



Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Canadian dollars)
(Unaudited)

Prepared by Management – See Notice to Reader

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice to this effect. These unaudited condensed interim consolidated financial statements have been prepared by the management of the Corporation. Management have compiled the unaudited condensed interim consolidated statements of financial position of Morien Resources Corp. as at September 30, 2024 and December 31, 2023 (audited) and the unaudited condensed interim consolidated statements of (loss) income and comprehensive (loss) income, changes in equity and cash flows for the three and six months ended September 30, 2024 and 2023. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the September 30, 2024 and 2023 condensed interim consolidated financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income

(Unaudited – in Canadian dollars)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
	\$	\$	\$	\$
Royalty revenue [note 7]	22,861	100,604	82,367	932,710
Operating expenses				
Corporate and administration	125,061	188,680	519,906	578,296
Evaluation	20,566	—	29,156	6,613
Share-based compensation	32,128	96,296	197,517	389,254
Foreign exchange (gain) loss	11,314	(24,356)	(22,762)	(2,641)
	189,069	260,620	723,817	971,522
Investment income [note 3]	14,258	17,453	47,442	42,958
(Loss) income from operations	(151,950)	(142,563)	(594,008)	4,146
Realized gain on investment [note 3]	9,700	—	9,700	—
Unrealized gain on investment [note 3]	(9,000)	—	25,550	—
Net and comprehensive (loss) income for the period	(151,250)	(142,563)	(558,758)	4,146
Basic and fully diluted loss per share	(0.00)	(0.00)	(0.01)	0.00
Weighted average number of common shares outstanding [000's]				
Basic and diluted	51,292	51,292	51,292	51,094

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

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Canadian dollars)

	September 30	December 31
	2024	2023
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	257,977	373,110
Short-term investment [note 3]	859,954	1,007,730
Trade and other receivables	64,004	38,733
Prepaid expenses	3,832	19,752
Investment [note 3]	52,550	—
Non-current assets		
Investments [note 3]	—	27,000
TOTAL ASSETS	1,238,317	1,466,325
LIABILITIES		
Current liabilities		
Trade and other payables	86,292	61,699
Non-current liabilities		
Unearned revenue [note 4]	866,445	753,371
Total liabilities	952,737	815,070
SHAREHOLDERS' EQUITY		
Share capital [note 5]	4,757,895	4,762,329
Contributed surplus	2,610,377	2,412,860
Deficit	(7,082,692)	(6,523,934)
Total shareholders' equity	285,580	651,255
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,238,317	1,466,325

Commitments [note 9]

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

ON BEHALF OF THE BOARD:

“John P. A. Budreski”, *Director*

“Mary C. Ritchie”, *Director*

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity

(Unaudited - Canadian dollars)

	Common shares #	Share capital \$	Contributed surplus \$	Deficit \$	Total shareholders' equity \$
Balance at January 1, 2023	50,374,114	4,424,098	2,053,754	(5,690,605)	787,247
Net and comprehensive income for the period	—	—	—	4,146	4,146
Dividends paid to shareholders	—	—	—	(383,212)	(383,212)
Share-based compensation	—	—	389,254	—	389,254
Options exercised	1,200,000	366,444	(126,444)	—	240,000
Normal course issuer bid purchase of common shares	(282,114)	(27,673)	—	(142,424)	(170,097)
At September 30, 2023	51,292,000	4,762,869	2,316,564	(6,212,095)	867,338
Net and comprehensive loss for the period	—	—	—	(311,839)	(311,839)
Dividends paid to shareholders	—	—	—	—	—
Share-based compensation	—	—	96,296	—	96,296
Transaction costs	—	(540)	—	—	(540)
At December 31, 2023	51,292,000	4,762,329	2,412,860	(6,523,934)	651,255
Net and comprehensive loss for the period	—	—	—	(558,758)	(558,758)
Share-based compensation	—	—	197,517	—	197,517
Transaction costs [note 5]	—	(4,434)	—	—	(4,434)
At September 30, 2024	51,292,000	4,757,895	2,610,377	(7,082,692)	285,580

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

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Canadian dollars)

For the Nine Months Ended September 30

	2024	2023
Cash from (used in):	\$	\$
OPERATING ACTIVITIES		
Net and comprehensive (loss) income	(558,758)	4,146
Items not involving cash:		
Share-based compensation	197,517	389,254
Foreign exchange (gain) loss	(22,762)	(2,641)
Realized gain on investment	(9,700)	—
Unrealized gain on investment	(25,550)	—
Additions to unearned revenue [note 4]	113,074	102,758
Investment income	(47,442)	(42,958)
Changes in non-cash working capital:		
(Increase) decrease in trade and other receivables	(25,271)	80,368
Decrease in prepaid expenses	15,920	13,204
Increase (decrease) in trade and other payables	24,593	(7,951)
	(338,379)	536,180
FINANCING ACTIVITIES		
Proceeds on exercise of options	—	240,000
Dividends paid	—	(383,212)
Purchase of shares for cancellation and transaction costs	(4,434)	(170,097)
	(4,434)	(313,309)
INVESTING ACTIVITIES		
Decrease (increase) in short-term investment	167,852	(33,022)
Investment income	47,442	42,958
Proceeds on sale of investment	9,700	—
	224,994	9,936
Effect of exchange rate fluctuations on cash held in foreign currency	2,686	2,641
Net (decrease) increase in cash	(115,133)	235,448
Cash and cash equivalents - beginning of period	373,110	276,730
Cash and cash equivalents - end of period	257,977	512,178

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

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - Canadian dollars)

For the nine months ended September 30, 2024 and 2023

1. Nature of operations

Morien Resources Corp. (“Morien” or the “Corporation”) is a corporation domiciled in Canada. The address of the Corporation’s registered office is 1701 Hollis Street, Suite 800, Halifax, Nova Scotia, B3J 3M8. The condensed interim consolidated financial statements of the Corporation as at and for the nine months ended September 30, 2024 and 2023 comprise the Corporation and its subsidiary, Advanced Primary Minerals USA Corp (“APMUSA”). The principal business of the Corporation is the identification and purchase of mineral interests and projects.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors of the Corporation on November 18, 2024.

2. Summary of material accounting policies

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards” or “IFRS”), as applicable to the preparation of interim financial statements including International Accounting Standard 34 – Interim Financial Reporting. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2023.

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s audited consolidated financial statements for the year ended December 31, 2023. The Company’s interim results are not necessarily indicative of its results for a full year.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

3. Investments

Short-term investment is a guaranteed investment certificate (“GIC”) denominated in US dollars with a term of less than year. The interest earned on the GIC of \$39,445 is recorded within the net and comprehensive loss as investment income for the period in addition to interest earned on cash balances.

The Corporation purchased publicly traded shares in 2016 that were split into public and non-public entity shares. The investments as at September 30, 2024 are shares in two unlisted companies, Buchans Resources Limited (“Buchans”) and Minco Exploration plc (“Minco”). In December 2023, Buchans sold certain assets in exchange for publicly traded shares of Canterra Minerals Corporation (“Canterra”) which have been distributed to Buchans’ shareholders in June 2024. The value of the Canterra shares was ascribed a value of \$27,000 and recognized as an unrealized gain on investment in the year ended December 31, 2023. A portion of shares of Canterra were sold in the three months ended September for proceeds of \$9,700 resulting in a reclass of \$9,000 of unrealized gain into a realized gain of \$9,700. Minco and Buchans continue to have an estimated fair value of \$nil due to insufficient more recent information available. Both Buchans and Minco are classified as Level 3 instruments within the fair value hierarchy as at September 30, 2024 and December 31, 2023. Canterra has been transferred to Level 1 as at June 30, 2024 and classified as a current asset.

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - Canadian dollars)

For the nine months ended September 30, 2024 and 2023

4. Unearned revenue

The Corporation received advanced payments for the nine months ended September 30, 2024 of \$113,074 (2023 - \$102,758), in relation to its interest in Black Point. All advanced payments will be credited against future production royalties from Black Point and are therefore recorded as unearned revenue until such time Black Point begins production. The balance of unearned revenue relates solely to the cumulative Black Point advanced payments received through to September 30, 2024. They are classified as long-term liabilities in the likelihood production at Black Point will not occur in the next fiscal year.

5. Share capital

The Corporation has an unlimited number of common shares authorized for issue without par value.

Under the terms of a normal course issuer bid ("NCIB"), Morien purchased and cancelled nil shares in the nine months ended September 30, 2024 (2023 -282,114) at a total cost of \$nil (2023 - \$170,097). In the nine months ended September 30, 2024, the Corporation renewed its NCIB and incurred transaction costs of \$4,434, reducing share capital.

The Corporation declared and paid \$nil in dividends in the nine months ended September 30, 2024 (2023 -\$383,212).

6. Stock options

a) Stock options

The Corporation has an incentive stock option plan whereby it can grant options to employees, officers, directors and consultants of Morien to acquire up to 10% of the outstanding shares at the time of grant. The Board of Directors of the Corporation shall determine the exercise price, term and vesting provisions of options granted. Under Morien's stock option plan, the exercise price of each option may not be less than the market price of its shares at the date of grant less a discount permitted by the TSX-V. Options granted under the Morien plan will have a term not to exceed 5 years so long as the Corporation is classified as a Tier 2 issuer by the TSX-V.

The following table summarizes the changes in the outstanding stock options for nine months ended September 30, 2024 and 2023:

	Number of options	Weighted average exercise price \$
At January 1, 2023	4,050,000	0.42
Exercised	(1,200,000)	0.20
Expired	(2,100,000)	0.60
Issued	2,150,000	0.60
At September 30, 2023 and December 31, 2023	2,900,000	0.52
Expired	(200,000)	0.48
At September 30, 2024	2,700,000	0.52

The weighted average share price, at the time of exercise, for those shares that were exercised during the nine months ended September 30, 2023 was \$0.59.

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - Canadian dollars)

For the nine months ended September 30, 2024 and 2023

6. Stock options (continued)

The following is a summary of the outstanding stock options as at September 30, 2024:

Expiry date	Number of options		Outstanding life (years)
	Outstanding	Vested	
May 20, 2025	550,000	550,000	.64
May 25, 2028	2,150,000	1,433,333	3.65
At September 30, 2024	2,700,000	1,983,333	2.82

The weighted average outstanding exercise price of the options vested as at September 30, 2024 is \$0.49.

7. Royalty revenue

	For the Nine Months September 30	
	2024	2023
	\$	\$
Donkin Mine (Kameron Collieries)	82,367	932,710

The Corporation owns a life-of-mine, gross production royalty for Donkin of 2% on the revenue from the first 500,000 tonnes of coal sales per calendar quarter, net of certain coal handling and transportation costs, and 4% on the revenue from any coal sales from quarterly tonnage above 500,000 tonnes, net of certain coal handling and transportation costs. The Donkin royalty is payable to the Corporation on a quarterly basis based on sales from production from the mine.

On July 15, 2023, the Department of Labour, Skills and Immigration (“LSI”), Nova Scotia’s provincial regulator for the Donkin Mine, issued a Stop Work Order (“SWO”) at Donkin in response to a roof fall that occurred on July 15, 2023. On November 10, 2023, in consideration of continued uncertainty surrounding the timing for release of the SWO, Kameron placed Donkin into an idled state with no timeline to resume operations. On March 13, 2024, after reviewing an independent engineer’s report on tunneling and ground control plans at Donkin, LSI lifted the Donkin SWO, allowing Kameron to reopen the mine. As of the date of this report, Kameron has provided no timeline to resume operations.

8. Financial instruments

Credit risk:

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	September 30, 2024	December 31, 2023
	\$	\$
Cash and cash equivalents	257,977	373,110
Short-term investment	859,954	1,007,730
Trade and other receivables	64,004	38,733
Investments	52,550	27,000
	1,234,485	1,446,573

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Notes to Condensed Interim Consolidated Financial Statements
(Unaudited - Canadian dollars)

For the nine months ended September 30, 2024 and 2023

8. Financial instruments (continued)

The Corporation manages credit risk by holding the majority of its cash with Schedule 1 Canadian banks. Management believes the risk of loss to be low with Schedule 1 Canadian banks. Exposure on trade receivables is limited as all trade receivables are with one customer who the Corporation has strong working relationships with and is a reputable large international company with a history of timely payment. The Corporation has an allowance for doubtful accounts as at September 30, 2024 of \$nil (2023 – \$nil), as management considers the credit risk to be low. No amounts were written off during the period (2023 – \$nil).

Liquidity risk:

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. As of September 30, 2024, the Corporation had a cash and short-term investment balance of \$1,117,931 (December 31, 2023 – \$1,380,840) to settle current liabilities of \$86,292 (December 31, 2023 – \$61,699).

Market risk:

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

a) Interest rate risk

The Corporation has no interest-bearing debt and is not exposed to any significant interest rate risk.

b) Foreign currency risk

Morien operates in Canada, and equity financings are in Canadian dollars. APMUSA is based in the United States but is not currently in active operations; therefore, the exposure to foreign currency risk is limited. The Corporation does not use any form of hedging against fluctuations in foreign exchange.

The Corporation’s exposure to US dollar currency risk was as follows:

	September 30, 2024	December 31, 2023
	\$	\$
Cash and cash equivalents	2,184	2,142
Short-term investment	859,954	1,007,730
	862,138	1,009,872

Sensitivity to a plus or minus 10% change in the US dollar exchange rate would affect comprehensive loss and deficit by approximately \$86,215 (2023 – \$100,990).

c) Commodity price risk

The Corporation is exposed to commodity price risk in that the current royalties it receives is predicated on underlying world prices denominated in US dollars but received in Canadian dollars. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Corporation monitors prices for the commodities underlying the Corporation’s royalties. As at September 30, 2024, the Corporation has not entered into any hedging to offset risk.

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - Canadian dollars)

For the nine months ended September 30, 2024 and 2023

8. Financial instruments (continued)

d) Equity price risk

The Corporation holds three equity instruments in the mining category. One investment has a quoted market price in an active market. Management has assessed the fair value of the investment in the active market at \$52,550 as at September 30, 2024 (December 31, 2023 – \$27,000), whereas the two other equities are not listed on active markets and are valued at \$nil.

Fair value

During the nine months ended September 30, 2024 there was one transfer between Level 1 to Level 3 in its classified assets and liabilities, related to the receipt of publicly listed shares. The Corporation's investments as at September 30, 2024 are equity investments in three separate entities (see note 3).

The fair values of the Corporation's remaining financial assets and liabilities, which include cash and cash equivalents, short-term investment, trade and other receivables and trade and other payables, are considered to approximate their carrying amounts due to their short-term nature and historically negligible credit losses.

9. Commitments

The Corporation leases shared office space on a short-term basis. Total future minimum lease payments for this space, due in 2025, are \$9,000.