Terra Balcanica Resources Corp.

Condensed Interim Consolidated Financial Statements

For the six months ended

July 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW
OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying condensed interim consolidated financial statements of Terra Balcanica Resources Corp. (the "Company") as at July 31, 2024, and for the six months ended July 31, 2024 and July 31, 2023, have been prepared by the management of the Company and approved by the Company's Audit Committee.

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of the condensed interim financial statements by an entity's auditor.

Terra Balcanica Resources Corp.

Condensed Interim Consolidated Statements of Financial Position

Unaudited – Prepared by Management

As at July 31, 2024 and January 31, 2024

	Note	July 31, 2024 $	January 31, 2024 $
Assets			
Current assets			
Cash		149,504	20,321
Prepaid expenses	3	112,275	51,374
Receivables	3	26,063	15,047
Short-term deposits		-	1,452
		287,842	**88,194**
Non-current assets			
Equipment	4	41,330	75,183
Mineral property interests	5	3,029,550	2,475,775
		3,070,880	**2,550,958**
Total assets		**3,358,722**	**2,639,152**
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accruals		332,188	230,388
Advances payable		38,562	24,455
Due to related parties	7	42,069	74,429
Total liabilities		**412,819**	**329,272**
Shareholders' equity			
Share capital	6	9,153,849	8,057,800
Share subscriptions received	6	38,000	-
Share subscriptions receivable	6	(100,000)	-
Reserves	6	806,095	947,895
Foreign currency reserve		(243,112)	(190,006)
Deficit		(6,727,013)	(6,519,616)
Shareholders' equity attributable to owners of the Company		**2,927,819**	**2,296,073**
Non-controlling interest		18,084	13,807
Total shareholders' equity		2,945,903	2,309,880
Total liabilities and shareholders' equity		**3,358,722**	**2,639,152**
Nature of operations and going concern	1		
Subsequent event	11		

Approved on behalf of the Board of Directors on September 30, 2024:

"Aleksandar Miskovic" **Director** *"Brandon Bonifacio"* **Director**

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

Terra Balcanica Resources Corp.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity (Deficiency)

Unaudited – Prepared by Management

For the six months ended July 31, 2024 and July 31, 2023

	Number of common shares #	Share capital $	Share subscriptions received $	Share subscriptions receivable $	Reserves $	Foreign currency reserve $	Deficit $	Attributal to owners $	Non-controlling interests $	Total shareholders' deficiency $
February 1, 2023	78,512,221	6,472,926	-	-	949,270	(137,486)	(5,015,008)	2,269,702	21,806	2,291,508
Private placement	12,441,497	1,057,527	-	-	-	-	-	1,057,527	-	1,057,527
Shares issued for acqusition of mineral properties	588,236	50,000	-	-	-	-	-	50,000	-	50,000
Shares issued for debt	916,749	75,632	-	-	-	-	-	75,632	-	75,632
Shares issued for services	984,378	83,672	-	-	-	-	-	83,672	-	83,672
Share issuance costs	-	(22,130)	-	-	-	-	-	(22,130)	-	(22,130)
Share subscriptions receivable	-	-	-	(166,600)	-	-	-	(166,600)	-	(166,600)
Share based compensation	-	-	-	-	14,795	-	-	14,795	-	14,795
Residual value of warrants issued	-	(34,633)	-	-	34,633	-	-	-	-	-
Loss and comprehensive loss for the period	-	-	-	-	-	(21,495)	(391,718)	(413,213)	22	(413,191)
July 31, 2023	**93,443,081**	**7,682,994**	**-**	**(166,600)**	**998,698**	**(158,981)**	**(5,406,726)**	**2,949,385**	**21,828**	**2,971,213**
February 1, 2024	33,524,850	8,057,800	-	-	947,895	(190,006)	(6,519,616)	2,296,073	13,807	2,309,880
Private placement	7,727,500	772,750	-	(100,000)	-	-	-	672,750	-	672,750
Shares issued for acqusition of mineral properties	3,195,442	351,499	-	-	-	-	-	351,499	-	351,499
Share issuance costs	-	(11,200)	-	-	-	-	-	(11,200)	-	(11,200)
Share subscriptions received	-	-	38,000	-	-	-	-	38,000	-	38,000
Finders warrants issued	-	(17,000)	-	-	17,000	-	-	-	-	-
Fair value reversal of cancelled stock options	-	-	-	-	(156,400)	-	156,400	-	-	-
Fair value reversal of expired warrants	-	-	-	-	(2,400)	-	2,400	-	-	-
Loss and comprehensive loss for the period	-	-	-	-	-	(53,106)	(366,197)	(419,303)	4,277	(415,026)
July 31, 2024	**44,447,792**	**9,153,849**	**38,000**	**(100,000)**	**806,095**	**(243,112)**	**(6,727,013)**	**2,927,819**	**18,084**	**2,945,903**

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

Terra Balcanica Resources Corp.

Condensed Interim Consolidated Statement of Loss and Comprehensive loss

Unaudited – Prepared by Management

For the six months ended July 31, 2024 and July 31, 2023

	Note	July 31, 2024 $	July 31, 2023 $	July 31, 2024 $	July 31, 2023 $
Expenses					
Administrative		25,533	60,446	41,704	98,565
Advertising and promotion		26,166	-	48,166	-
Business development		-	-	-	3,256
Consulting and salaries	7	77,110	68,837	139,247	103,603
Investor relations		90,893	75,871	156,610	120,829
Professional fees	7	33,865	30,595	90,331	64,132
Share-based payments		-	14,795	-	14,795
Loss from operating expenses		**(253,567)**	(250,544)	**(476,058)**	(405,180)
Foreign exchange gain		45,160	2,233	53,814	2,291
Gain on debt settlement		-	3,291	-	3,291
Gain on disposal of equipment		213	-	1,752	-
Gain on acqusition of mineral property		47,931	-	47,931	-
Recovery of accounts payable		(872)	-	10,740	-
Total loss		**(161,135)**	**(245,020)**	**(361,821)**	(399,598)
Other comprehensive loss					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation adjustment		(4,094)	5,116	(4,376)	7,880
Loss and comprehensive loss for the year		**(165,229)**	(241,570)	**(366,197)**	**(391,718)**
Loss and comprehensive loss for the period attributable to:					
Owners of the Company		(147,677)	(212,844)	(348,113)	(369,890)
Non-controlling interests		(17,552)	(28,726)	(18,084)	(21,828)
		(165,229)	(241,570)	**(366,197)**	(391,718)
Loss per share					
Weighted average number of common shares outstanding					
- Basic		35,513,181	28,316,048	34,519,015	27,392,338
- Diluted		35,513,181	28,316,048	34,519,015	27,392,338
Basic loss per share $		(0.00)	(0.01)	(0.01)	(0.01)
Diluted loss per share $		(0.00)	(0.01)	(0.01)	(0.01)

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

Terra Balcanica Resources Corp.

Consolidated Interim Consolidated Statement of Cash Flows

Unaudited – Prepared by Management

For the six months ended July 31, 2024 and July 31, 2023

	Note	July 31, 2024 $	July 31, 2023 $
Operating activities			
Loss for the period		(366,197)	(391,718)
Adjustments for non-cash items:			
Share-based payments		-	14,795
Foreign exchange		1,451	(1)
Non-controlling interest		4,277	22
Gain on disposal of equipment		9,392	-
Gain on acquisition of mineral property		(47,931)	-
Changes in non-cash working capital items:			
Receivables		(11,016)	3,787
Prepaid expenses		(60,901)	(72,317)
Accounts payable and accruals		69,749	38,566
		(401,176)	**(406,866)**
Financing activities			
Proceeds from share issuance		672,750	-
Share issue costs		(11,200)	-
Share subscriptions received		38,000	874,155
Advance payable		13,800	-
		713,350	**874,155**
Investing activities			
Expenditures on mineral property interest		(154,345)	(401,616)
Disposal of equipment		24,461	-
		(129,884)	**(401,616)**
Effect of foreign exchange on cash		**(53,107)**	**(21,496)**
Change in cash		**182,290**	**65,673**
Cash, beginning of period		**20,321**	**70,301**
Cash, end of period		**149,504**	**114,478**
Supplemental cash flow information	8		

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

1. Nature of operations and going concern

Terra Balcanica Resources Corp. (formerly 1250598 B.C. Ltd.) ("Terra" or the "Company") was incorporated on May 19, 2020 under the laws of the Province of British Columbia, Canada. In March 2021, the Company changed its name to Terra Balcanica Resources Corp. Head office is located at 250 – 200 Burrard Street, Vancouver, BC V6C 3L6. The principal business of the Company is the identification, evaluation and acquisition of mineral property assets.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves and the ability of the Company to obtain the necessary financing to complete the exploration of the mineral property interests.

These interim condensed consolidated financial statements ("financial statements") are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on advances payable to cover its operating expenses. As at July 31, 2024, the Company had an excess of current liabilities over current assets of $124,977 (as at January 31, 2024 excess of current liabilities over current assets was $241,078) and shareholders' equity of $2,945,903 (January 31, 2024 - $2,309,880). These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

On May 17, 2024, the Company consolidated its issued share capital on a ratio of two (3) old common shares for every one (1) new post-consolidated common share (the "Share Consolidation"). The current and comparative references to the common shares, weighted average number of common shares, loss per share, acquisitions, stock options and warrants have been restated to give effect to this Share Consolidation.

2. Material accounting policies

(a) Use of estimates and judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of these financial statements and the reported expenses during the period. Actual results could differ from these estimates. The preparation of these financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1.

Deferred tax assets and liabilities

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

Impairment of Mineral property interest

The application of the accounting policy for Mineral property interest requires judgment in determining whether it is likely that future economic benefits will flow to the Company. The Company undertakes a review of the carrying values of mineral property interest and related expenditures whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. Management concluded that there is no indication for the impairment of mineral properties as of July 31, 2024.

2. Material accounting policies (continued)

(a) Use of estimates and judgments (continued)

Valuation of share-based compensation

From time to time the Company may issue a specific number of common shares as compensation for services received where such a transaction did not entail the use of cash. The fair value of share-based payments is estimated using the Black-Scholes option pricing model and rely on a number of estimates, such as the expected life of the option, the volatility of the underlying share price, the risk-free rate of return, and the estimated rate of forfeiture of options granted.

(b) Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited consolidated financial statements for the year ended January 31, 2024, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited consolidated financial statements.

These financial statements have been prepared on an historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts on the consolidated financial statements are presented in Canadian Dollars (CDN); the functional currency of the Company is Canadian Dollar (CDN). The Company consolidated the operations of Tera Balkanika Doo Beograd ("Tera Balkanika"), which has a functional currency of the Serbian Dinar ("RSD") and Drina Resources D.O.O. ("Drina"), which has a functional currency of the Bosnian Marks ("BAM").

(c) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiary. The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation. All information presented as at July 31, 2024 and 2023.

Entity	Incorporation	Status	Functional Currency	Ownership Percentage
Tera Balkanika	Serbia	Active	Serbian Dinar	100%
Drina	Bosnia	Active	Bosnian Mark	90%
Tera Balkanika d.o.o. Sarajevo ("Tera")	Bosnia	Inactive	Bosnian Mark	100%
Energetski Minerali d.o.o Banja Luka	Bosnia	Inactive	Bosnian Mark	100%

(d) New accounting policies

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2024. The Company has reviewed all other updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within these material accounting policies.

3. Receivables and prepaid expenses

Receivable and prepaid expenses consist of the following:

	July 31, 2024	January 31, 2024
	$	$
VAT Receivable	8,426	8,192
GST Receiavble	17,637	5,355
Share subscription receivable	-	1,500
Prepaid expenses	112,275	51,374
	138,338	66,421

Value Added Tax (VAT) and general sales tax (GST) receivable consists of amounts paid on business related expenses in the period ending July 31, 2024.

4. Equipment

Cost	Software	Computer Equipment	Vehicle	Total
	$	$	$	$
Balance - January 31, 2024	**54,599**	**49,185**	**50,220**	**154,004**
Disposals	-	-	(24,461)	(24,461)
Balance - July 31, 2024	**54,599**	**49,185**	**25,759**	**129,543**
Accumulated Depreciation				
Balance - January 31, 2024	**38,156**	**18,170**	**22,495**	**78,821**
Depreciation	4,061	4,857	348	9,266
Disposals	-	-	(10,029)	(10,029)
Foreign currency difference	4,451	5,323	381	10,155
Balance - July 31, 2024	**46,668**	**28,350**	**13,195**	**88,213**
Carrying Value				
Balance - January 31, 2024	16,443	31,015	27,725	**75,183**
Balance - July 31, 2024	7,931	20,835	12,564	**41,330**

During the period end July 31, 2024, the depreciation of $9,266 was capitalized and included in mineral property interests.

5. Mineral property interests

Kaludra License

Ministry of Mining and Energy passed approval on September 28, 2017, approving Rockstone Group DOO Kać ("RSG") a company related by virtue of common director, to conduct geological research of lead (Pb), zinc (Zn), copper (Cu), gold (Au), Antimony (Sb) and accompanying metals in the exploration area "Kauldra", municipality Novi Pazar.

On January 25, 2021, Tera entered into an option agreement with RSG to purchase all the interests in the Kaludra License located central Serbia. In order to exercise the option, Tera must make a $50,000 cash payment within 30 days from the January 25, 2021 (completed March 4, 2021). On January 26, 2022, the Company and RSG amended the option agreement as follows

In addition, the Company must make the following share issuances to RSG:

- 500,000 common shares of Terra on or before the second anniversary of the March 4, 2021 ("Grant Date") which is the date the Ministry of Mining and Energy in the Republic of Serbia grants a new license over the Kaludra License area in the name of the Company.

RSG is eligible to receive bonus payments as follows from the Company:

- $1,000,000 within 90 days of the commencement of commercial production.

Upon commencement of commercial production, the Company will pay RSG a Net Smelter Royalty ("NSR") being equal to 0.5% of the Net Smelter Returns. On December 23, 2023, the Company relinquished the Kaludra License and has impaired the property. No additional payments are outstanding as per the amended option agreement.

Ceovishte License

On March 2, 2020, Tera applied for the right to conduct geological research of lead (Pb), zinc (Zn), silver (Ag), copper (Cu), gold (Au) at the Ceovishte site in southwestern Serbia. On October 14, 2022, the Ceovishte licence has been officially granted by the Serbian Ministry of Energy and Mines to the Company's subsidiary Tera Balkanika doo Belgrade. The license will expire on October 13, 2025 with an option to be extended for additional 3 years on completion of research.

On January 25, 2021, Tera entered into a finders' fee agreement with RSG whereby RSG had previously located and introduced the Company to the Ceovishte Project. On January 26, 2022, the Company amended the agreement as follows:

The finder's fee obligated Tera to make a $50,000 cash payment within 30 days of the closing of the Company's first equity financing after February 1, 2022. On or before the second anniversary October 13, 2024, issue 500,000 common shares (166,667 post-consolidated) of Terra and grant a 0.5% NSR within 30 days from which the Ministry of Mines and Energy of the Republic of Serbia grants the licenses. No additional payments are outstanding as per the amended option agreement. During the year ended January 31, 2024, the Company completed the $50,000 cash payment by issuing 588,235 common shares.

Drina Resources doo Srebrenica Licenses

On April 2, 2019, Drina received approval to conduct detailed geological research of lead (Pb), zinc (Zn), copper (Cu) and accompanying metals in the exploration area "Olovine" On August 5, 2019, Drina received approval to conduct detailed geological research of lead (Pb), zinc (Zn), copper (Cu) and accompanying metals in the exploration area "Čumavići". The deadline for completion of the research is December 5, 2023 at the site "Čumavići" and October 2, 2023, at the site "Olovine" with an option to extend for 3.5 years.

Drina paid 7,758 BAM ($5,756 CDN equivalent), for the site "Čumavići" (paid in fiscal 2019) and 8,941 BAM ($6,634 CDN equivalent), for the site "Olovine" (paid in fiscal 2019).

On March 26, 2021, the Company received approval to conduct detailed geological research of lead (Pb), zinc (Zn), copper (Cu) and accompanying metals in the exploration area "Čaus" for 11,368 BAM ($8,435 CDN equivalent) . The deadline for completion of the research is March 26, 2024 with an option to extend it for 4 years.

5. Mineral property interests (continued)

On February 2, 2022, Drina received approval to annex the license hence increase scope of work and extend deadline on conducting detailed geological research of lead (Pb), zinc (Zn), copper (Cu) and accompanying metals in the exploration area "Olovine". With deadline for completion of the research October 2, 2026.

On June 5, 2022, Drina received approval to annex the license hence increase scope of work and extend deadline on conducting detailed geological research of lead (Pb), zinc (Zn), copper (Cu) and accompanying metals in the exploration area "Čumavići". With deadline for completion of the research February 5, 2027

During the six months ended July 31, 2024, the Company relinquished the Caus License and had impaired the property during the year ended January 31, 2024.

Fulcrum Metals PLC Licenses

On June 2, 2024, the Company entered into a definitive agreement with a wholly owned subsidiary of Fulcrum Metals PLC ("Fulcrum"). Pursuant to the Agreement, the Company will have an option (the "Option Agreement") to acquire a 100% interest in Fulcrum's Charlot-Neely, Fontaine Lake, Snowbird and South Pendleton uranium licenses (the "Licenses") located in northern Saskatchewan, Canada

On closing of the transaction, the Company will have a four-year option to acquire 100% of Fulcrum's owned uranium licenses.

In consideration for the four-year option the Company paid Fulcrum $7,500 (Paid) for exclusivity on execution of signing of the Letter of Intent, and paid Fulcrum $25,000 less the $7,500 ($17,500 Paid) exclusivity payment on execution of closing of the Option Agreement.

Additionally, the Company shall pay Fulcrum cash according to the schedule below:

- $50,000 on the first anniversary of closing of the Option Agreement;
- $75,000 on the second anniversary of closing of the Option Agreement;
- $75,000 on the third anniversary of closing of the Option Agreement;
- $75,000 on the fourth anniversary of closing of the Option Agreement;

and issue Fulcrum shares of the Company at the 10-Day Volume Weighted Average Price ("VWAP") prior to the date of issuance as per the following schedule:

- $250,000 on closing of the Option Agreement (Issued)
- $350,000 on the first anniversary of closing of the Option Agreement;
- $500,000 on the second anniversary of closing of the Option Agreement;
- $650,000 on the third anniversary of closing of the Option Agreement; and
- $1,250,000 on the fourth anniversary of closing of the Option Agreement.

The Company will also complete minimum work expenditures totalling $3,250,000 prior to the fourth anniversary of the Option Agreement and grant Fulcrum a 1.0% Net Smelter Return ("NSR") on all claims with buydown option of 0.5% NSR for $1,000,000.

As part of the Option Agreement and for terminating the existing prior agreement (the "Prior Agreement") between Fulcrum and Global Energy Metals Corp. ("Global Energy"), Global Energy will be compensated with $150,000 in shares (Issued) in the Company on closing of the Option Agreement and a 0.5% NSR on all claims.

5. Mineral property interests (continued)

The following is a continuity of the Company's mineral property interest as at July 31, 2024 and July 31, 2023:

	Ceoviste Property $	Kaludra Property $	Olovine Property $	Cumavici Property $	Caus Property $	Fulcrum Property $	Total $
Balance, February 1, 2023	2,433	411,397	584,210	1,301,381	40,042	-	2,339,463
Acquisition	50,000	-	43,766	86,206	2,653	-	182,625
Administration	-	80,981	42,729	84,163	2,590	-	210,463
Assay testing	-	15,265	11,682	23,010	708	-	50,665
Depreciation		32,106	2,474	4,873	150	-	39,603
Drilling		-	111,241	219,111	6,742	-	337,094
Geologist and consulting	-	36,234	13,337	26,270	808	-	76,649
Licenses	-	-	73	144	4	-	221
Maintenance	-	2,852	-	-	-	-	2,852
Road construction	-	-	4,304	8,478	261	-	13,043
Supplies	-	-	7,169	14,121	434	-	21,724
Transportation	-	9,433	2,343	4,615	142	-	16,533
Wages and salaries	-	78,226	-	-	-	-	78,226
Foreign currency difference	(3,503)	176,233	(53,469)	(115,386)	(10,555)	-	(6,680)
Impairment	-	(842,727)	-	-	(43,979)	-	(886,706)
Balance, January 31, 2024	48,930	-	769,859	1,656,986	-	-	2,475,775
Balance, February 1, 2024	48,930	-	769,859	1,656,986	-	-	2,475,775
Acquisition	-	-	26,250	48,750	-	424,430	499,430
Administration	-	-	791	1,470	-	-	2,261
Depreciation	-	-	124	230	-	-	354
Transportation	-	-	39	72	-	-	111
Foreign currency difference	1,049	-	16,013	34,557	-	-	51,619
Balance, July 31, 2024	**49,979**	**-**	**813,076**	**1,742,065**	-	**424,430**	**3,029,550**

6. Share Capital

Transactions for the issue of share capital during the period ended July 31, 2024:

On June 17, 2024, the Company issued 2,057,500 units at a price of $0.10 per unit for gross proceeds of $205,750. Each unit consists of one common share in the capital of the Company (each a “common share”) and one common share purchase warrant (each a “warrant”). Each warrant entitles the holder to purchase one common share at an exercise price of $0.15 until June 17, 2027.

On July 19, 2024, the Company issued 5,670,000 units at a price of $0.10 per unit for gross proceeds of $567,000. Each unit consists of one common share in the capital of the Company (each a “common share”) and one common share purchase warrant (each a “warrant”). Each warrant entitles the holder to purchase one common share at an exercise price of $0.15 until July 19, 2027. The Company incurred $11,200 in finders’ fees in connection with the offering, and an additional $17,000 which related to the fair value of finders’ warrants issued in connection with the offering. The Company has $100,000 in share subscriptions receivable of their second tranche of non-brokered private placement financing of units as at July 31, 2024.

On July 24, 2024, the Company issued a total 3,195,442 common shares at a price of $0.11 per share to Fulcrum and Global Energy on closing of an option agreement (Note 5).

Additionally, the Company has $38,000 in share subscriptions received of their third tranche of non-brokered private placement financing of units as at July 31, 2024 (Note 11)

Transactions for the issue of share capital during the period ended July 31, 2023:

On May 5, 2023, the Company announced their first tranche closing of 4,760,586 units at a price of $0.085 per unit for gross proceeds of $404,650. Each unit consists of one common share in the capital of the Company (each, a "Common Share") and one common share purchase warrant (each whole warrant, a "Warrant"). Each warrant entitles the holder to purchase one common share at an exercise price of $0.13 until May 5, 2026. The Company incurred $8,057 in finders’ fees in connection with the offering.

On June 16, 2023, the Company announced they have settled an outstanding debt in the amount of $77,923 owing to an arm's-length creditor by issuing an aggregate of 916,749 common shares at a price of $0.085.

On June 21, 2023, the Company announced their second tranche closing of 3,620,564 units at a price of $0.085 per unit for gross proceeds of $307,748 pursuant to the offering announced on April 4, 2023. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.13 until June 21, 2026. The Company incurred $10,465 in finders’ fees in connection with the offering.

On June 30, 2023, the Company issued 588,236 common shares as a finder’s fee for the Ceoviste License. The fair value of the common shares was $50,000. The Company has recorded the fee as acquisition costs (Note 6).

On June 30, 2023, the Company issued 984,378 common shares as settlement for the exploration drilling services provided. The fair value of the common shares was $83,672.

On July 19, 2023, the Company announced their third tranche closing of 1,194,118 units at $0.085 per unit for gross proceeds of $101,500 pursuant to the offering announced on April 4, 2023. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.13 until July 19, 2026. Pursuant to the Company’s significant accounting policy, the Company determined that the residual value of the warrant component of the units sold was $0.005 per unit, for a total of $5,971.

On July 31, 2023, the Company announced their fourth tranche closing of 2,866,229 units at $0.085 per unit for gross proceeds of $243,629 pursuant to the offering announced on April 4, 2023. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.13 until July 31, 2026. The Company incurred $3,607 in finders’ fees in connection with the offering. Pursuant to the Company’s significant accounting policy, the Company determined that the residual value of the warrant component of the units sold was $0.01 per unit, for a total of $28,662.

6. Share Capital (continued)

Additionally, the Company has $166,600 in share subscriptions receivable of their fourth tranche of non-brokered private placement financing of units as at July 31, 2023.

Warrants

As an incentive to complete a private placement the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to private placement units. Finders' warrants may be issued as a private placement share issue cost and are valued using the Black-Scholes option pricing model.

A summary of the status of the Company's warrants as at July 31, 2024 and January 31, 2024 and changes during the period/year then ended is as follows:

	Period ended July 31, 2024		Year ended January 31, 2024	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	6,750,782	0.40	1,666,667	0.45
Issued - unit offering	7,727,500	0.15	5,084,115	0.39
Warrants outstanding, end of period/year	**14,478,282**	**0.27**	6,750,782	0.40

A summary of the status of the Company's brokers warrants as at July 31, 2024 and January 31, 2024 and changes during the period/year then ended is as follows:

	Period ended July 31, 2024		Year ended January 31, 2024	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	6,417	0.60	137,783	0.60
Issued	112,000	0.15	-	-
Expired	(6,417)	0.60	(131,367)	0.60
Warrants outstanding, end of period/year	**112,000**	**0.15**	6,417	0.60

As at July 31, 2024, the Company had warrants and brokers warrants outstanding and exercisable as follows:

Warrants outstanding #	Warrants exercisable #	Exercise price $	Expiry date
1,666,667	1,666,667	0.45	December 15. 2025
1,586,862	1,586,862	0.39	May 5, 2026
1,206,855	1,206,855	0.39	June 21, 2026
328,126	328,126	0.39	June 30, 2026
398,039	398,039	0.39	July 19, 2026
955,410	955,410	0.39	July 31, 2026
608,823	608,823	0.39	September 22, 2026
2,057,500	2,057,500	0.15	June 17, 2027
5,670,000	5,670,000	0.15	July 19, 2027
112,000	112,000	0.15	July 19, 2027
14,590,282	**14,590,282**	**0.27**	

6. Share Capital (continued)

Stock options

On February 4, 2021, the Company adopted a formal Stock Option Plan (the "Option Plan"). Under the Option Plan, the exercise price of each option must not be less than the greater of the closing market price of the underlying securities on (a) the trading day prior to the date of grant and (b) the date of the grant of the stock options. The options can be granted for a maximum term of five years. The maximum number of options that can be issued may not exceed 10% of the issued and outstanding common share capital. The options vest at the discretion of the Board of Directors. The terms of the existing stock options remain in accordance with the stock option plan in place at the time the options were granted.

A summary of the status of the Company's stock options as at July 31, 2024 and January 31, 2024, and changes during the period/year then ended is as follows:

	Period ended July 31, 2024		Year ended January 31, 2024	
	Options #	Weighted average exercise price $	Options #	Weighted average exercise price $
Options outstanding, beginning of period/year	1,856,667	0.59	1,940,000	0.59
Expired/cancelled	(306,667)	0.58	(83,333)	0.60
Options outstanding, end of period/year	**1,550,000**	**0.58**	1,856,667	0.59

As at July 31, 2024, the Company had options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price $	Expiry date
1,300,000	1,300,000	0.60	June 8, 2027
166,667	166,667	0.60	June 16, 2025
83,333	83,333	0.30	October 12, 2024
1,550,000	**1,550,000**	**0.58**	

7. Related party payables and transactions

The Company's related parties include key management personnel and Directors and companies in which they have control or significant influence over the financial or operating policies. There were no loans to management personnel or Directors, or entities over which they have control or significant influence for the period ended July 31, 2024, and Directors receive no salaries, non-cash benefits, or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on a thirty-day advance notice.

Key management personnel and Directors can participate in the Company's stock option plan. No stock options were granted to related parties during the period ended July 31, 2024, and July 31, 2023.

During the year ended January 31, 2024, upon acquisition of Tera, Rockstone Group D.O.O. is wholly held by Aleksandar Ilić, who was the project vendor pursuant to the option agreements on mineral property interests. Mr. Ilić is a current director of the Company. Mr. Ilić was paid $50,000 on March 4, 2021, for the option of the Kaludra License. (see Note 5) Mr. Ilić was also due another $50,000 as a finder's fee for the Ceovishte License once granted by the Serbian Ministry of Energy and Mines within a calendar year following the licence grant. (see Note 6). Mr. Ilić was issued Company shares at the price of $0.255 equivalent to $50,000 as a finder's fee for the Ceoviste License during the year ended January 31, 2024.

(a) Stephen Brohman is the Company's CFO. He is a principal of Donaldson Brohman Martin CPA Inc. ("DBM CPA"), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services (included within professional fees).

(b) Alex Miskovic is a Company Director and the Company's CEO. He is a shareholder and has significant influence over Geotarget Solutions Inc. ("Geotarget Solutions") which is a geological consulting firm. Geotarget Solutions provides the Company with geological consulting services and CEO services (included within consulting and salaries).

(c) Catherine Cox is the Company's Corporate Secretary. She has significant influence over CAT Corporate Services Inc. ("CAT Corporate Services") which is a consulting firm. She provides the Company with Corporate Secretary services (included within consulting fees).

	Transactions Six months ended July 31, 2024 $	Transactions Six months ended July 31, 2023 $	**Balances outstanding July 31, 2024 $**	Balances outstanding January 31, 2024 $
CAT Corporate Services	18,000	26,958	-	9,450
Geotarget Solutions	75,000	75,101	33,627	30,842
DBM CPA	26,500	24,000	8,442	22,618
Aleksander Llic (Rockstone Group D.O.O)	-	50,000	-	11,519
	119,500	176,059	**42,069**	74,429

8. Supplemental cash flow information

Changes in non-cash operating working capital during the six months ended July 31, 2024 and July, 2023 were comprised of the following:

	July 31, 2024	July 31, 2023
	$	$
Non-cash operating activities		
Shares issued for debt	-	75,632
	-	75,632

The Company incurred non-cash financing activities during the period ended July 31, 2024, and July 31, 2023, as follows:

	July 31, 2024	July 31, 2023
	$	$
Non-cash financing activities		
Share subscriptions receivable	100,000	-
Finders' warrants issued	(17,000)	-
Fair value reversal of cancelled warrants	2,400	166,600
Fair value reversal of cancelled stock options	156,400	34,633
	241,800	201,233

The Company incurred non-cash investing activities during the period ended July 31, 2024, and July 31, 2023, as follows:

	July 31, 2024	July 31, 2023
	$	$
Non-cash investing activities		
Shares issued for acquisition of mineral properties	351,499	50,000
Shares issued for mineral property exploration activities	-	83,672
	351,499	133,672

Further, there were no amounts paid for income taxes or interest during the period ended July 31, 2024, and July , 2023.

9. Financial risk management

Capital management

The Company is a junior exploration company and considers items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. As at July 31, 2024 the Company's capital structure is comprised of shareholders' equity of $2,945,903.

The Company currently has no source of revenue. In order to fund future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets.

9. Financial risk management (continued)

Financial instruments – fair value

The Company's financial instruments consist of cash, receivables, accounts payable and accruals and advances payable.

The carrying value of receivables, accounts payable and accruals, short-term deposits, due to related parties and advances payable approximates their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

The Company's financial assets and liabilities are carried at amortized cost and belong to Level 2 of the fair value hierarchy. During the period ended July 31, 2024 there were no transfers between the level of fair value hierarchy.

Financial instruments – risk

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, and liquidity risk.

a) Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company has minimal receivables exposure as its refundable credits are due from the Serbian government.

b) Interest rate risk

The Company is not exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations due to the short term to maturity.

c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources (Note 1). The Company's contractual cash outflows of its financial liabilities is approximate their carrying values and due within 12 months as at July 31, 2024 and July 31, 2023.

d) Currency risk

As at July 31, 2024 of the Company's cash was held either in Canadian dollars, Bosnian Mark or Serbian Dinar. The Company incurs expenditures in Canada, Bosnia and Serbia, and as such is exposed to currency risk associated with these costs.

A change in the value of the Bosnian Mark and Serbian Dinar by 10% relative to the Canadian dollar would not have a significant impact on the Company's working capital and net loss for the period ended July 31, 2024, and July 31, 2023.

10. Segment information

All assets are located in Canada except property and equipment, deposits and mineral property interests for $1,972,791 (January 31, 2024 - $1,961,066) which is located in Bosnia and $68,521 (January 31, 2024 - $55,560) which is located in Serbia.

11. Subsequent events

On September 13, 2024 the Company issued 1,760,100 Units at a price of $0.10 per Unit for gross proceeds of $176,010. Each Unit consists of one common share in the capital of the Company (each a “Common Share”) and one Common Share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at an exercise price of $0.15 until September 13, 2027