530,000	0.10	February 14, 2028
550,000	550,000	0.41	April 4, 2028
150,000	150,000	0.32	July 6, 2028
1,863,000	1,863,000	0.265	August 21, 2028
200,000	200,000	0.105	February 6, 2029
4,050,000	4,050,000	0,20	November 25, 2027
12,523,000	12,448,000		

The weighted average fair value of stock options granted during the year was $0.07 (2023 - $0.14).

(in Canadian dollars)

11. Exploration and evaluation activities

The Company incurred the following exploration and evaluation expenses the year:

	December 31, 2024	December 31, 2023
	$	$
Exploration and evaluation expenditures acquired	**692,964**	511,154
Fees related to the grant of options on mining project	**933,197**	141,700
Drilling	**2,065,370**	4,985,250
Drill core asseys	**384,170**	738,592
Till survey and asseys	**360,524**	5,400
Ground Geophysical Survey	**231,185**	-
Choice of aera and review of previous data	**220,148**	(2,745)
General exploration expenses	**98,246**	126,417
Trenching	**41,437**	10,173
3D modeling	**30,900**	52,400
Interpretation of geochemical, geophysical, geological surveys, modeling	**27,187**	128,921
Preliminary economic evaluation	**12,500**	-
Geology and prospection	**5,049**	75,233
Community consultations	**1,500**	-
Other revenues	**(10,500)**	-
Refundable tax credit on mining duties and refundable tax credit related to resources	**(26,495)**	(298)
Ontario Junior Exploration Program grant	**(200,000)**	(400,000)
Geophysical survey	**-**	146,239
Airbone geophysics	**-**	48,837
Geochimical survey	**-**	3,692
Evaluation of potential property	**184**	389
	4,867,566	6,571,354

Delta-1 / Eureka Property

On October 3, 2019, the Company announced the signing of an exclusive agreement to acquire a 100% interest in the new Eureka gold Discovery in the Thunder Bay Mining District of Ontario. During the year ended December 31, 2023, the Company completed the terms of the agreement and now owns 100% interest in the property.

- The vendor holds a 1.75% Net Smelter Return (“NSR”) Royalty on the claims. Delta may buy back the first 0.75% at any time for seven years after the effective date of the agreement for $500,000 and the remaining 1% Royalty at any time after the first 0.75% is purchased for $4,000,000.

11. Exploration and evaluation activities – Cont'd

Delta-1 / Eureka Property – Cont'd

- Five legacy claims of the property are also subject to NSR Royalties ranging from 0.5% to 1% from an underlying agreement. Delta has the option to purchase 50% of this NSR for the sum of $50,000.

- The agreement also includes advanced royalty payments starting 7 years after the effective date of the agreement.

In December 2019, the Company signed an agreement with the Ontario Exploration Corporation ("OEC") to buy back a NSR of up to 1% on its Eureka property in the Thunder Bay District, Ontario. Under the terms of the agreement, Delta purchased 50% of the OEC NSR at Eureka by paying the OEC the sum of $50,000.

Delta has the right to purchase the second 50% tranche at any time by paying the OEC an additional $50,000. Following the purchase of the second 50% tranche, Delta will have purchased the entire NSR Royalty currently owned by the OEC on the Eureka Property.

The OEC currently owns between 0.5% and 1% NSR royalty on certain claims of the Eureka property. More specifically, the OEC owns a 1% NSR on the claims covering the Eureka Gold prospect, Matawin and Kaspar gold occurrences and a 0.5% NSR on the claims surrounding the Kaspar occurrence.

In July 2021, the Company announced the acquisition of a 100% interest in eight claims (30 Units) in Blackewell, Laurie, Dawson Road Lots and Goldie Townships in Thunder Bay, Ontario and contiguous to the Delta-1 Property - Eureka property. Delta made a one-time $6,000 payment and issued 200,000 common shares of Delta to the Vendor for a 100% interest in the claims free and clear of encumbrances. The Vendor retains a 1.5% NSR royalty on the Property. Delta retains the right to buy back 0.5% of the NSR at any time for $400,000 and retains a Right of First Refusal on the remaining 1% NSR royalty.

In April 2022, April 2023, September 2024 and October 2024, the Company has been accepted to participate in the Ontario Junior Exploration Program Intake 2, 3, 4 and 5. Each Intake contribution was of $200,000 towards the costs of the Delta-1 / Eureka project.

Delta-1 / Gravel Ridge Property

The property consists of 10 claims covering 706 hectares, contiguous or adjacent to the Delta-1 Property in Ontario. Delta owns a 100% interest in the Gravel Ridge claims subject to a 1.75% NSR royalty. Delta has the right to buy back 0.75% NSR for the sum of $400,000 and retains a first right of refusal on the purchase of the remaining 1% NSR.

Delta-1 / Bylund Property

The property now consists of 282 (2023 – 279) contiguous unpatented mining claims covering a total area of 5,830 (2023 – 791) hectares and also counts the Gravel Ridge property which is contiguous or adjacent to the Delta-1 Property in Ontario.

On August 6, 2022, the Company has acquired the exclusive rights to buy the surface and mining rights to a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 85-hectare Bylund property is contiguous with the Delta-1 Property, immediately east of the Eureka Gold.

Delta entered into a five-year lease agreement with the surface and mining rights landowners. During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the land, it will pay land market value

11. Exploration and evaluation activities – Cont'd

Delta-1 / Bylund Property – Cont'd

times 10. Delta already made a one-time cash payment of $60,000 to the landowners. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR royalty of which Delta can elect to buy back 1% at any time for the sum of $1,000,000.

Delta-1 / Beaucage Property

On November 1, 2022, the Company has acquired the exclusive rights to buy the surface and mining rights to a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 32-hectare Beaucage property is contiguous with the Delta-1 Property, immediately east of the Eureka Gold.

Delta entered into a five-year lease agreement with the surface and mining rights landowners. During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times ten (10). Delta already made a one-time cash payment of $40,000 to the landowners and also issue 100,000 common shares per year (2024, 2023 and 2022) of the Company per year for 5 years, starting upon the signing of the Agreement.

Delta-1 / Ojala Property

On November 15, 2022, the Company has acquired the exclusive rights to buy the surface and mining rights to a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 67-hectare property is contiguous with the Delta-1 Property, securing Delta's land position on strike with the Eureka Gold Prospect for a strike length of 4.2 kilometres.

Delta entered into a five-year lease agreement with the surface and mining rights landowners. During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. Delta already made a one-time cash payment of $45,000 to the landowners to cover the five-year lease. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR royalty of which Delta can elect to buy back 1% at any time for the sum of $1,000,000.

Delta-1 / Maxwell Property

On January 23, 2023, the Company has acquired one patent (surface and mining rights) covering 47 hectares contiguous to Delta-1 Property.

Delta entered into a five-year lease agreement with the surface and mining rights landowners. During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. Delta already made a one-time cash payment of $60,000 to the landowners to cover the five-year lease. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR royalty of which Delta can elect to buy back 1% at anytime for the sum of $1,000,000.

Delta-1 / Tremblay Property

On April 24, 2023, the Company acquired 100% in the Tremblay Property consisting of 8 claims and covering 177 hectares adjacent to the Delta-1 Property. In order to acquire the claims Delta already issued 80,000 common shares of the Company. The vendor retains a 2% NSR royalty of which Delta can elect to buy back 1% at anytime for the sum of $1,000,000.

11. Exploration and evaluation activities – Cont'd

Delta-1 / Impala Property

On June 27, 2023, the Company acquired a 100% interest in the Impala Property which consists of 23 claims covering approximately 2,348.5 hectares, located immediately south of Delta-1 Property.

On June 27, 2023, Delta made a one-time cash payment of $50,000. The vendor will retain a 2% NSR with a 0.5% buyback for $1,000,000 and an additional 0.5% buyback for $1,000,000, and the remaining 1% for $4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Schultz Property

On June 21, 2023, the Company has acquired one patent (surface and mining rights) covering approximately 59 hectares located contiguous to Delta-1 Property and on strike to Eureka.

Delta has entered into a five-year lease agreement with the surface and mining rights landowner. During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times ten (10). On June 21, 2023, Delta has made a one-time cash payment of $90,000 to the landowners to cover the five-year lease. Should Delta elect to purchase the property during the five-year lease period, the landowners will retain a 2% NSR of which Delta can elect to buy back 1% at any time for the sum of $1,000,000 and the remaining 1% for $4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Hackl Property

On June 8, 2023, the Company entered into an option agreement whereby it can earn a 100% interest in 97 claims covering 2,056.4 hectares located south of Delta-1 Property.

In June 2024 and 2023, Delta has paid $50,000 per year. An amount of $75,000 to be paid upon the 2nd and 3rd Anniversary for a total of $250,000. The Vendor retains a 2% NSR of which Delta can elect to buy back 1% at any time for $1,000,000 and the remaining 1% for $4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Gold Cache Property

On June 7, 2023, the Company acquired a 100% interest in the Gold Cache property consisting of 12 claims and covering 252 hectares continuous and south of the Delta-1 Property.

On June 13, 2023, Delta made a one-time cash payment of $45,000. The landowners will retain a 2% NSR royalty of which Delta can elect to buy back 1% at any time for $1,000,000 and retain a first right of refusal on the remaining NSR (up to $4,000,000). There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Pete's Backhoe Property

On February 15, 2024, the Company acquired the right to purchase the Pete's Backhoe property, covering 33 hectares 750 metres west of the Eureka Gold Zone. The property is leased for a period of 5 years. Delta made a cash payment on signing of $80,000 and will pay $25,000 per year for an additional 3 years for a total cash consideration of $155,000. Delta may end the lease at any time. During the 5 years lease, Delta may purchase the property at any time by paying 5 times fair market value. If Delta exercises its right to purchase, the vendor will retain a 2% NSR royalty. Delta may buy back 1% NSR for $1,000,000 and retains a first right of refusal on the second 1% NSR. There are no work commitments nor were any common shares of the Company issued.

(in Canadian dollars)

11. Exploration and evaluation activities – Cont'd

Delta-1 / Laurie and Horne Properties

On May 1, 2024, the Company acquired the exclusive rights to acquire a 100% interest in the Laurie and Horne properties, covering approximately 24 square kilometres. Delta will assume agreements with a previous vendor to acquire an 100% in both properties. Upon signing of the agreement, Delta issued 1,400,000 common shares (already issued) of the Company to Sky Gold Corp. and pay the sum of $75,000 (already paid). Sky Gold Corp. will retain a 1% NSR. Delta will have the option to buyback a 0.5% NSR at anytime for $1,000,000 and will have a right of first refusal on the second 0.5% NSR. Delta will also pay the original vendor the sum of $350,000 over a three-year period ($50,000, $100,000 and $200,000 respectively in years 1, 2 and 3) and incur a total of $1,000,000 in exploration expenditures over the same period. The terms are divided equally between both Laurie and Horne properties.

On August 22, 2024, the Company signed an Agreement with the original vendors of the Laurie and Horne properties in order to eliminate the future cash payments of $350,000 and work commitments of $1,000,000 over the next three years, included in the agreement signed in May 2024. Under the Agreement, Delta will acquire a 100% interest in both Laurie and Horne properties by issuing a total of 2,000,000 common shares (already issued) and issue 1,500,000 warrants (already issued) of Delta, at a price of $0.12, for a period of 24 months. The original vendors will retain an NSR Royalty on the properties. This NSR Royalty will be covered under the same agreement as the NSR Royalty on the original Delta-1 property option dated October 2, 2019 whereby the original vendors retain a 1.75% NSR Royalty on all three (3) properties. Delta will have a right to buyback a 0.75% interest until October 2nd, 2026 for $500,000 and the remaining 1% interest thereafter for the sum of $4,000,000. Delta also retains a right of first refusal on any offer to buy any NSR interest by a third party after October 2nd, 2026.

Delta-1 / Band-Ore Property

On May 20, 2024, the Company entered into an agreement with Golden Share Resources Corporation acquiring the exclusive rights to earn a 100% interest in the Band-Ore property, covering approximately 2,115 hectares.

The terms of the agreement are as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	$100,000 (already paid)	n.a.	n.a.
12 months	$150,000	$100,000	n.a.
24 months	$200,000	$100,000	n.a.
36 months	$300,000	$100,000	n.a.
48 months	$400,000	$200,000	n.a.
60 months	n.a.	$200,000	n.a.

Share prices will be based on 20-day volume-weighted average price with a minimum share price of $0.075.

Golden Share will retain a 2% NSR. Delta will have the option to buyback a 1% NSR at anytime for $3,000,000 and will have the right of first refusal on the second 1% NSR. If Delta defines a NI-43-101 resource on the Band-Ore property after earn-in, Golden Share will be entitled to a bonus of $500,000 for an estimate of 500,000 gold ounces up to 1,000,000 ounces and a bonus of $1,000,000 for an estimate of greater than 1,000,000 gold ounces. There are no work commitments on the property.

(in Canadian dollars)

11. Exploration and evaluation activities – Cont'd

Delta-1 / Hackl-George Property

On May 8, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the Hackl-George property composed of 22 claims, covering approximately 458 hectares contiguous to its Delta-1 property in Duckworth Township, Thunder Bay, Ontario. Delta paid the sum of $21,150 for 100% interest in the property. Vendors will retain a 2% NSR. Delta will have the option to buyback a 1% NSR at anytime for $1,000,000 and will have a right of first refusal on the second 1% NSR up to a maximum of $4,000,000.

Delta-1 / Hackl-Bjorkman Property

On May 9, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the Hackl-Bjorkman property composed of 37 claims, covering approximately 790 hectares in Duckworth Township, Thunder Bay, Ontario. Delta paid the sum of $31,850 for 100% interest in the property. Vendors will retain a 2% NSR. Delta will have the option to buyback a 1% NSR at anytime for $1,000,000 and will have a right of first refusal on the second 1% NSR up to a maximum of $4,000,000.

Delta-1 / Gold-Creek Property

On May 27, 2024, the Company signed a mineral claims purchase agreement with Portofino Resources Corp. to earn the exclusive right to acquire 100% interest in 16 unpatented claims (214 claim units), covering approximately 4,324 hectares west of its Delta-1 property in Duckworth and Lamport Townships, Thunder Bay, Ontario.

The terms of the agreement are as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	$100,000 (already paid)	666,667 (already issued)	n.a.
12 months	$100,000	666,667	n.a.
24 months	$100,000	666,667	n.a.

One half of the common shares issued or to be issued by Delta will be locked-up for a period of 12 months after issuance.

Vendor will retain a 2% NSR. Delta will have the option to buyback a 1% NSR at anytime for $1,000,000 and will have a right of first refusal on the second 1% NSR, to a maximum of $4,000,000. Delta will assume the underlying agreements between Portofino and previous vendors on three different portions of the property, therefore retaining the right to buyback 0.75% NSR for $500,000, 0.5% NSR for $300,000 and 0.75% NSR for $200,000.

Delta-1 / English Property

On May 27, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the English property composed in 41 unpatented claims (57 claim units), covering approximately 1,224 hectares west of its Delta-1 property in Duckworth and Lamport Townships, Thunder Bay, Ontario.

(in Canadian dollars)

11. Exploration and evaluation activities – Cont'd

Delta-1 / English Property – Cont'd

The terms of the agreement are as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	$12,000 (already paid)	400,000 (already issued)	n.a.
12 months	$18,000	200,000	n.a.
24 months	$24,000	n.a.	n.a.
36 months	$30,000	n.a.	n.a.

One half of the common shares issued or to be issued by Delta will be locked-up for a period of 6 months after issuance.

Vendors will retain a 1.5% NSR. Delta will have the option to buyback a 0.5% NSR at anytime for $600,000 and will have a right of first refusal on the second 1% NSR, to a maximum of $4,000,000.

Delta-1 / Ternowesky Property

On August 6, 2024, the Company announced that it had entered into a purchase agreement to earn the exclusive right to acquire 100% interest in the Ternowesky Property consisting in 443 claim units spanning over seven (7) townships and covering over 93 square kilometers, in Thunder Bay, Ontario.

Delta is committed to pay the sum of $150,000 and issue 1,100,000 common shares of the Company to the vendors. The vendors will retain a 2% NSR. Delta will have the option to buy back a 1% NSR at any time for $2,000,000 and will have a right of first refusal on the second 1% NSR to a maximum of $4,000,000. Half of the shares issued by Delta will be subject to the regulatory hold of four (4) months while the other half are subject to a voluntary hold of twelve (12) months hold by the Vendors.

Because the claims were held by Mr. Ternowesky who passed away on April 5th, 2024, the claims are currently on hold by the Ontario Land Tribunal. In the meantime, Delta deposited $150,000 in trust, which is accounted in restricted cash in the statements of financial position. The funds are to be released to the vendors along with the issuance of 1,100,000 common shares, once the claims are released by the Ontario Land Tribunal and transferred to Delta in good standing.

Delta-1 / Orebot Property

On October 10, 2024, the Company signed a Property Acquisition Agreement with 2278481 Ontario Inc. and Orebot Inc. for the acquisition of the Orebot property. Delta will pay $35,000 (already paid $17,500) and issue 500,000 common shares (already issued) of the Company. The Vendors will retain a 2% NSR Royalty. Delta will have the option to buy back a 1% NSR at any time for $1,000,000 and will have a right of first refusal on the second 1% NSR to a maximum of $4,000,000.

Delta-1 / Metals Creek Property

On October 28, 2024, the Company signed a Property and Option Purchase Agreement with Metals Creek Resources Corp. for the acquisition of a 100 % interest in 11 claims and the right to earn a 100% interest in an additional 8 claims held by Gold Cache Inc. Delta paid $55,000 and issue 1,250,000 common shares of Delta on TSX approval of the agreement. Delta will also have to pay $40,000 in two equal instalments on March 14, 2025 and March 14, 2026.

(in Canadian dollars)

11. Exploration and evaluation activities – Cont'd

Delta-1 / Elwood Property

On November 18, 2024, the Company signed a Property Purchase Agreement with Golden Share Resources Corporation for the acquisition of the Elwood Property. Delta acquired a 100% interest by making a one-time cash payment of $30,000. No royalty was granted to the vendor. There is a 2% NSR royalty on the patent from an underlying agreement whereby Delta can repurchase a 1% NSR for $1,000,000.

Delta-2 / R-14 Property

On October 17, 2019, the Company announced the signing of an exclusive agreement to acquire a 100% interest in the Delta-2 / R-14 Property in the Chibougamau Mining District of Quebec. All the terms of the agreement were completed, and the Company owns 100% interest in the property.

- The vendor holds a 2% NSR Royalty on the claims (except on the 41 legacy claims listed below). Delta may buy back 1% at any time for $1,000,000.
- 41 legacy claims are subject to a 1.5% NSR Royalty. Delta has the option to purchase 0.75% of this NSR for $500,000.

In February 2020, Delta has acquired 14 new claims contiguous to the Delta-2 / R-14 property, covering approximately 880 hectares. The terms of the agreement with Multi-Resources Boreal include a one-time payment of $5,000.00 and the issuance of 50,000 shares for a 100% interest in the claims. Delta also grants a 2% NSR to Multi-Resources Boreal with an option for Delta to buy back a 1% NSR at any time for $1,000,000.

On May 20, 2020, Delta announced the addition, through staking, of an additional 30 claims, covering 1,669 hectares.

The property consists of 362 (2023 - 332) contiguous mining claims covering a total area of 19,288.50 (2023 – 17,712,12) hectares.

Dollier Property

In May 2021, the Company has optioned the Dollier Property in Chibougamau, Québec from Cartier Resources Inc. ("Cartier"). Delta shall have the sole and exclusive right to earn a 100% Interest.

The terms of the agreement were as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	$10,000 (already paid)	100,000 (already issued)	n.a.
12 months	n.a.	100,000 (already issued)	n.a.
24 months	n.a.	200,000 (already issued)	n.a.
36 months	n.a.	200,000 (already issued)	n.a.
48 months	n.a.	n.a.	$1,000,000 (completed)

(in Canadian dollars)

11. Exploration and evaluation activities – Cont'd

Dollier Property – Cont'd

Delta completed his commitments and now owns 100% interest in the Dollier Property. Cartier granted a 2% NSR production royalty. Delta will have the exclusive right to purchase the first 1% NSR for $2,000,000 and the second 1% NSR for $15,000,000.

On January 19, 2024, the Company announced that it has acquired a 100% interest in twenty-one (21) claims covering 1,170 hectares at the heart of the Delta-2 property, located 35 kilometres southeast of the Town of Chibougamau, Quebec. To acquire a 100% interest in the claims, Delta has paid the vendors the sum of $5,000 (already paid) and issued 350,000 common shares (already issued) of the Company. The vendors will retain a 2% NSR royalty on the claims. Delta retains the right to buy back a 1% NSR from the vendors for the sum of $1,000,000 and retains a right of first refusal on the remaining 1% NSR.

12. Income taxes

a) Provision for income tax reconciliation

The recovery of income taxes attributable to the loss before taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.5% as a result of the following:

	2024 **$**	2023 $
Loss before income taxes	**(6,325,722)**	(8,173,936)
Income tax recovery using the Company's domestic tax rate	**(1,676,316)**	(2,166,093)
Tax effect from:		
Share-based compensation	**118,210**	158,337
Other permanent differences	**105,091**	8,495
Deferred tax asset not recognized	**1,404,019**	990,337
Tax effect of provincial tax rate	**-**	39,117
Tax expense related to flow-through share deduction	**(188,678)**	(97,922)
Income tax recovery	**(237,674)**	(1,067,729)

(in Canadian dollars)

12. Income taxes – Cont'd

b) Unrecognized deductible temporary differences consist of the following:

	2024	
	Federal $	**Provincial** $
Exploration and evaluation assets	**15,874,717**	**20,922,154**
Property and equipment	**15,574**	**15,574**
Non-capital losses carried forward	**13,445,018**	**13,108,177**
Share issuance and finance costs	**654,051**	**654,051**
	29,989,360	**34,699,957**

	2023	
	Federal $	**Provincial** $
Exploration and evaluation assets	11,703,428	16,424,228
Property and equipment	8,655	8,655
Non-capital losses carried forward	12,153,633	11,814,488
Share issuance and finance costs	904,356	904,356
	24,770,072	29,151,727

At December 31, 2024, the Company had non-capital loss carry forwards available to reduce future years' income for tax purposes. The non-capital losses will expire as follows:

	Federal $	Provincial $
2027	679,921	679,921
2028	843,193	843,193
2029	868,387	701,458
2030	1,316,077	1,186,075
2031	1,180,423	1,169,772
2032	1,193,612	1,189,683
2033	707,448	706,030
2034	384,781	382,802
2035	279,164	275,566
2036	609,446	604,965
2037	472,109	469,443
2038	265,098	261,106
2039	293,151	288,322
2040	507,268	505,623
2041	579,381	577,310
2042	649,598	651,200
2043	1,315,049	1,314,796
2044	1,300,912	1,300,912
	13,445,018	13,108,177

(in Canadian dollars)

12. Income taxes – Cont'd

As at December 31, 2024, the Company has Pre-Production Mining income tax credits in the amount of $22,973. These credits can be used against Canadian federal income taxes payable and expire from 2032 to 2037.

13. Complementary information related to cash flows

Net change in non-cash operating working capital items:

	2024 $	2023 $
Grants receivable	**200,000**	(200,000)
Sales tax receivable	**142,269**	(167,765)
Prepaid expenses	**(50,180)**	(29,109)
Other receivable	**(2,660)**	14,510
Refundable tax credit on mining duties and refundable tax credit related to resources	**(23,311)**	160,541
Accounts payable and accrued liabilities	**(570,621)**	459,313
	(304,503)	237,490

Items not affecting cash:

	2024 $	2023 $
Share purchase warrants issued in consideration of exploration and evaluation expenditures	**100,531**	-
Common share issuances in consideration of exploration and evaluation expenditures	**832,666**	141,700
Liability related to flow-through shares	**1,875,000**	857,160
Share issue costs	**-**	353,821

14. Related party transactions

The following table reflects the remuneration of key management and directors of the Company:

	2024 **$**	2023 $
Employee benefits, included in General administrative expenses (1)	**128,730**	171,782
Management fees (2)	**144,000**	142,000
Professional fees (3)	**60,413**	55,210
Directors' fees, included in General administrative expenses (4)	**6,250**	-
Exploration and evaluation expenditures (1)	**77,947**	48,846
Share-based compensation	**351,432**	352,688
	768,772	770,526

14. Related party transactions – Cont'd

(1) During the year ended December 31, 2024, a total of $206,677 (2023 - $220,628) was paid to André C. Tessier, President and Chief Executive Officer of the Company. That total included (i) $ $128,730 (2023 - $171,782) as employee benefits, included in general administrative expenses, (ii) $77,947 (2023 - $48,846) for exploration and evaluation expenditures of the Company. An amount of $2,579 was payable as at December 31, 2024 (2023 - $319).

(2) During the year ended December 31, 2024, the Company incurred management fees in the amount of $144,000 (2023 - $142,000), with 9132-8757 Québec Inc., a company owned by Frank Candido, Chairman of the board of directors of the Company. In relation with these transactions, no amount was payable as at December 31, 2024 and 2023.

(3) During the year ended December 31, 2024, the Company incurred professional fees in the amount of $60,413 (2023 - $55,210), with Nathalie Laurin, the Chief Financial Officer of the Company. In relation with these transactions $2,854 payable as at December 31, 2024 (2023 – $3,514).

(4) During the year ended December 31, 2024, the Company incurred directors' fees in the amount of $6,250, included in general administrative expenses. In relation with these transactions, $6,250 was payable as at December 31, 2024.

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

15. Contingent liabilities

The Company's operations are governed by governmental laws and regulations regarding environmental protection Environmental consequences are difficult to identify, in terms of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in compliance with the laws and regulations. Any additional payment to liability already recorded that result from restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at that time.

16. Commitments

In June 2023, the Company was committed under a lease contract for its Ontario office, starting August 1, 2023 and expiring in July 31, 2024. The lease contract was renewed on August 1, 2024 for a one year period. Remaining minimum payments, totaling $13,776, will be paid in 2025.

Under rules established by the Quebec Ministry of Natural Resources and Forests and Ontario Ministry of Mines, the Company has made sufficient exploration expenditures to maintain the claims in good standing on its properties in 2025.

17. Capital management

The Company defines capital as equity amounting to $4,069,302 as at December 31, 2024 ($5,705,928 as at December 31, 2023).

The Company's objectives when managing capital are to:

- ensure sufficient liquidity to support its financial obligations and execute its operating and strategic plans;
- maintain financial capacity and access to capital to support future development of the business while taking into consideration current and future industry, market and economic risks and conditions; and
- utilize short term funding sources to manage its working capital requirements.

(in Canadian dollars)

17. Capital management – Cont'd

The Company has no externally imposed restrictions on capital. There were no significant changes in the Company's approach to capital management during the year ended December 31, 2024.

18. Loss per share

Basic loss per share

Basic loss per share is computed by dividing net loss for a period by the weighted average number of common shares outstanding during that period.

Diluted loss per share

Diluted loss per share is computed by dividing net loss for a period by the diluted number of common shares. Diluted common shares includes the effects of instruments, such as share stock options and warrants, which could cause the number of common shares outstanding to increase.

The Company reported a net loss for the periods ended December 2024 and 2023; the Company has accordingly presented basic and diluted losses per share, which are the same, on a single line in the statements of loss and comprehensive loss. Diluted loss per share did not include the effect of share purchase stock options and warrants as they were anti-dilutive.

19. Financial instruments

Credit risk is the risk that another party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The Company is exposed to credit risk with respect to cash, cash equivalents and other receivables. The carrying amount of these financial instruments represents the Company's maximum exposure to credit risk. Cash are composed of deposits with a Canadian financial institution.

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

	Carrying amount	Contractual cash flows	0 to 6 months
	$	$	$
Accounts payable and accrued liabilities	422,209	422,209	422,209

The fair value of cash, cash equivalents, other receivables, accounts payables and accrued liabilities approximates their carrying value due to their short-term nature.

20. Subsequent events

March 10, 2025, the Company received $140,000 which represented the last tranche of the $200,000 grants from the Ontario Junior Exploration Program Intake 5 to further advance its Delta-1 Property.

February 10, 2025, Delta made a cash payment of $25,000 for the Pete's Backhoe Property in accordance with first anniversary payment.

On January 27, 2025, the Company granted 200,000 stock options to an employee. The stock options are exercisable at $0.20 for 2 years from the date of the grant and vest immediately.

20. Subsequent events – Cont'd

On January 22, 2025, the Company extended the exercise period from January 30, 2025 to July 2 of 2,500,000 warrants exercisable at $0.18 per common share issued pursuant to a private placement on January 31, 2023.