
EDM RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2025 AND 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements.

EDM Resources Inc.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(PRESENTED IN CANADIAN DOLLARS)
(UNAUDITED)**

As at	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash	160,517	487,558
Amounts receivable and prepaid expenses (Note 5)	298,757	347,588
	459,274	835,146
Non-current		
Cash held for reclamation (Note 3)	3,547,615	3,537,549
Property, plant and equipment (Note 4)	8,141,000	8,139,377
Exploration and evaluation assets (Note 6)	14,591,956	14,463,361
	26,280,571	26,140,287
	26,739,845	26,975,433
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7)	796,464	863,811
Amounts payable to related parties (Note 12)	140,677	140,677
	937,141	1,004,488
Non-current		
Decommissioning liability (Note 8)	14,726,579	14,610,789
	15,663,720	15,615,277
SHAREHOLDERS' EQUITY		
Share capital (Note 9)	91,133,143	91,018,143
Warrants (Note 10(b))	1,811,672	1,811,672
Contributed surplus (Notes 10(a), 10(c))	2,004,266	1,950,763
Deficit	(83,872,956)	(83,420,422)
	11,076,125	11,360,156
	26,739,845	26,975,433

Nature of Operations and Going Concern (Note 1)*The accompanying notes are an integral part of these condensed interim consolidated financial statements.*

EDM Resources Inc.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(PRESENTED IN CANADIAN DOLLARS)
(UNAUDITED)**

For the period	3 months ended March, 31	
	2025	2024
EXPENSES		
Salaries and benefits (Note 12)	112,534	149,770
Office and general	42,228	27,040
Legal and accounting fees	52,636	63,250
Investor relations	5,979	174
Amortization (Note 4)	2,777	3,484
Consulting	50,000	82,125
Stock-based payments (Note 10(a) and (c))	68,503	14,227
Regulatory fees	12,153	8,776
	(346,810)	(348,846)
Interest income	10,066	29,121
Accretion of decommissioning liability (Note 8)	(115,790)	(112,233)
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(452,534)	(431,958)
Basic and diluted loss per share (Note 11)	(0.01)	(0.02)
Weighted average number of common shares outstanding - basic and diluted	52,380,364	24,048,943

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

EDM Resources Inc.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (PRESENTED IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS) (UNAUDITED)

Period ended March 31	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2023	24,048,943	89,092,181	648,589	1,989,620	(81,500,345)	10,230,045
Issued on private placement, net of costs	12,727,272	841,504	508,956	-	-	1,350,460
Exercise of warrants	-	-	-	-	-	-
Stock-based compensation	-	-	-	14,227	-	14,227
Shares Issued on debt settlement	-	-	-	-	-	-
Loss for the period					(431,958)	(431,958)
Balance, March 31, 2024	36,776,215	89,933,685	1,157,545	2,003,847	(81,932,303)	11,162,775
Balance, December 31, 2024	52,345,124	91,018,143	1,811,672	1,950,763	(83,420,422)	11,360,156
Issued on private placement, net of costs	-	-	-	-	-	-
Exercise of warrants	-	-	-	-	-	-
Stock-based compensation	-	-	-	68,503	-	68,503
Issued on exercise of restricted share units	1,045,455	115,000	-	(15,000)	-	100,000
Loss for the period	-	-	-	-	(452,534)	(452,534)
Balance, March 31, 2025	53,390,579	91,133,143	1,811,672	2,004,266	(83,872,956)	11,076,125

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

EDM Resources Inc.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(PRESENTED IN CANADIAN DOLLARS)
(UNAUDITED)

For the three months ended March 31,	2025	2024
CASH (USED IN) PROVIDED BY:		
OPERATING ACTIVITIES		
Loss for the period:	(452,534)	(431,958)
Amortization	2,777	3,484
Share-based payments	68,503	14,227
Accrued interest income	(10,066)	(29,121)
Accretion of decommissioning liability	115,790	112,233
	(275,530)	(331,135)
Net change in non-cash working capital:		
Amounts receivable and prepaid expenses	48,831	(37,353)
Accounts payable and accrued liabilities	32,653	(10,856)
Amounts payable to related parties	-	(73,631)
	(194,047)	(452,975)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(128,595)	(102,419)
Acquisition of property, plant and equipment	(4,400)	(10,000)
	(132,995)	(112,419)
FINANCING ACTIVITIES		
Share capital issued for cash	-	1,350,459
Repayment of loans payable	-	(40,000)
	-	1,310,459
CHANGE IN CASH	(327,040)	745,065
CASH, BEGINNING OF PERIOD	487,558.00	8,665
CASH, END OF PERIOD	160,517	753,730
SUPPLEMENTARY CASH FLOW INFORMATION:		
Change in estimated decommissioning liability	115,790	112,233
Transfer of contributed surplus on vesting of RSUs	1,003	-

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

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

1. NATURE OF OPERATIONS AND GOING CONCERN

EDM Resources Inc. (the “Company” or “EDM”), and its wholly owned subsidiary Scotia Mine Limited (collectively, the “Group”) is engaged in base metals mining and related activities, including the exploration and evaluation of mineral property interests that are considered to have the potential for economic mineralization and development. The Company is a public company, which is listed on the TSX Venture Exchange and the Frankfurt Stock Exchange, incorporated on March 9, 2004, and domiciled in Canada. The address of its registered office is Purdy's Wharf, 1959 Upper Water Street, Suite 1301, Nova Scotia, B3J 3N2.

On January 12, 2022, the Company changed its name to EDM Resources Inc. On March 25, 2022, the Company changed the name of its wholly owned subsidiary to Scotia Mine Limited.

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue in operation through the fiscal year and into the foreseeable future and will be able to realize assets and discharge its liabilities and commitments in the normal course of operations at the amounts stated in the condensed interim consolidated financial statements.

The Company has not generated revenue from operations. The Company incurred a loss of \$452,534 for the three months ended March 31, 2025 (three months ended March 31, 2024 – \$431,958), and as of that date had an accumulated deficit of \$83,872,956 (December 31, 2024 – \$81,500,345). As at March 31, 2025, cash amounted to \$160,517 (December 31, 2024 – \$487,558), and the Company had a working capital deficit of \$477,867 (December 31, 2024 – deficit of \$169,342).

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders, and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations and development activities, and there would be significant uncertainty as to whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

As at March 31, 2025, Management has forecasted that the Company does not have sufficient cash on hand to meet all planned environmental, exploration, development, general expenses, and property payments for the next twelve months. The Company plans to raise additional capital to further develop and explore its project; however, it may increase or decrease expenditures as necessary to adjust to a changing capital market environment.

The above factors indicate the existence of material uncertainties that may cast significant doubt on the ability of the Company to continue as a going concern.

The condensed interim consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. If management is unsuccessful in securing capital, the Company's assets may not be realized, or its liabilities discharged at their carrying amounts and these differences could be material.

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

2. ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024.

These condensed interim consolidated unaudited financial statements were authorized for issuance by the Board of Directors of the Company on May 29, 2025.

Basis of Presentation

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company, and its active subsidiary, Scotia Mine Ltd. All significant intercompany transactions are eliminated on consolidation.

3. CASH HELD FOR RECLAMATION

The Company is required to make reclamation deposits in respect of its expected rehabilitation obligations as set out below.

The Company has agreed with the Province of Nova Scotia (Department of Natural Resources) to remediate the Scotia Mine facility to an agreed status at the end of the mining operations at the site; as a result the Company is required to make reclamation deposits in respect of this obligation. As at March 31, 2025, a \$3,337,879 (December 31, 2024 – \$3,328,393) cash bond, including accrued interest, is posted with the Province of Nova Scotia.

In addition, the Company has a reclamation bond with the Nova Scotia Department of Environment for \$209,736 (December 31, 2024 – \$209,157), including accrued interest, which is required to address the potential replacement of domestic water supplies that could potentially be downgraded by mining operations.

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

4. PROPERTY PLANT AND EQUIPMENT

	Land & Buildings	Plant & Equipment	Motor Vehicles	Office equipment	Assets under construction	Total
Cost						
Balance, December 31, 2023	1,578,840	4,490,826	145,690	155,073	3,989,042	10,359,471
Disposal	-	-	-	-	-	-
Additions	-	-	-	-	37,131	37,131
Balance, December 2024	1,578,840	4,490,826	145,690	155,073	4,026,173	10,396,602
Disposal	-	-	-	-	-	-
Additions	-	-	-	-	4,400	4,400
Balance, March 2025	1,578,840	4,490,826	145,690	155,073	4,030,573	10,401,002
Accumulated Amortisation						
Balance, December 31, 2023	1,014,308	965,524	109,412	154,130	-	2,243,374
Disposal	-	-	-34	-	-	-34
Amortisation	-	-	12,520	1,297	-	13,817
Balance, December 31, 2024	1,014,308	965,524	121,966	155,427	-	2,257,225
Disposal/ Adjustment	-	-	-	-	-	-
Amortisation	-	-	3,130	-353	-	2,777
Balance, March 2025	1,014,308	965,524	125,096	155,074	-	2,260,002
Net Book Value, December 31, 2023	564,532	3,525,302	36,278	943	3,989,042	8,116,097
Net Book Value, December 31, 2024	564,532	3,525,302	23,724	-354	4,026,173	8,139,377
Net Book Value, March 31, 2025	564,532	3,525,302	20,594	-1	4,030,573	8,141,000

EDM Resources Inc.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)****5. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES**

	March 31, 2025	December 31, 2024
Refundable GST/HST	\$ 125,710	\$ 806,271
Prepaid expenses	173,048	57,540
	\$ 298,757	\$ 863,811

6. EXPLORATION AND EVALUATION ASSETS**Scotia Mine Project, Nova Scotia**

As part of the business acquisition of ScoZinc Limited on May 31, 2011, the Company acquired 100% of the Scotia Mine and several other mineral resource prospects in Nova Scotia. The properties are comprised of exploration licences and a mineral property lease that provides for zinc and lead exploration and development.

The following is a continuity of the Company's Projects:

Balance, December 31, 2023	\$13,437,342
Additions	1,026,020
Change in decommissioning liability estimate	-
Balance, December 31, 2024	14,463,362
Additions	12,805
Change in decommissioning liability estimate	115,790
Balance, March 31, 2025	\$14,591,957

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2025	December 31, 2024
Trade payables	\$ 864,098	\$ 806,271
Accrued expenses	73,043	57,540
	\$ 937,141	\$ 863,811

8. DECOMMISSIONING LIABILITY

The Company has estimated that the present value of future rehabilitation costs required to remediate the Scotia Mine facility based on its current state.

Although the ultimate amount of the rehabilitation liability is uncertain, the best estimate of these obligations is based on information currently available. Current significant closure and rehabilitation activities include dismantling and removing facilities, equipment removal and remediation of the mine site.

The total amount of estimated undiscounted cash flow required to settle the Company's estimated obligation as at March 31, 2025 was \$14,778,917 (December 31, 2024 – \$14,778,917). The calculation of present value of estimated future cash flows assumed a discount rate of 3.17% (2024 – 3.17%) and an inflation rate of 2.9% (2024 – 2.9%). Rehabilitation costs are estimated to be settled at various dates between 2029 and 2032.

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

8. DECOMMISSIONING LIABILITY (Continued)

A continuity of the Company's decommissioning liability is as follows:

Balance, December 31, 2023	\$ 14,161,857
Change in estimate	-
Accretion	448,931
Balance, December 31, 2024	14,610,788
Change in estimate	-
Accretion	115,790
Balance, March 31, 2025	\$ 14,726,578

9. SHARE CAPITAL

(a) AUTHORIZED

Unlimited number of common shares without par value

Unlimited number of Class A preferred shares with no par value

Unlimited number of Class B preferred shares with a par value of \$10 per share

(b) ISSUED - COMMON SHARES

	Shares	Amount
Balance, December 31, 2023	24,048,943	89,092,181
Private placement, net of costs	28,101,319	3,024,046
Transfer of premium for warrants	-	(1,553,976)
Issued on exercise of restricted share units	194,862	65,000
Balance, December 31, 2024	52,345,124	90,627,250
Issued on exercise of restricted share units	1,045,455	15,000
Balance, March 31, 2025	53,390,579	90,642,250

i) During January 2024, the Company made a private placement of 12,727,272 units ("Units") of the Company at a price of \$0.11 per Unit for gross proceeds of \$1,400,000, each Unit consisting of one common share of the Company and one share purchase warrant entitling the holder to purchase one common share of the Company at a price of \$0.14 for each Warrant Share, until January 30, 2027. In connection with the same, the Company has paid \$20,944 in cash compensation and issued 190,400 broker warrants to eligible brokers. Each broker warrant is exercisable into a Common Share until January 30, 2027.

ii) During October 2024, the Company made a private placement of 7,070,046 units ("Units") of the Company at a price of \$0.11 per Unit for gross proceeds of \$777,705, each Unit consisting of one common share of the Company and one share purchase warrant entitling the holder to purchase one common share of the Company at a price of \$0.14 for each Warrant Share, until October 17, 2027. In connection with the same, the Company has paid \$17,094 in cash compensation and issued 155,400 broker warrants to eligible brokers. Each broker warrant is exercisable into a Common Share until October 17, 2027.

iii) During November 2024, the Company made a private placement of 8,304,001 units ("Units") of the Company at a price of \$0.11 per Unit for gross proceeds of \$913,440, each Unit consisting of one common share of the Company and one share purchase warrant entitling the holder to purchase one common share of the Company at a price of \$0.14 for each Warrant Share, until November 28, 2027. In connection with the same, the Company has paid \$15,161 in cash compensation and issued 137,830 broker warrants to eligible brokers. Each broker warrant is exercisable into a Common Share until November 28, 2027.

EDM Resources Inc.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)****10. SHARE BASED PAYMENTS****a) Stock Option Plan**

A stock option plan ("Plan") was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Each year, shareholders of the Company approve the Plan at the Annual General Meeting. The Plan provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase common shares. The Plan provides for a floating maximum limit of 10% of the outstanding common shares of the common shares as permitted by the policies of the TSX-V. Options under the Plan have terms and vesting as determined by the Board. The expiry date shall not be more than 10 years from the date of grant.

Share option activity for the three months ended March 31, 2025 and 2024 are as follows:

	Number of Stock Options Outstanding	Weighted Average Exercise Price (\$)
Balance - December 31, 2023	1605000	0.53
Stock options expired	(325,000)	0.52
Balance - December 31, 2024	1,280,000	0.53
Balance - December 31, 2024	1,280,000	0.53
Issued	1,000,000	0.43
Balance - March 31, 2025	2,280,000	0.49

The following table summarizes information about stock options outstanding as at March 31, 2025:

Number of Options Outstanding	Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Vested (Exercisable)
770,000	09-May-28	0.50	3.11	770,000
110,000	18-Jun-30	0.45	5.22	110,000
380,000	29-Oct-31	0.60	6.58	380,000
20,000	20-Feb-33	0.60	7.90	20,000
1,000,000	2035-02-11	0.44	9.87	1,000,000
2,280,000		0.49	6.80	2,280,000

During the three months ended March 31, 2025, the Company recognized \$1,003 (three months ended March 31, 2024 - \$ 11,727) related to vesting of stock options.

A total of 1,000,000 stock options have been granted to Mr. Mark Haywood as follows: 500,000 stock options at a strike price of C\$0.25, 250,000 stock options at a price of \$0.50, and 250,000 stock options at a price of \$0.75. All options expire on February 11, 2030, and are subject to the Company's Stock Option Plan and the policies of the TSX Venture Exchange ("TSX.V").

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

10. SHARE BASED PAYMENTS (Continued)

b) Warrants

The following table reflects the continuity of warrants for the three months ended March 31, 2025:

	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, December 31, 2023	4,041,974	0.75
Issued	12,917,672	0.14
Balance, March 31, 2025	16,959,646	0.29
Balance, December 31, 2024	32,626,923	0.22
Issued	-	-
Exercised	-	-
Expired	-	-
Balance, March 31, 2025	32,626,923	0.22

- i) On May 2, 2023, the Company granted 4,041,974 warrants to purchase common shares of the Company to the participants in the private placement of the Company. A fair value of \$648,589 was assigned to these options, estimated using the Black-Scholes valuation model with the following weighted average assumptions: dividend yield 0%, share price of \$0.43 expected volatility 75.71% a risk-free rate of return 3.48%, forfeiture rate of 0%, and expected life of 3 years. The warrants are exercisable as at the date of issue.
- ii) During the year 2024, the Company granted 28,584,949 warrants. A fair value of \$1,163,083 was assigned to these warrants, estimated using the Black-Scholes valuation model with the following weighted average assumptions:

Grant Date	No of warrants	Fair value (\$)	Share price	Dividend yield	Expected Volatility	Risk Free Rate	Forfeiture rate	Expected life (Years)
Jan-24	12,917,672	546,195	0.160	0%	92.51%	3.820%	0%	3
Oct-24	7,225,446	299,160	0.140	0%	92.22%	3.100%	0%	3
Nov-24	8,441,831	317,728	0.100	0%	92.51%	3.170%	0%	3
	28,584,949	1,163,083						

c) Restricted Share Units

The number of shares reserved for stock options and all other forms of equity-based incentive compensation under the Plan cannot exceed 10% of the Company's issued and outstanding common shares.

During the three months ended March 31 2025, the Company issued 1,045,455 Restricted Share Units valued at \$115,000.

EDM Resources Inc.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

11. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share, which reflects the maximum possible dilution from the potential exercise of warrants and stock options, is the same as basic loss per share for the period ended. The effect of potential issuances of shares under options and warrants would be anti-dilutive for the three months ended March 31, 2025 and 2024 as they would decrease the loss per share, consequently the weighted average number of common shares outstanding for basic and diluted are the same.

12. RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

Key management personnel include those persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's board of directors and corporate officers and/or companies controlled by those individuals.

Remuneration attributed to key management personnel during the three months ended March 31, 2025 and 2024 is as follows:

	Three months ended March 31	
	2025	2024
Remuneration	46,500	102,500
Share-based compensation	67,500	14,227
	<u>114,000</u>	<u>116,727</u>

As at March 31, 2025, amounts due to related parties totaled \$21,187 (December 31, 2024 – \$140,677) pertaining to amounts payable for key management remuneration, director's fees, and reimbursement of expenses paid on behalf of the Company.

13. COMPARATIVE FIGURES

Certain balances have been reclassified to conform to current period presentation. Such reclassifications had no impact on previously reported net loss or deficit.