

Storm Exploration Inc.
Consolidated Financial Statements
Years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Storm Exploration Inc.

Opinion

We have audited the consolidated financial statements of Storm Exploration Inc. and its subsidiaries (together, the Company) which comprise:

- the consolidated statements of financial position as at March 31, 2025 and 2024;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of changes in equity (deficiency) for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2025 and 2024, and its consolidated financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis.

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

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

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Joseph Bonvillain.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
July 29, 2025

Storm Exploration Inc.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	March 31, 2025	March 31, 2024
ASSETS		
Current Assets		
Cash	\$ 91,151	\$ 28,158
Sales taxes recoverable	2,221	9,821
Prepaid expenses	1,085	1,093
Total current assets	94,457	39,072
Total assets	\$ 94,457	\$ 39,072
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (notes 8 & 13)	\$ 1,225,228	\$ 879,713
Flow-through premium liability (note 6)	9,760	-
Total current liabilities	1,234,988	879,713
EQUITY (DEFICIENCY)		
Share capital (note 7)	18,187,218	17,218,865
Shares to be issued	-	9,000
Contributed surplus	2,610,077	2,457,940
Deficit	(21,937,826)	(20,526,446)
Total equity (deficiency)	(1,140,531)	(840,641)
Total liabilities and equity (deficiency)	\$ 94,457	\$ 39,072

Nature of the company and going concern (note 1)
Subsequent events (note 5 & 13)

On behalf of the Board of Directors:

"Bruce Counts"

Director

"Joanne Price"

Director

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

Storm Exploration Inc.

Consolidated Statements of Comprehensive Loss

For the years ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

	2025	2024
Expenses		
Care and maintenance	\$ 2,012	\$ 39,917
Exploration and evaluation (note 5)	548,319	277,741
Management and consulting fees (note 8)	301,125	289,000
Marketing and corporate development	181,068	345,742
Office and general	41,732	60,143
Professional fees	146,485	120,232
Regulatory and shareholder services	12,225	38,217
Share-based payments (note 7 and 8)	111,728	-
Travel	5,246	41,640
Loss before other items	(1,349,940)	(1,212,632)
Other items		
Foreign exchange loss (gain)	1,288	429
Interest expense	60,392	38,333
Premium on flow-through shares (note 6)	(240)	(16,444)
Net loss and comprehensive loss	\$ (1,411,380)	\$ (1,234,950)
Loss per share - basic and diluted	\$ (0.02)	\$ (0.03)
Weighted average number of common shares outstanding	57,287,804	41,776,791

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

Storm Exploration Inc.

Consolidated Statements of Changes in Equity (Deficiency)

For the years ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

	Share Capital		Shares to be issued	Contributed Surplus	Deficit	Total Equity (Deficiency)
	Number of Common 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 <i>(notes 5 and 7)</i>	47,619	7,619	-	-	-	7,619
Shares issued for debt repayment <i>(note 7)</i>	4,200,000	210,000	-	-	-	210,000
Subscription proceeds on shares to be issued	-	-	9,000	-	-	9,000
Comprehensive loss	-	-	-	-	(1,234,950)	(1,234,950)
Balance, March 31, 2024	45,832,685	\$ 17,218,865	\$ 9,000	\$ 2,457,940	\$ (20,526,446)	\$ (840,641)
Shares issued for private placement	16,060,000	795,000	(9,000)	18,000	-	804,000
Shares issued for option payment <i>(notes 5 and 7)</i>	59,524	2,381	-	-	-	2,381
Shares issued for property	4,740,864	237,043	-	-	-	237,043
Flow through share premium liability	-	(10,000)	-	-	-	(10,000)
Share issuance cost - cash	-	(33,662)	-	-	-	(33,662)
Share issuance cost – non-cash	-	(22,409)	-	22,409	-	-
Share based compensation	-	-	-	111,728	-	111,728
Comprehensive loss	-	-	-	-	(1,411,380)	(1,411,380)
Balance, March 31, 2025	66,693,073	\$ 18,187,218	\$ -	\$ 2,610,077	\$(21,937,826)	\$ (1,140,531)

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

Storm Exploration Inc.

Consolidated Statements of Cash Flows

For the years ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

	2025	2024
Cash flow used in operating activities		
Net loss for the year	\$ (1,411,380)	\$ (1,234,950)
Items not affecting cash:		
Share-based payments (note 7)	111,728	-
Shares issued for option payment	239,424	7,619
Premium on flow-through shares	(240)	(16,444)
	(1,060,468)	(1,243,775)
Non-cash working capital items (note 10)	353,123	1,062,517
	(707,345)	(181,258)
Cash flow from financing activities		
Proceeds from issuance of shares and units (note 7)	804,000	-
Share issuance costs (note 7)	(33,662)	-
Subscription proceeds on shares to be issued	-	9,000
Repayment of instalment debt	-	(55,368)
	770,388	(46,368)
Change in cash	62,993	(227,626)
Cash, beginning of the year	28,158	255,784
Cash, end of the year	\$ 91,151	\$ 28,158

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

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

1. Nature of the Company and Going Concern

Storm Exploration Inc. (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. The Company has incurred negative cash flows from operations, recorded a loss of \$1,411,380 for the year ended March 31, 2025, and has a working capital deficiency of \$1,140,531 and an accumulated deficit of \$21,937,826 as at March 31, 2025. These factors form a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern.

These 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. The Company plans to raise additional financing from the issuance of common shares. Although the Company has been successful with past equity financings, there is no assurance that the Company will be able to continue to do so in the future. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. Material Accounting Policies

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were authorized for issue in accordance with a resolution from the Board of Directors on July 29, 2025.

b) Basis of presentation

These consolidated financial statements are expressed in Canadian dollars and have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting on a going concern basis. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements as if the policies have always been in effect.

c) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Lithoquest Holdings Inc. which is incorporated in Canada and Lithoquest Diamonds (Australia) Pty Ltd. which is incorporated in Australia. All intercompany balances and transactions have been eliminated upon consolidation.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

d) Foreign currency

The functional and presentation currency of the Company is the Canadian dollar. The functional currency of the Company's subsidiaries is the Canadian dollar which is determined to be the currency of the primary economic environment in which the subsidiary operates.

e) Foreign currency transactions

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

f) Mining properties and exploration and evaluation expenditures

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with acquiring prospective properties, prospecting, sampling, mapping, drilling and other work involved in searching for minerals.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of:

- (i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
- (ii) determining the optimal methods of extraction and metallurgical and treatment processes;
- (iii) studies related to surveying, transportation, and infrastructure requirements;
- (iv) permitting activities; and
- (v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

Exploration and evaluation expenditures incurred on a license where a NI 43-101 – Standards of Disclosure for Mineral Projects ("43-101") compliant resource has not yet been established are expensed as incurred until sufficient evaluation has occurred in order to establish a 43-101 compliant resource and on completion of a pre-feasibility study. Costs expensed during this phase are included in "exploration and evaluation expenses" in the consolidated statements of comprehensive loss.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized; this includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

g) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to contributed surplus.

Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus is transferred to share capital. Charges for options that are forfeited before vesting are reversed from contributed surplus.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

h) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants.

Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

i) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

i) Decommissioning, restoration and similar liabilities (continued)

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

j) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

k) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

l) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting period end date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

m) Financial instruments

Financial Assets

Financial assets are measured at fair value on initial recognition of the instrument and classified as financial assets at fair value through profit and loss ("FVTPL"), amortized cost, or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and terms of the related cash flow. The Company determines the classification of its financial assets at initial recognition. Subsequent measurement of financial instruments is based on their initial classification.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statements of comprehensive loss in the period in which they arise. The Company's cash is classified as FVTPL.

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. The Company does not have any financial assets classified as FVTOCI.

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost less any impairment using the effective interest rate method. The Company does not have any financial assets classified at amortized cost.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

FVTPL – This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in the statements of comprehensive loss.

Amortized cost – Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The Company's accounts payable and instalment debt are classified at amortized cost.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

m) Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It is becoming probable that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets, with the exception of financial assets measured at amortized cost, where the Company recognizes loss allowances for expected credit losses ("ECLs"). Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset. The Company does not have any financial assets that contain a financing component.

n) Leases

The Company recognizes a right-of-use asset and a lease liability based on the present value of the future lease payments at the commencement date. The commencement date is when the lessor makes the leased asset available for use by the Company, typically the possession date. The discount rate used in the present value calculation for lease payments is the incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located. The lease term is determined as the non-cancellable periods of a lease, together with periods covered by a renewal option if the Company is reasonably certain to exercise that option and a termination option if the Company is reasonably certain not to exercise that option.

Lease payments for short-term leases with a term of 12 months or less and leases of low-value assets are treated as operating leases.

Lease liabilities are measured at the present value of future lease payments, discounted using the Company's incremental borrowing rates, and include the fixed payments, variable lease payments that depend on an index or a rate, less any lease incentives receivable. Subsequent to initial measurement, the Company measures lease liabilities at amortized cost using the effective interest rate method. Lease liabilities are remeasured when there are changes to the lease payments, a change in lease term, a change in the assessment of an option to purchase the underlying asset, a change in expected residual value guarantee, or a change in future lease payments due to a change in index or rate tied to the payment.

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

2. Material Accounting Policies - continued

n) Leases (continued)

Right-of-use assets are measured at the initial amount of the lease liabilities, lease payments made at or before the commencement date less any lease incentives received, initial direct costs if any, and decommissioning costs to restore the site to the condition required by the terms and conditions of the lease. Subsequent to initial measurement, the Company applies the cost model to the right-of-use assets and measures the asset at cost less any accumulated depreciation, accumulated impairment losses in accordance with IAS 36, and any remeasurements of the lease liabilities. Assets are depreciated from the commencement date on a straight-line basis over the earlier of the end of the assets' useful lives or the end of the lease terms.

During the year ended March 31, 2025, all of the Company's leases are short-term leases with a term of 12 months or less and are recorded as operating leases.

3. Significant Accounting Estimates and Judgements

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions 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. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Storm Exploration Inc.

Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(Expressed in Canadian Dollars)

3. Significant Accounting Estimates and Judgements - continued

Significant accounting estimates

- i. the inputs in Black-Scholes formula used in accounting for share-based payments;
- ii. the fair value of shares issued as consideration for exploration and evaluation expenditures; and

Significant accounting judgments

- i. the determination of categories of financial assets and financial liabilities;
- ii. the evaluation of the Company's ability to continue as a going concern; and
- iii. the recognition of deferred income tax assets and liabilities

4. Recent Accounting Pronouncements

The IASB issued certain new or amended accounting standards that were mandatory for accounting periods on or after January 1, 2023. As part of the new or amended accounting standards, the Company adopted Amendments to IAS 1, *Presentation of Financial Statements – Disclosure of Accounting Policies*, requiring entities to disclose material, instead of significant, accounting policy information. The accounting policies disclosed within these consolidated financial statements were not materially impacted by the adoption of these amendments.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company does not expect any material impact on the Company's consolidated financial statements from these new and revised accounting pronouncements.

5. Exploration and Evaluation Expenses

a) The Miminiska-Fort Hope Greenstone Belt Projects

The following is a summary of accumulated exploration and evaluation costs that have been expensed:

Balance, March 31, 2023	\$ 5,128,021
Expenditures	220,822
Balance, March 31, 2024	5,348,843
Expenditures	520,083
Balance, March 31, 2025	\$ 5,868,926

The Miminiska-Fort Hope Greenstone Belt Projects are three district scale gold properties, Miminiska, Keezhik and Attwood, which cover more than 41,000 ha in northwestern Ontario.

Storm Exploration Inc.

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5. Exploration and Evaluation Expenses - continued

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.

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 payments remaining at that time and due dates were: 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 (“TSX-V”) acceptance.

On November 8, 2024, the Company completed an option payment consisting of \$262,500 cash and the issuance of 4,740,864 common shares to Landore. The common shares were recorded at the fair market value at the time of issuance of \$0.05 per share.

The schedule of payments under the Option Agreement is reflected in the following table.

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
September 20, 2024 (paid)	\$262,500	\$250,000
March 20, 2025 (subsequently paid - see Subsequent Events note 13)	\$nil	\$275,000
March 20, 2026	\$525,000	\$787,500
Total	\$1,662,500	\$2,462,500

The Miminiska-Fort Hope Greenstone Belt Projects (the “Exploration Properties”) lie within the traditional territory of the Eabametoong First Nation (the “EFN”). On May 16, 2024, the Company signed an Exploration Agreement (the “EA”) with the EFN concerning the Exploration Properties.

Storm Exploration Inc.

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5. Exploration and Evaluation Expenses - continued

The Miminiska-Fort Hope Greenstone Belt Projects (continued)

Under the terms of the EA, Storm will make contributions to a community fund equal to 6% of exploration expenditures in EFN territory. In addition, the Company will issue to the EFN, \$275,000 in common shares of Storm over a four year period, commencing with \$25,000 in common shares to be issued within 90 days of TSX-V acceptance of the EA. Subject to annual TSX-V approval, the Company will also issue common shares equal to 2% of exploration expenditures in EFN territory. Subsequent to the year end on April 29, 2025, an amendment to the EA was made adding a one-time cash payment of \$30,000. The original EA along with the amendment was approved on May 27, 2025. The costs of the MOU payments are recorded as expenses in the Company's 2026 year end which is when the MOU received the TSX-V acceptance.

b) Gold Standard Project

During the year ended March 31, 2025 the Company has completed the payments to the vendors that were required under the terms of the Option Agreement as outlined in Table 2.

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

Balance, March 31, 2023	\$	460,592
Expenditures		56,919
Balance, March 31, 2024	\$	517,511
Expenditures		28,236
Balance, March 31, 2025	\$	545,747

On April 21, 2022, the Company entered into an Option Agreement with Messrs. Allan Onchulenko and Peter Gehrels (the "Vendors") to acquire 100% of 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 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").

Storm Exploration Inc.

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5. Exploration and Evaluation Expenses - continued

The Gold Standard Project (continued)

Table 2 - Option Payments for the Gold Standard property acquisition

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. 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. Under the terms of the MOUs, the Company will contribute to community funds for each First Nations equal to 4% of all prior exploration costs incurred during the period commencing May 1, 2022 and ending on the date the MOUs are accepted by the TSX-V. The Company will make quarterly contributions to each community fund equal to 3% of the first \$10,000,000 in exploration expenditure and 2.5% of exploration expenditures in excess of \$10,000,000 from the date the MOU is accepted. Storm will issue \$175,000 in common shares as additional payment consideration over four years to the Naicatchewenin First Nation, commencing with \$25,000 in common shares upon TSX-V acceptance. Storm will issue 1,300,000 common shares as additional payment consideration over four years to the Nigigoonsiminikaaning First Nation, commencing with 100,000 common shares upon TSX-V acceptance.

Subsequent to the year end, in May 2025 the Company received the TSX acceptance in respect to the MOUs and on April 28, 2025 the Company issued 100,000 Shares to Nigigoonsiminikaaning First Nation and 500,000 Shares to the Naicatchewenin First Nation to complete the first common share payments under each MOU. In addition on May 1, 2025, the Company paid \$29,595 in total towards contribution to community funds equal to 4% of all prior exploration costs incurred during the period commencing May 1, 2022 and ending on the date the MOUs are accepted by the TSX-V. The costs of the MOU payments are recorded as expenses in the Company’s 2026 year end which is when the MOUs received the TSX-V acceptance.

North Kimberly Diamond Project

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

Storm Exploration Inc.

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6. Flow-Through Premium Liability

The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. The liability is subsequently reduced and recorded in the consolidated statements of comprehensive loss on a pro-rata basis based on the corresponding eligible expenditures that have been incurred when it is the Company's intention to file the appropriate renunciation forms with the Canadian taxation authorities.

The continuity of flow-through premium liability is as follows:

Balance, March 31, 2023	\$ 16,444
Premium on flow-through shares income	(16,444)
Balance, March 31, 2024	-
Deferred premium liability recognized	10,000
Premium on flow-through shares income	(240)
Balance, March 31, 2025	\$ 9,760

In connection with the flow-through financings closed on December 6, 2024, the Company had an obligation to spend a total of \$60,000 on qualifying exploration expenditures by December 31, 2025. The remaining obligation was \$58,560 as at March 31, 2025. With respect to that financing, the company incurred qualifying exploration expenditures totalling \$1,440 during the year ended March 31, 2025

7. Share Capital

Authorized share capital

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

Issued shares

The issued and outstanding common shares consist of the following:

	Number of Common Shares	Amount
Balance, March 31, 2023	41,585,066	\$ 17,001,246
Shares issued for option payment	47,619	7,619
Shares issued for settlement of debt	4,200,000	210,000
Balance, March 31, 2024	45,832,685	17,218,865
Shares issued for private placement	16,060,000	813,000
Shares issued for option payment	59,524	2,381
Shares issued for property	4,740,864	237,043
Share issuance cost	-	(56,071)
Flow-through premium liability	-	(20,000)
Balance, March 31, 2025	66,693,073	\$ 18,195,218

Storm Exploration Inc.

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7. Share Capital - continued

On December 6, 2024, the Company closed the final tranche of a non-brokered private placement in which it issued 800,000 units at a price of \$0.05 per unit for aggregate gross proceeds of \$40,000 and 1,000,000 flow-through units ("FT Units") at a price of \$0.06 per FT Unit for aggregate gross proceeds of \$60,000. Each unit consists of one common share of the Company and one full warrant entitling the holder thereof to acquire an additional common share of the Company at an exercise price of \$0.10 per warrant share for a period of 24 months from the date of issuance. The residual value of the warrants attached to the units was determined to be \$0.01 each, for an aggregate residual value of \$8,000. The FT Unit consist of one flow-through common share of the Company and one non-flow through warrant entitling the holder thereof to acquire a non-flow through common share of the Company at an exercise price of \$0.12 per share for a period of 24 months from the date of issuance. The residual value of the non-flow through warrants attached to the FT units was determined to be \$0.01 each, for an aggregate residual value of \$10,000.

In connection with the financing, the Company issued 60,000 finder's warrants, each warrant exercisable to purchase a common share at \$0.12 for two years. The fair value of \$1,550 for the finder's warrants was determined using the Black-Scholes pricing model with the following assumptions: risk free interest rate – 3.03%, expected life – 2 years, annualized volatility – 172.6%, share price - \$0.04, dividend rate – 0%. The cash issuance costs, consisting of finder's fees and regulatory costs, were \$3,600.

On November 8, 2024, the Company closed a tranche in a non-brokered private placement in which it issued 8,050,000 units at a price of \$0.05 per unit for aggregate gross proceeds of \$402,500. Each unit consists of one common share of the Company and one full warrant entitling the holder thereof to acquire an additional common share of the Company at an exercise price of \$0.10 per warrant share for a period of 24 months from the date of issuance.

In connection with the financing, the Company issued 288,000 finder's warrants, each warrant exercisable to purchase a common share at \$0.10 for two years. The fair value of \$10,083 for the finder's warrants was determined using the Black-Scholes pricing model. with the following assumptions: risk free interest rate – 3.08%, expected life – 2 years, annualized volatility – 172.3%, share price - \$0.05, dividend rate – 0%. The cash issuance costs, consisting of finder's fees and regulatory costs, were \$17,562.

On November 8, 2024, the Company issued 4,740,864 common shares to Landore in connection with an option payment due under the Option Agreement for the Miminiska and Keezhik Project. The fair market value of the shares was \$0.05 per share for a total of \$237,043.

On May 9, 2024, the Company issued 59,524 common shares 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.

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

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7. Share Capital - continued

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 March 18, 2024, the Company issued 4,200,000 common shares to settle an aggregate of \$210,000 of indebtedness owed to certain arm's length and non-arm's length creditors. The fair value of the common shares on the date of the transaction was \$0.05 per common share. Related party participation included one officer and director for 2,000,000 common shares in settlement of indebtedness of \$100,000, and one officer for 1,200,000 common shares in settlement of indebtedness of \$60,000.

On May 9, 2023, the Company issued 47,619 common shares 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 \$0.16 per share for a total of \$7,619.

Stock options

The Company has established a "rolling" Share Option Plan (the "Plan") in compliance with the TSX's policy for granting share options. Under the Plan, the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares and, to any one optionee, may not exceed 5% of the issued shares on a yearly basis. The exercise price of each option shall not be less than the market price of the Company's stock at the date of grant. Options have expiry dates of no later than 10 years after the grant date. Vesting of options is determined by the Board of Directors at the time of grant.

The continuity of share purchase options is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, March 31, 2023	4,108,750	\$ 0.45
Expired	(290,000)	1.16
Outstanding, March 31, 2024	3,818,750	\$ 0.43
Cancelled	(625,000)	0.56
Granted	2,875,000	0.07
Outstanding, March 31, 2025	6,068,750	\$ 0.24

On March 12, 2025 the Company granted 1,860,000 stock options to directors, officers and consultants of the Company. The options vested on grant date and are exercisable at \$0.07 per share for 5 years. The stock options were valued at \$65,931 using the Black-Scholes option-pricing model with the following assumptions: expected life of 5 years, risk-free rate of 2.71%, expected dividend yield of 0%, and expected volatility of 150%. The share price at the time of the grant was \$0.04.

Storm Exploration Inc.

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7. Share Capital - continued

Stock options (continued)

On September 2, 2024, the Company granted 1,015,000 stock options to directors, officers and consultants of the Company. The options vested on grant date and are exercisable at \$0.07 per share for 5 years. The stock options were valued at \$45,797 using the Black-Scholes option-pricing model with the following assumptions: expected life of 5 years, risk-free rate of 3.03%, expected dividend yield of 0%, and expected volatility of 152%. The share price at the time of the grant was \$0.05.

On August 30, 2024, pursuant to the Company's Stock Option Plan, the Company and certain non-insiders of the Company mutually agreed to cancel certain outstanding stock options. The cancellation comprised an aggregate of a total of 625,000 options with expiry dates between July 13, 2025 and May 2, 2027 and a weighted average exercise price of \$0.56 per share.

As at March 31, 2025, the following options were outstanding and exercisable:

Expiry Date	Remaining Contractual Life (in years)	Number of Options	Exercise Price
July 30, 2025	0.3	312,500	\$ 0.40
September 30, 2025	0.5	100,000	0.40
July 9, 2026	1.3	500,000	0.60
May 2, 2027	2.1	431,250	0.80
March 29, 2028	3.0	1,850,000	0.25
September 2, 2029	4.4	1,015,000	0.07
March 12, 2030	5.0	1,860,000	0.07
	3.5	6,068,750	0.24

During the year the Company recognized \$111,728 (2024 - \$Nil) in share-based payments. As of March 31, 2025, 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, 2023	10,206,071	0.44
Expired	(3,517,275)	(0.68)
Outstanding, March 31, 2024	6,688,796	\$ 0.20
Issued	13,517,800	0.10
Expired	(4,426,921)	0.18
Outstanding, March 31, 2025	15,779,675	\$ 0.12

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7. Share Capital - continued

Warrants (continued)

As at March 31, 2025, the following warrants were outstanding and exercisable:

Expiry Date	Number of Warrants	Exercise Price
June 30, 2025	500,000	\$ 0.60
June 30, 2025	1,761,875	0.15
November 8, 2026	8,338,000	0.10
December 5, 2026	800,000	0.10
December 5, 2026	1,060,000	0.12
April 23, 2027	3,319,800	0.075
	15,779,675	

During the year ended March 31, 2024, the Company amended a total of 2,261,875 outstanding share purchase warrants with an expiry date of June 30, 2023, such that the warrants' revised expiry date is June 30, 2025. Holders of 1,761,875 of those warrants agreed to have a revised exercise price of \$0.15 per common share and be subject to an acceleration clause. Holders of 500,000 of the warrants did not participate in the revised pricing and acceleration amendments and had only the expiry date amended. All other terms of the warrants will remain unchanged. A total of 198,825 finder warrants expired as scheduled on June 30, 2023 as these were not permitted to be extended under rules of the TSX-V.

8. Related Party Transactions and Balances

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the directors and officers of the Company. The remuneration of key management personnel during the years ended March 31, 2025 and 2024 is as follows:

	2025	2024
Salaries and management fees	\$ 241,750	\$ 285,000
Share-based payments (note 7)	96,921	-
	\$ 338,671	\$ 285,000

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8. Related Party Transactions and Balances - continued

As at March 31, 2025, accounts payable and accrued liabilities include amounts due to related parties of \$421,350 (2024 - \$168,272).

These transactions were in the normal course of business and were measured at the exchange amount. Amounts due to related parties are unsecured, non-interest bearing, and have no formal terms of repayment.

9. Income Taxes

As at March 31, 2025, the Company has losses carried forward of \$8,847,815 available to reduce Canadian income taxes in future years which expire between 2027 and 2045. The Company has losses carried forward of \$3,849,621 (AUD \$4,291,184) available to reduce Australian income taxes indefinitely in future years.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates for the years ended March 31, 2025 and 2024:

	2025	2024
Combined statutory income tax rate	27.0%	27.0%
Income tax recovery at statutory rate	\$ (381,072)	\$ (333,436)
Effect of income taxes of:		
Permanent difference and others	(130,537)	33,959
Difference between income tax rates	41	786
Change in deferred tax assets not recognized	511,568	298,691
Deferred income tax recovery	\$ -	\$ -

The deductible temporary differences that give rise to significant portions of the deferred tax assets not recognized as at March 31, 2025 and 2024 are presented below:

	2025	2024
Non-capital loss carry forwards	\$ 3,351,315	\$ 2,964,293
Mineral properties	1,754,690	1,622,843
Share issuance costs	23,364	30,665
Deferred tax assets not recognized	(5,129,369)	(4,617,801)
	\$ -	\$ -

Storm Exploration Inc.

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10. Additional Cash Flow Information

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

	2025	2024
Sales taxes recoverable	\$ 7,600	\$ 37,551
Prepaid expenses	8	150,247
Accounts payable and accrued liabilities	345,515	874,719
	\$ 353,123	\$ 1,062,517

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 pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

12. Financial Instruments and Financial Risk

Fair Values and Classification of Financial Instruments

The Company's financial instruments consist of cash, accounts payable and instalment debt. Financial instruments are classified into one of the following categories: FVTPL, FVTOC, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	March 31, 2025	March 31, 2024
Cash	FVTPL	\$91,151	\$28,158
Accounts payable	Amortized cost	1,225,228	879,713

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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12. Financial Instruments and Financial Risk – continued

Fair Values and Classification of Financial Instruments (continued)

Assets measured at fair value on a recurring basis presented on the Company's consolidated statement of financial position as at March 31, 2025 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash	\$ 91,151	\$ -	\$ -	\$ 91,151

Assets measured at fair value on a recurring basis presented on the Company's consolidated statement of financial position as at March 31, 2024 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash	\$ 28,158	\$ -	\$ -	\$ 28,158

The fair value of the Company's financial instruments approximates their carrying value as at March 31, 2025 and 2024 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. Management does not hedge its exposure to foreign exchange risk.

Storm Exploration Inc.

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12. Financial Instruments and Financial Risk – continued

Financial risk management objectives and policies (continued)

The Company's corporate expenses are denominated in Canadian dollars ("CAD"), and it does not have any significant foreign currency denominated monetary liabilities. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

The Company's Australian subsidiary is exposed to foreign currency risk on fluctuations related to cash and accounts payable that are denominated in Australian dollars ("AUD"). The following is an analysis of the Canadian dollar equivalent of financial assets and liabilities that are denominated in Australian dollars:

	March 31, 2025
Cash	AUD\$ 7,450
Accounts payable	(60,050)
Total in foreign currency	(52,600)
Net exposure	5,413
Canadian dollar equivalents	\$ (47,187)

Based on the net Canadian dollar denominated asset and liability exposures as at March 31, 2025, a 10% fluctuation in the CAD/AUD exchange rates would impact the Company's earnings for the year ended March 31, 2025 by \$4,719

(ii) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's accounts payable have contractual maturities of 30 days and are subject to normal trade terms. As at March 31, 2025, the Company has a cash balance of \$91,151 to settle current liabilities of \$1,225,228 and requires additional funding to fund its current obligations.

Storm Exploration Inc.

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12. Financial Instruments and Financial Risk – continued

(iv) Liquidity risk (continued)

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

13. Subsequent Events

On April 23, 2025, Storm issued 2,092,686 common shares ("Share") to Landore Resources Canada Inc. (the "Optionor") as partial payment due under the option agreement dated May 5, 2021, as amended, with the Optionor. On June 25, 2025 The Company issued the remaining 6,239,385 Shares to the Optionor upon TSX Venture approval of the requisite Personal Information Form from the Optionor. With the issuance of the remaining Shares (note 5), the Company has issued an aggregate of 8,332,071 Shares to the Optionor as payment of the \$275,000 cash installment due under the Option Agreement (note 5).

On May 16, the Company settled an aggregate of \$351,987 in outstanding debt ("Debt Settlement") which included accrued management fees owing to a company controlled by a director and officer of the Company, and accrued management fees to an officer of the Company. In connection with the Debt Settlement, the Company issued an aggregate of 7,039,742 common shares of the Company at a price of \$0.05 per Share.

On July 17, 2025 the Company announced that the Board of Directors approved a consolidation of its share capital on the basis of four (4) existing shares to one (1) new common share (the "Consolidation"). The Company's name and stock symbol will remain unchanged following the Consolidation. Upon completion of the Consolidation, the Company's outstanding share capital will be approximately 20,666,222 shares. No fractional shares will be issued as a result of the Consolidation. Any fractional shares resulting from the Consolidation will be rounded up or down to the nearest whole common share. The Company's outstanding incentive stock options, warrants, and any convertible securities will be adjusted on the same basis (4:1) to reflect the Consolidation in accordance with their respective terms with proportionate adjustments to be made to the exercise prices.