KINGFISHER METALS CORP.

Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

(Expressed in Canadian dollars)

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Independent Auditor's Report

To the Shareholders of Kingfisher Metals Corp.,

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Kingfisher Metals Corp. (the "Company"), which comprise the statements of consolidated financial position as at December 31, 2024 and 2023 and the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards ("IFRS").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the financial statements, which indicates that the Company has accumulated losses since inception, has no source of operating cash flows and has yet to achieve profitable operations. As stated in Note 1, the Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing to fund the Company's exploration and development programs. These matters, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is the following key audit matter to communicate in our auditor's report:

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
Refer to note 2(c) – Significant accounting judgments, estimates and assumptions, note 2(h) – Material accounting policy: Exploration and evaluation costs, and note 3 – Exploration and evaluation assets Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgment in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following: • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. • Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.

commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	• Confirmed that the Company's right to explore the properties had not expired. • Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets. • Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 auditor's report to the related disclosures in the 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 auditor's 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 auditor’s report is James Roxburgh.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC, Canada
April 30, 2025

KINGFISHER METALS CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at December 31, 2024	As at December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 331,895	$ 226,219
Amounts receivable	191,500	174,158
Prepaid expenses	743,291	605,184
	1,266,686	1,005,561
Exploration and evaluation assets (Note 3)	16,844,352	16,020,294
Property and equipment (Note 4)	306,858	375,381
Restricted cash	205,000	205,100
	$ 18,622,896	$ 17,606,336
Liabilities and Equity		
Current:		
Accounts payable and accrued liabilities (Note 7)	$ 429,893	$ 520,762
Lease liability (Note 5)	31,343	20,287
	461,236	541,049
Deferred income taxes (Note 10)	1,435,000	1,909,000
Lease liability (Note 5)	101,615	132,958
	1,997,851	2,583,007
Shareholders' equity		
Capital stock (Note 6)	24,075,194	20,926,156
Share subscription received (Note 13)	13,200	-
Contributed surplus (Note 6)	2,376,961	2,068,038
Deficit	(9,840,310)	(7,970,865)
	16,625,045	15,023,329
	$ 18,622,896	$ 17,606,336

Nature of operations and going concern (Note 1)
Subsequent events (Notes 3 and 13)

See accompanying notes.

These financial statements are authorized for issue by the Board of Directors on April 30, 2025.

"Dustin Perry"
…………………………………………………Director

"Chris Beltgens"
…………………………………………………Director

KINGFISHER METALS CORP.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended	December 31, 2024	December 31, 2023
General and administrative expenses		
Amortization (Note 4)	$ 91,440	$ 82,135
Audit and accounting	26,700	35,715
Bank charges	2,603	2,701
Consulting and directors' fees (Note 7)	54,678	53,020
Corporate relations	174,915	348,323
Insurance	29,692	30,228
Lease interest	12,579	3,359
Legal	6,659	51,868
Management fees (Note 7)	381,000	396,000
Office and administration	84,221	117,933
Salaries and wages	44,046	85,527
Share-based compensation (Notes 6 and 7)	308,356	210,274
Transfer and filing fees	74,133	124,505
Travel and entertainment	44,959	103,636
	(1,335,981)	(1,645,224)
Other Items		
Interest	6,742	11,831
Flow-through recovery (Note 6(b) and 11)	25,556	432,649
Write-off of exploration and evaluation assets (Note 3)	(1,039,762)	-
	(1,007,464)	444,480
Net loss and comprehensive loss before income taxes	(2,343,445)	(1,200,744)
Deferred income tax recovery (expense) (Note 10)	474,000	(273,000)
Net loss for the year	$ (1,869,445)	$ (1,473,744)
Loss per share, basic and diluted	$ (0.05)	$ (0.06)
Weighted average number of common shares outstanding*	36,492,402	23,112,850

*All shares are shown on a post-consolidated basis. See note 1.

See accompanying notes.

KINGFISHER METALS CORP.

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended	December 31, 2024	December 31, 2023
Operating activities		
Net loss for the year	$ (1,869,445)	$ (1,473,744)
Changes non-cash operating items:		
Amortization	91,440	82,135
Deferred income tax (recovery) expense	(474,000)	273,000
Flow-through recovery	(25,556)	(432,649)
Share-based compensation	308,356	210,274
Lease interest	12,579	3,359
Write-off of exploration and evaluation assets	1,039,762	-
	(916,864)	(1,337,625)
Changes non-cash working capital:		
Amounts receivable	119,606	101,258
Prepaid expenses	(138,107)	(34,124)
Accounts payable and accrued liabilities	(10,262)	(14,087)
	(28,763)	53,047
Cash used in operating activities	(945,627)	(1,284,578)
Financing activities		
Issuance of common shares	2,105,312	2,828,394
Share subscriptions received	13,200	-
Share issue costs	(30,151)	(31,778)
Repayment of lease liability	(32,866)	(6,897)
Cash provided by financing activities	2,055,495	2,789,719
Investing activities		
Additions to exploration and evaluation assets	(981,375)	(3,002,358)
Additions to property and equipment	(22,917)	(18,235)
Addition to restricted cash	(54,900)	(58,600)
Release of restricted cash	55,000	-
Cash used in investing activities	(1,004,192)	(3,079,193)
Net inflow (outflow) of cash and cash equivalents	105,676	(1,574,052)
Cash and cash equivalents, beginning of the year	226,219	1,800,271
Cash and cash equivalents, end of the year	$ 331,895	$ 226,219

Supplementary information – *non-cash investing and financing activities:*		
• *Exploration and evaluation assets in accounts payable*	$ -	$ 80,607
• *Exploration and evaluation assets in amounts receivable*	$ 136,948	$ -
• *Shares issued for mining claims*	$ 1,100,000	$ 375,000

See accompanying notes.

KINGFISHER METALS CORP.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Common Shares						
	Number*	**Amount**	**Share Subscriptions Received**	**Share Based Compensation**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2023	26,117,230	$ 20,926,156	$ -	$ 1,782,899	$ 285,139	$ (7,970,865)	$ 15,023,329
Shares issued for mining claims– net of issue costs	5,200,000	1,099,000	-	-	-	-	1,099,000
Flow-through shares issued – net of issue costs	511,111	113,747	-	-	-	-	113,747
Placement shares issued – net of issue costs	11,373,212	1,962,414	-	-	-	-	1,962,414
Shares to be issued	-	-	13,200	-	-	-	13,200
Agent warrants	-	(567)	-	-	567	-	-
Flow-through premium liability	-	(25,556)	-	-	-	-	(25,556)
Share-based compensation	-	-	-	308,356	-	-	308,356
Net loss for the period	-	-	-	-	-	(1,869,445)	(1,869,445)
Balance, December 31, 2024	43,201,553	$ 24,075,194	$ 13,200	$ 2,091,255	$ 285,706	$ (9,840,310)	$ 16,625,045

	Common Shares						
	Number*	**Amount**	**Share Subscriptions Received**	**Share Based Compensation**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2022	20,611,454	$ 18,188,826	$ -	$ 1,572,625	$ 283,502	$ (6,497,121)	$ 13,547,832
Shares issued for mining claims	714,286	375,000	-	-	-	-	375,000
Charity Flow-through shares issued – net of issue costs	4,326,490	2,566,728	-	-	-	-	2,566,728
Flow-through shares issued – net of issue costs	465,000	229,888	-	-	-	-	229,888
Agent warrants	-	(1,637)	-	-	1,637	-	-
Flow-through premium liability	-	(432,649)	-	-	-	-	(432,649)
Share-based compensation	-	-	-	210,274	-	-	210,274
Net loss for the year	-	-	-	-	-	(1,473,744)	(1,473,744)
Balance, December 31, 2023	26,117,230	$ 20,926,156	$ -	$ 1,782,899	$ 285,139	$ (7,970,865)	$ 15,023,329

*All shares are shown on a post-consolidated basis. See note 1.

See accompanying notes.

1. NATURE OF OPERATIONS AND GOING CONCERN

Kingfisher Metals Corp. (the "Company" or “Kingfisher”) was incorporated under the Business Corporations Act (British Columbia) on September 7, 2017, as a Capital Pool Corporation defined in the Policy 2.4 of the TSX Venture Exchange (the “TSX-V”). The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company’s registered office is located in Vancouver, B.C.

On March 12, 2021, the Company completed the share exchange transaction with Kingfisher Resources Ltd. (“KFR”) which constituted the Company’s QT. KFR was incorporated under the Business Corporations Act (British Columbia) on January 21, 2019, and its principal business focus is the exploration and development of mineral prospects in Canada. Upon completion of the QT, the Company began trading under its new name on the TSX-V with the symbol “KFR” (and shortly thereafter on the Frankfurt Stock Exchange under the symbol “970”). The Company announced on August 25, 2021, that it commenced trading on the OTCQB Venture Market in the United States under the symbol “KGFMF.”

On April 8, 2024, the company underwent a five-for-one share consolidation of its issued and outstanding common shares. All share figures in these consolidated financial statements are shown as post-consolidated shares.

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) applicable to 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 for the foreseeable future. There is no assurance that the exploration activities of Kingfisher will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company currently has cash available to meet its administrative overhead and maintain its assets. The recoverability amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned exploration, and future cashflow from the Company’s business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. The Company has not achieved profitable operations and has accumulated losses since inception. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

These audited consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of presentation

These consolidated financial statements have been prepared in accordance with and comply with IFRS as issued by the International Accounting Standards Board (“IASB”) and its interpretations of the International Financial Reporting Interpretations Committee. These consolidated financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting, except for cash flow information. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of the policies and reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The accounting policies set out below have been applied consistently by the Company.

These financial statements were authorized for issuance on April 30, 2024, by the directors of the Company.

(b) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned and controlled entity. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities.

Intercompany balances and transactions including any unrealized income and expenses arising from intercompany transactions are eliminated upon consolidation.

The following subsidiary has been consolidated from all dates presented within these consolidated financial statements:

Name of Subsidiary	Place of Incorporation	Principal Activity	Ownership Interest
Kingfisher Resources Ltd.	Canada	Mineral Exploration and Evaluation	100%

(c) Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements is in conformity with IFRS, which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant assumptions about the future and other sources of 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:

Exploration and evaluation assets

The application of the Company's accounting policies for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is impaired with a corresponding charge to profit or loss in the period in which the new information becomes available.

Going concern

Critical judgement and estimates are applied for the determination that the Company will continue as a going concern for the next year.

(d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and deposits in the bank.

(e) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded.

(f) Share-based payments

The Company's share purchase option plan allows Company directors, officers, employees and service providers to acquire shares of the Company. The fair value of share purchase options granted to employees (which includes directors and officers and service providers that meet the definition of an employee) is recognized as an expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized over the vesting period. The fair value of options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where finders' warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to reserves and as a share issue cost.

When warrants are exercised, the cash proceeds along with the amount previously recorded in equity reserves are recorded as share capital.

(g) Basic loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The effect of potential issuances of shares from the exercise of outstanding options and warrants would be anti-dilutive for the years presented and accordingly, basic and diluted losses per share are the same.

(h) Exploration and evaluation assets

Expenditures incurred before the Company has obtained legal rights to explore an area are recognized in the statements of loss as exploration expenses.

Exploration and evaluation assets reflect expenditures for an area where technical feasibility and commercial viability have not yet been determined. Expenditures, including, but are not limited to, land acquisition, geological and geophysical studies, exploratory drilling and sampling and directly attributable employee salaries and benefits are capitalized and accumulated pending determination of technical feasibility and commercial viability.

Exploration and evaluation assets are not depleted. When assets are determined to be technically feasible and commercially viable, the accumulated costs are tested for impairment and the recoverable amount is transferred to property, plant and equipment. Upon transfer of exploration and evaluation costs into property, plant and equipment, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized within mine development. After production starts, all assets included in mine development costs are transferred to producing mines. At such time as commercial production commences, these expenditures will be charged to operations on a unit-of-production method based on proven and probable resources.

Exploration and evaluation assets are also assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The aggregate costs related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

(i) Impairment

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is established to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(j) Government assistance

Government assistance received in respect to exploration and evaluations asset expenditures is deducted from the costs incurred or included in income if the related costs applicable to such properties have been written off.

(k) Property and equipment

Purchased property and equipment are carried at acquisition cost less subsequent amortization and impairment losses. Amortization is calculated over the estimated useful lives using the following rates:

Automotive equipment	30% declining
Shop equipment	20% declining
Exploration equipment	20% declining
Office equipment	30% declining
Portable camp	30% declining
Leasehold improvements	Straight-line over the lease period

(l) Leases

At inception of a contract, the Company must assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company must assess whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and if it has the right to direct the use of the asset. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

Right-of-use asset

The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made and any initial direct costs incurred at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liability

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

(m) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at years end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the offset of current tax assets against current tax liabilities, they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(n) Flow-through shares

The Company has issued common shares as flow-through shares, whereby the investor may claim the tax deductions arising from the related expenditures. When flow-through shares are issued, the sale of the tax deduction is valued (using the residual method) and deferred as a flow-through liability. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, the flow-through liability is reversed, and a deferred income tax liability is recognized.

Previously unrecognized deferred income tax assets may be used to reduce the deferred income tax liability amount recognized, and the Company will recognize a future income tax recovery to this extent.

(o) Financial instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss ("FVTPL"). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. Cash and cash equivalents are classified as subsequently measured at amortized cost.

Amounts receivable

These receivables are non-interest bearing and are recognized at face amount, except when fair value is materially different and are subsequently measured at amortized cost. Trade receivables recorded are net of lifetime expected credit losses.

Accounts payables and accrued liabilities

These payables are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are subsequently measured at amortized cost.

(p) New accounting standards and recent pronouncements

IAS 1 *"Presentation of Financial Statements"*

In October 2022, the IASB issued amendments to IAS 1 "Presentation of Financial Statements" relating to the classification of liabilities as current or non-current and non-current liabilities with covenants. The amendments clarify the requirements for classifying liabilities as either current or non-current and introduce new disclosure requirements for non-current loan liabilities that are subject to covenants within twelve months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and are applied retrospectively. The application of the amendments did not have an impact on the Company's consolidated financial statements.

The Company has reviewed accounting standards issued but are not yet effective and has determined that early adoption is not applicable to the consolidated financial statements.

3. EXPLORATION AND EVALUATION ASSETS

Ecstall

On April 10, 2019, the Company completed the Ecstall purchase of 18 mineral claims totalling 20,735 hectares in Northwestern B.C. for 8,200,000 shares (at a value of $205,000) from two executives.

The claims related to the Ecstall property expired on May 30, 2024, as the Company was unable to achieve the social license required to further advance the Ecstall Project due to overwhelming opposition to mineral exploration and mining from local stakeholders. As such, the Company recorded an impairment of the property of $1,039,762.

Thibert

On June 24, 2020, the Company entered into an asset purchase agreement to acquire Thibert claims from Kenorland Minerals Ltd. (“Kenorland”) (a company with a common director), consisting of 8 mineral claims totaling 12,475 hectares in Northwestern B.C. for the following:

- 1,000,000 common shares of the Company (issued);
- common shares of the Company equal to a value of $100,000 on the first anniversary date of the listing on the TSX-V (issued); and
- a 2% net smelter return royalty.

On November 15, 2021, the Company staked 2 additional mineral claims adjacent to the existing claims totaling 502 hectares for a cost of $878.

Goldrange

On April 6, 2020, the Company completed a purchase from Kenorland of three mineral claims totaling 4,504 hectares in Southwestern B.C. (referred to here as Goldrange) for 500,000 common shares of the Company (at a value of $50,000) plus a 2% net smelter return royalty.

Subsequently during the year 2020, the Company acquired and staked 24 additional mineral claims (totaling approximately 16,657 hectares) by incurring costs of $73,940 and issuing 70,000 common shares (at a value of $14,000).

During the year ended December 31, 2021, the Company staked 18 additional mineral claims adjacent to the existing claims totaling 29,953 hectares.

HWY 37

On March 6, 2023 (amended on March 25, 2023), the Company entered into 2 option agreements to consolidate and acquire a 100% interest in a series of mineral claims in the Golden Triangle region of NW British Columbia, which consists of the Ball Creek East, and Hank properties (collectively the “HWY 37 Project”).

More specifically, the Company entered into a property option agreement with Evrim Exploration Canada Corp. (“Evrim”), a subsidiary of Orogen Royalties Inc. (“Orogen”), for the Ball Creek East project (the “Ball Creek East Option Agreement”), and a property option agreement with Golden Ridge Resources Ltd. (“Golden Ridge”) for the Hank project (the “Hank Option Agreement”).

Ball Creek East Project

Pursuant to the terms of the Ball Creek East Option Agreement, Kingfisher has the right to earn a 100% ownership interest in the Ball Creek East Project as follows:

(Expressed in Canadian Dollars)

Due dates	Issuance of common shares ($)	Minimum exploration expenditures ($)	Cumulative exploration expenditures ($)
Upon TSXV approval (issued)	300,000	-	-
March 25, 2024 (completed)	400,000	500,000	500,000
March 25, 2025 (completed subsequent to year-end)	500,000	1,000,000	1,500,000
March 25, 2026	1,000,000	2,000,000	3,500,000
March 25, 2027	1,300,000	4,000,000	7,500,000

The Ball Creek East underlying 2% net smelter returns royalty to Sandstorm Gold Ltd. ("Sandstorm") may be bought down by Orogen at any time by one half with a cash payment of $1,000,000.

Hank Project

Pursuant to the terms of the Hank Option Agreement, Kingfisher has the right to earn a 100% ownership interest in the Hank Project as follows:

Due dates	Cash payments ($)	Issuance of common shares ($)	Minimum exploration expenditures ($)	Cumulative exploration expenditures ($)
Upon TSX-V approval (paid and issued)	25,000	75,000	-	-
March 25, 2024 (issued)	-	150,000	-	-
March 25, 2025 (completed subsequent to year-end)	-	300,000	250,000	250,000
March 25, 2026	100,000	1,000,000	1,000,000	1,250,000
March 25, 2027	125,000	1,475,000	1,750,000	3,000,000

Orogen holds a 3% royalty on the Hank Project. The owner of the Hank Project (currently Golden Ridge) can buy down 1% of the royalty for US$3,000,000 at any time. Golden Ridge has agreed to make a milestone payment of US$2,500,000 at the earliest of (i) the preparation of a NI 43-101 feasibility study, (ii) a development decision or the commitment of construction on any part of the Hank project, or (iii) the first day on which ore has been sold or shipped from the Hank Project for the purpose of earning revenue. Kingfisher would become responsible for the milestone payment upon exercising the option.

If the owner of the Ball Creek East Project also acquires the Hank Project claims, then the Ball Creek East royalty will also apply there (2% net smelter returns royalty to Sandstorm with 1% buyable to Orogen).

LGM Project

On July 10, 2024, the Company completed the acquisition of the LGM property (the "LGM Project") from Origen Resources Inc. ("Origen"). Under the terms of the definitive agreement, the Company issued 3,000,000 common shares in the capital of Kingfisher to Origen and paid $75,000 in cash to Origen in exchange for the transfer of the LGM Project claims on closing. The 26,771 Ha LGM Project is located immediately south and contiguous with the HWY 37 Project, in Northwest British Columbia within the Golden Triangle. In addition, the LGM Project is subject to underlying royalty agreements over different parts of the project that range from 1 to 2% with Triple Flag Precious Metals (1%), Ryan Kalt (2%), and Carl von Einsiedel (2%).

(Expressed in Canadian Dollars)

	Ecstall Claims	Thibert Claims	Goldrange Claims	HWY 37 Claims	Total
Acquisition costs:					
As at December 31, 2022	**$ 225,024**	**$ 200,878**	**$ 190,176**	**$ -**	**$ 616,078**
Acquisition costs, agreement for sale	-	-	-	401,000	401,000
As at December 31, 2023	**225,024**	**200,878**	**190,176**	**401,000**	**1,017,078**
Acquisition costs, agreement for sale	-	-	-	1,179,742	1,179,742
As at December 31, 2024	**225,024**	**200,878**	**190,176**	**1,580,742**	**2,196,820**
Exploration costs:					
As at December 31, 2022	**858,854**	**242,582**	**11,109,144**	**-**	**12,210,580**
Expenditures during the year:					
Assays	-	8,105	199,617	55,943	263,665
Camp	-	6,608	315	765,235	772,158
Consulting	1,884	-	-	-	1,884
Drilling	-	3,467	2,193	958,819	964,479
Fieldgear	-	-	-	9,350	9,350
Geologist and sundry exploration costs	-	19,142	16,489	189,227	224,858
Geophysics	-	-	-	27,553	27,553
Helicopters	-	12,302	-	820,317	832,619
Permit Applications	-	-	-	49,814	49,814
Reports	-	-	9,425	-	9,425
Labour	-	13,605	836	62,928	77,369
Transportation and travel	-	15,352	-	41,732	57,084
	1,884	78,581	228,875	2,980,918	3,290,258
As at December 31, 2023	**860,738**	**321,163**	**11,338,019**	**2,980,918**	**15,500,838**
Expenditures during the year:					
Assays	-	31,648	8,978	8,932	49,558
Camp	-	1,300	-	4,407	5,707
Consulting	-	-	-	2,100	2,100
Drilling	-	728	-	109,756	110,484
Fieldgear	-	-	-	1,232	1,232
Geologist and sundry exploration costs	-	-	-	202,040	202,040
Geophysics	-	-	-	113,889	113,889
Helicopters	-	25,189	-	140,187	165,376
Permit Applications	-	-	-	210	210
Labour	-	50,658	-	24,921	75,579
Transportation and travel	-	14,356	-	78,379	92,735
	-	123,879	8,978	686,053	818,910
As at December 31, 2024	**860,738**	**445,042**	**11,346,997**	**3,666,971**	**16,319,748**
Recoveries, as at December 31, 2024	**(46,000)**	**(21,573)**	**(519,038)**	**(45,843)**	**(632,454)**
Write-off, as at December 31, 2024	**(1,039,762)**	**-**	**-**	**-**	**(1,039,762)**
Balance, as at December 31, 2024	**$ -**	**$ 624,347**	**$11,018,135**	**$ 5,201,870**	**$16,844,352**

(Expressed in Canadian Dollars)

4. PROPERTY AND EQUIPMENT

	Automotive Equipment	Shop Equipment	Exploration Equipment	Office Equipment	Portable Camp
Cost					
At December 31, 2022	$ 31,084	$ 13,681	$ 142,802	$ 36,007	$ 207,452
Capital expenditures	-	-	925	2,519	-
At December 31, 2023	$ 31,084	$ 13,681	$ 143,727	$ 38,526	$ 207,452
Capital expenditures	-	13,596	-	4,076	-
At December 31, 2024	$ 31,084	$ 27,277	$ 143,727	$ 42,602	$ 207,452
Accumulated depletion and depreciation					
At December 31, 2022	$ (11,087)	$ (2,914)	$ (44,334)	$ (16,092)	$ (74,101)
Depletion and depreciation	(5,999)	(2,154)	(19,786)	(6,352)	(40,005)
At December 31, 2023	$ (17,086)	$ (5,068)	$ (64,120)	$ (22,444)	$ (114,106)
Depletion and depreciation	(4,199)	(3,082)	(15,921)	(5,436)	(28,004)
At December 31, 2024	$ (21,285)	$ (8,150)	$ (80,041)	$ (27,880)	$ (142,110)
Net book value					
December 31, 2023	$ 13,998	$ 8,613	$ 79,607	$ 16,082	$ 93,346
December 31, 2024	**$ 9,799**	**$ 19,127**	**$ 63,686**	**$ 14,722**	**$ 65,342**

	Right of use Assets	Leasehold Improvements	Total
Cost			
At December 31, 2022	$ -	$ -	$ 431,026
Capital expenditures	156,783	14,791	175,018
At December 31, 2023	$ 156,783	$ 14,791	$ 606,044
Capital expenditures	-	5,245	22,917
At December 31, 2024	$ 156,783	$ 20,036	$ 628,961
Accumulated depletion and depreciation			
At December 31, 2022	$ -	$ -	$ (148,528)
Depletion and depreciation	(7,839)	-	(82,135)
At December 31, 2023	$ (7,839)	$ -	$ (230,663)
Depletion and depreciation	(31,357)	(3,441)	(91,440)
At December 31, 2024	$ (39,196)	$ (3,441)	$ (322,103)
Net book value			
December 31, 2023	$ 148,944	$ 14,791	$ 375,381
December 31, 2024	**$ 117,587**	**$ 16,595**	**$ 306,858**

(Expressed in Canadian Dollars)

5. LEASE LIABILITY

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

		December 31, 2024		December 31, 2023
Undiscounted minimum lease payments				
Less than one year	**$**	**41,380**	$	32,865
Two to five years		**113,796**		155,177
		155,176		188,042
Effect of discounting		**(22,218)**		(34,797)
Present value of minimum lease payments		**132,958**		153,245
Less: current portion		**(31,343)**		(20,287)
Non-current portion	**$**	**101,615**	$	132,958

The net change in the lease liability is as follows:

		December 31, 2024		December 31, 2023
Balance, beginning of year	**$**	**153,245**	$	-
Additions		**-**		156,783
Principal payments		**(41,380)**		(6,897)
Lease incentives		**8,515**		-
Interest expense		**12,578**		3,359
Balance, end of year	**$**	**132,958**	$	153,245

6. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the year ended December 31, 2024:

On July 10, 2024, the Company announced that it closed the acquisition of the LGM Project from Origen, which was previously announced on June 6, 2024. Under the terms of the definitive agreement, the Company issued 3,000,000 common shares (valued at $660,000) in the capital of Kingfisher to Origen and paid $75,000 in cash to Origen in exchange for the transfer of the LGM Project claims on closing.

On May 13, 2024, the Company closed the first tranche of its private placement financing through the issuance of 4,521,214 units of the Company at a price $0.175 per unit and 511,111 flow-through units of the Company (a "FT Unit") at a price of $0.225 per FT Unit. On May 28, 2024, the Company closed the second and final tranche of its private placement financing. In total, the Company issued 11,373,212 units and 511,111 FT Units for aggregate gross proceeds of $2,105,312. Each FT Unit consists of one flow-through common share and one half of one transferable non-flow-through common share purchase warrant. Each unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant will be exercisable for 24 months at an exercise price of $0.30. The Company paid an aggregate of $1,680 in cash commissions and issued 3,600 finder warrants to a finder. Each finder warrant entitles the holder thereof to acquire one common share at a price of $0.30 for 24 months.

On April 8, 2024, the Company underwent a five-for-one share consolidation of its issued and outstanding common shares. The share consolidation was approved by the Board of Directors on April 3, 2024. Prior to the share consolidation, the number of issued and outstanding common shares was 141,586,151. Following the consolidation, the number of issued and outstanding common shares reduced to 28,317,230. This consolidation has been retrospectively applied to all periods presented in these financial statements. The impact of the share consolidation has been reflected in the loss per share calculations. All share and per share data for all periods presented have been adjusted to reflect the consolidation.

On March 25, 2024, the Company issued 1,600,000 common shares (valued at $320,000) pursuant to the Ball Creek East Option Agreement. See Note 3.

On March 25, 2024, the Company issued 600,000 common shares (valued at $120,000) pursuant to the Hank Option Agreement. See note 3.

During the year ended December 31, 2023:

On August 3, 2023, the Company closed private placements for gross proceeds of approximately $2.8 million through the issuance of 4,326,490 charity flow-through units at a price of $0.60 per charity flow-through unit and 465,000 flow-through units at a price of $0.50 per flow-through unit of the Company. The Company recognized a flow-through premium liability of $432,649. Each unit consists of one flow-through common share and one half of one transferable non-flow-through common share purchase warrant. Each full warrant shall be exercisable for 24 months at an exercise price of $0.75. In connection with the offering, finders received an aggregate cash fee of $9,059 and 9,000 non-transferable compensation warrants. Each finder warrant will entitle the holder to purchase one common share at an exercise price equal to $0.75 for a period of 24 months.

On April 3, 2023, the Company issued 571,429 common shares with a value of $300,000 pursuant to the Ball Creek East Option Agreement entered into on March 6, 2023, to consolidate a 362 km^2 copper-gold project in the Golden Triangle region of NW British Columbia. See Note 3.

On April 3, 2023, the Company issued 142,857 common shares with a value of $75,000 and paid $25,000 in cash pursuant to the Hank Option Agreement entered into on March 6, 2023, to consolidate a 362 km^2 copper-gold project in the Golden Triangle region of NW British Columbia. See Note 3.

(c) Incentive stock options

The Company has a stock option plan (the “Plan”) allowing for the reservation of common shares issuable under the Plan to a maximum 10% of the number of issued and outstanding common shares of the Company at any given time. The term of any stock option granted under the Plan may not exceed five years and the exercise price may not be less than the discounted market price on the grant date.

Unless otherwise specified by the Board of Directors at the time of granting an option, and subject to other term limits on option grants set out in the Plan, all options granted under the Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one quarter of the options vesting in any three-month period.

The purpose of the Plan is to provide directors, officers, key employees, and certain other persons who provided services to the Company and its subsidiaries with an increased incentive to contribute to the future success and prosperity of the Company.

(Expressed in Canadian Dollars)

On June 5, 2024, the Company granted 1,700,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until June 5, 2029, at a price of $0.25 per share. These options vest over a period of one year.

On August 10, 2023, the Company granted 730,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until August 10, 2028, at a price of $0.60 per share. These options vested over a period of one year.

The following is a continuity of outstanding share options:

	Number of Options	**Weighted Average of Exercise price**
Balance, December 31, 2022	1,710,000	$ 1.01
Cancelled during the period	(41,000)	$ 2.06
Expired during the period	(80,000)	$ 0.50
Granted during the period	730,000	$ 0.60
Balance, December 31, 2023	2,319,000	$ 0.88
Expired during the period	(421,333)	$ 0.50
Granted during the period	1,700,000	$ 0.25
Balance, December 31, 2024	3,597,667	$ 0.63

The fair value of each option is estimated using the Black-Scholes option pricing model with assumptions as follows:

	August 10, 2023	June 5, 2024
Risk-free interest rate	3.93%	3.41%
Expected annualized volatility	195%	120%
Expected life	5 years	5 years
Exercise price	$0.12	$0.25
Dividend rate	Nil	Nil

The following table summarizes information about stock options that are outstanding at December 31, 2024:

Number of Options	**Price per Share**	**Expiry Date**	**Options Exercisable**
352,000	$0.50	September 25, 2025	352,000
366,667	$1.25	March 12, 2026	366,667
52,000	$2.75	May 25, 2026	52,000
10,000	$3.25	October 21, 2026	10,000
387,000	$1.50	June 14, 2027	387,000
730,000	$0.60	August 10, 2028	730,000
1,700,000	$0.25	June 5, 2029	1,133,333
3,597,667			3,031,000

As at December 31, 2024, the weighted average remaining contractual life is 3.31 years (2023 – 2.89 years).

(Expressed in Canadian Dollars)

(d) Share purchase warrants

The following is a continuity of outstanding warrants:

	Number of Warrants	Weighted Average of Exercise Price
Balance, December 31, 2022	8,169,651	$ 2.29
Expired	(6,335,837)	$ 2.45
Issued – Charity Flow Through	2,163,245	$ 0.75
Issued – Flow Through	232,500	$ 0.75
Issued – Finder's warrants	9,000	$ 0.75
Balance, December 31, 2023	4,238,559	$ 1.18
Expired	(1,833,814)	$ 1.75
Issued – Placement	2,507,163	$ 0.30
Issued – Flow Through	3,434,999	$ 0.30
Issued – Finder's warrants	3,600	$ 0.30
Balance, December 31, 2024	8,350,507	$ 0.43

The fair value of finder's warrants is estimated using the Black-Scholes pricing model with assumptions as follows:

	August 3, 2023	May 28, 2024
Risk-free interest rate	4.72%	4.28%
Expected annualized volatility	112%	120%
Expected life	2 years	2 years
Dividend rate	Nil	Nil

The following table summarizes information about warrants that are outstanding at December 31, 2024:

Number of Warrants	Price per Share	Expiry Date	Warrants Exercisable
2,163,245	$0.75	August 3, 2025	2,163,245
232,500	$0.75	August 3, 2025	232,500
9,000	$0.75	August 3, 2025	9,000
2,507,163	$0.30	May 13, 2026	2,507,163
3,434,999	$0.30	May 28, 2026	3,434,999
3,600	$0.30	May 28, 2026	3,600
8,350,507			8,350,507

As at December 31, 2024, the weighted average remaining contractual life of warrants is 1.15 years (2023 – 1.09 years).

7. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel for the years ended were as follows:

	December 31, 2024	December 31, 2023
Share-based compensation	$ 227,578	$ 144,628
Director fees	54,678	46,236
Management fees	381,000	396,000
Exploration and evaluation assets	-	4,050
Operating expenses	6,000	12,000
	$ 669,256	$ 602,914

As at December 31, 2024, $nil (December 31, 2023 - $nil) is included in accounts payable and accrued liabilities.

All transactions and balances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. FINANCIAL INSTRUMENTS RISK

The Company's financial instruments are exposed to the following risks:

Credit Risk

Credit risk is the risk of financial loss to the Company if counterparties do not fulfill their contractual obligations.

Cash and cash equivalents consist of cash bank balances. There are no short-term investments currently.

The carrying amount of accounts receivable and cash and cash equivalents represents the maximum credit exposure. The Company does not have an allowance for doubtful accounts. As at December 31, 2024, there were no significant amounts past due or impaired.

Market Risk

Market risk is the risk that changes in foreign exchange rates and interest rates will affect the Company's cash flows, net income and comprehensive income. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its purchases and capital commitments, and other financial obligations as they are due. The Company's approach to managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking harm to the Company's reputation.

Foreign Exchange Risk

The Company currently does not have significant exposure to other currencies, and this is not expected to change in the foreseeable future as the capital commitments that are expected to be carried out in United States dollars will be limited.

Interest Rate Risk

The Company is exposed to interest rate risk on its cash and cash equivalents. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments, so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

During the year ended December 31, 2024 and the year ended December 31, 2024, there were no transfers between level 1, 2 and 3 classified assets and liabilities.

9. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support future exploration and maintaining investor, creditor and market confidence.

The Company defines its capital as shareholders' equity and working capital. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. In the event that adjustments to the capital structure are required, the Company may consider issuing additional equity, raising debt or revising its capital investment programs.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements or restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any contemplated. The Company may require equity issues to cover administrative and operating cost.

(Expressed in Canadian Dollars)

10. INCOME TAXES

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	December 31, 2024	December 31, 2023
Loss before income taxes	$ (2,343,445)	$ (1,200,744)
Total expected income tax recovery at statutory rates	(633,000)	(337,000)
Net effect of non-deductible amounts and flow through expenditures renounced	167,000	619,000
Share issue costs	(8,000)	(9,000)
Change in deferred tax assets not recognized	-	-
Deferred income tax expense	$ (474,000)	$ 273,000

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	2024	2023
Non-capital loss carry forward	$ 6,541,900	$ 5,423,300
Mineral properties	(12,372,800)	(13,093,500)
Property and equipment	290,300	230,300
Share issue costs	227,100	368,300
	$ (5,313,500)	$ (7,071,600)

The non-capital loss carry-forwards expire according to the following schedule:

	Non-capital Losses
2038	$ 68,600
2039	128,600
2040	590,900
2041	1,559,700
2042	1,524,800
2043	1,550,600
2044	1,118,700
	$ 6,541,900

11. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures. As at December 31, 2024, the Company has approximately $Nil to spend on qualified expenditures.

During the year ended December 31, 2024, the Company recognized a flow-through recovery of $25,556 (2023 - $432,649). See Note 6 (b).

12. SEGMENTED FINANCIAL INFORMATION

The Company operates in one industry segment, being the exploration and development of mineral properties in British Columbia.

13. SUBSEQUENT EVENTS

Closing of Private Placement

On January 16, 2025, the Company closed a non-brokered private placement, raising $1,894,535 535 (of which $13,200 was received in December 2024) through the issuance of 11,482,030 units at $0.165 per unit. Each unit consists of one common share and one-half of one non-transferable common share purchase warrant, with each full warrant exercisable at $0.30 per share for 24 months. The Company paid finders a total of $4,410 in cash commissions and 26,726 finder warrants were issued. Each finder warrant entitles the holder thereof to acquire one common share at a price of $0.30 for 24 months.

Grant of Stock Options

On January 17, 2025, the Company granted 1,500,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until January 17, 2030, at a price of $0.17 per share. These options vest over a period of one year.

Acquisition of the BAM Project

On January 29, 2025, the Company completed the acquisition of the Ball Creek West property (the “BAM Project”) from P2 Gold Inc. for total consideration of $1,000,000 in cash and $250,000 in common shares of Kingfisher (1,515,151 common shares issued). The BAM Project is comprised of 54 claims totalling 18,893 hectares and is located immediately west and contiguous with the HWY 37 Project, in Northwest British Columbia. The BAM Project is subject to underlying royalty agreements over the project that includes a 1% net smelter return to be retained by Evrim, and a 2% net smelter return royalty to be retained by Sandstorm, as well as a provision for Orogen to buy down 1% of the Sandstorm net smelter return royalty for $1,000,000 and the right to up to $4,100,000 in milestone payments.

Acquisition of the Hickman Project

On February 20, 2025, the Company completed the acquisition of the 3,008-hectare Hickman property (the “Hickman Project”) from Golden Ridge. The Hickman Project is comprised of two claims totalling 3,008 hectares and is located immediately west and contiguous with Kingfisher’s HWY 37 Project in Northwest British Columbia. Under the transaction terms, the Company issued $50,000 in common shares of Kingfisher (256,410 common shares issued) and granted a 2% net smelter return royalty to Golden Ridge that covers the entirety of the Hickman Project except for the portion of the mineral claims that fall within a 1 km radius of the HWY 37 Project. The Company will have the right to buy back 1% of the net smelter return royalty for $5,000,000 at any time.