
MURCHISON MINERALS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditor.

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
As at

	September 30, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash	\$ 212,598	\$ 1,823,972
Amounts receivable and prepaid expenses (Notes 6 and 16)	257,010	393,495
Total current assets	469,608	2,217,467
Property and equipment (Note 7)	99,935	134,545
Total assets	\$ 569,543	\$ 2,352,012
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 75,170	\$ 91,939
Loan payable (Note 14)	10,578	10,578
Flow-through share premium liability (Note 13)	11,181	82,360
Total current liabilities	96,929	184,877
Loan payable (Note 14)	6,694	13,356
Total liabilities	103,623	198,233
SHAREHOLDERS' EQUITY		
Share capital (Note 9)	43,424,724	43,424,724
Reserves (Notes 10 and 11)	2,129,378	2,188,718
Deficit	(45,088,182)	(43,459,663)
Total shareholders' equity	465,920	2,153,779
Total liabilities and shareholders' equity	\$ 569,543	\$ 2,352,012

Nature and Continuance of Operations (Note 1)
Commitments and Contingencies (Note 13)
Subsequent event (Note 16)

Approved on Behalf of the Board:

"signed"
Jean-Charles Potvin
Director

"signed"
Denis Arsenault
Director

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

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Uaudited)

Three and nine months ended September 30,	Three months		Nine months	
	2024	2023	2024	2023
EXPENSES				
Exploration expenses (Note 8)	\$ 182,880	\$ 585,068	\$ 1,321,294	\$ 1,203,433
Professional fees	10,307	11,134	37,418	49,034
Management fees and salaries (Note 12)	22,575	97,045	187,477	370,551
Office and general	14,623	20,634	52,927	80,468
Regulatory and transfer agent	1,047	1,747	18,801	41,256
Investor relations	7,824	95,681	184,316	310,758
Share-based payments (Notes 11 and 12)	-	363	-	2,541
Loss before other income and expenses	239,256	811,672	1,802,233	2,058,041
Interest income	(2,403)	(10,286)	(22,045)	(36,493)
Other income	(13,650)	-	(21,150)	-
Flow-through share premium (Note 13)	(9,341)	(76,000)	(71,179)	(76,000)
Loss for the period	\$ 213,862	\$ 725,386	\$ 1,687,859	\$ 1,945,548
Loss per share - basic and diluted	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.01
Weighted average number of common shares outstanding - basic and diluted	260,773,022	234,629,145	260,773,022	223,744,489

MURCHISON MINERALS LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

(Unaudited)

	<u>Reserves</u>				
	Share Capital	Equity settled share-based payments reserve	Warrants reserve	Deficit	Total
Balance, December 31, 2022	\$ 41,612,477	\$ 1,732,899	\$ 678,890	\$ (41,694,180)	\$ 2,330,086
Loss for the period	-	-	-	(1,945,548)	(1,945,548)
Issuance of common shares (net of issue costs)	1,065,375	-	-	-	1,065,375
Issuance of stock options / share-based compensation	-	2,541	-	-	2,541
Issuance of warrants	-	-	237,703	-	237,703
Expiry of warrants	-	-	(85,260)	85,260	-
Expiry of stock options	-	(121,410)	-	121,410	-
Balance, September 30, 2023	\$ 42,677,852	\$ 1,614,030	\$ 831,333	\$ (43,433,058)	\$ 1,690,157
Balance, December 31, 2023	\$ 43,424,724	\$ 1,765,655	\$ 423,063	\$ (43,459,663)	\$ 2,153,779
Loss for the period	-	-	-	(1,687,859)	(1,687,859)
Expiry of stock options	-	(59,340)	-	59,340	-
Balance, September 30, 2024	\$ 43,424,724	\$ 1,706,315	\$ 423,063	\$ (45,088,182)	\$ 465,920

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

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Uaudited)

<u>Three and nine months ended September 30,</u>	Three months		Nine months	
	2024	2023	2024	2023
CASH (USED IN) PROVIDED BY:				
OPERATING ACTIVITIES				
Loss for the period	\$ (213,862)	\$ (725,386)	\$ (1,687,859)	\$ (1,945,548)
Share-based payments	-	363	-	2,541
Flow-through share premium	(9,341)	(76,000)	(71,179)	(76,000)
Amortization	11,151	12,308	34,610	36,924
	(212,052)	(788,715)	(1,724,428)	(1,982,083)
Net change in non-cash working capital items:				
Amounts receivable and prepaid expenses	128,159	(65,187)	136,485	335,114
Accounts payable and accrued liabilities	(14,227)	(27,593)	(16,769)	(220,339)
Net cash flows used in operating activities	(98,120)	(881,495)	(1,604,712)	(1,867,308)
FINANCING ACTIVITIES				
Issuance of common shares	-	1,500,000	-	1,500,000
Issue costs	-	(70,642)	-	(70,642)
Loan repayments	(2,264)	(11,098)	(6,662)	(33,183)
Net cash flows provided by (used in) financing activities	(2,264)	1,418,260	(6,662)	1,396,175
NET CHANGE IN CASH	(100,384)	536,765	(1,611,374)	(471,133)
CASH, BEGINNING OF THE PERIOD	312,982	699,054	1,823,972	1,706,952
CASH, END OF THE PERIOD	\$ 212,598	\$1,235,819	\$ 212,598	\$ 1,235,819
SUPPLEMENTAL INFORMATION				
Findrs' warrants issued	\$ -	\$ 13,173	\$ -	\$ 13,173

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

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Murchison Minerals Ltd. (the "Company" or "Murchison") was incorporated under the Canada Business Corporations Act on July 25, 2001. The principal business of the Company is the acquisition, exploration and evaluation of mineral property interests. The primary office is located at 5063 North Service Road, Suite 100, Burlington, Ontario, Canada, L7L 5H6.

The condensed interim consolidated financial statements were approved by the Board of Directors on October 23, 2024.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and, environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

As at September 30, 2024, the Company has a cumulative deficit of \$45,088,182 (December 31, 2023 - \$43,459,663), continuing losses and is not yet generating positive cash flows from operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue its operations as a going concern.

These condensed interim consolidated financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These condensed interim consolidated financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, these unaudited condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars)

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation properties

The acquisition costs of exploration and evaluation properties are expensed in the consolidated statements of loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

Government grants and assistance

The Company expects to be entitled to a refundable tax credit on qualified mining exploration expenses incurred in the province of Quebec and to a refundable duties credit for losses, which are estimated and recorded against the exploration and evaluation expenses to which they relate.

Government grants and assistance are transfers of resources to an entity by government in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government assistance is action by government designed to provide an economic benefit that is specific to an entity or range of entities qualifying under certain criteria.

Government grants and assistance are recognized where there is a reasonable assurance that the grants and assistance will be received, and conditions will be complied with. Government grants and assistance are recognized as an offset to the expenses to which they relate.

Property and equipment

Property and equipment are carried at cost, less accumulated amortization and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred. An asset's residual value, useful life and amortization method are reviewed, and adjusted if appropriate, on an annual basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of property and equipment consists of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Amortization is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars)

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and equipment (Continued)

Detail	Rate	Method
Exploration equipment	3 years	Straight-line
Computer equipment	5 years	Straight-line
<u>Buildings</u>	20 years	Straight-line

New and future accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company will adopt these pronouncements as of their effective date and is currently assessing the impacts of adoption.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. The Company has adopted IAS 1 and it had no material impact on the Company’s financial statements.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, reserves and deficit which at September 30, 2024 totalled \$465,920 (December 31, 2023 - \$2,153,779). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company’s capital management objectives, policies and processes have remained unchanged during the period ended September 30, 2024. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity price risk).

Risk management is carried out by the Company's management team under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the period ended September 30, 2024.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash balances and amounts receivable. Cash is held with reputable banks, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist of sales tax receivable and refundable tax credits from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had a cash balance of \$212,598 (December 31, 2023 - \$1,823,972) to settle accounts payable, accrued liabilities and loan payable of \$92,442 (December 31, 2023 - \$115,873). All of the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms, except for the loan payable as disclosed in Note 14.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt other than the loan payable at a fixed interest rate. The Company's current policy is to invest excess cash in certificates of deposit or interest bearing accounts at major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered banks. Management believes that interest rate risk is minimal.

Commodity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of commodities. Commodity prices have fluctuated widely in recent years. There is no assurance that, even as commercial quantities of base and/or precious metals may be produced in the future, a profitable market will exist for them. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which could have a material and adverse effect on the Company's value. As at September 30, 2024, the Company is not a commodities producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

Based on management's knowledge and experience, the Company believes the following movements are "reasonably possible" over a one-year period:

- (i) Based on cash balances earning interest at September 30, 2024, a 1% change in interest rates would result in a corresponding interest income change of approximately \$200 for the one-year period.

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

5. CATEGORIES OF FINANCIAL INSTRUMENTS

	September 2024	December 2023
Financial assets:		
Amortized cost		
Cash	\$ 212,598	\$ 1,823,972
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	\$ 75,170	\$ 91,939
Loan payable	17,272	23,934

As of September 30, 2024 and December 31, 2023, the fair value of all the Company's current financial instruments approximates the carrying value, due to their short-term nature.

6. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	September 2024	December 2023
Sales tax receivable		
	\$ 11,210	\$ 87,250
Tax credits receivable (see Note 16)	176,479	188,118
Prepaid expenses and other receivables	69,321	118,127
	 \$ 257,010	 \$ 393,495

7. PROPERTY AND EQUIPMENT

	Computer equipment	Buildings	Exploration equipment	Total
COST				
Balance, December 31, 2022	\$ 6,602	\$ 98,866	\$ 170,954	\$ 276,422
Additions	-	-	-	-
Balance, September 30, 2023	\$ 6,602	\$ 98,866	\$ 170,954	\$ 276,422
Balance, December 31, 2023	\$ 6,602	\$ 98,866	\$ 170,954	\$ 276,422
Additions	-	-	-	-
Balance, September 30, 2024	\$ 6,602	\$ 98,866	\$ 170,954	\$ 276,422

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

7. PROPERTY AND EQUIPMENT (Continued)

AMORTIZATION

Balance, December 31, 2022	\$ (1,210)	\$ (7,656)	\$ (83,779)	\$ (92,645)
Additions	\$ (990)	\$ (3,705)	\$ (32,229)	\$ (36,924)
Balance, September 30, 2023	\$ (2,200)	\$ (11,361)	\$ (116,008)	\$ (129,569)
Balance, December 31, 2023	\$ (2,530)	\$ (12,596)	\$ (126,751)	\$ (141,877)
Additions	\$ (990)	\$ (3,705)	\$ (29,916)	\$ (23,459)
Balance, September 30, 2024	\$ (3,520)	\$ (16,301)	\$ (156,666)	\$ (176,487)

NET BOOK VALUE

Net book value, September 30, 2023	\$ 4,402	\$ 87,505	\$ 54,946	\$ 146,853
Net book value, September 30, 2024	\$ 3,082	\$ 82,565	\$ 14,288	\$ 99,935

Exploration equipment with a net book value of \$nil as at September 30, 2024 (December 2023 - \$5,781) is used as security for the loan payable described in Note 14.

8. EXPLORATION AND EVALUATION PROPERTIES

Brabant Lake Property – Saskatchewan

As at September 30, 2024 and December 2023, the Company holds a 100% interest in certain claims forming the Brabant Lake property in Saskatchewan.

HPM Property - Quebec

As at September 30, 2024 and December 2023, the Company holds a 100% interest in certain claims forming the HPM property in Quebec.

Barraute-Landrienne Property - Quebec

On February 3, 2023, the Company terminated the GAL agreement entered into on April 28, 2021.

The following table sets out the exploration expenses for the nine month periods ended September 30, 2024 and 2023:

HPM	2024	2023
Amortization	21,822	21,822
Drilling	\$ 3,325	\$ 118,055
Geology and prospecting	97,440	377,964
Geophysics	1,328	298,201
Claims maintenance and staking	76,437	64,874
General administrative and permitting	41,121	115,204
Tax credits receivable	-	(187,900)
Total HPM	\$ 241,473	\$ 808,220

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

8. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Brabant Lake

Amortization	\$ 11,799	\$ 14,112
Drilling	959,944	-
Geology and prospecting	133,515	220,829
Geophysics	98,947	128,856
Claims maintenance and staking	15,057	7,492
General administrative	10,559	3,000
Government assistance – Drilling incentive	(150,000)	-
Total Brabant Lake	\$ 1,079,821	\$ 374,289

Barraute-Landrienne

Geology and prospecting	\$ -	\$ 3,737
Claims maintenance and staking	-	18,387
Tax credits receivable	-	(1,200)
Total Barraute-Landrienne	\$ -	\$ 20,924

Total Exploration Expenses

Total Exploration Expenses	\$ 1,321,294	\$ 1,203,433
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Government Assistance and Tax Credits

The Company is entitled to a credit on duties refundable for losses under the Quebec Mining Duties Act. This credit on duties refundable for losses on mineral exploration expenses incurred in the Province of Quebec at the rate of 8% has been applied against the costs incurred. These amounts have been recorded as a reduction of the HPM exploration expenditures.

Also, the Company is entitled to the refundable tax credit for resources for mineral companies on qualified expenditures incurred in the Province of Quebec. The refundable tax credit for resources may reach 35% or 38.75% of qualified expenditures incurred. This tax credit has been applied against the costs incurred. These amounts have also been recorded as a reduction of the HPM exploration expenditures. The Company has recorded \$nil in expected tax credits against exploration activity for the period ended September 30, 2024 (September 30, 2023 - \$187,900). As at September 30, 2024, the Company was carrying a tax credit receivable balance of \$176,479 (December 31, 2023 - \$188,118). See Note 14.

The Saskatchewan Targeted Mineral Exploration Incentive (“TMEI”) supports the diversification of Saskatchewan's mineral sector by encouraging exploration for base metals, precious metals, and diamonds as well as other components such as airborne geophysical data and complementary ground-based geoscience investigations.

The TMEI provides up to \$150,000 financial assistance in the form of a grant to eligible exploration companies that undertake exploration drilling for base metals, precious metals, or diamonds. On July 3, 2024, the Company received \$150,000 under the TMEI program.

9. SHARE CAPITAL

(a) Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares.

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

9. SHARE CAPITAL (Continued)

(b) Issued

	Number	Amount
Balance - December 31, 2022	218,211,957	\$ 41,612,477
Private placement ⁽ⁱ⁾	22,884,565	1,500,000
Issue costs – private placement ⁽ⁱ⁾	-	(70,642)
Flow-Through Premium ⁽ⁱ⁾	-	(126,280)
Warrants issued ⁽ⁱ⁾	-	(237,703)
Balance – September 30, 2023	241,096,522	\$ 42,677,852

	Number	Amount
Balance – December 31, 2023 and September 30, 2024	260,773,022	\$ 43,424,724

⁽ⁱ⁾ On July 26, 2023, the Company completed a non-brokered private placement and issued 9,000,000 units at a price of \$0.06 per unit, 11,500,715 Quebec flow-through units at a price of \$0.07 and 2,383,850 national flow-through units at a price of \$0.065 for aggregate gross proceeds of \$1,500,000. A director of the Company acquired 7,000,000 units for gross proceeds of \$420,000.

Each unit, Quebec flow-through unit and national flow-through unit was comprised of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at a price of \$0.10 for a period of 24 months expiring July 26, 2025.

The fair value of the warrants was estimated at \$236,690 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 108%, risk-free interest rate of 4.65%, expected life of 2.0 years and share price of \$0.05. Issue costs of \$12,160 were allocated to the warrants.

Finder's fees totaling \$57,005 were paid under the private placement and 636,994 finders' warrants valued at \$13,173 with the same terms as described above were issued.

10. WARRANTS AND FINDERS' WARRANTS

The following summarizes the warrants and finders' warrants activity for the periods ended September 30, 2024 and 2023:

	Number of Warrants	Grant Date Fair Value	Weighted Average Exercise Price
Balance – December 31, 2022	30,019,054	\$ 678,890	\$ 0.18
Issued	12,079,277	237,703	0.10
Expired	(5,328,775)	(85,260)	0.18
Balance - September 30, 2023	36,769,556	831,333	\$ 0.15
Balance – December 31, 2023 and September 30, 2024	22,435,717	\$ 423,063	\$ 0.09

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

10. WARRANTS AND FINDERS' WARRANTS (Continued)

As at September 30, 2024, the Company had warrants and finders' warrants outstanding as follows:

Date of Issue	Number of Warrants	Exercise Price (\$)	Fair Value (\$)	Expiry Date	Remaining Contractual Life (years)
July 26, 2023	12,079,277	0.10	237,703	July 26, 2025	0.82
December 28, 2023	518,190	0.055	9,250	December 28, 2025	1.25
December 28, 2023	9,838,250	0.08	176,110	December 28, 2025	1.25
	22,435,717		423,063		1.02

11. STOCK OPTIONS

The Company maintains a stock option plan whereby certain key employees, officers, directors and consultants may be granted stock options for common shares of the Company. The maximum number of common shares that is issuable under the plan was fixed at 10% of the number of common shares issued and outstanding (a maximum of 5% of the number of common shares issued and outstanding may be held by any one person). Options expire after a maximum period of five years following the date of grant. Vesting provisions are determined at the time of each grant.

The following summarizes the stock option activity for the periods ended September 30, 2024 and 2023:

	Number of Stock Options	Weighted Average Exercise Price
Balance - December 31, 2022	21,495,000	\$ 0.10
Expired	(710,000)	0.19
Balance - September 30, 2023	20,785,000	\$ 0.10
Balance - December 31, 2023	25,110,000	\$ 0.09
Expired	(645,000)	0.095
Balance - September 30, 2024	24,465,000	\$ 0.09

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

11. STOCK OPTIONS (Continued)

As at September 30, 2024, the Company had incentive stock options issued to directors, officers, employees and key consultants of the Company outstanding as follows:

Date of Grant	Options Outstanding ⁽¹⁾	Exercise Price (\$)	Grant Date Fair Value (\$)	Expiry Date	Weighted Average Remaining Contractual Life (years)
December 23, 2019	3,300,000	0.085	244,200	December 23, 2024	0.23
December 31, 2020	3,700,000	0.095	284,900	December 31, 2025	1.25
April 14, 2021	200,000	0.095	9,800	April 14, 2026	1.54
May 25, 2021	500,000	0.095	26,000	May 25, 2026	1.65
July 2, 2021	200,000	0.095	10,800	July 2, 2026	1.75
October 11, 2021	1,000,000	0.08	59,000	October 11, 2026	2.03
December 20, 2021	3,625,000	0.13	351,625	December 20, 2026	2.22
January 24, 2022 ⁽¹⁾	200,000	0.135	19,600	January 24, 2027	2.32
July 29, 2022	4,700,000	0.09	314,900	July 29, 2027	2.83
December 15, 2022	2,315,000	0.12	210,665	December 15, 2027	3.21
December 29, 2023	4,725,000	0.05	175,825	December 29, 2028	4.25
	24,465,000	0.09	1,706,315		2.38

⁽¹⁾ All options are exercisable.

12. RELATED PARTY TRANSACTIONS

a) Remuneration of directors and officers was as follows:

Three and six months ended September 30,	Three months		Nine months	
	2024	2023	2024	2023
Salaries and benefits	70,425	132,444	\$ 310,083	\$ 438,759
Share-based payments	-	-	-	-
	70,425	132,444	\$ 310,083	\$ 438,759

For the nine-month period ended September 30, 2024, the salaries and benefits amount above includes \$65,625 (2023 - \$159,375) for fees invoiced by a corporation controlled by the CEO of the Company for his services as CEO and also includes \$83,133 (2023 - \$102,084) for fees invoiced by a corporation controlled by the CFO of the Company for his services as CFO and \$43,200 (2023 - \$64,800) for fees invoiced by the Executive Chairman of the Company for his services as Executive Chairman.

13. COMMITMENTS AND CONTINGENCIES

Management Contracts

The Company entered into consulting and employment agreements for the services of its key executives. Under the agreements, additional payments totalling \$1,381,300 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the condensed interim consolidated financial statements. The commitment upon termination of the agreements is \$380,650, in aggregate. The minimum commitment due within one year under the terms of the agreements is \$690,600, in aggregate.

MURCHISON MINERALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

13. COMMITMENTS AND CONTINGENCIES (Continued)

Flow-Through Indemnification

As at September 30, 2024, the Company has to incur \$78,639 in qualifying exploration expenditures by December 31, 2024 to meet its flow-through commitments. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

	Flow-through funding and expenditure requirements	Flow- through share premium liability
	\$	\$
Balance, December 31, 2023	776,069	82,360
Flow-through expenditures incurred and reduction of liability	(697,430)	(71,179)
Balance, September 30, 2024	78,639	11,181

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

14. LOAN PAYABLE

In June 2021, the Company financed the purchase of an exploration vehicle in the amount of \$43,586. The loan bears an interest rate of 7.89% and is repayable over 60 monthly payments of \$881 and is secured by the vehicle. The balance payable at September 30, 2024 was \$17,272 of which \$10,578 is due within the next 12 months.

Undiscounted payments over successive years are as follows:

	Vehicle
2024	\$ 2,644
2025-2026	<u>15,867</u>
Total contractual cash flows	\$ 18,511
Less: interest	<u>(1,239)</u>
Obligation at September 30, 2024	\$ 17,272

15. RECLASSIFICATION OF THE PRIOR YEAR'S DATA FOR PRESENTATION

Certain of the 2023 comparative amounts have been reclassified to conform to the 2024 form of presentation. The change in presentation was made to provide more relevant information to the users of the financial statements and better conform to the IAS 1 presenting expenses based on their function. Some of the prior period expenses have been reclassified to adopt to the current presentation.

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16. SUBSEQUENT EVENT

On October 4, 2024, the Company received \$156,570 of tax credits in relation to 2023 refundable tax credits for resources from the Government of Quebec which amount was included in amounts receivable and prepaid expenses as at September 30, 2024.

End of Notes to Financial Statements