



## **Condensed Interim Consolidated Financial Statements**

**For the three and nine months ended July 31, 2024**

(unaudited)

(presented in Canadian dollars)

### **Notice of non-review of condensed interim financial statements**

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In accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators, notice is given that the condensed interim consolidated financial statements for the nine month period ended July 31, 2024 have not been reviewed by the Company's auditors.

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**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited and presented in Canadian dollars)

As at	Jul. 31, 2024	Oct. 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 4)	\$ 900,773	\$ 1,717,475
Accounts receivable	16,637	17,576
Prepaid expenses	18,953	26,194
Marketable securities (note 10)	10,776	8,980
	947,139	1,770,225
<b>Non-current assets</b>		
Restricted cash (note 4)	10,000	10,000
<b>Total assets</b>	<b>\$ 957,139</b>	<b>\$ 1,780,225</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 63,545	\$ 371,255
<b>Non-current liabilities</b>		
Performance share unit liability (note 7)	100,440	5,903
<b>Total liabilities</b>	163,985	377,158
<b>Shareholders' equity (deficit)</b>		
Share capital (note 5)	6,026,065	6,026,065
Share based payment reserve (note 6)	1,259,821	1,133,215
Warrant reserve (note 8)	7,900	7,900
Deficit	(6,500,632)	(5,764,113)
	793,154	1,403,067
<b>Total liabilities and shareholders' equity (deficit)</b>	<b>\$ 957,139</b>	<b>\$ 1,780,225</b>

Reporting entity and nature of operations (note 1)  
Commitments and contingencies (note 13)  
Events after the reporting period (note 16)

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

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)**  
(Unaudited and presented in Canadian dollars)

	Three months ended Jul. 31, 2024	Three months ended Jul. 31, 2023	Nine months ended Jul. 31, 2024	Nine months ended Jul. 31, 2023
<b>Expenses</b>				
Exploration & evaluation expenditures (note 11)	\$ 65,379	\$ 100,130	\$ 273,084	\$ 215,558
Consulting fees (note 12)	70,000	71,354	174,875	158,354
Administration	11,613	17,314	45,176	44,574
Shareholder information	10,825	15,448	34,653	80,024
Professional fees	6,651	10,932	30,891	32,830
Share based payments (note 6, 7 & 12)	41,355	-	221,143	198,665
(Loss) from operations	(205,823)	(215,178)	(779,822)	(730,005)
Interest income	11,704	20,732	42,748	30,377
Gain (loss) on change in fair value of marketable securities (note 10)	(898)	(1,796)	1,796	2,694
Foreign exchange gain (loss)	(1,241)	-	(1,241)	2,730
<b>Net loss and comprehensive loss</b>	<b>\$ (196,258)</b>	<b>\$ (196,242)</b>	<b>\$ (736,519)</b>	<b>\$ (694,204)</b>
<b>Basic and fully diluted loss per share (note 9)</b>	<b>\$ (0.003)</b>	<b>\$ (0.003)</b>	<b>\$ (0.011)</b>	<b>\$ (0.012)</b>

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

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited and presented in Canadian dollars)

For the nine months ended,	Jul. 31, 2024	Jul. 31, 2023
<b>Cash flows from operating activities</b>		
Net loss	\$ (736,519)	\$ (694,204)
(Gain) loss on marketable securities (note 10)	(1,796)	(2,694)
Share based payments (note 6)	221,143	198,665
Changes in non-cash working capital items		
Accounts receivable	939	(2,248)
Prepaid expenses	7,241	(1,936)
Accounts payable and accrued liabilities	(307,710)	(185,717)
	(816,702)	(688,134)
<b>Cash flows from financing activities</b>		
Proceeds on issuance of common shares (note 5)	-	2,300,000
Share issue costs (note 5)	-	(53,800)
Exercise of warrants (note 8)	-	152,973
	-	2,399,173
<b>Cash flows from investing activities</b>		
Restricted cash	-	10,000
	-	10,000
<b>Net change in cash and cash equivalents</b>	<b>(816,702)</b>	<b>1,721,039</b>
Cash and cash equivalents, beginning of period	1,717,475	195,314
<b>Cash and cash equivalents, end of period</b>	<b>\$ 900,773</b>	<b>\$ 1,916,353</b>
<b>Supplemental cash flow information</b>		
Interest received	\$ 42,748	\$ 30,377

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

**Fox River Resources Corporation**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)**  
(Unaudited and presented in Canadian dollars)

	Number of shares	Share capital	Share based payment reserve	Warrant reserve	Deficit	Total
<b>Balance, October 31, 2022</b>	<b>52,410,675</b>	<b>\$ 3,509,871</b>	<b>\$ 691,608</b>	<b>\$ 144,015</b>	<b>\$ (4,369,009)</b>	<b>\$ (23,515)</b>
Private placements (note 5)	11,500,000	2,300,000	-	-	-	2,300,000
Cost of issue of private placements (note 5)	52,500	(61,700)	-	7,900	-	(53,800)
Issuance of shares upon exercise of warrants	509,910	277,894	-	(124,921)	-	152,973
Expiry of warrants (note 8)	-	-	-	(19,094)	19,094	-
Share based payments (note 6)	-	-	198,665	-	-	198,665
Net loss and comprehensive loss for the period	-	-	-	-	(694,204)	(694,204)
<b>Balance, July 31, 2023</b>	<b>64,473,085</b>	<b>\$ 6,026,065</b>	<b>\$ 890,273</b>	<b>\$ 7,900</b>	<b>\$ (5,044,119)</b>	<b>\$ 1,880,119</b>
Share based payments (note 6)	-	-	242,942	-	-	242,942
Net loss and comprehensive loss for the period	-	-	-	-	(719,994)	(719,994)
<b>Balance, October 31, 2023</b>	<b>64,473,085</b>	<b>\$ 6,026,065</b>	<b>\$ 1,133,215</b>	<b>\$ 7,900</b>	<b>\$ (5,764,113)</b>	<b>\$ 1,403,067</b>
Share based payments (note 6)	-	-	126,606	-	-	126,606
Net loss and comprehensive loss for the period	-	-	-	-	(736,519)	(736,519)
<b>Balance, July 31, 2024</b>	<b>64,473,085</b>	<b>\$ 6,026,065</b>	<b>\$ 1,259,821</b>	<b>\$ 7,900</b>	<b>\$ (6,500,632)</b>	<b>\$ 793,154</b>

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

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Three and nine months ended July 31, 2024**  
(Unaudited and presented in Canadian dollars)

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**1. REPORTING ENTITY AND NATURE OF OPERATIONS**

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Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 141 Adelaide Street West, Suite 301, Toronto, Ontario M5H 3L5. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project. The business involves a high degree of risk and the recoverability of the amounts expended on exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These adjustments could be material.

**2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

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These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim consolidated financial statements are presented in Canadian dollars and should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2023.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The Board of Directors approved the condensed interim consolidated financial statements and authorized their issuance on September 23, 2024.

**3. MATERIAL ACCOUNTING POLICIES**

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**(a) Changes in accounting policies**

The Company adopted the following standards during the period ended July 31, 2024:

**Amendments to IAS 1 Presentation of Financial Statements ("IAS 1"), IFRS Practice Statement 2 Making Materiality Judgements ("IFRS Practice Statement 2") and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")**

**Fox River Resources Corporation**  
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(Unaudited and presented in Canadian dollars)

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**3. MATERIAL ACCOUNTING POLICIES (continued)**

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**(a) Changes in accounting policies (continued)**

In February 2021, the IASB issued narrow-scope amendments to IAS 1, IFRS Practice Statement 2 and IAS 8. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments to IAS 8 clarify how companies distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Adoption of these amendments did not have a material impact on the Company's financial statements.

**Amendments to IAS 12 – Income Taxes (“IAS 12”)**

In May 2021, the IASB issued amendments to the recognition exemptions under IAS 12 which were incorporated into Part I of the CPA Canada Handbook – AcSB in September 2021. The amendments narrowed the scope of the recognition exemption to require an entity to recognize deferred tax on initial recognition of particular transactions, to the extent that transaction gives rise to equal taxable and deductible temporary differences. These amendments apply to transactions for which an entity recognizes both an asset and liability, for example leases.

**(b) Critical accounting estimates and significant judgements**

The preparation of these consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. The consolidated financial statements include judgements and estimates which, by their nature, are uncertain, and actual outcomes could differ. The impacts of such judgements and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. The preparation of these consolidated financial statements required the following critical accounting estimates and significant judgements:

- (i) The fair value of stock options and warrants issued are subject to the limitations of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in input assumptions can materially affect the fair value estimate.
- (ii) The fair value of performance share units requires management to make a judgement in estimating the vesting period, which is highly subjective, and a change in this assumption can materially affect the fair value estimate.
- (iii) The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.
- (iv) Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

**Fox River Resources Corporation**  
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**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include money market instruments and Guaranteed Investment Certificates ("GICs") which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	July 31, 2024	October 31, 2023
Cash	\$ 86,336	\$ 377,707
Money market instruments & GICs	814,437	1,339,768
<b>Cash and cash equivalents</b>	<b>\$ 900,773</b>	<b>\$ 1,717,475</b>

Restricted cash consists of GIC collateral of \$10,000 for a corporate credit card.

**5. SHARE CAPITAL**

The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at July 31, 2024, the Company had 64,473,085 common shares issued and outstanding.

On March 15, 2023, the Company closed a non-brokered private placement of 11,500,000 common shares at a price of \$0.20 per share for gross proceeds of \$2,300,000. In connection with the private placement, the Company paid finders fees to arm's length finders in connection with subscriptions from subscribers introduced by them, totaling \$49,000 in cash, 52,500 common shares of the Company, and 52,500 finders warrants exercisable at \$0.30 for two years from closing, which were valued at \$7,900 using the Black-Scholes model. The assumptions used to determine the value were: share price - \$0.31; expected dividend yield - 0%; weighted expected volatility - 85.49%; risk-free interest rate - 3.50% and an expected life of 2 years. The Company also incurred legal fees of \$4,100, and filing and other fees of \$700.

	Number of Shares	Consideration
Balance, October 31, 2022	52,410,675	\$ 3,509,871
Issuance of common shares by private placement, net of costs	11,552,500	2,238,300
Shares issued upon exercise of warrants (note 8)	509,910	277,894
Balance, October 31, 2023	64,473,085	\$ 6,026,065
<b>Balance, July 31, 2024</b>	<b>64,473,085</b>	<b>\$ 6,026,065</b>



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**6. SHARE BASED PAYMENTS**

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

On February 15, 2023, the Company granted 2,200,000 share options to employees of the Company exercisable at \$0.25 per share for a period of five years from the date of issuance. One-third of the options vest immediately, one-third vest on August 15, 2023, and one-third vest on February 15, 2024. The value ascribed to the 2,200,000 share options granted was estimated at \$427,000 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: share price - \$0.25; expected dividend yield - 0%; weighted expected volatility - 104.24%; risk-free interest rate - 3.43% and an expected life of 5 years.

On March 28, 2024, the Company granted 520,000 share options to employees and consultants of the Company exercisable at \$0.25 per share for a period of five years from the date of issuance. 430,000 of the share options vested immediately, and 30,000 share options vest every three months until December 28, 2024. The value ascribed to the 520,000 share options granted was estimated at \$91,000 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: share price - \$0.235; expected dividend yield - 0%; weighted expected volatility - 98.62%; risk-free interest rate - 3.51% and an expected life of 5 years.

The following table reflects the continuity of share options for the year ended October 31, 2023 and nine months ended July 31, 2024.

	Options	Exercise price
Balance, October 31, 2022	2,600,000	\$ 0.34
Granted	2,200,000	0.25
Balance, October 31, 2023	4,800,000	0.30
Granted	520,000	0.25
Expired	(400,000)	0.25
<b>Balance, July 31, 2024</b>	<b>4,920,000</b>	<b>\$ 0.30</b>

As at July 31, 2024, the following share options were outstanding and exercisable:

Expiry date	Outstanding	Exercisable	Exercise price
August 19, 2024	500,000	500,000	\$ 0.07
April 26, 2026	2,100,000	2,100,000	0.41
February 15, 2028	1,800,000	1,800,000	0.25
March 28, 2029	520,000	460,000	0.25
<b>Options outstanding and exercisable</b>	<b>4,920,000</b>	<b>4,860,000</b>	<b>\$ 0.30</b>

**Fox River Resources Corporation**  
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**7. PERFORMANCE SHARE UNITS**

The Company has a Performance Share Unit Plan (“PSU Plan”) under which Performance Share Units (“PSUs”) may be granted to directors, officers, employees, and consultants of the Company. The purpose of the Company’s PSU Plan is to advance the interests of the Company by providing a cash bonus to participants in the event of a change of control of the Company. PSUs vest and are redeemable only upon a change of control of the Company and will be settled in cash. The fair value of PSUs granted will be recorded as a liability, the value of which on any particular date being equal to the market value of the Company shares.

The following table reflects the continuity of PSUs for the year ended October 31, 2023 and nine months ended July 31, 2024.

	PSUs	Grant Price
Balance, October 31, 2022	-	\$ -
Granted	2,125,000	0.225
Balance, October 31, 2023	2,125,000	\$ 0.225
<b>Balance, July 31, 2024</b>	<b>2,125,000</b>	<b>\$ 0.225</b>

On October 2, 2023, a total of 2,125,000 PSUs were granted with an expiry date of October 2, 2028. The vesting date of the PSUs is deemed to be the occurrence of a Change of Control, as determined by the Board of Directors. Management has estimated a vesting date of October 2, 2028. The share price on July 31, 2024 was \$0.285 which resulted in a fair value of \$605,625. The fair value will be recorded over the vesting period and at the end of each fiscal quarter the total performance share unit liability is marked to market based on the price of the Company’s shares. During the nine months ended July 31, 2024, the Company recognized \$94,537 in share-based payments expense relating to PSUs outstanding with an offset recorded in performance share unit liability.

**8. WARRANTS**

No warrants were exercised during the period ended July 31, 2024. During the year ended October 31, 2023, a total of 509,910 warrants with an exercise price of \$0.30 per share were exercised for gross proceeds of \$152,973. The fair value of warrants exercised was \$124,921 which was reallocated from warrant reserve to share capital.

The table below reflects the continuity of warrants for the year ended October 31, 2023 and nine months ended July 31, 2024.

	Number of Warrants	Allocated Value
Balance, October 31, 2022	587,852	\$ 144,015
Issued (note 5)	52,500	7,900
Expired	(77,942)	(19,094)
Exercised	(509,910)	(124,921)
Balance, October 31, 2023	52,500	\$ 7,900
<b>Balance, July 31, 2024</b>	<b>52,500</b>	<b>\$ 7,900</b>

**Fox River Resources Corporation**  
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(Unaudited and presented in Canadian dollars)

**8. WARRANTS (continued)**

The exercise price and expiry date of the warrants outstanding as at July 31, 2024 are as follows:

<b>Expiry date</b>	<b>Type</b>	<b>Number</b>	<b>Exercise price</b>
March 15, 2025	Finders Warrants	52,500	\$ 0.30

**9. INCOME (LOSS) PER SHARE**

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

	<b>Three months ended Jul. 31, 2024</b>	<b>Three months ended Jul. 31, 2023</b>	<b>Nine months ended Jul. 31, 2024</b>	<b>Nine months ended Jul. 31, 2023</b>
Net income (loss)	\$ (196,258)	\$ (196,242)	\$ (736,519)	\$ (694,204)
Weighted-average common shares outstanding:				
Basic	64,473,085	64,473,085	64,473,085	58,475,535
Diluted	64,473,085	64,473,085	64,473,085	58,475,535
<b>Basic income (loss) per common share</b>	<b>\$ (0.003)</b>	<b>\$ (0.003)</b>	<b>\$ (0.011)</b>	<b>\$ (0.012)</b>
<b>Diluted income (loss) per common share</b>	<b>\$ (0.003)</b>	<b>\$ (0.003)</b>	<b>\$ (0.011)</b>	<b>\$ (0.012)</b>

**10. MARKETABLE SECURITIES**

The Company did not buy or sell any marketable securities during the year ended October 31, 2023 and nine months ended July 31, 2024. The Company held the following marketable securities as at July 31, 2024:

<b>Company</b>	<b>Security</b>	<b>Cost</b>
Chibougamau Independent Mines Inc.	89,800 common shares	\$ 11,979

  

<b>Fair Value Oct. 31, 2022</b>	<b>Acquisition (Disposition)</b>	<b>Gain / (Loss) on Change in Fair Value</b>	<b>Fair Value Oct. 31, 2023</b>	<b>Acquisition (Disposition)</b>	<b>Gain / (Loss) on Change in Fair Value</b>	<b>Fair Value Jul. 31, 2024</b>
\$ 7,633	\$ -	\$ 1,347	\$ 8,980	\$ -	\$ 1,796	\$ 10,776

**Fox River Resources Corporation**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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(Unaudited and presented in Canadian dollars)

**11. EXPLORATION AND EVALUATION EXPENDITURES**

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,450 ha. The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of \$0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and a NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for \$3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	Three months ended Jul. 31, 2024	Three months ended Jul. 31, 2023	Nine months ended Jul. 31, 2024	Nine months ended Jul. 31, 2023
Technical and consulting	\$ 43,855	\$ 85,683	\$ 149,170	\$ 147,143
Permitting and consultation	4,938	8,369	44,224	8,369
Metallurgy and assays	9,984	-	47,467	5,200
Leases and property taxes	1,202	754	14,603	14,107
Storage and rent	5,400	5,400	16,200	16,200
Field Work	-	(76)	1,420	13,925
Travel and transportation	-	-	-	10,614
<b>Exploration and evaluation expenditures</b>	<b>\$ 65,379</b>	<b>\$ 100,130</b>	<b>\$ 273,084</b>	<b>\$ 215,558</b>

**12. RELATED PARTY TRANSACTIONS**

**(a) Director and executive compensation**

Director and executive compensation for the three and nine months ended July 31, 2024 and 2023 consisted of the following:

	Three months ended Jul. 31, 2024	Three months ended Jul. 31, 2023	Nine months ended Jul. 31, 2024	Nine months ended Jul. 31, 2023
Cash compensation	\$ 36,000	\$ 36,000	\$ 108,000	\$ 108,000
Fair value of share based payments	28,365	-	84,527	56,332
<b>Total</b>	<b>\$ 64,365</b>	<b>\$ 36,000</b>	<b>\$ 192,527</b>	<b>\$ 164,332</b>

No share options were granted to officers and directors during the nine months ended July 31, 2024 and 2023.

**Fox River Resources Corporation**  
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**12. RELATED PARTY TRANSACTIONS (continued)**

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**(b) Director and executive transactions**

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

	Note	Transaction value		Balance outstanding	
		9 mo. ended Jul. 31, 2024	9 mo. ended Jul. 31, 2023	Jul. 31, 2024	Jul. 31, 2023
Consulting fees	(i)	\$ 108,000	\$ 108,000	\$ -	\$ -
<b>Total</b>		<b>\$ 108,000</b>	<b>\$ 108,000</b>	<b>\$ -</b>	<b>\$ -</b>

- (i) The Company pays consulting fees of \$7,000 per month to Stephen Case, the Chief Executive Officer and a Director, and \$5,000 per month to Fraser Laschinger, the Chief Financial Officer.

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**13. COMMITMENTS AND CONTINGENCIES**

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**(a) Mining leases**

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2023 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately \$13,000.

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**14. CAPITAL MANAGEMENT**

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The Company's capital structure consists of shareholder's equity (deficit), which amounted to \$793,154 on July 31, 2024. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended July 31, 2024.

**Fox River Resources Corporation**  
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**15. FINANCIAL RISK FACTORS**

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

**(a) Credit risk**

The Company's cash balance of \$ 86,336 (note 3(a)) is held by a Schedule I Canadian Chartered Bank. The Company's cash equivalents balance of \$ 814,437 (note 3(a)) primarily consists of investment savings accounts and/or guaranteed investment certificates issued by Schedule I Canadian Chartered Banks. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments is remote.

**(b) Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at July 31, 2024, the Company had cash and cash equivalents of \$ 900,773 to settle current liabilities of \$ 63,545.

**(c) Interest rate risk**

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

**(d) Market price risk**

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

**(e) Marketable securities price risk**

The Company is exposed to equity securities price risk because of the marketable securities held by the Company. The Company's marketable securities are not part of its core operations, and accordingly, gains and losses from these investments are not representative of the Company's performance. As at July 31, 2024, the impact of a 10% increase or decrease in the share prices of the marketable securities would have resulted in an increase or decrease of \$1,078 that would have been included in net loss and comprehensive loss.

**16. EVENTS AFTER THE REPORTING PERIOD**

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On August 12, 2024, a total of 500,000 share options were exercised for gross proceeds of \$35,000 in exchange for the issuance of 500,000 common shares of the Company. The fair value of share options exercised was \$29,000 which was reallocated from share based payment reserve to share capital.

On September 23, 2024, the Company granted 120,000 share options to a consultant of the Company exercisable at \$0.37 per share for a period of five years from the date of issuance. 30,000 options vested immediately, and 30,000 options will vest on each of December 23, 2024, March 23, 2025, and June 23, 2025.