

Storm Exploration Inc.

Condensed Interim Consolidated Financial Statements

Three months ended June 30, 2024 and 2023

(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 condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying 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 an audit or review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada.

Storm Exploration Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at	June 30, 2024	March 31, 2024
ASSETS		
Current Assets		
Cash	\$ 28,326	\$ 28,158
Sales taxes recoverable	10,461	9,821
Prepaid expenses	38,123	1,093
Total current assets	76,910	39,072
Total assets	\$ 76,910	\$ 39,072
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 880,546	\$ 879,713
Total current liabilities	880,546	879,713
Equity		
Share capital (note 4)	17,508,470	17,218,865
Shares to be issued (note 4)	-	9,000
Contributed surplus	2,468,716	2,457,940
Deficit	(20,780,822)	(20,526,446)
Total equity	(803,636)	(840,641)
Total liabilities and equity	\$ 76,910	\$ 39,072

Nature of the Company and continuance of operations (note 1)

Subsequent events (note 6)

On behalf of the Board of Directors:

“Bruce Counts”

Director

“Lon Shaver”

Director

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

Storm Exploration Inc.

Condensed Interim Consolidated Statements of Comprehensive Loss

For the three months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

	2024	2023
Expenses		
Care and maintenance	\$ 8,289	\$ 12,077
Exploration and evaluation (<i>note 3</i>)	42,766	59,891
Management and consulting fees	71,250	71,250
Marketing and corporate development	77,318	160,732
Office and general	10,671	14,847
Professional fees	28,514	25,000
Regulatory and shareholder services	6,347	8,373
Travel	1,071	2,165
Loss before other items	(246,226)	(354,335)
Other items		
Foreign exchange loss	2,187	158
Interest expense (income)	5,963	(583)
Premium on flow-through shares	-	(2,800)
Net Loss and comprehensive loss	\$ (254,376)	\$ (351,110)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	50,507,138	41,612,277

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

Storm Exploration Inc.

Condensed Interim Consolidated Statements of Changes in Equity

For the three months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

	Share Capital		Shares to be issued	Contributed Surplus	Deficit	Total Equity
	Number of Shares	Amount				
Balance, March 31, 2023	41,585,066	\$ 17,001,246	\$ -	\$ 2,457,940	\$ (19,291,496)	\$ 167,690
Shares issued for option payment	47,619	7,619	-	-	-	7,619
Comprehensive loss	-	-	-	-	(351,110)	(351,110)
Balance, June 30, 2023	41,632,685	\$ 17,008,865	\$ -	\$ 2,457,940	\$ (19,642,606)	\$ (175,801)
Balance, March 31, 2024	45,832,685	\$ 17,218,865	\$ 9,000	\$ 2,457,940	\$ (20,526,446)	\$ (840,641)
Units issued for cash (<i>note 4</i>)	6,210,000	310,500	(9,000)	-	-	301,500
Share issuance costs (<i>note 4</i>)	-	(23,276)	-	10,776	-	(12,500)
Shares issued for option payment (<i>notes 3 & 4</i>)	59,524	2,381	-	-	-	2,381
Comprehensive loss	-	-	-	-	(254,376)	(254,376)
Balance, June 30, 2024	52,102,209	\$ 17,508,470	\$ -	\$ 2,468,716	\$ (20,780,822)	\$ (803,636)

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

Storm Exploration Inc.

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

	2023	2023
Cash flow used in operating activities		
Loss for the period	\$ (254,376)	\$ (351,110)
Items not affecting cash:		
Gain on settlement of debt		
Premium on flow-through shares	-	(2,800)
Share-based payments (<i>note 4</i>)	2,381	7,619
	(251,995)	(346,291)
Non-cash working capital items (<i>note 5</i>)	(36,837)	183,145
	(288,832)	(163,146)
Cash flow from (used in) financing activities		
Proceeds from issuance of units (<i>note 4</i>)	301,500	-
Share issuance costs	(12,500)	-
Repayment of instalment debt	-	(48,561)
	289,000	(48,561)
Increase (decrease) in cash	168	(211,707)
Cash, beginning of year	28,158	255,784
Cash, end of period	\$ 28,326	\$ 44,077

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

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

1. Nature of the Company and Continuance of Operations

Storm Exploration Inc. (“Storm” or the “Company”) was incorporated on February 25, 1986 in Alberta, Canada. In April 2014, it was continued from the jurisdiction of Alberta to British Columbia, Canada. On October 8, 2022 the Company changed its name to Storm Exploration Inc. from Lithoquest Resources Inc.

The Company is engaged in the acquisition and exploration of mineral properties. The Company’s head office is at 1480 - 885 W. Georgia Street, Vancouver, BC V6C 3E8.

The Company has not generated significant revenues or cash flows from operations and has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. As at June 30, 2024, the Company had a working capital deficit of \$803,636. The Company has incurred negative cash flows from operations, recorded a loss of \$254,376 for the three months ended June 30, 2024, and has an accumulated deficit of \$20,780,822 as at June 30, 2024.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended March 31, 2024, prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s consolidated financial statements for the year ended March 31, 2024, unless otherwise stated.

These financial statements were authorized for issue by the Board of Directors of the Company on August 26, 2024.

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements
Three months ended June 30, 2024 and 2023
(Expressed in Canadian Dollars)

3. Exploration and Evaluation Expenses

The Miminiska-Fort Hope Greenstone Belt Projects

The following is a summary of accumulated exploration and evaluation expenses:

Balance, March 31, 2024	\$ 5,348,843
Expenditures	14,800
Balance, June 30, 2024	\$ 5,363,643

The Miminiska-Fort Hope Greenstone Belt Projects are three district scale gold properties; Miminiska, Keezhik and Attwood, which cover more than 41,000 ha within the traditional territory of the Eabametoong First Nation in northwestern Ontario.

The Company is acquiring the Miminiska and Keezhik properties under the terms of an option agreement with Landore Resources Canada Inc. dated May 5, 2021 with subsequent amendments.

Table 1 -Option Payments for 100% interest in Miminiska and Keezhik properties

Payment Date	Cash	Cash or Shares
On signing of the Option Agreement (paid)	\$25,000	-
July 4, 2021 (paid)	\$100,000	-
6-month payment: December 24, 2021 (paid)	\$250,000	\$400,000
12-month payment: June 24, 2022 (paid)	\$250,000	\$500,000
19-month payment: January 24, 2023 (paid)	\$250,000	\$250,000
June 28, 2024 (subsequently extended to September 20, 2024 - see subsequent events note 6)	\$262,500	\$250,000
March 20, 2025 (see subsequent events note 6)	\$nil	\$275,000
November 24, 2024 (subsequently extended to March 20, 2026 - see subsequent events note 6)	\$525,000	\$787,500
Total	\$1,662,500	\$2,462,500

Gold Standard Project

The following is a summary of accumulated exploration and evaluation expenses:

Balance, March 31, 2024	\$ 517,511
Expenditures	27,966
Balance, June 30, 2024	\$ 545,477

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements
Three months ended June 30, 2024 and 2023
(Expressed in Canadian Dollars)

3. Exploration and Evaluation Expenses - continued

Gold Standard Project - continued

On April 21, 2022, the Company entered into an Option Agreement with Messrs. Allan Onchulenko and Peter Gehrels (the “Vendors”) to acquire a 100% interest in the 615 ha Gold Standard property (the “Property”) located in northwest Ontario, for a purchase price of \$120,000 payable in a combination of cash and the Company’s common shares. The Company has also staked an additional 252 mineral claims surrounding the Property, bringing the total project area to 5,953 ha.

On May 9, 2024, the Company paid the 24-month option payment due under the terms of the Option Agreement for the Gold Standard property by paying \$25,000 cash and issuing 59,524 common shares at a deemed price of \$0.42 per share to Messrs. Allan Onchulenko and Peter Gehrels. The shares were recorded at the fair market value at the time of issuance of \$0.04 per share.

The Company has completed the payments to the vendors that were required under the terms of the Option Agreement as outlined in Table 2, and now holds a 100% interest in the Property. The Vendors retain a 2% Net Smelter Royalty (“NSR”) on the original 615 ha Property and any claims acquired by the Company within a two-kilometre radius of the perimeter of the Property. The Company can buy back 1% of the NSR by paying the Vendors \$750,000 at any time.

The transaction was accepted by the TSX-V on May 10, 2022 (the “Effective Date”).

Table 2 - Option Payments for 100% interest in Gold Standard property

Payment Date	Cash	Convertible Cash
On signing of the LOI (paid)	\$5,000	Nil
May 20, 2022 (paid)	\$10,000	\$15,000
12 month payment: May 10, 2023 (paid)	\$20,000	\$20,000
24 month payment: May 10, 2024 (paid)	\$25,000	\$25,000
Total	\$60,000	\$60,000

The Gold Standard property lies within the traditional territory of the Naicatchewenin and Nigigoonsiminikaaning First Nations. The Company has agreements in place with both groups. On July 12, 2023 and October 19, 2023, the Company signed Memorandums of Understanding (“MOUs”) with the Naicatchewenin First Nation and the Nigigoonsiminikaaning First Nation, respectively, concerning the Gold Standard Project. The MOUs establish a framework for ongoing consultation with both First Nations and provide the communities with an opportunity to participate in the project through employment, training, and business development. Under the terms of the MOUs, the Company will contribute to community funds for each First Nations an amount that is proportional to its exploration expenditures, and in one case will issue \$175,000 in common shares of the Company over four years, commencing with \$25,000 in common shares upon TSX-V acceptance and in the other case will issue 1,300,000 common shares of the Company over four years, commencing with 100,000 common shares upon TSX-V acceptance.

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements
Three months ended June 30, 2024 and 2023
(Expressed in Canadian Dollars)

3. Exploration and Evaluation Expenses - continued

North Kimberly Diamond Project

The tenements comprising the North Kimberly Diamond Project were surrendered effective December 12, 2023.

4. Share Capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Issued shares

On April 23, 2024, the Company closed a non-brokered private placement in which it issued 6,210,000 units at a price of \$0.05 per unit for aggregate gross proceeds of \$310,500. Each unit consists of one common share of the Company and one-half warrant, with each whole warrant entitling the holder thereof to acquire an additional common share of the Company at an exercise price of \$0.075 per warrant share for a period of 36 months from the date of issuance. \$9,000 of the proceeds were received in the prior year and reflected as shares to be issued.

In connection with the financing, the Company issued 214,800 finder's warrants, each warrant exercisable to purchase a common share at \$0.075 for three years. The fair value of \$10,776 for the finder's warrants was determined using the Black-Scholes pricing model with the following assumptions: risk free interest rate – 4.37%, expected life – 3 years, annualized volatility – 163.6%, share price - \$0.06, dividend rate – 0%. The cash issuance costs, consisting of finder's fees and regulatory costs, were \$12,500.

On May 9, 2024, the Company issued 59,524 common shares at a deemed price of \$0.42 per share to Messrs. Allan Onchulenko and Peter Gehrels in connection with an option payment due under the Option Agreement for the Gold Standard property. The fair market value of the shares was \$0.04 per share for a total of \$2,381.

Stock Options

There were no changes during the period in the share purchase options outstanding.

As at June 30, 2024, the following options were outstanding and exercisable:

Expiry Date	Remaining Contractual Life (in years)	Number of Options	Exercise Price
July 30, 2025	1.1	556,250	0.40
September 30, 2025	1.3	150,000	0.40
July 9, 2026	2.0	625,000	0.60
July 28, 2026	2.1	25,000	0.60
May 2, 2027	2.8	612,500	0.80
March 29, 2028	3.7	1,850,000	0.25
		3,818,750	

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements
Three months ended June 30, 2024 and 2023
(Expressed in Canadian Dollars)

4. Share Capital - continued

During the period the Company recognized \$nil (2023 - \$nil) in share-based payments. As of June 30, 2024, all options issued under the Plan were fully vested.

Warrants

The continuity of share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, March 31, 2024	6,688,796	\$ 0.20
Issued	3,319,800	0.075
Outstanding, June 30, 2024	10,008,596	\$ 0.16

As at June 30, 2024, the following warrants were outstanding and exercisable:

Expiry Date	Number of Warrants	Exercise Price
January 24, 2025	4,426,921	\$ 0.18
June 30, 2025	500,000	0.60
June 30, 2025	1,761,875	0.15
April 23, 2027	3,319,800	0.075
	10,008,596	

5. Additional Cash Flow Information

The net change in non-cash working capital consists of the following:

	June 30, 2024	June 30, 2023
Sales taxes recoverable	\$ (640)	\$ (8,768)
Prepaid expenses	(37,030)	79,285
Accounts payable and accrued liabilities	833	112,628
	\$ (36,837)	\$ 183,145

Storm Exploration Inc.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

6. Subsequent Events

On August 8, 2024, the Option Agreement with Landore Resources Canada Inc. was amended to modify the payment due dates for the remaining payments. The remaining payments and due dates are: September 20, 2024 cash payment of \$262,500 and convertible stock payment of \$250,000; March 20, 2025 convertible stock payment of \$275,000; and March 20, 2026 cash payment of \$525,000 and convertible stock payment of \$787,500. A voluntary pooling arrangement with respect to the shares was also agreed that will allow 20% of each instalment of shares to be released for trading on issuance (subject to the statutory hold period), an additional 40% to be released on the first anniversary of the share issuance and the remaining 40% to be released on the second anniversary of the share issuance. In addition, if Landore wishes to dispose of any shares, Storm will have the ability to find a buyer. Finally, if Landore acquires direction or control of 10% or more of the issued shares of Storm, it will have the right to appoint one director to the Board of Directors, subject to TSX Venture Exchange acceptance.