

ANS Exploration Corp.

Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

Presented in Canadian dollars

INDEPENDENT AUDITOR'S REPORT

To the Directors of
ANS Exploration Corp.

Opinion

We have audited the accompanying consolidated financial statements of ANS Exploration Corp. (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that during the year ended December 31, 2024 the Company recorded a loss of \$1,586,632 and as at December 31, 2024, the Company has an accumulated deficit of \$2,901,966. As stated in Note 1, these circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matters

The consolidated financial statements of ANS Exploration Corp. for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on August 15, 2024.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

November 10, 2025

ANS EXPLORATION CORP.

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

| | Notes | December 31, 2024 | December 31, 2023 |
|--|-------|-------------------|-------------------|
| Assets | | | |
| Current assets | | | |
| Cash | | \$ 70,691 | \$ 117,252 |
| GST receivable | | 11,080 | - |
| Prepaid expenses | | 6,400 | 8,994 |
| Due from Altau Resources | 5 | - | 83,030 |
| | | 88,171 | 209,276 |
| Non-current assets | | | |
| Equipment | 6 | 91,387 | 48,811 |
| Total assets | | \$ 179,558 | \$ 258,087 |
| Liabilities and Equity | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 13 | \$ 113,520 | \$ 107,646 |
| Consideration payable | 9 | 202,352 | - |
| Helderberg joint venture investment | 8 | 4,221 | - |
| Total liabilities | | 320,093 | 107,646 |
| Equity | | | |
| Share capital | 11 | 2,767,962 | 1,402,025 |
| Shares subscribed | 11 | - | 63,750 |
| Deficit | | (2,901,966) | (1,315,334) |
| Total shareholders' equity | | (134,004) | 150,441 |
| Non-controlling interests | 5, 14 | (6,531) | - |
| Total equity | | (140,535) | 150,441 |
| Total liabilities and equity | | \$ 179,558 | \$ 258,087 |

Nature of operations and going concern (Note 1)
Subsequent events (Note 18)

The consolidated financial statements were approved for issuance by the Board of Directors by:

"Christopher Schmidt"
Christopher Schmidt, Director

"Moritz Hill"
Moritz Hill, Director

The accompanying notes form an integral part of these consolidated financial statements.

ANS EXPLORATION CORP.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

| | Notes | Year Ended | |
|---|-------|-----------------------|----------------------|
| | | December 31, 2024 | December 31, 2023 |
| Mineral expenses | | | |
| Exploration and evaluation expenses | 7, 13 | \$ 1,028,123 | \$ 797,925 |
| Operating expenses | | | |
| General and administrative expenses | | 162,766 | 5,868 |
| Professional fees | 13 | 127,732 | 132,406 |
| Foreign exchange | | 102,640 | 4,535 |
| Consulting fees | 13 | 91,722 | - |
| Depreciation | 6 | 55,987 | 5,484 |
| Transfer agent, regulatory and filing fees | | 3,917 | - |
| Marketing and communication | | - | 1,637 |
| Operating loss | | (1,572,887) | (947,855) |
| Other items | | | |
| Accretion expense | 9 | (8,958) | - |
| Gain on debt modification | 9 | 1,442 | - |
| Share of loss in Helderberg joint venture | 8 | (25,892) | - |
| Write-off of equipment | | - | (5,444) |
| Loss and comprehensive loss for the year | | \$ (1,606,295) | \$ (953,299) |
| Loss and comprehensive loss attributable to: | | | |
| Shareholders of ANS Exploration Corp. | | (1,586,632) | - |
| Non-controlling interests | 5, 14 | (19,663) | - |
| | | (1,606,295) | |
| Weighted average shares outstanding – basic and diluted | | 27,128,453 | 19,238,603 |
| Basic and diluted loss per share | | \$ (0.06) | \$ (0.05) |

The accompanying notes form an integral part of these consolidated financial statements.

ANS EXPLORATION CORP.

Consolidated Statements of Cash Flow

(Expressed in Canadian dollars)

| | | Year Ended | |
|--|-------|----------------------|----------------------|
| | Notes | December 31, 2024 | December 31, 2023 |
| Cash flows provided by (used in): | | | |
| Operating activities | | | |
| Loss for the year | | \$ (1,606,295) | \$ (953,299) |
| Items not involving cash: | | | |
| Depreciation | | 55,987 | 5,484 |
| Accretion expense | | 8,958 | - |
| Gain on debt modification | | (1,442) | - |
| Fair value lift on acquisition of Altau Resources | 5 | 305,517 | - |
| Share of loss in Helderberg joint venture | | 25,892 | - |
| Write-off of equipment | | - | 5,444 |
| Changes in non-cash working capital items: | | | |
| Amounts receivable and prepaid expenses | | (153,463) | (7,701) |
| Accounts payable and accrued liabilities | | 27,017 | 71,343 |
| Cash used in operating activities | | (1,337,829) | (878,729) |
| Investing activities | | | |
| Purchases of equipment | | (23,633) | (53,979) |
| Due from Altau Resources | | - | (83,030) |
| Cash acquired on acquisition of Altau Resources | | 119,735 | - |
| Consideration payment | | (68,337) | - |
| Investment in Helderberg joint venture | | (21,671) | - |
| Cash provided by (used in) investing activities | | 6,094 | (137,009) |
| Financing activities | | | |
| Proceeds from private placements, net of costs | | 1,285,174 | 806,469 |
| Shares subscribed | | - | 63,750 |
| Cash provided by financing activities | | 1,285,174 | 870,219 |
| Change in cash | | (46,561) | \$ (145,519) |
| Cash, beginning of year | | 117,252 | 262,771 |
| Cash, end of year | | \$ 70,691 | \$ 117,252 |
| Supplemental cash flow information: | | | |
| Shares issued for debt | | \$ 17,013 | \$ 17,500 |
| Income taxes paid | | - | - |
| Interest paid | | \$ - | \$ - |

The accompanying notes form an integral part of these consolidated financial statements.

ANS EXPLORATION CORP.

Consolidated Statements Shareholders Equity

(Expressed in Canadian dollars)

| | Notes | Share Capital | | Shares subscribed | Deficit | Total shareholders' equity | Non-controlling interests | Total |
|-------------------------------------|-------|---------------------|---------------------|----------------------|-----------------------|-------------------------------|------------------------------|---------------------|
| | | Number of shares | Amount | | | | | |
| Balance, December 31, 2022 | | 15,350,000 | \$ 578,056 | \$ - | \$ (362,035) | \$ 216,021 | \$ - | \$ 216,021 |
| Shares issued in private placements | 11(b) | 5,985,000 | 817,279 | - | - | 817,279 | - | 817,279 |
| Share issued to settle debt | 11(b) | 350,000 | 17,500 | - | - | 17,500 | - | 17,500 |
| Shares subscribed | 11(b) | - | - | 63,750 | - | 63,750 | - | 63,750 |
| Share issuance costs | 11(b) | - | (10,810) | - | - | (10,810) | - | (10,810) |
| Loss for the year | | - | - | - | (953,299) | (953,299) | - | (953,299) |
| Balance, December 31, 2023 | | 21,685,000 | 1,402,025 | 63,750 | (1,315,334) | 150,441 | - | 150,441 |
| Shares issued in private placements | 11(b) | 8,317,280 | 1,349,024 | (63,750) | - | 1,285,274 | - | 1,285,274 |
| Shares issued to settle debt | 11(b) | 97,142 | 17,013 | - | - | 17,013 | - | 17,013 |
| Share issuance costs | 11(b) | - | (100) | - | - | (100) | - | (100) |
| Acquisition of Altau | 5 | - | - | - | - | - | 13,132 | 13,132 |
| Loss for the year | | - | - | - | (1,586,632) | (1,586,632) | (19,663) | (1,606,295) |
| Balance, December 31, 2024 | | 30,099,422 | \$ 2,767,962 | \$ - | \$ (2,901,966) | \$ (134,004) | \$ (6,531) | \$ (140,535) |

The accompanying notes form an integral part of these consolidated financial statements.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

1. Nature of operations and going concern

ANS Exploration Corp. ("ANS" or "the Company") was incorporated under the Business Corporations Act of Ontario on May 4, 2022. The address of its registered head office is 333 Bay Street Suite 2400, Toronto, Ontario M5H 2T6.

The Company is in the process of exploring potential resource properties in the Arabian Nubian Shield and has not determined whether these properties contain mineral reserves which are economically recoverable. The recoverability of amounts shown for exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from the property or proceeds from its disposition.

Going concern

These consolidated financial statements have been prepared on the basis of accounting principles applicable to going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

During the year ended December 31, 2024, the Company recorded a loss of \$1,586,632 and as at December 31, 2024, the Company has an accumulated deficit of \$2,901,966. The Company expects to incur further losses in the development of its business. The Company is subject to risks and challenges impacting its operations including, but not limited to, the ability to secure adequate financing to meet expenditure requirements including maintenance costs on its exploration and evaluation assets, and to successfully satisfy its commitments and continue as a going concern. The Company is dependent on equity and debt financings to fund its operations. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The consolidated financial statements for the year ended December 31, 2024 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and such adjustments could be material.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements for the year ended December 31, 2024, and 2023 were approved and authorized for issuance by the Board of Directors on November 10, 2025.

(b) Basis of measurement

These consolidated financial statements have been prepared in accordance with IFRS on a historical cost basis, except for financial instruments measured at fair values through profit and loss. These consolidated financial statements have been prepared using an accrual basis of accounting, except for cash flow information.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

(c) Foreign currency

The financial statements for the Company and its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which the entity operates. The presentation currency of the Company is the Canadian dollar. The functional currency of all companies in the group is the Canadian dollar.

(d) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the subsidiaries which it controls:

| | Country of Incorporation | Percentage owned at December 31, 2024 |
|----------------------------|-----------------------------|--|
| ANS Resources Ltd. | Cayman Islands | 100% |
| ANS Resources Holding Ltd. | United Arab Emirates | 100% |
| ANS Exploration Co. Ltd. | Sudan | 99% |
| Altau Resources Ltd. | Ethiopia | 95% |
| Altau Holdings Ltd. | Seychelles | 95% |

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. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions, balances and any unrealized gains and losses from intercompany transactions are eliminated in preparing these consolidated financial statements.

(e) Joint arrangements

A joint arrangement is defined as an arrangement in which two or more parties have joint control and is classified as either a joint operation or a joint venture. A joint venture is a joint arrangement whereby the parties have joint control of the arrangement and have the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method in accordance with IAS 28 *Investments in Associates and Joint Ventures*. These consolidated financial statements include the Company's 50% interest in Helderberg Holding Ltd., which is accounted for as a joint venture.

3. Material accounting policy information

(a) Cash and cash equivalents

The Company considers cash to include amounts held in banks and cash equivalents to include short-term liquid investments that are cashable or readily convertible into a known amount of cash. The Company holds cash with major financial institutions in Canada and Ethiopia. As at December 31, 2024 and 2023, the Company did not have any cash equivalents.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

(b) Foreign exchange

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

(c) Exploration and evaluation expenditures

The Company expenses exploration and evaluation costs and acquisition costs directly to the statement of loss and comprehensive loss in the year they are incurred. Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes: (1) researching and analyzing historical exploration data; (2) gathering exploration data through topographical, geochemical and geophysical studies; (3) exploratory drilling, trenching and sampling; (4) determining and examining the volume and grade of the resource; (5) surveying transportation and infrastructure requirements; (6) mining activities; and, (7) conducting market and finance studies.

Once the technical feasibility and commercial viability of an exploration property has been determined, it is then considered to be a mine under development and is reclassified to mineral property in accordance with IAS 16-property, plant and equipment. All costs relating to the construction, installation, or completion of a mine that are incurred subsequent to the exploration and evaluation stage are capitalized to the mineral property. Proceeds from the sale of ore extracted during the development phase are net against development expenditures.

The Company assesses the stage of each mine under development to determine when a property reaches the stage when it is in the condition for it to be capable of operating in a manner intended by management ("commercial production"). Determining when a mine has achieved commercial production is a matter of judgement.

As of the date of these consolidated financial statements, the Company has incurred only exploration costs that have been expensed. Also, the Company has not established any National Instrument 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

(d) Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation assets in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability.

The capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows.

As at December 31, 2024, and 2023, the Company did not have any decommissioning liabilities or provisions.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

(e) Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment is comprised of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

The residual values, useful lives, and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate. Equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

| | Rate |
|-----------------------|-----------|
| Exploration equipment | 25% - 50% |
| Office equipment | 20% |

(f) Impairment of non-financial assets

At each statement of financial position date, in accordance with IAS 36 "Impairment of Assets", the Company assesses whether there is any indication that any of its non-financial assets have suffered an impairment loss. If any indication exists, the Company estimates the asset's recoverable amount.

An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. Impairment losses are recognized in profit or loss for the reporting period.

Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units, and then to reduce the carrying amount of other assets in the unit on a pro-rata basis.

An impairment loss for an individual asset or CGU shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognized and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The recoverable amount is the greater of an asset's or CGU fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. For an asset that does not generate largely independent cash inflows, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

(g) Income taxes

Current income taxes

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws are used to compute the amount are those that are enacted or subsequently enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income taxes relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income taxes

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) enacted or substantively enacted at the end of each reporting period.

Deferred income tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax liabilities and asset and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and asset on a net basis or their tax assets and liabilities will be realized simultaneously.

(h) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates the value to the more easily measurable component based on fair value and then the residual value, if any, to the less measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

(i) Basic and diluted loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the periods presented. Diluted loss per share is computed similarly to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting period. Diluted loss per share excludes all dilutive potential equity instruments if their effect is anti-dilutive.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

(j) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired, or have been transferred, and the Company has transferred substantially all risks and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

Financial assets and liabilities are offset, and the net amount is reported on the statement of financial position, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, all financial assets and liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities classified as FVTPL are expensed in the period in which they are incurred. Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

Classification of Financial Assets

Amortized cost

Financial assets that meet the following conditions are measured at amortized cost:

1. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets and liabilities carried at amortized cost are initially recognized at fair value, plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Fair value through other comprehensive income ("FVTOCI")

Financial assets that meet the following conditions are measured at FVTOCI.

1. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company does not have any instruments classified as financial assets at FVTOCI.

FVTPL

The Company, at initial recognition, may also irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Classification of Financial Liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The Company classifies its financial instruments as follows:

| | |
|--|----------------|
| Cash | Amortized cost |
| Consideration payable | Amortized cost |
| Due from Altau Resources | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |

(k) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties

(l) Contingent consideration

Contingent consideration from an asset acquisition is recognized when:

- (i) The conditions associated with the contingency are met;
- (ii) The Company has a present legal or constructive obligation that can be estimated reliably; and
- (iii) It is probable that an outflow of economic benefits will be required to settle the obligation.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

(m) Segment reporting

A reportable segment, as defined by 'IFRS 8 - *Operating Segments*', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the mineral exploration segment.

(n) New accounting standard and interpretations

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

4. Critical accounting estimates and judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Critical accounting estimates

Estimates made in applying accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Deferred income taxes

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 consolidated statement of financial position. 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 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.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

Useful lives of equipment

Management exercises professional judgement when determining the useful life and residual values of equipment. Management estimates these inputs based on industry standards and previous experience assessing similar capital assets.

Critical accounting judgements

Judgments made in applying accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Functional currency

The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. The functional currency for the Company is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

5. Acquisition of Altai Resources

On July 21, 2023, the Company entered into a purchase agreement (the "Altai Agreement") with Elemental Altus Royalties Corp. ("Elemental") and its subsidiary, Altai Resources Limited (the "Seller") to acquire a 95% interest in Altai Holdings Ltd. ("Altai Holdings") through its wholly-owned subsidiary, ANS Resources Ltd. Altai Holdings owns 100% of Altai Resources Ltd. ("Altai Resources"), a Company established in the Federal Republic of Ethiopia. (the "Transaction"). The Transaction closed on August 28, 2024. The total consideration was as follows:

- Completion of cash payments (the "Consideration Payable") totaling US\$200,000, as follows:
 - US\$50,000 due to Seller upon closing (paid); and
 - US\$150,000 payable in cash in five equal instalments of US\$30,000 every three months commencing three months from Transaction closing.
- The issuance of common shares, upon an initial public offering ("IPO"), such that Elemental is the holder of 5% of the issued and outstanding common shares of the Company (the "Shares Issuable").

Additionally, Elemental is entitled to certain milestone payments as follows:

- US\$500,000 in cash on the publication of a maiden mineral resource statement exceeding 1,000,000 ounces of gold equivalent on either of the exploration licenses; and
- US\$500,000 in cash on the publication of a feasibility study technical report on any project within either of the exploration licenses

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

The Company accounted for the purchase as an asset acquisition as Altau Holdings did not meet the definition of a business under IFRS 3, "Business Combinations". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

| | | |
|---|----|-----------|
| Consideration Payable (Note 9) | \$ | 249,502 |
| Net assets acquired: | | |
| Cash | \$ | 119,735 |
| Receivables | | 8,382 |
| Prepaid expenses | | 6,479 |
| Exploration and evaluation expenses – Daro license | | 241,369 |
| Exploration and evaluation expenses – Zager license | | 64,148 |
| Equipment | | 74,930 |
| Payables | | (9,541) |
| Due to ANS Exploration Corp. | | (242,868) |
| Non-controlling interests | | (13,132) |
| Net assets acquired | \$ | 249,502 |

The excess of purchase consideration over the net assets acquired was allocated to exploration and evaluation expenditures and allocated between the Zager and Daro licenses on a pro-rata basis, in line with Company's accounting policy.

Contingent payments associated with milestone payments and Shares Issuable were not included in the purchase price, as per the Company's accounting policy.

6. Equipment

| | Office equipment | Exploration equipment | Total |
|---|---------------------|--------------------------|-------------------|
| Cost | | | |
| Balance, December 31, 2022 | \$ 6,400 | \$ - | \$ 6,400 |
| Additions | - | 53,979 | 53,979 |
| Disposals | (6,400) | - | (6,400) |
| Balance, December 31, 2023 | - | 53,979 | 53,979 |
| Assets acquired from Altau Resources (Note 5) | - | 74,930 | 74,930 |
| Additions | - | 23,633 | 23,633 |
| Balance, December 31, 2024 | \$ - | \$ 152,542 | \$ 152,542 |
| Accumulated Depreciation | | | |
| Balance, December 31, 2022 | \$ 640 | \$ - | \$ 640 |
| Additions | 316 | 5,168 | 5,484 |
| Disposals | (956) | - | (956) |
| Balance, December 31, 2023 | - | 5,168 | 5,168 |
| Additions | - | 55,987 | 55,987 |
| Balance, December 31, 2024 | \$ - | \$ 61,155 | \$ 61,155 |
| Net Book Value, December 31, 2023 | \$ - | \$ 48,811 | \$ 48,811 |
| Net Book Value, December 31, 2024 | \$ - | \$ 91,387 | \$ 91,387 |

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

7. Exploration and evaluation expenses

During the year ended December 31, 2024 and 2023, the Company incurred exploration and evaluation expenses as follows:

| | Ethiopia | | Sudan | | |
|---|-------------------|-------------------|-------------------|-----------|------------------|
| | Daro | Zager | Sharareet | | Total |
| Costs incurred during the year ended December 31, 2024: | | | | | |
| <u>Acquisition costs</u> | | | | | |
| Fair value lift on acquisition | \$ 241,369 | \$ 64,148 | \$ - | \$ | 305,517 |
| <u>Exploration and evaluation costs</u> | | | | | |
| Data compilation | 31,206 | 19,572 | - | | 50,778 |
| Consulting | 7,968 | 4,998 | - | | 12,966 |
| Geological | 198,616 | 124,573 | - | | 323,189 |
| Management services | 190,003 | 119,172 | - | | 309,175 |
| Office and other | 2,350 | 1,474 | - | | 3,824 |
| Travel | 38,149 | 23,928 | - | | 62,077 |
| Cost recoveries | (24,215) | (15,188) | - | | (39,403) |
| Balance, December 31, 2024 | \$ 685,446 | \$ 342,677 | \$ - | \$ | 1,028,123 |
| Costs incurred during the year ended December 31, 2023: | | | | | |
| <u>Exploration and evaluation costs</u> | | | | | |
| Data compilation | \$ 99,046 | \$ - | \$ 8,759 | \$ | 107,805 |
| Geological | 117,311 | - | 41,896 | | 159,207 |
| Management services | 306,870 | - | 104,695 | | 411,565 |
| Office and other | 12,547 | - | - | | 12,547 |
| Travel | 54,790 | - | 52,011 | | 106,801 |
| Balance, December 31, 2023 | \$ 590,564 | \$ - | \$ 207,361 | \$ | 797,925 |

Daro and Zager licenses

The Daro and Zager licenses are located in the Tigray region of Northern Ethiopia. The Company acquired a 95% ownership in the Daro and Zager licenses from Elemental Altus Royalties Corp. ("Elemental") on August 28, 2024 (Note 5) for total consideration of:

- Cash payments totaling US\$200,000, as follows:
 - US\$50,000 due to Seller upon closing (paid); and
 - US\$150,000 payable in cash in five equal instalments of US\$30,000 every three months commencing three months from Transaction closing.
- The issuance of common shares, upon an initial public offering ("IPO"), such that Elemental is the holder of 5% of the issued and outstanding common shares of the Company.

Additionally, Elemental is entitled to certain milestone payments as follows:

- US\$500,000 in cash on the publication of a maiden mineral resource statement exceeding 1,000,000 ounces of gold equivalent on either of the exploration licenses; and
- US\$500,000 in cash on the publication of a feasibility study technical report on any project within either of the exploration licenses

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

8. Helderberg joint venture

On May 8, 2024 the Company acquired a 50% interest in Helderberg Holding Limited ("Helderberg"). The other 50% is held by Odyssey Metals Limited and the two companies subsequently entered into a shareholder agreement on August 5, 2024, with respect to their joint interest in Helderberg. The Company's investment in Helderberg is considered to be a joint venture and is accounted for using the equity method.

During the year ended December 31, 2024, Helderberg was focused on applying for mineral licenses in the Kingdom of Saudi Arabia and was successfully awarded the Umm Qusur license subsequent to year end.

The Company's share of the net loss of Helderberg is as follows:

| | | |
|---|-----------|---------------|
| Legal and professional fees | \$ | 47,555 |
| Accounting and audit services | | 2,137 |
| Bank fees | | 48 |
| Foreign exchange | | 2,044 |
| Net loss on a 100% basis | | 51,784 |
| Equity investment | | 50% |
| ANS' share of loss of Helderberg | \$ | 25,892 |

The carrying amount of the Company's investment in Helderberg as of December 31, 2024 is as follows:

| | | |
|-----------------------------------|-----------|----------------|
| Balance, December 31, 2023 | \$ | - |
| Cash investments in Helderberg | | 21,671 |
| Share of net loss | | (25,892) |
| Balance, December 31, 2024 | \$ | (4,221) |

As of December 31, 2024, the Company's share of the net assets of Helderberg are as follows:

| | | |
|---|-----------|----------------|
| Current assets | \$ | 10,486 |
| Current liabilities | | (13,225) |
| Net assets on a 100% basis | | (2,739) |
| Equity investment | | 50% |
| ANS' share of net assets of Helderberg | \$ | (1,369) |

The Company's share of the net loss of the Helderberg joint venture is recognized in the statement of loss and comprehensive loss as loss from Helderberg joint venture.

9. Consideration payable

Pursuant to the acquisition of Altai Resources (Note 5) the Company has consideration payable totaling US\$200,000, which is due as follows:

- US\$50,000 due to Seller upon closing (paid); and
- US\$150,000 payable in cash in five equal instalments of US\$30,000 every three months commencing three months from Transaction closing.

Additionally, Elemental is entitled to certain milestone payments as follows:

- US\$500,000 in cash on the publication of a maiden mineral resource statement exceeding 1,000,000 ounces of gold equivalent on either of the exploration licenses; and
- US\$500,000 in cash on the publication of a feasibility study technical report on any project within either of the exploration licenses.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

Upon acquisition, the consideration payable was recorded at its fair value of \$249,502, based on the forecasted timing of payments and a discount rate of 15% per annum.

On November 28, 2024, Elemental agreed to defer the payment of the first instalment payment of US\$30,000, to be paid with the second payment on February 28, 2025. The modification to the payment terms resulted in a debt modification gain of \$1,441.

The movement in the consideration payable is as follows:

| | | |
|-----------------------------------|-----------|----------------|
| Balance, acquisition date | \$ | 249,502 |
| Accretion expense | | 8,958 |
| Modification gain | | (1,442) |
| Foreign exchange | | 13,671 |
| Payments | | (68,337) |
| Balance, December 31, 2024 | \$ | 202,352 |

10. Commitments

Pursuant to the acquisition of Altau Resources (Note 5), the Company is obligated, upon an IPO, to issue common shares to Elemental such that Elemental is the holder of 5% of the issued and outstanding common shares of ANS.

11. Share capital

(a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and outstanding

The Company issued the following securities during the periods indicated:

During the year ended December 31, 2024, the Company entered into the following transactions:

- On February 4, 2024, the Company closed its non-brokered private placement of 1,420,000 common shares at \$0.10 per common share for gross proceeds of \$142,000.
- On February 19, 2024, and March 2, 2024, the Company closed two tranches of a non-brokered private placement, issuing an aggregate of 3,853,567 common shares at \$0.175 per common share for gross proceeds of \$674,374.
- On June 12, 2024, the Company closed its non-brokered private placement of 114,286 common shares at \$0.175 per common share for gross proceeds of \$20,000.
- On August 25, 2024, and September 24, 2024, the Company closed two tranches of a non-brokered private placement, issuing an aggregate of 1,893,713 common shares at \$0.175 per common share for gross proceeds of \$331,400.
- On November 5, 2024, the Company closed its non-brokered private placement of 1,035,714 common shares at \$0.175 per common share for gross proceeds of \$181,250. On the same date, the Company issued 97,142 common shares to settle certain outstanding accounts payable in the amount of \$17,000.
- In connection with the financings, the Company paid share issuance cost totaling \$100.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

During the year ended December 31, 2023, the Company entered into the following transactions:

- On February 3, 2023, the Company issued 350,000 common shares for services with a fair value of \$17,500.
- On May 23, 2023, the Company closed its non-brokered private placement of 4,525,000 common shares at \$0.10 per common share for gross proceeds of \$452,279.
- In connection with the financings, the Company paid share issuance cost totaling \$10,810.
- On September 18, 2023, the Company closed its non-brokered private placement of 1,460,000 common shares at \$0.25 per common share for gross proceeds of \$365,000.
- As of December 31, 2023, the Company had a commitment to issue 367,854 common shares at a price of \$0.175 per common share for gross proceeds of \$63,750. These common shares were issued on March 2, 2024, as discussed above.

12. Income taxes

The Company is subject to federal and provincial tax for the estimated assessable profit for the year ended December 31, 2024. The Company had no assessable profit for the year. The difference between tax expense for the year and the expected income taxes based on the statutory tax rates arises as follows:

| | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Net loss | \$ (1,606,295) | \$ (953,299) |
| Expected income tax recovery at 27% (2023 – 27%) | (416,481) | (257,000) |
| Foreign exchange and other | 145,006 | (6,000) |
| Non-deductible expenditures and non-taxable revenues | 183,598 | - |
| Adjustment to prior year provision versus statutory rates | 281,225 | - |
| Share issuance cost | - | (3,000) |
| Changes in unrecognized deferred income tax assets | (193,348) | 266,000 |
| Deferred income tax recovery | \$ - | \$ - |

The significant components of the Company's unrecognized net deferred income tax assets and liabilities are as follows:

| | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Exploration and evaluation assets | \$ - | \$ 275,000 |
| Capital assets | 15,000 | 4,000 |
| Share issuance cost | 3,000 | 5,000 |
| Non-capital losses | 117,000 | 45,000 |
| Total unrecognized deferred income tax assets | \$ 135,000 | \$ 329,000 |

As at December 31, 2024, the Company has non-capital losses of approximately \$168,000 (2023 - \$168,000) available to offset future income for income tax purposes which commence expiring in 2042 through 2044. Due to the uncertainty of realization of these loss carry-forwards, the benefit is not reflected in the consolidated financial statements.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

13. Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company's related parties are considered to be Directors and Officers of the Company and the companies controlled by these individuals. The following table summarizes transactions with related parties during the years ended December 31, 2024 and 2023:

| | | December 31, 2024 | | December 31, 2023 |
|-------------------------------------|----|----------------------|----|----------------------|
| Exploration and evaluation expenses | \$ | 300,634 | \$ | 413,840 |
| Professional and management fees | | 82,763 | | 5,591 |
| | \$ | 383,397 | \$ | 419,431 |

As of December 31, 2024, the Company had \$40,419 owing to related parties (2023 - \$33,309).

14. Non-controlling interest

Pursuant to the Altau Agreement (Note 5), Elemental retained a 5% interest in Altau Holdings. A continuity schedule of the non-controlling interests is as follows:

| | | December 31, 2024 | | December 31, 2023 |
|-----------------------------|-----------|----------------------|-----------|----------------------|
| Balance, beginning of year | \$ | - | \$ | - |
| Acquisition (Note 5) | | (13,132) | | - |
| Share of loss | | 19,633 | | - |
| Balance, end of year | \$ | 6,531 | \$ | - |

The financial information of the subsidiaries which have a non-controlling interest is as follows:

| | | |
|--------------------------------|----|---------------|
| Current assets | \$ | 47,652 |
| Non-current assets | | 60,389 |
| Current liabilities | | (12,698) |
| Net assets | | 95,343 |
| Net loss for the year | | 393,250 |
| Non-controlling interest share | | 19,663 |

15. Financial instruments and risk management

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

| | December 31, 2024 | December 31, 2023 |
|--|-------------------|-------------------|
| Financial assets: | | |
| Amortized cost | | |
| Cash and cash equivalents | \$ 70,691 | \$ 117,252 |
| Financial liabilities: | | |
| Amortized cost | | |
| Accounts payable and accrued liabilities | \$ 113,520 | \$ 107,646 |

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

Consideration payable

202,352

-

Accounts payable and accrued liabilities include amounts due to related parties (Note 13). The Company's VAT receivable, accounts payable and accrued liabilities, and consideration payable approximates their carrying amounts due to the short-term nature of these instruments.

b) Management of financial risks

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below:

(i) Credit risk

Credit risk is the risk that may arise on outstanding financial instruments should a counter party default on its obligation. The Company's primary exposure to credit risk is in its cash accounts. The Company's cash balance is held with large, credit worthy financial institutions and as such the risk of loss is considered to be low.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company has aimed to manage liquidity risk by maintaining adequate cash and managing its capital and expenditures. At December 31, 2024, the Company had cash of \$70,691 and accounts payable and accrued liabilities of \$113,520 with contractual maturities of less than one year. The Company's ability to continue as a going concern is dependent on management's ability to raise financing until such time that the Company is profitable. At December 31, 2024, the Company assessed its liquidity risk as moderate.

(iii) Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is not exposed to significant currency other price risk. The Company's assessment of currency risk and interest rate risk is as follows:

a. Currency risk

The Company's functional currency is the Canadian dollar. There is moderate foreign exchange risk to the Company as it incurs significant mineral property-related expenditures in Ethiopia and Saudi Arabia. The Company is also exposed to foreign exchange risk arising from:

- Cash balances held in US dollars and Ethiopian Birr;
- Accounts payable denominated in US dollars, Great Britain Pounds and Euros.

These are all shown on the statement of loss and comprehensive loss. The Company does not engage in any hedging activities to reduce its foreign currency risk. A 10% variance in the foreign exchange rates would expose the Company to a positive or negative impact on its comprehensive loss of approximately \$25,245 during the year ended December 31, 2024 (2023 – \$3,150).

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at December 31, 2024 and 2023.

ANS EXPLORATION CORP.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

16. Capital management

In the management of capital, the Company includes the components of shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral projects for the benefits of stakeholders. As the Company is in the exploration stage, it has no income from operations, and its principal source of funds is the from issuance of common shares. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying asset. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint arrangements, or dispose of assets. The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's approach to capital management during the year ended December 31, 2024.

17. Segmented information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief executive officer and the executive management in assessing performance and in determining the allocation of resources. The Company considers the business from a geographic perspective and assesses the performance of the operating segments based on measures such as net property and equipment as well as operational results.

Operating Segment

The Company's operations are limited to a single industry segment, being the acquisition, exploration and evaluation of mineral properties.

Geographic Segments

As at December 31, 2024, the Company's operations and assets are located in Canada, Ethiopia, and Saudi Arabia. By geographic areas, the Company's non-current assets as at December 31, 2024 and 2023, are as follows:

| | December 31, 2024 | December 31, 2023 |
|--------------|----------------------|----------------------|
| Canada | \$ 30,998 | \$ - |
| Ethiopia | 60,389 | 48,811 |
| Saudi Arabia | - | - |
| | \$ 91,387 | \$ 48,811 |

18. Subsequent events

On February 27, 2025, the Company closed the first tranche of a non-brokered private placement of 666,666 common shares at \$0.15 per share, for gross proceeds of \$100,000. On the same date, the Company issued 333,334 common shares to a director of the Company as consideration for services provided to the Company.

On March 6, 2025, the Company closed the second tranche of a non-brokered private placement of 1,796,666 common shares at \$0.15 per share, for gross proceeds of \$269,500.

On June 2, 2025, the Company closed the third tranche of a non-brokered private placement of 2,366,661 common shares at \$0.15 per share, for gross proceeds of \$354,999.

On October 15, 2025, the Company closed completed a non-brokered private placement of 450,000 common shares at \$0.175 per share, for gross proceeds of \$78,750.