



**Condensed Consolidated Financial Statements**  
For the Period Ended September 30, 2024 and 2023

## **Notice of No Auditor Review of Interim Financial Statements**

Under National Instrument 51-102, "Continuous Disclosure Obligations", 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 the financial statements have not been reviewed by an auditor. The Corporation's external auditors have not performed a review of these financial statements.

**VULCAN MINERALS INC.**  
September 30, 2024

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**VULCAN MINERALS INC.**  
**Condensed Consolidated Statements of Financial Position**  
**(Unaudited)**  
**As at**

(in Canadian dollars)	September 30 2024	December 31 2023
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	4,129,122	4,453,493
Guaranteed investment certificate	1,817,429	2,013,485
Accounts receivable	34,340	52,426
Prepaid expenses	23,754	41,447
	<b>6,004,645</b>	6,560,851
Investments (Note 4)	143,845	244,969
Investment in associates (Note 5)	37,645,787	38,572,994
Exploration and evaluation assets (Note 6)	2,261,383	2,055,214
Capital assets (Note 7)	24,080	15,798
<b>Total Assets</b>	<b>46,079,740</b>	47,449,826
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	62,595	166,617
Loan (Note 8)	-	30,000
	<b>62,595</b>	196,617
Deferred income tax liability	5,068,341	3,586,288
<b>Total Liabilities</b>	<b>5,130,936</b>	3,782,905
<b>Equity</b>		
Shareholders' equity (Note 9)	40,948,804	43,666,921
<b>Total Equity</b>	<b>40,948,804</b>	43,666,921
<b>Total Liabilities and Equity</b>	<b>46,079,740</b>	47,449,826

Contingencies (Note 15)

Approved on Behalf of the Board of Directors

Patrick J. Laracy **Director**

Carson Noel **Director**

**VULCAN MINERALS INC.**  
**Condensed Consolidated Statements of Loss**  
**(Unaudited)**

(in Canadian dollars)	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
<b>Expenses</b>				
General and administrative (Note 11)	<b>(160,307)</b>	(105,276)	<b>(407,254)</b>	(405,370)
Director's fees	-	-	<b>(20,000)</b>	(20,000)
Depreciation (Note 7)	<b>(1,553)</b>	(1,608)	<b>(7,771)</b>	(4,826)
<b>Loss from operations</b>	<b>(161,860)</b>	(106,884)	<b>(435,025)</b>	(430,196)
<b>Other income (expenses)</b>				
Interest income	<b>70,157</b>	65,495	<b>215,999</b>	182,576
Income from option payments (Note 6)	<b>(28,201)</b>	-	<b>64,762</b>	131,399
Dilution (loss) gain (Note 5)	<b>(231,118)</b>	(451,642)	<b>8,537</b>	(216,847)
Write-down of mineral exploration and evaluation assets (Note 6)	<b>(28,226)</b>	-	<b>(36,069)</b>	-
Loss from equity accounted investments (Note 5)	<b>(305,874)</b>	(137,679)	<b>(935,744)</b>	(901,749)
	<b>(523,262)</b>	(523,826)	<b>(682,515)</b>	(804,621)
<b>Loss before taxes</b>	<b>(685,122)</b>	(630,710)	<b>(1,117,540)</b>	(1,234,817)
Deferred income tax	<b>145,956</b>	103,534	<b>(1,599,089)</b>	315,887
<b>Net loss</b>	<b>(539,166)</b>	(527,176)	<b>(2,716,629)</b>	(918,930)
Net loss per share - basic and diluted	<b>(0.004)</b>	(0.004)	<b>(0.021)</b>	(0.008)
Weighted-average number of common shares outstanding - basic and diluted	<b>129,309,265</b>	123,892,743	<b>129,278,608</b>	119,131,151

**VULCAN MINERALS INC.****Condensed Consolidated Statements of Comprehensive Loss****(Unaudited)**

(in Canadian dollars)	Three Months Ended		Nine Months Ended	
	September 30	September 30	September 30	September 30
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Net loss</b>	<b>(539,166)</b>	<b>(527,176)</b>	<b>(2,716,629)</b>	<b>(918,930)</b>
Other comprehensive loss:				
Items that may subsequently be reclassified to profit or loss				
Change in fair value on investments classified as FVOCI, net of taxes (Note 4)	<b>(67,429)</b>	<b>(227,858)</b>	<b>(50,982)</b>	<b>(237,337)</b>
	<b>(67,429)</b>	<b>(227,858)</b>	<b>(50,982)</b>	<b>(237,337)</b>
<b>Comprehensive loss</b>	<b>(606,595)</b>	<b>(755,034)</b>	<b>(2,767,611)</b>	<b>(1,156,267)</b>

**VULCAN MINERALS INC.**  
**Condensed Consolidated Statements of Changes in Equity**  
**(Unaudited)**

	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Loss	Retained Earnings	Total Shareholders' Equity
(in Canadian dollars)	\$	\$	\$	\$	\$	\$
	(Note 9)	(Note 9)	(Note 9)			
<b>Balance December 31, 2022</b>	<b>24,659,813</b>	<b>2,187,253</b>	<b>3,949,212</b>	<b>(993,047)</b>	<b>13,806,169</b>	<b>43,609,400</b>
Net income and comprehensive income	-	-	-	(237,337)	(918,930)	(1,156,267)
January 1, 2023 - September 30, 2023	3,725	-	(1,225)	-	-	2,500
Exercise of options	1,553,933	(298,933)	-	-	-	1,255,000
Exercise of warrants	(8,155)	-	-	-	-	(8,155)
Share issuance costs, net of taxes	<b>26,209,316</b>	<b>1,888,320</b>	<b>3,947,987</b>	<b>(1,230,384)</b>	<b>12,887,239</b>	<b>43,702,478</b>
<b>Balance September 30, 2023</b>						
Net loss and comprehensive loss	-	-	-	(176,889)	144,050	(32,839)
October 1, 2023 - December 31, 2023	(2,718)	-	-	-	-	(2,718)
Share issuance costs, net of taxes	-	(1,885,299)	1,885,299	-	-	-
Expiry of warrants	<b>26,206,598</b>	<b>3,021</b>	<b>5,833,286</b>	<b>(1,407,273)</b>	<b>13,031,289</b>	<b>43,666,921</b>
<b>Balance December 31, 2023</b>						
Net loss and comprehensive loss	-	-	-	(50,982)	(2,716,629)	(2,767,611)
January 1, 2024 - September 30, 2024	60,336	(2,736)	-	-	-	57,600
Exercise of warrants	(8,106)	-	-	-	-	(8,106)
Share issuance costs, net of taxes	-	(285)	285	-	-	-
Expiry of warrants	<b>26,258,828</b>	<b>-</b>	<b>5,833,571</b>	<b>(1,458,255)</b>	<b>10,314,660</b>	<b>40,948,804</b>
<b>Balance September 30, 2024</b>						

See accompanying notes to the condensed consolidated financial statements

**VULCAN MINERALS INC.**  
**Condensed Consolidated Statements of Cash Flows**  
**Period Ended**  
**(Unaudited)**

(in Canadian dollars)	September 30 2024	December 31 2023
	\$	\$
<b>Operating Activities</b>		
Net loss	(2,716,629)	(774,880)
Adjustment for non cash items:		
Dilution gain (Note 5)	(8,537)	(760,126)
Loss from equity accounted investments (Note 5)	935,744	1,642,557
Deferred option payments and investment in unrelated companies (Note 6)	(75,000)	(81,400)
Write-down of mineral exploration and evaluation assets (Note 6)	36,069	-
Income from guaranteed investment certificate	(73,684)	(13,485)
Deferred income tax liability	1,599,089	(308,606)
Depreciation (Note 7)	7,771	6,435
	(295,177)	(289,505)
Changes in non-cash working capital		
Accounts receivable	18,086	101,704
Prepaid expenses	17,693	(30,832)
Accounts payable and accrued liabilities	(104,022)	28,636
<b>Cash used in operating activities</b>	<b>(363,420)</b>	<b>(189,997)</b>
<b>Financing Activities</b>		
Cash received upon exercise of options (Note 9)	-	2,500
Cash received upon exercise of warrants (Note 9)	57,600	1,255,000
Repayment of loan (Note 8)	(30,000)	-
<b>Cash from financing activities</b>	<b>27,600</b>	<b>1,257,500</b>
<b>Investing Activities</b>		
Exploration and evaluation expenditures (Note 6)	(242,238)	(774,136)
Refunds on exploration and evaluation assets (Note 6)	-	12,650
Purchase of guaranteed investment certificate	(3,800,000)	(2,000,000)
Redemption of guaranteed investment certificate	4,069,740	-
Purchase of capital assets (Note 7)	(16,053)	(1,286)
<b>Cash from (used in) investing activities</b>	<b>11,449</b>	<b>(2,762,772)</b>
Net change in cash and cash equivalents for the period	(324,371)	(1,695,269)
Cash and cash equivalents, beginning of period	4,453,493	6,148,762
<b>Cash and cash equivalents, end of period</b>	<b>4,129,122</b>	<b>4,453,493</b>

## **VULCAN MINERALS INC.**

### **Notes to the Condensed Consolidated Financial Statements**

**September 30, 2024**

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#### **1. NATURE OF OPERATIONS**

Vulcan Minerals Inc. is engaged in the evaluation, acquisition and exploration of mineral properties in Newfoundland and Labrador. The Company plans to ultimately develop the properties as joint ventures, bring them into production, option or lease properties to third parties, or sell the properties outright. The Company is in the exploration stage on most of its projects. The Company is a publicly traded company, incorporated under the laws of the Province of Alberta, Canada. Its registered address is 333 Duckworth Street, St. John's, NL A1C 1G9.

#### **2. BASIS OF PRESENTATION**

The Company prepares its condensed consolidated financial statements with Canadian generally accepted accounting principles ("GAAP") as set out in the Canadian Professional Accountants of Canada Handbook – Accounting – Part I ("CPA Canada Handbook") which incorporates International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed consolidated financial statements have been prepared on an historical cost basis, except for investments which are measured at fair value and investment in associates which is measured using the equity method.

In addition to the Company, the condensed consolidated financial statements include all subsidiaries. Subsidiaries are all corporations, over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Intercompany transactions and balances are eliminated upon consolidation. They are deconsolidated from the date that control by the Company ceases. Any retained interest is measured to its fair value with the change in carrying amount recognized in income or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture. The Company has two subsidiaries which are both inactive.

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies used in preparing these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Company's annual financial statements. A summary of the Company's material accounting policies under IFRS is presented in Note 4 to the year-end financial statements, December 31, 2023.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 27, 2024.

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**September 30, 2024**

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**3. NEW AND AMENDED IFRS STANDARDS AND INTERPRETATIONS**

For the period ended September 30, 2024, there have been no new or amended accounting pronouncements by the IASB that would have a material impact on the Company's financial results or position.

**4. INVESTMENTS**

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	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Investments	<b>143,845</b>	244,969

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Investments classified as fair value through other comprehensive income consist of: shares in public companies received as consideration for option payments on mineral claims with an initial value of \$1,158,303 (December 31, 2023 – \$1,083,303). Shares were also received as consideration for the sale of mineral claims with an initial value of \$960,000 (December 31, 2023 - \$960,000).

At September 30, 2024, the market value of the shares is \$143,845 (December 31, 2023 – \$244,969).

**5. INVESTMENT IN ASSOCIATES**

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	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Investment in Atlas Salt Inc.	<b>37,375,107</b>	38,169,833
Investment In Triple Point Resources Ltd.	<b>270,680</b>	403,161
	<b>37,645,787</b>	38,572,994

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**Atlas Salt Inc.**

Atlas is incorporated under the laws of the Province of British Columbia. Atlas Salt's head office is in St. John's, Newfoundland and Labrador.

Management has determined that its investment in the common shares of Atlas Salt gives it significant influence over Atlas Salt. As a result, the Company applied the equity method of accounting for its investment in Atlas Salt.

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**September 30, 2024**

The continuity of the Company's investment in Atlas Salt common shares is as follows:

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>38,169,833</b>	38,988,798
Share of loss and comprehensive loss	<b>(803,263)</b>	(1,474,906)
Dilution gain	<b>8,537</b>	655,941
Investment in Atlas Salt	<b>37,375,107</b>	38,169,833

As of the period ending September 30, 2024, the Company did not identify any indications of impairment on this investment.

The following summarized financial information of Atlas Salt as at September 30, 2024 and December 31, 2023 and for the periods ended September 30, 2024 and 2023, including fair value adjustments made at the time of recognition of the interest, is as follows:

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Balance Sheet</b>		
Cash and cash equivalents	<b>8,949,812</b>	12,192,483
Current assets	<b>364,344</b>	220,069
Non-current assets	<b>51,180,179</b>	48,905,164
Current liabilities	<b>384,371</b>	460,971
Non-current liabilities	<b>124,762</b>	136,931
Equity	<b>59,985,202</b>	60,719,814
	<b>Period Ended September 30 2024</b>	<b>Period Ended September 30 2023</b>
<b>Net loss and comprehensive loss</b>		
Interest income	<b>288,976</b>	446,208
Other (loss) income	<b>(339,058)</b>	130,085
Net loss and comprehensive loss	<b>(2,675,117)</b>	(3,705,393)

Atlas Salt had depreciation of \$34,012 in 2024 (2023 – \$2,695). There was \$nil interest expense (2023 - \$nil) and \$nil income tax expense in 2024 (2023 – \$nil).

As of the period ending September 30, 2024, the Company did not identify any indications of impairment on this investment.

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**September 30, 2024**

**Triple Point Resources Ltd. (“Triple Point”)**

Triple Point was incorporated on April 1, 2022 under the laws of the Province of British Columbia. Triple Point’s head office is in St. John’s, Newfoundland and Labrador.

Management determined that its investment in the common shares of Triple Point along with a common director, gives it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point.

The continuity of the Company’s investment in Triple Point common shares is as follows:

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Balance beginning of year	<b>403,161</b>	466,627
Share of loss and comprehensive loss	<b>(132,481)</b>	(167,651)
Dilution gain	-	104,185
Investment in Triple Point	<b>270,680</b>	403,161

The following summarized financial information of Triple Point as at September 30, 2024 and December 31, 2023 and for the periods ended September 30, 2024 and 2023 is as follows:

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Statement of Financial Position</b>		
Cash and cash equivalents	<b>1,129,959</b>	3,665,487
Other current assets	<b>192,407</b>	351,064
Non-current assets	<b>2,494,367</b>	1,376,621
Current liabilities	<b>187,380</b>	222,390
Non-current liabilities	<b>157,723</b>	-
Equity	<b>3,471,630</b>	5,170,782
	<b>Period Ended September 30 2024</b>	<b>Period Ended September 30 2023</b>
<b>Net loss and comprehensive loss</b>		
Interest Income	<b>87,078</b>	-
Net loss and comprehensive loss	<b>(1,699,152)</b>	(1,953,297)

Triple Point had depreciation of \$22,177 in 2024 (2023 – \$nil). There was \$nil interest expense (2023 - \$nil) and \$nil income tax expense in 2024 (2023 – \$nil).

As of the period ending September 30, 2024, the Company did not identify any indications of impairment on this investment.

**VULCAN MINERALS INC.****Notes to the Condensed Consolidated Financial Statements**

September 30, 2024

**6. EXPLORATION AND EVALUATION ASSETS**

The Company has 30 mineral licences (December 31, 2023 - 30) which consist of 1,432 claims (December 31, 2023 – 2,017), which are active and in good standing with the Department of Industry, Energy and Technology in the Province of Newfoundland and Labrador. These licences are in the exploration and evaluation stage. As of September 30, 2024, 8 of these licences consisting of 484 claims were optioned to Sassy Resources Corporation (these have since been assigned to Gander Gold Corporation).

A summary of the exploration and evaluation assets is as follows:

	<b>September 30, 2024</b>			
	<b>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Write-down</b>	<b>Balance, End of Period</b>
	\$	\$	\$	\$
Mineral properties property acquisition costs	127,339	31,236	-	158,575
Exploration costs	2,062,767	218,990	(36,069)	2,245,688
Deferred option payments	(134,892)	(7,988)	-	(142,880)
	<b>2,055,214</b>	<b>242,238</b>	<b>(36,069)</b>	<b>2,261,383</b>

	<b>December 31, 2023</b>			
	<b>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Deposits Received</b>	<b>Balance, End of Year</b>
	\$	\$	\$	\$
Mineral properties property acquisition costs	139,949	40	(12,650)	127,339
Exploration costs	1,288,671	774,096	-	2,062,767
Deferred option payments	(134,892)	-	-	(134,892)
	<b>1,293,728</b>	<b>774,136</b>	<b>(12,650)</b>	<b>2,055,214</b>

Current year additions to mineral exploration costs include share-based compensation of \$nil (December 31, 2023 – \$nil). During the period, the Company recorded \$36,069 in write-downs to property acquisition and exploration costs.

In February 2021, the Company entered into an option agreement with Sassy Gold Corp. (previously Sassy Resources Corporation) (“Sassy”) in relation to the Company's Gander Belt Gold mineral property. Subsequent to the date of this agreement, Sassy assigned the option to Gander Gold Corporation (“Gander Gold”). The first anniversary and subsequent option payments were paid by Gander Gold including the issuance of Gander Gold shares. Sassy has an option to earn a 100% interest in the property over a four-year period by incurring exploration expenditures of \$2,000,000 and by making option payments of 2,500,000 (2021 - 1,000,000,

## **VULCAN MINERALS INC.**

### **Notes to the Condensed Consolidated Financial Statements**

**September 30, 2024**

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2022 - 300,000, 2023 - 300,000, 2024 - 400,000, 2025 - 500,000) common shares, and \$400,000 cash (2021 - \$100,000, 2022 - \$50,000, 2023 - \$50,000, 2024 - \$100,000, 2025 - \$100,000). On April 18, 2024, the Company and Gander Gold amended the 2024 anniversary payment to be 1,000,000 shares of Gander Gold instead of 400,000 common shares and \$100,000. All other terms of the original agreement remain the same.

As at September 30, 2024, 200,000 common shares of Sassy and 177,240 common shares of Gander Gold (December 31, 2023 - 1,000,000 common shares of Sassy and 772,408 shares of Gander Gold) having a market value of \$999,291 (December 31, 2023 - \$924,291) at the time of their issuance and \$200,000 cash (December 31, 2023 - \$200,000) have been received. On August 23, 2024, Sassy completed a consolidation of its common shares on the basis of a one new share for every five old shares. Vulcan held 1,000,000 old shares of Sassy related to this option agreement at that date which were consolidated to 200,000 new shares of Sassy. In addition, Gander Gold completed a consolidation of its common shares on August 23, 2024, on the basis of one new share for every ten old shares. Vulcan held 1,772,408 common shares of Gander Gold at that date which were consolidated to 177,240 new shares of Gander Gold. Security deposits of \$7,650 (December 31, 2023 - \$28,950) paid on the claims have been reimbursed to the Company. As of September 30, 2024, \$130,614 (December 31, 2023 - \$122,626) has been recorded as cost recoveries to the Gander properties and \$64,762 (September 30, 2023 - \$131,399) recorded as income during period. After Sassy earns its 100% interest, the Company can retain a 3% net smelter royalty (NSR) covering the claims. Sassy has the right to repurchase one-half of that NSR (1.5%) for \$2,000,000 in cash and 500,000 common shares within one year following delivery to Vulcan of a Feasibility Report on any deposit advanced on the properties.

On May 9, 2022 the Company entered into a Purchase and Sale Agreement whereby the Company sold 12 mineral licences (2,440 claims) to Rocky Island Gold Corp ("Rocky Island"). Rocky Island paid \$250,000 cash and issued 600,000 (December 31, 2023 - 3,000,000 common shares) common shares in the capital of Sassy. On August 23, 2024, Sassy completed a consolidation of its common shares on the basis of a one new share for every five old shares. Vulcan held 3,000,000 old shares of Sassy related to this purchase and sale agreement at that date which were consolidated to 600,000 new shares of Sassy. The Company received a one percent (1%) net smelter royalty covering the claims. The common shares had a market value of \$960,000 (December 31, 2023 - \$960,000) at the time of their issuance and \$250,000 cash has been received.

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**September 30, 2024**

**7. CAPITAL ASSETS**

	<b>September 30, 2024</b>				
	<b>Drilling Rig</b>	<b>Furniture and Fixtures</b>	<b>Vehicle</b>	<b>Computer Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening Balance	798,368	12,296	-	105,253	915,917
Additions	-	-	14,298	1,755	16,053
Sub-total	798,368	12,296	14,298	107,008	931,970
Accumulated Depreciation	(795,589)	(11,964)	-	(92,566)	(900,119)
Depreciation	(2,779)	(332)	(1,608)	(3,052)	(7,771)
Sub-total	(798,368)	(12,296)	(1,608)	(95,618)	(907,890)
Net book value	-	-	12,690	11,390	24,080

	<b>December 31, 2023</b>				
	<b>Drilling Rig</b>	<b>Furniture and Fixtures</b>	<b>Computer Equipment</b>	<b>Total</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	
Opening Balance	798,368	12,296	103,967	914,631	
Additions	-	-	1,286	1,286	
Sub-total	798,368	12,296	105,253	915,917	
Accumulated Depreciation	(794,399)	(11,881)	(87,404)	(893,684)	
Depreciation	(1,190)	(83)	(5,162)	(6,435)	
Sub-total	(795,589)	(11,964)	(92,566)	(900,119)	
Net book value	2,779	332	12,687	15,798	

**8. LOAN**

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	30,000	30,000
Repayment of loan	(30,000)	-
Balance, end of period	-	30,000

The Company availed of a \$40,000 loan under the federal government of Canada Covid-19 relief measures in 2020. The Canada Emergency Business Account (CEBA) loan provided a forgivable amount of \$10,000 if the amount of \$30,000 was repaid by December 31, 2022.

**VULCAN MINERALS INC.**  
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This loan was non-interest bearing until January 1, 2023. In the event there was a loan balance outstanding on January 1, 2023, the loan will be renewed for a 3-year term with a fixed annual rate of interest of 5%. In January 2022, the Government of Canada amended the CEBA program which delayed the required repayment date to December 31, 2023. This repayment date was extended to January 18, 2024 in September 2023. This loan was repaid in January 2024.

**9. SHARE CAPITAL**

**Authorized:**

Unlimited number of voting common shares  
 Unlimited number of preferred shares, issuable in series

**Issued and outstanding:**

	<b>September 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number</b>	<b>Share Capital</b>	<b>Number</b>	<b>Share Capital</b>
		<b>\$</b>		<b>\$</b>
Balance, beginning of year	<b>128,829,265</b>	<b>26,206,598</b>	116,254,265	24,659,813
Exercise of share warrants	<b>480,000</b>	<b>57,600</b>	12,550,000	1,255,000
Transfer to share capital on exercise of warrants	-	<b>2,736</b>	-	298,933
Exercise of options	-	-	25,000	2,500
Transfer to share capital on exercise of options	-	-	-	1,225
Share issuance cost, net of taxes	-	<b>(8,106)</b>	-	(10,873)
<b>Balance, end of period</b>	<b>129,309,265</b>	<b>26,258,828</b>	128,829,265	26,206,598

**Contributed surplus:**

A summary of contributed surplus is as follows:

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>5,833,286</b>	3,949,212
Options exercised	-	(1,225)
Expiry of warrants	<b>285</b>	1,885,299
<b>Balance, end of period</b>	<b>5,833,571</b>	5,833,286

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**Warrants:**

A summary of warrants issued and exercisable and changes during the periods then ended is as follows:

	<b>September 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number of Warrants</b>	<b>Weighted-Average Exercise Price</b>	<b>Number of Warrants</b>	<b>Weighted-Average Exercise Price</b>
		<b>\$</b>		<b>\$</b>
Balance, beginning of year	<b>530,000</b>	<b>0.12</b>	32,233,000	0.22
Exercised	<b>(480,000)</b>	<b>0.12</b>	(12,550,000)	0.10
Expired	<b>(50,000)</b>	<b>0.12</b>	(19,153,000)	0.30
Balance, end of period	-	-	530,000	0.12

	<b>September 30 2024</b>	<b>December 31 2023</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>3,021</b>	2,187,253
Transferred to share capital on exercise of warrants	<b>(2,736)</b>	(298,933)
Expiry of warrants	<b>(285)</b>	(1,885,299)
Balance, end of period	-	3,021

**10. SHARE-BASED COMPENSATION**

The Company has a stock option plan under which directors, officers, management, consultants and employees of the Company and its subsidiary are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options. The maximum number of common shares optioned to any one optionee shall not exceed 5% of outstanding common shares of the Company. Options granted under the plan generally have a term of five years but may not exceed ten years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option is determined by the directors at the time of grant but shall not be less than the price permitted by the policy or policies of the stock exchange(s) on which the Company's common shares are then listed.

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A summary of the status of the Company's stock option plan is as follows:

	<b>September 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number of Options</b>	<b>Weighted- Average Exercise Price</b>	<b>Number of Options</b>	<b>Weighted- Average Exercise Price</b>
		<b>\$</b>		<b>\$</b>
Outstanding, beginning of year	<b>7,375,000</b>	<b>0.17</b>	9,000,000	0.16
Exercised	-	-	(25,000)	0.10
Expired	<b>(125,000)</b>	<b>0.32</b>	(1,600,000)	0.10
Outstanding, end of period	<b>7,250,000</b>	<b>0.17</b>	7,375,000	0.17
Exercisable, end of period	<b>7,250,000</b>	<b>0.17</b>	7,375,000	0.17

The weighted average remaining contractual life of outstanding options is 2.73 years (December 31, 2023 – 3.48 years). The weighted average remaining contractual life of exercisable options is 2.73 years (December 31, 2023 – 3.48 years).

**11. GENERAL AND ADMINISTRATIVE EXPENSES**

	<b>September 30 2024</b>	<b>September 30 2023</b>
	<b>\$</b>	<b>\$</b>
Salaries and benefits and cost recoveries	<b>95,210</b>	231,022
Office and administrative	<b>111,248</b>	57,982
Marketing and communications	-	61
Investor relations	-	6,500
Management and sub-contractor fees	<b>129,328</b>	44,425
Transfer agent and professional fees	<b>66,043</b>	64,963
Conferences, travel, and accommodation	<b>5,425</b>	417
	<b>407,254</b>	405,370

**VULCAN MINERALS INC.**  
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September 30, 2024

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**12. RELATED PARTY TRANSACTIONS**

Compensation for key management personnel, which includes the President and Chief Executive Officer, Chief Financial Officer and Directors, is as follows:

	<b>September 30 2024</b>	<b>September 30 2023</b>
	<b>\$</b>	<b>\$</b>
Management fees, salaries and benefits for key management personnel:		
General and administrative	<b>227,354</b>	239,448
Capitalized as exploration and evaluation assets	<b>24,528</b>	9,470
Share-based compensation for key management personnel:		
General and administrative	-	-
Capitalized as exploration and evaluation assets	-	-
	<b>251,882</b>	248,918
Rent paid to a corporation which is controlled by the President and CEO of the Company	<b>18,000</b>	18,000

**13. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard its accumulated capital in order to maintain its ability to continue as a going concern, to fund its exploration activities and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of capital and equity comprised of share capital, contributed surplus, and deficit.

The Company manages its capital structure and adjusts it in light of economic conditions. The Company will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances.

To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms, option its exploration and evaluation assets for cash and/or expenditure commitments from optionees and enter into joint venture arrangements or dispose of its exploration and evaluation assets.

The Company is not subject to externally imposed capital requirements.

## **14. FINANCIAL INSTRUMENTS**

### **Fair Values:**

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets and liabilities;

Level 2 – valuation techniques based on inputs that are quoted process of similar instruments in active markets; inputs other than quoted process used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3 – valuation techniques with significant unobservable market inputs.

The carrying amount of cash and cash equivalents, guaranteed investment certificate, accounts receivable and accounts payable and accrued liabilities, approximate their fair value due to their short-term nature.

The recognized investments (Note 4) and the fair value of the Atlas Salt shares disclosed in Note 5 are Level 1 measurements.

### **Financial Risk Management:**

The Company has exposure to credit risk, liquidity risk, market risk and commodity price risk. The source of risk exposure and how each is managed is outlined below:

#### *Credit Risk:*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligation. The Company is exposed to credit risk on its cash and cash equivalents, guaranteed investment certificate, and accounts receivable. The credit risk on cash and cash equivalents and guaranteed investment certificate is limited because the counterparty is a chartered bank with a high credit rating. The Company assesses its credit risk with respect to cash and cash equivalents, guaranteed investment certificate, and accounts receivable as not significant.

#### *Liquidity Risk:*

The Company's approach to managing liquidity risk is to ensure it will have sufficient liquidity to meet liabilities when due. To the extent that the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through debt or equity transactions. The Company manages its liquidity risk by continuously monitoring forecast and actual cash flow from operations. These funds are unrestricted and are intended to be used as working capital and to increase the Company's ability to fund future exploration

## **VULCAN MINERALS INC.**

### **Notes to the Condensed Consolidated Financial Statements**

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projects. As of September 30, 2024 the Company had a cash balance of \$4,129,122 (December 31, 2023 - \$4,453,493), guaranteed investment certificate balance of \$1,817,429 (December 31, 2023 - \$2,013,485) and a positive working capital of \$5,942,050 (December 31, 2023 - \$6,364,234).

Accounts payable and accrued liabilities at September 30, 2024 is \$62,595 (December 31, 2023 - \$166,617).

#### *Market Risk:*

Market risk relates to changes in economic conditions, changes in market prices, interest rates, foreign exchange rates, and commodity prices which will affect the Company's net loss or the value of its financial instruments.

#### *Commodity Price Risk:*

The value of the Company's exploration and evaluation assets is partially related to the market price of metals and minerals. The Company does not hedge this exposure to fluctuations in commodity prices. The Company's ability to continue with its exploration programs is also indirectly subject to commodity prices.

## **15. CONTINGENCIES**

The Company has been added as a co-defendant in an ongoing legal action Geophysical Service Incorporated (GSI) has with NWest Energy Corp. (now Ceylon Graphite Corp. by way of name change) regarding an alleged breach of an agreement between those parties. GSI has submitted a Statement of Claim and the Company has filed a Statement of Defence. The Company believes the claims against it are without basis or merit and no amounts have been recorded in the Company's accounts related to this claim. The Company is fully defending its interest.

# CORPORATE INFORMATION

## OFFICERS AND MANAGEMENT

Patrick J. Laracy  
CEO, President and Chairman

Gillian Russell  
Chief Financial Officer and Corporate  
Secretary

## BOARD OF DIRECTORS

Patrick J. Laracy

Carson Noel

Philip E. Collins

Fraser Edison

## EXCHANGE LISTING

TSX Venture – “VUL”

## LEGAL COUNSEL

Osler, Hoskin & Harcourt LLP,  
Calgary, AB  
Cox & Palmer, St. John’s, NL

## REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of  
Canada

## AUDITORS

MNP LLP

## BANKERS

Scotiabank

## ADDITIONAL INFORMATION

Please contact, Patrick J. Laracy  
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