



**Condensed Consolidated Financial Statements**  
For the Periods Ended June 30, 2025 and 2024

## **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.**

June 30, 2025

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

(in Canadian dollars)	June 30 2025	December 31 2024
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	5,291,942	5,620,024
Accounts receivable	25,271	66,323
Prepaid expenses	16,311	27,177
	<b>5,333,524</b>	<b>5,713,524</b>
Investments (Note 4)	73,720	181,895
Investment in associates (Note 5)	36,035,993	36,854,402
Exploration and evaluation assets (Note 6)	2,502,156	2,473,519
Capital assets (Note 7)	22,380	22,527
<b>Total Assets</b>	<b>43,967,773</b>	<b>45,245,867</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	85,414	96,990
	<b>85,414</b>	<b>96,990</b>
Deferred income tax liability	2,940,301	3,227,329
<b>Total Liabilities</b>	<b>3,025,715</b>	<b>3,324,319</b>
<b>Equity</b>		
Shareholders' equity (Note 8)	40,942,058	41,921,548
<b>Total Equity</b>	<b>40,942,058</b>	<b>41,921,548</b>
<b>Total Liabilities and Equity</b>	<b>43,967,773</b>	<b>45,245,867</b>

Contingencies (Note 14)

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)	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
<b>Expenses</b>				
General and administrative (Note 10)	(167,495)	(116,638)	(369,504)	(246,947)
Director's fees	(47,000)	(20,000)	(47,000)	(20,000)
Depreciation (Note 7)	(1,820)	(2,155)	(3,641)	(6,218)
Share-based compensation (Note 9)	(30,691)	-	(149,904)	-
<b>Loss from operations</b>	<b>(247,006)</b>	<b>(138,793)</b>	<b>(570,049)</b>	<b>(273,165)</b>
<b>Other income (expenses)</b>				
Interest income	28,469	70,088	75,084	145,842
Income from option payments (Note 6)	-	92,963	-	92,963
Dilution (loss) gain (Note 5)	(321,824)	212,045	(303,297)	239,655
Write-down of mineral exploration and evaluation assets (Note 6)	-	(7,843)	-	(7,843)
Loss from equity accounted investments (Note 5)	(212,522)	(365,735)	(515,112)	(629,870)
	<b>(505,877)</b>	<b>1,518</b>	<b>(743,325)</b>	<b>(159,253)</b>
<b>Loss before taxes</b>	<b>(752,883)</b>	<b>(137,275)</b>	<b>(1,313,374)</b>	<b>(432,418)</b>
Deferred income tax	148,235	(1,800,622)	276,027	(1,745,045)
<b>Net loss</b>	<b>(604,648)</b>	<b>(1,937,897)</b>	<b>(1,037,347)</b>	<b>(2,177,463)</b>
Net loss per share - basic and diluted	<b>(0.005)</b>	<b>(0.015)</b>	<b>(0.008)</b>	<b>(0.017)</b>
Weighted-average number of common shares outstanding - basic and diluted	<b>129,309,265</b>	129,309,265	<b>129,309,265</b>	129,263,111

See accompanying notes to the condensed consolidated financial statements

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

(in Canadian dollars)	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
<b>Net loss</b>	<b>(604,648)</b>	<b>(1,937,897)</b>	<b>(1,037,347)</b>	<b>(2,177,463)</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)	(72,511)	(48,772)	(91,949)	16,447
	<b>(72,511)</b>	<b>(48,772)</b>	<b>(91,949)</b>	<b>16,447</b>
<b>Comprehensive loss</b>	<b>(677,159)</b>	<b>(1,986,669)</b>	<b>(1,129,296)</b>	<b>(2,161,016)</b>

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

(in Canadian dollars)	Share Capital \$	Warrants \$	Contributed Surplus \$	Accumulated Other Comprehensive Loss \$	Retained Earnings \$	Total Shareholders' Equity \$
	(Note 8)		(Note 8)			
<b>Balance December 31, 2023</b>	<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>
Net loss and comprehensive loss						
January 1, 2024 - June 30, 2024	-	-	-	16,447	(2,177,463)	(2,161,016)
Exercise of warrants	60,336	(2,736)	-	-	-	57,600
Share issuance costs, net of taxes	(5,404)	-	-	-	-	(5,404)
Expiry of warrants	-	(285)	285	-	-	-
<b>Balance June 30, 2024</b>	<b>26,261,530</b>	<b>-</b>	<b>5,833,571</b>	<b>(1,390,826)</b>	<b>10,853,826</b>	<b>41,558,101</b>
Net loss and comprehensive loss						
July 1, 2024 - December 31, 2024	-	-	-	(313,887)	682,738	368,851
Share issuance costs, net of taxes	(5,404)	-	-	-	-	(5,404)
<b>Balance December 31, 2024</b>	<b>26,256,126</b>	<b>-</b>	<b>5,833,571</b>	<b>(1,704,713)</b>	<b>11,536,564</b>	<b>41,921,548</b>
Net loss and comprehensive loss						
January 1, 2025 - June 30, 2025	-	-	-	(91,949)	(1,037,347)	(1,129,296)
Share issuance costs, net of taxes	(5,225)	-	-	-	-	(5,225)
Share-based compensation capitalized to exploration and evaluation assets	-	-	5,127	-	-	5,127
Share-based compensation	-	-	149,904	-	-	149,904
<b>Balance June 30, 2025</b>	<b>26,250,901</b>	<b>-</b>	<b>5,988,602</b>	<b>(1,796,662)</b>	<b>10,499,217</b>	<b>40,942,058</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)	June 30 2025	December 31 2024
	\$	\$
<b>Operating Activities</b>		
Net loss	(1,037,347)	(1,494,725)
Adjustment for non cash items:		
Dilution loss (Note 5)	303,297	190,827
Loss from equity accounted investments (Note 5)	515,112	1,288,945
Deferred option payments and investment in unrelated companies (Note 6)	-	(75,000)
Write-down of mineral exploration and evaluation assets (Note 6)	-	34,849
Income from guaranteed investment certificates	-	(96,219)
Deferred income tax liability	(276,027)	(290,313)
Share-based compensation (Note 9)	155,031	-
Depreciation (Note 7)	3,641	9,324
	<b>(336,293)</b>	<b>(432,312)</b>
Changes in non-cash working capital		
Accounts receivable	41,052	(13,897)
Prepaid expenses	10,866	14,270
Accounts payable and accrued liabilities	(11,576)	(69,627)
<b>Cash used in operating activities</b>	<b>(295,951)</b>	<b>(501,566)</b>
<b>Financing Activities</b>		
Cash received upon exercise of warrants (Note 8)	-	57,600
Repayment of loan	-	(30,000)
<b>Cash from financing activities</b>	<b>-</b>	<b>27,600</b>
<b>Investing Activities</b>		
Exploration and evaluation expenditures (Note 6)	(28,637)	(453,154)
Purchase of guaranteed investment certificates	-	(7,090,247)
Redemption of guaranteed investment certificates	-	5,890,565
Purchase of capital assets (Note 7)	(3,494)	(16,053)
<b>Cash used in investing activities</b>	<b>(32,131)</b>	<b>(1,668,889)</b>
<b>Reconciliation of cash and cash equivalents:</b>		
Net change in cash and cash equivalents for the period	(328,082)	(2,142,855)
Cash and cash equivalents, beginning of period <sup>1</sup>	5,620,024	4,453,493
Change due to reclassification of guaranteed investment certificates <sup>2</sup>	-	3,309,386
<b>Cash and cash equivalents, end of period</b>	<b>5,291,942</b>	<b>5,620,024</b>

<sup>1</sup> - Cash and cash equivalents consist of cash and short-term deposits. Short-term deposits are cashable within a three-month or less period. In 2025 and 2024 there are no guaranteed investment certificates that are not cashable or non-redeemable within a three-month period. In 2023, there were some guaranteed investment certificates that were non-redeemable and greater than a three-month period and were shown as guaranteed investment certificates on the statement of financial position.

<sup>2</sup> - Guaranteed investment certificates are short-term investments held with a chartered bank and are non-redeemable until the maturity date within a twelve-month or less period.

## **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 its projects. The Company also owns 29.7% of Atlas Salt Inc. Vulcan's ownership interest in Atlas Salt Inc. is the key advanced asset for the Company. The Company is a publicly traded company, incorporated under the laws of the Province of Alberta, Canada. Its head office 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 IFRS<sup>®</sup> Accounting 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 a historical cost basis, except for investments which are measured at fair value and investment in associates which is measured using the equity method.

The Company's presentation currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which it operates. All the Company's assets are located in Canada.

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 wholly-owned subsidiaries which are both inactive.

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS, as issued by the 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.

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**June 30, 2025**

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A summary of the Company's material accounting policies under IFRS is presented in Note 4 to the year-end financial statements, December 31, 2024.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on August 29, 2025.

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

#### **Future applicable accounting standards**

In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements which sets out the overall requirements for presentation and disclosures in the consolidated financial statements. The new standard replaces IAS 1 and although much of the substance of IAS 1 will carry over into the new standard, the new standard will require presentation of separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The new standard will also require disclosure and explanation of 'management-defined performance measures' in a separate note within the consolidated financial statements.

The new standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim consolidated financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

### **4. INVESTMENTS**

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	<b>June 30 2025</b>	<b>December 31 2024</b>
	<b>\$</b>	<b>\$</b>
Investments	<b>73,720</b>	<b>181,895</b>

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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 and shares received as consideration for the sale of mineral claims. At June 30, 2025, the fair value of these shares is \$65,887 (December 31, 2024 – \$100,438).

As of November 30, 2024, the Company concluded that it no longer exercised significant influence over Triple Point, primarily due to the absence of common directors and other indicators of significant influence as of that date. Accordingly, the Company reclassified its investment in the common shares of Triple Point from an investment in an associate to an investment measured at fair value through other comprehensive income, in accordance with IFRS 9. At June 30, 2025, the estimated fair value of these shares is \$7,833 (December 31, 2024 - \$81,457).

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
June 30, 2025

**5. INVESTMENT IN ASSOCIATES**

	<b>June 30 2025</b>	<b>December 31 2024</b>
	<b>\$</b>	<b>\$</b>
Investment in Atlas Salt Inc.	<b>36,035,993</b>	36,854,402
	<b>36,035,993</b>	36,854,402

**Atlas Salt Inc.**

Atlas Salt is incorporated under the laws of the Province of British Columbia. Atlas Salt's head office is in St. George's, Newfoundland and Labrador. Atlas Salt is a mineral exploration company engaged in the evaluation and exploration of mineral properties in Newfoundland and Labrador. The Company's principal asset is the Great Atlantic salt deposit located in the St. George's Bay basin of western Newfoundland.

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.

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

	<b>June 30 2025</b>	<b>December 31 2024</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>36,854,402</b>	38,169,833
Share of loss and comprehensive loss	<b>(515,112)</b>	(1,095,228)
Dilution loss	<b>(303,297)</b>	(220,203)
Investment in Atlas Salt	<b>36,035,993</b>	36,854,402

The following summarizes financial information of Atlas Salt as at June 30, 2025 and December 31, 2024 and for the periods ended June 30, 2025 and 2024, including fair value adjustments made at the time of recognition of the interest, is as follows:

	<b>June 30 2025</b>	<b>December 31 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Statement of Financial Position</b>		
Cash and cash equivalents	<b>2,687,338</b>	8,032,910
Other current assets	<b>877,915</b>	579,925
Non-current assets	<b>54,676,145</b>	52,296,131
Current liabilities	<b>945,411</b>	1,483,229
Non-current liabilities	<b>434,807</b>	216,550
Equity	<b>56,861,180</b>	59,209,187

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**June 30, 2025**

	<b>Period Ended June 30 2025</b>	<b>Period Ended June 30 2024</b>
<b>Net loss and comprehensive loss</b>		
Interest income	<b>13,159</b>	190,158
Net loss and comprehensive loss	<b>(1,734,577)</b>	(1,853,975)

Atlas Salt had depreciation of \$22,405 in 2025 (2024 – \$23,474). There was \$1,656 interest expense (2024 - \$nil) and \$nil income tax expense in 2025 (2024 – \$nil).

As of the period ended June 30, 2025, the Company did not identify any indications of impairment on this investment.

## **6. EXPLORATION AND EVALUATION ASSETS**

The Company has 26 mineral licences (December 31, 2024 - 28) which consist of 1,011 claims (December 31, 2024 – 1,199), 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 June 30, 2025, 6 of these licences (December 31, 2024 – 7 of these licences) consisting of 203 claims (December 31, 2024 – 377 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>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Deposits Received</b>	<b>June 30, 2025 Balance, End of Period</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Mineral properties property acquisition costs	<b>158,775</b>	-	-	<b>158,775</b>
Exploration costs	<b>2,457,624</b>	<b>28,637</b>	-	<b>2,486,261</b>
Deferred option payments	<b>(142,880)</b>	-	-	<b>(142,880)</b>
	<b>2,473,519</b>	<b>28,637</b>	-	<b>2,502,156</b>

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**June 30, 2025**

	<b>December 31, 2024</b>			
	<b>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Write-down</b>	<b>Balance, End of Year</b>
	\$	\$	\$	\$
Mineral properties property acquisition costs	127,339	31,436	-	158,775
Exploration costs	2,062,767	429,706	(34,849)	2,457,624
Deferred option payments	(134,892)	(7,988)	-	(142,880)
	<u>2,055,214</u>	<u>453,154</u>	<u>(34,849)</u>	<u>2,473,519</u>

Current year additions to mineral exploration costs include share-based compensation of \$5,127 (December 31, 2024 - \$nil).

During the year, the Company recognized write-downs totaling \$nil (December 31, 2024 - \$34,849) related to exploration and evaluation expenditures capitalized in respect of certain areas of interest where the Company has determined that no further exploration activities will be undertaken.

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 cash payments of \$200,000 (2021 - \$100,000, 2022 - \$50,000, 2023 - \$50,000) and by issuing 3,600,000 common shares of the Company (2021 - 1,000,000, 2022 - 300,000, 2023 - 300,000, 2024 – 1,000,000, 2025 – 1,000,000). These terms are based on the amended option agreement dated May 20, 2025. 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 voided the cash payment of \$100,000 originally due in 2024. On May 20, 2025, the 2025 option payment was amended to be 1,000,000 shares of Gander Gold instead of 500,000 common shares and voided the cash payment of \$100,000 originally due in 2025. All other terms of the original agreement remain the same.

As at June 30, 2025, 200,000 common shares of Sassy and 177,240 common shares of Gander Gold (December 31, 2024 - 200,000 common shares of Sassy and 177,240 common shares of Gander Gold) having a fair value of \$999,291 (December 31, 2024 - \$999,291) at the time of their issuance and \$200,000 cash (December 31, 2024 - \$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

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

June 30, 2025

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 \$6,900 (December 31, 2024 - \$6,900) paid on the claims have been reimbursed to the Company. As of June 30, 2025, \$130,614 (December 31, 2024 - \$130,614) has been recorded as cost recoveries to the Gander properties and \$nil (December 31, 2024 - \$64,762) 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 3,000,000 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 fair value of \$960,000 (December 31, 2024 - \$960,000) at the time of their issuance and \$250,000 cash has been received.

**7. CAPITAL ASSETS**

	June 30, 2025				
	Drilling Rig	Furniture and Fixtures	ATV	Computer Equipment	Total
	\$	\$	\$	\$	\$
Opening Balance	798,368	12,296	14,298	107,008	931,970
Additions	-	-	-	3,494	3,494
Sub-total	798,368	12,296	14,298	110,502	935,464
Accumulated					
Depreciation Opening	(798,368)	(12,296)	(2,144)	(96,635)	(909,443)
Depreciation	-	-	(1,823)	(1,818)	(3,641)
Sub-total	(798,368)	(12,296)	(3,967)	(98,453)	(913,084)
Net book value	-	-	10,331	12,049	22,380

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**June 30, 2025**

	<b>December 31, 2024</b>				
	<b>Drilling Rig</b>	<b>Furniture and Fixtures</b>	<b>ATV</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 Opening	(795,589)	(11,964)	-	(92,566)	(900,119)
Depreciation	(2,779)	(332)	(2,144)	(4,069)	(9,324)
Sub-total	(798,368)	(12,296)	(2,144)	(96,635)	(909,443)
Net book value	-	-	12,154	10,373	22,527

**8. SHARE CAPITAL**

**Authorized:**

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

**Issued and outstanding:**

	<b>June 30, 2025</b>		<b>December 31, 2024</b>	
	<b>Number</b>	<b>Share Capital</b>	<b>Number</b>	<b>Share Capital</b>
		<b>\$</b>		<b>\$</b>
Balance, beginning of year	<b>129,309,265</b>	<b>26,256,126</b>	128,829,265	26,206,598
Exercise of share warrants	-	-	480,000	57,600
Transfer to share capital on exercise of warrants	-	-	-	2,736
Share issuance cost, net of taxes	-	<b>(5,225)</b>	-	<b>(10,808)</b>
Balance, end of period	<b>129,309,265</b>	<b>26,250,901</b>	129,309,265	26,256,126

**VULCAN MINERALS INC.**  
**Notes to the Condensed Consolidated Financial Statements**  
**June 30, 2025**

**Contributed surplus:**

A summary of contributed surplus is as follows:

	<b>June 30 2025</b>	<b>December 31 2024</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>5,833,571</b>	5,833,286
Share-based compensation (Note 9)	<b>155,031</b>	-
Expiry of warrants	-	285
Balance, end of period	<b>5,988,602</b>	5,833,571

**9. 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 the 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.

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

	<b>June 30, 2025</b>		<b>December 31, 2024</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>6,550,000</b>	<b>0.18</b>	7,375,000	0.17
Granted	<b>3,750,000</b>	<b>0.15</b>	-	-
Expired	-	-	(825,000)	0.13
Outstanding, end of period	<b>10,300,000</b>	<b>0.17</b>	6,550,000	0.18
Exercisable, end of period	<b>8,425,000</b>	<b>0.17</b>	6,550,000	0.18

The weighted average remaining contractual life of outstanding options is 2.02 years (December 31, 2024 – 2.74 years). The weighted average remaining contractual life of exercisable options is 2.04 (December 31, 2024 – 2.74 years).

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The Company granted 3,750,000 stock options to directors and employees with each option entitling the holder to purchase one common share at \$0.15 per share for a period of two years. 1,875,000 options vested on the date of grant February 14, 2025 and the remaining 1,875,000 options vest on February 14, 2026.

**Fair value assumptions:**

The weighted average fair value of stock options granted in the period ended June 30, 2025 was estimated to be \$0.0605 (December 31, 2024 - \$nil) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

	June 30 2025	December 31 2024
Expected volatility (%)	82	-
Risk free interest rate (%)	2.73	-
Weighted-average expected life (years)	2.00	-
Dividend yield (%)	-	-

**Consolidated share-based compensation expense:**

The Company recognized share-based compensation costs in the amount of \$155,031 in the period ended June 30, 2025 (June 30, 2024 - \$nil). Share-based compensation in the amount of \$149,904 was expensed for the period ended June 30, 2025 (June 30, 2024 - \$nil) and \$5,127 (June 30, 2024 - \$nil) was capitalized to mineral exploration and evaluation assets.

**10. GENERAL AND ADMINISTRATIVE EXPENSES**

	June 30 2025	June 30 2024
	\$	\$
Salaries and benefits and cost recoveries	110,121	55,840
Office and administrative	87,662	76,687
Marketing and communications	14,250	-
Management and sub-contractor fees	85,003	82,503
Transfer agent and professional fees	45,730	26,721
Conferences, travel, and accommodation	26,738	5,196
	369,504	246,947

**VULCAN MINERALS INC.**  
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**11. 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>June 30 2025</b>	<b>June 30 2024</b>
	\$	\$
Management fees, salaries and benefits for key management personnel:		
General and administrative	<b>170,934</b>	149,713
Capitalized as exploration and evaluation assets	<b>6,780</b>	17,785
Share-based compensation for key management personnel:		
General and administrative	<b>59,154</b>	-
Capitalized as exploration and evaluation assets	<b>5,127</b>	-
	<b>241,995</b>	167,498
Rent paid to a corporation which is controlled by the President and CEO of the Company	<b>24,000</b>	12,000

**12. 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.

### **13. FINANCIAL INSTRUMENTS**

#### **Fair Values:**

Financial instruments recorded at fair value on the consolidated 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 disclosed in Note 4 are Level 1 measurements. The fair value of Triple Point Resources (Note 4) is considered a Level 3 measurement.

#### **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 certificates 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 its 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

**VULCAN MINERALS INC.**  
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**June 30, 2025**

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future exploration projects. As of June 30, 2025 the Company had a cash balance of \$5,291,942 (December 31, 2024 - \$5,620,024), guaranteed investment certificate balance of \$nil (December 31, 2024 - \$nil) and a positive working capital of \$5,248,110 (December 31, 2024 - \$5,616,534).

Accounts payable and accrued liabilities at June 30, 2025 is \$85,414 (December 31, 2024 - \$96,990).

*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.

## **14. CONTINGENCIES**

The Company was 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.

## **15. SUBSEQUENT EVENTS**

The Company advises that the legal action by Geophysical Service Incorporated (GSI) against the Company has been discontinued by GSI subsequent to the quarter ended June 30, 2025. It has been the Company's position since the start of litigation that this case had no basis or merit and the recent dropping of the case by GSI confirms this and puts an end to this legal claim.

# 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

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