

**Colonial Coal International Corp.**

*(An Exploration Stage Company)*

**Condensed Interim Consolidated Financial Statements  
Three Months Ended October 31, 2024**

*(Unaudited - expressed in Canadian dollars)*

**NOTICE OF NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim 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 Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**Colonial Coal International Corp.**

Condensed Interim Consolidated Statements of Financial Position

*(Unaudited - expressed in Canadian Dollars)*

	Note	October 31, 2024 \$	July 31, 2024 \$
<b>Assets</b>			
Current assets			
Cash and cash equivalents		6,723,829	6,302,071
Short term investments		88,266	88,266
Receivables and prepaids	3	55,620	76,937
Due from related parties	7	12,598	18,598
		6,430,313	6,485,872
Coal properties and deferred expenditures	4	15,070,711	15,001,248
Reclamation deposits	4	203,200	203,200
Equipment and right-of-use asset		72,925	3,531
Deferred acquisition costs		1	1
		15,346,837	15,207,980
		21,777,150	21,693,852
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities		43,991	96,158
Due to related parties	7	23,702	23,710
Lease obligations – current portion	5	32,601	4,034
		100,294	123,902
Lease obligations – non-current portion	5	40,206	-
		140,500	123,902
<b>Equity Attributable to Shareholders</b>			
Share capital	6	56,170,924	55,345,154
Contributed surplus		22,143,838	17,400,892
Deficit		(56,678,112)	(51,176,096)
		21,636,650	21,569,950
		21,777,150	21,693,852

Basis of presentation (Note 2)

**Approved by the Board of Directors**

(signed) "Ian Downie"

(signed) "David Austin"

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

**Colonial Coal International Corp.**

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

*(Unaudited - expressed in Canadian Dollars)*

	Note	Three months ended October 31, 2024 \$	Three months ended October 31, 2023 \$
<b>Expenses</b>			
Amortization		10,160	11,241
Consulting	7	32,864	32,640
Director's fees	7	6,000	6,000
Filing and listing fees		58,263	55,235
Management fees	7	148,001	148,001
Office and administration		109,306	108,394
Professional fees	7	46,831	78,810
Shareholder communications		48,841	58,864
Share-based payments	6(c)	5,098,259	1,819,478
Travel and promotion		19,364	32,607
		(5,577,889)	(2,351,270)
<b>Other income (expense)</b>			
Interest income		77,356	47,034
Lease finance charge		(1,483)	(1,802)
		75,873	45,232
<b>Net loss and comprehensive loss for the period</b>		<b>(5,502,016)</b>	<b>(2,306,038)</b>
<b>Basic and diluted loss per common share</b>		<b>(0.03)</b>	<b>(0.01)</b>
<b>Weighted average number of shares outstanding</b>			
- Basic and diluted		181,582,273	178,342,463

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

**Colonial Coal International Corp.**

Condensed Interim Consolidated Statements of Changes in Equity

*(Unaudited - expressed in Canadian Dollars)*

	Issued Share Capital		Contributed	Deficit	Total
	Number of	Amount	Surplus		
	Shares	\$	\$	\$	\$
	#				
<b>Balance, July 31, 2023</b>	178,209,231	47,006,588	17,139,900	(45,601,421)	18,545,067
Shares issued pursuant to exercise of options	268,520	298,057	-	-	298,057
Transfer value on exercise of options	-	218,307	(218,307)	-	-
Share-based payments	-	-	1,819,478	-	1,819,478
Comprehensive loss for the period	-	-	-	(2,306,038)	(2,306,038)
<b>Balance, October 31, 2023</b>	178,477,751	47,522,952	18,741,071	(47,907,459)	18,356,564
Shares issued pursuant to exercise of options	2,936,600	4,570,626	-	-	4,570,626
Transfer value on exercise of options	-	3,251,576	(3,251,576)	-	-
Share-based payments	-	-	1,911,397	-	1,911,397
Comprehensive loss for the period	-	-	-	(3,268,637)	(3,268,637)
<b>Balance, July 31, 2024</b>	181,414,351	55,345,154	17,400,892	(51,176,096)	21,569,950
Shares issued pursuant to exercise of options	268,700	470,457	-	-	470,457
Transfer value on exercise of options	-	355,313	(355,313)	-	-
Share-based payments	-	-	5,098,259	-	5,098,259
Comprehensive loss for the period	-	-	-	(5,502,016)	(5,502,016)
<b>Balance, October 31, 2024</b>	181,683,051	56,170,924	22,143,838	(56,678,112)	21,636,650

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

**Colonial Coal International Corp.**  
Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - expressed in Canadian Dollars)

	<b>Three months ended October 31, 2024</b>	<b>Three months ended October 31, 2023</b>
	\$	\$
<b>Cash flows (used in) provided by</b>		
<b>Operating activities</b>		
Loss for the period	(5,502,016)	(2,306,038)
Items not affecting cash		
Amortization	10,160	11,241
Share-based payments	5,098,259	1,819,478
Interest income	(77,356)	(47,034)
Lease finance charge	1,483	1,802
	(469,470)	(520,551)
Interest received	77,356	47,034
Net change in non-cash working capital items:		
Receivables and prepaids	21,318	(16,273)
Accounts payable and accrued liabilities	(49,137)	1,071
Due to/from related parties	5,992	1,862
	(413,941)	(486,857)
<b>Investing activities</b>		
Deferred costs	(72,493)	(81,479)
	(72,493)	(81,479)
<b>Financing activities</b>		
Exercise of stock options	470,457	298,057
Lease payments	(12,265)	(12,265)
	458,192	285,792
<b>Decrease in cash and cash equivalents</b>	(28,242)	(282,544)
<b>Cash and cash equivalents, beginning of the period</b>	6,302,071	3,662,609
<b>Cash and cash equivalents, end of the period</b>	6,273,829	3,380,065

Supplemental cash flow information (Note 9)

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

## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

*(Unaudited – expressed in Canadian Dollars)*

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### 1 Organization and nature of operations

Colonial Coal International Corp. (the “Company”) was incorporated pursuant to the Business Corporations Act of Alberta on August 1, 2007. The Company’s corporate head office is located at Suite 200 – 595 Howe Street, Vancouver, British Columbia, Canada. The Company is listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “CAD”.

The Company’s principal activities include the acquisition, exploration and development of coal properties located in Canada. The Company is also pursuing the acquisition of Watson Island, located just outside of Prince Rupert, British Columbia, for the purpose of developing a seaport terminal and supporting industrial park.

### 2 Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended July 31, 2024, which have been prepared in accordance with IFRS.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended July 31, 2024.

The preparation of interim financial statements requires management to make judgments, 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.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended July 31, 2024.

These financial statements were approved by the board of directors for use on November 27, 2024

### 3 Receivables and prepaids

	October 31, 2024	July 31, 2024
	\$	\$
GST recoverable	10,436	10,949
Prepaid expenses and other	45,184	65,988
	<u>55,620</u>	<u>76,937</u>

## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

(Unaudited – expressed in Canadian Dollars)

### 4 Coal properties and deferred expenditures

	Huguenot \$	Flatbed \$	Total \$
<b>Balance, July 31, 2023</b>	11,936,382	2,650,580	14,586,962
Field programs	26,535	3,852	30,387
Consultants and contractors	44,472	22,851	67,323
Licenses and fees	146,505	142,130	288,635
Community relations	4,770	4,770	9,540
Project administration	28,381	17,401	45,782
B.C. mining exploration tax credits	(16,429)	(10,952)	(27,381)
	234,234	180,052	414,286
<b>Balance, July 31, 2024</b>	12,170,616	2,830,632	15,001,248
Field programs	161	963	1,124
Consultants and contractors	795	3,779	4,574
Licenses and fees	36,180	5,300	41,480
Project administration	7,823	14,462	22,285
	44,959	24,504	69,463
<b>Balance, October 31, 2024</b>	12,215,575	2,855,136	15,070,711

The Company owns a 100% interest in seventeen coal licenses commonly referred to as the Huguenot property located in the Liard Mining Division, northeastern British Columbia. The Huguenot property is subject to a 1.5% production royalty, including 1.2% which is payable to certain directors of the Company.

The Company owns a 100% interest in eight coal licenses commonly referred to as the Flatbed property located in the Liard Mining Division, northeastern British Columbia. The Flatbed property is subject to a 1.5% production royalty, 1.35% of which is payable to certain directors of the Company.

As of October 31, 2024, the Company had \$203,200 (July 31, 2024 - \$203,200) of reclamation bonds held by the British Columbia Ministry of Energy, Mines and Low Carbon Innovation.



## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

(Unaudited – expressed in Canadian Dollars)

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### 5 Lease obligations

The Company had an office lease agreement for a 24- month lease period from September 1, 2022 to August 31, 2024. On August 9, 2024, the Company renewed the office lease agreement for another 24-month lease period starting September 1, 2024. In accordance with IFRS 16 *Leases*, the Company recorded right-of-use assets of \$79,554 and recognized lease liabilities of \$79,554 on commencement of the lease. As at September 1, 2024, the Company measured the present value of its lease liabilities using a discount rate of 23.03% as determined from its incremental borrowing rate.

#### a) *Right-of-use assets*

A reconciliation of the Company's right-of-use assets for the three months ended October 31, 2024 and the year ended July 31, 2024 is as follows:

	<b>Total</b>
Balance, July 31, 2023	\$ 45,894
Amortization of ROU	(42,363)
Balance, July 31, 2024	3,531
Initial recognition of new lease	79,554
Amortization of ROU	(10,160)
Balance, October 31, 2024	\$ 72,925

#### b) *Lease liabilities*

A reconciliation of the Company's lease liabilities for the three months ended October 31, 2024 and the year ended July 31, 2024 is as follows:

	<b>Total</b>
Balance, July 31, 2023	\$ 48,515
Accretion of interest	4,575
Lease payments	(49,056)
Balance, July 31, 2024	4,034
Addition of new lease	79,554
Accretion of interest	1,483
Lease payments	(12,264)
Balance, October 31, 2024	\$ 72,807

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	October 31, 2024	July 31, 2024
Short-term portion of lease liability	\$ 32,601	\$ 4,034
Long-term portion of lease liability	\$ 40,206	\$ -

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## **Colonial Coal International Corp.**

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

*(Unaudited – expressed in Canadian Dollars)*

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### **6 Share Capital**

#### **a) Authorized**

An unlimited number of common shares without par value.

An unlimited number of preferred shares issuable in series without par value.

The holders of the common shares are entitled to one vote per share and are entitled to dividends, when and if declared by the directors of the Company, and to the distribution of the residual assets of the Company in the event of the liquidation, dissolution or winding-up of the Company.

#### **b) Share issuance**

During the three months ended October 31, 2024, the Company issued 268,700 shares for total proceeds of \$470,457 pursuant to exercise of 268,700 stock options. The Company transferred \$355,313, the fair value of the stock options exercised, from contributed surplus to share capital.

During the year ended July 31, 2024, the Company issued 3,205,120 shares for total proceeds of \$4,868,683 pursuant to exercise of 3,205,120 stock options. The Company transferred \$3,469,883, the fair value of the stock options exercised, from contributed surplus to share capital.

#### **c) Stock options**

The Company has established a stock option plan (the “Plan”) for the benefit of full-time and part-time employees, officers, directors and consultants of the Company and its affiliates. The maximum number of shares available under the Plan is limited to 10% of the issued common shares. Options granted under the Plan have a maximum term of ten years and the vesting provisions of options granted are at the discretion of the Board of Directors.

The Company’s stock options outstanding as of October 31, 2024 and July 31, 2024 and the changes for the years then ended are as follows:

## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

(Unaudited – expressed in Canadian Dollars)

	Number of options	Weighted Average Exercise Price \$
Balance, July 31, 2023	14,088,820	1.02
Granted	2,900,000	1.84
Exercised	(3,205,120)	1.52
Balance, July 31, 2024	13,783,700	1.07
Granted	3,550,000	2.11
Exercised	(268,700)	1.75
Balance outstanding, October 31, 2024	17,065,000	1.28
Exercisable, October 31, 2024	17,065,000	1.28

The weighted average share price at the date of exercise of options exercised during the three months ended October 31, 2024 was \$2.87 (year ended July 31, 2024 - \$2.41).

Options to acquire common shares outstanding on October 31, 2024 and July 31, 2024 are as follows:

Grant Date	Expiry Date	Exercise Price \$	Options Outstanding 31 October 2024	Options Outstanding 31 July 2024
April 5, 2018	April 5, 2028	0.31	5,230,000	5,230,000
November 29, 2019	November 29, 2029	0.35	2,100,000	2,100,000
February 7, 2022	February 7, 2032	2.29	2,300,000	2,330,000
September 26, 2022	September 26, 2032	1.50	300,000	300,000
February 13, 2023	February 13, 2028	1.18	150,000	150,000
February 14, 2023	February 14, 2033	1.11	515,000	533,700
March 3, 2023	March 3, 2033	1.57	500,000	500,000
March 22, 2023	March 22, 2025	2.00	300,000	300,000
April 4, 2023	April 4, 2033	1.67	480,000	680,000
September 15, 2023	September 15, 2027	1.58	500,000	500,000
November 10, 2023	November 10, 2033	1.39	150,000	150,000
March 4, 2024	March 4, 2034	2.35	740,000	760,000
June 25, 2024	June 25, 2029	2.30	250,000	250,000
October 30, 2024	October 30, 2029	2.11	3,550,000	-
			17,065,000	13,783,700
Weighted average remaining contractual life of options outstanding at end of year			5.24 years	5.61 years

## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

*(Unaudited – expressed in Canadian Dollars)*

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On October 30, 2024, the Company granted 3,550,000 stock options to consultants and employees. The options are exercisable for a period of five years at a price of \$2.11 per share. The stock options vested at the grant date. The fair value of the stock options granted was \$5,098,259 (\$1.44 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

On June 25, 2024, the Company granted 250,000 stock options to a consultant. The options are exercisable for a period of five years at a price of \$2.30 per share. The stock options vested at the grant date. The fair value of the stock options granted was \$440,866 (\$1.76 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

On March 4, 2024, the Company granted 800,000 stock options to two consultants. The options are exercisable for a period of ten years at a price of \$2.35 per share. The stock options vested at the grant date. The fair value of the stock options granted was \$1,306,246 (\$1.63 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

On November 10, 2023, the Company granted 150,000 stock options to a consultant. The options are exercisable for a period of ten years at a price of \$1.39 per share. The stock options vested at the grant date. The fair value of the stock options granted was \$146,704 (\$0.98 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

On September 15, 2023, the Company granted 1,700,000 stock options to consultants and employees. The options are exercisable for a period of four years at a price of \$1.58 per share. The stock options vested at the grant date. The fair value of the stock options granted was \$1,774,427 (\$1.04 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

The fair value of the stock options granted was determined using the Black-Scholes option price modelling with the following assumptions:

	Three months ended October 31, 2024	Year ended July 31, 2024
Average stock price (\$)	2.11	1.86
Average exercise price (\$)	2.11	1.84
Average risk-free interest rate (%)	3.00	3.85
Expected life (years)	5.00	4.41
Expected volatility (%)	84.50	88.46
Expected dividends (\$)	Nil	Nil

## Colonial Coal International Corp.

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

(Unaudited – expressed in Canadian Dollars)

### 7 Related party transactions

Key management consists of personnel having the authority and responsibility for planning, directing and controlling the activities of the Company, which are the directors and executive officers of the Company.

As at October 31, 2024, \$20,702 (July 31, 2024 - \$23,710) was due to, and \$12,598 (July 31, 2024 - \$18,598) was due from related parties of the Company:

	October 31, 2024	July 31, 2024
Due to related parties		
COO	\$ 20,702	\$ 20,710
Director	-	3,000
	<u>\$ 20,702</u>	<u>\$ 23,710</u>
Due from related parties		
CEO	\$ 3,194	\$ 3,194
Consultant, son of CEO	9,404	15,404
	<u>\$ 12,598</u>	<u>\$ 18,598</u>

During the three months ended October 31, 2024 and 2023, the Company entered into the following transactions with related parties:

	Three months ended October 31, 2024	Three months ended October 31, 2023
Management fee – CEO	\$ 65,000	\$ 65,000
Management fee – COO	57,501	57,501
Management fee – Directors	25,500	25,500
Consulting fee – Son of CEO	21,750	20,500
Professional fee – CFO	31,000	24,000
Directors' fees	6,000	6,000
Share-based compensation (Note 6c)		
- 700,000 (2023 – 500,000) options were granted to son of CEO	1,005,200	522,000
Share-based compensation (Note 6c)		
- 300,000 (2023 – 400,000) options were granted to son and daughter of COO	430,800	417,600
	<u>\$ 1,642,751</u>	<u>\$ 1,138,101</u>

## **Colonial Coal International Corp.**

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

*(Unaudited – expressed in Canadian Dollars)*

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### **8 Commitments**

The Company is committed under the terms of royalty agreements in respect of its interests in coal properties (Note 4).

### **9 Non-cash transactions**

Investing and financing activities that do not have a direct impact on cash flows are excluded from the consolidated statements of cash flows. During the three months ended October 31, 2024, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

- Deferred expenditures of \$3,675 included in accounts payable and accrued liabilities on October 31, 2024, less expenditures included in accounts payable and accrued liabilities on July 31, 2024 of \$4,350 (net inclusion of \$675).
- Right-of-use assets of \$79,554 included in lease liability at initial recognition.

Investing and financing activities that do not have a direct impact on cash flows are excluded from the consolidated statements of cash flows. During the three months ended October 31, 2023, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

- Deferred expenditures of \$Nil included in accounts payable and accrued liabilities on October 31, 2023, less expenditures included in accounts payable and accrued liabilities on July 31, 2023 of \$645 (net inclusion of \$645).

### **10 Segment information**

The Company operates in one segment – the acquisition, exploration and development of coal properties. As at October 31, 2024 and July 31, 2024, all of the Company's operations and assets were in Canada.

### **11 Management of Capital**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain a flexible capital structure which optimizes the costs of capital as an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, as well as cash.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may attempt to issue new shares, issue debt, option its coal properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of coal properties or other assets.

The only sources of future funds presently available to the Company are the sale of additional equity capital, selling or leasing the Company's interest in a property or entering into joint venture arrangements or other strategic alliances in which the funding sources could become entitled to an interest in the properties or the projects. The Company's capital resources are largely determined by

## **Colonial Coal International Corp.**

Notes to the Condensed Interim Consolidated Statements

For the three months ended October 31, 2024

*(Unaudited – expressed in Canadian Dollars)*

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the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company is not subject to any capital requirements imposed by a regulator, other than continued listing requirements of the Exchange. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and intends to raise additional amounts externally as needed.

The Company's investment policy is to invest its cash and cash equivalents in interest-bearing bank accounts.

During the three months ended October 31, 2024, there were no changes to the Company's policies on managing capital.

## **12 Financial Instruments**

### **a) Classification of financial instruments**

The Company's financial instruments consist of cash and cash equivalents, short term investments, receivables, reclamation deposits, accounts payable and accrued liabilities, and due to/from related parties.

The Company's cash and cash equivalent, short term investments and receivables are measured at amortized cost. Accounts payable and accrued liabilities and due to/from related parties are measured at amortized cost.

### **b) Fair value of financial instruments**

The Company classifies fair values of financial instruments within a three-level hierarchy that prioritizes the inputs to fair value measurement and reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. The Company has no financial instruments measured at fair value.

### **c) Currency risk**

As at October 31, 2024, all of the Company's cash and cash equivalents were held in Canadian dollars, the Company's functional currency. The Company has no operations in foreign jurisdictions outside of Canada and as such has no currency risk associated with its operations.

## **Colonial Coal International Corp.**

Notes to the Condensed Interim Consolidated Statements

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*(Unaudited – expressed in Canadian Dollars)*

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### **d) Credit risk**

Credit risk arises from cash and cash equivalents, contractual cash flows of short term investments carried at amortized cost, as well as credit exposures to outstanding receivables from third parties and related parties.

Credit risk is monitored by management. All cash and cash equivalents are held with major Canadian financial institutions. The group's investments in short term investments are considered to be low risk investments. The Company manages credit risk by purchasing highly liquid, short-term investment-grade securities held at major financial institutions. The Company maintains substantially all of its cash with one major financial institution. The majority of cash held with these institutions exceed the amount of insurance provided on such deposits.

For outstanding receivables, the Company assesses the credit quality of the counterparty, taking into account its financial position, past experience and other factors. The compliance with credit limits by third parties and related parties is regulatory monitored by management.

The Company's concentration of credit risk arises from its cash and cash equivalents and short-term investments. The maximum exposure as at October 31, 2024 was \$6,723,829 (July 31, 2024 - \$6,390,337).

### **e) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its cash according to its operational needs and to optimize revenues from interest.

### **f) Liquidity risk**

The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date.

## **13 Subsequent Events**

Subsequent to the period ended October 31, 2024, the Company issued 25,000 shares for total proceeds of \$41,750 pursuant to exercise of 25,000 stock options.