



Condensed Consolidated Interim Financial Statements

For the three and six months ended February 28, 2025 and February 29, 2024

NOTICE OF NO AUDIT OR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

Founders Metals Inc.

Condensed Consolidated Interim Statements of Financial Position

Expressed in Canadian Dollars (Unaudited)

As at	February 28, 2025	August 31, 2024
ASSETS		
Current		
Cash	\$ 51,673,680	\$ 4,800,069
Amounts receivable	94,592	62,373
Prepays and deposits	288,629	282,256
	52,056,901	5,144,698
Non-current		
Fixed assets (note 4)	3,405,480	1,672,422
Deposit (note 3)	100,000	-
Exploration and evaluation properties (note 5)	47,005,789	28,312,375
	\$ 102,568,170	\$ 35,129,495
LIABILITIES		
Current		
Accounts payable and accrued liabilities (notes 7 and 8)	\$ 3,893,572	\$ 3,040,891
	3,893,572	3,040,891
EQUITY		
Share capital (note 6)	110,057,535	40,912,439
Option and warrant reserve	2,897,709	2,616,913
Deficit	(14,280,646)	(11,440,748)
Total shareholders' equity	98,674,598	32,088,604
Total liabilities and shareholders' equity	\$ 102,568,170	\$ 35,129,495

Nature of operations (note 1)

Subsequent events (note 9)

Approved by the Board of Directors on April 29, 2025

Director (signed by) "Barry Macdonald"Director (signed by) "Colin Padget"

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

Founders Metals Inc.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss***Expressed in Canadian Dollars (Unaudited)*

For the	Three months ended		Six months ended	
	Feb 28, 2025	Feb 29, 2024	Feb 28, 2025	Feb 29, 2024
Expenses				
Marketing	\$ 235,797	\$ 236,844	\$ 566,752	\$ 456,908
General and administration	295,506	175,477	650,563	263,563
Management fees (note 8)	329,369	151,750	528,622	252,250
Professional fees	374,669	95,435	704,610	124,072
Regulatory and filing fees	42,241	79,653	49,713	126,540
	(1,277,582)	(739,159)	(2,500,260)	(1,223,333)
Other income				
Interest income	196,023	67,879	221,546	87,706
Foreign currency translation loss	(17,256)	(550)	(51,736)	(1,485)
Share-based compensation (note 6)	-	-	(509,448)	(541,500)
Net and comprehensive loss for the period	\$ (1,098,815)	\$ (671,830)	\$ (2,839,898)	\$ (1,678,612)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.03)	(0.03)
Basic and diluted weighted average number of common shares outstanding	89,707,990	58,243,209	84,511,456	53,718,414

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

Founders Metals Inc.

Condensed Consolidated Interim Statements of Changes in Equity

For the six months ended February 28, 2025 February 29, 2024

Expressed in Canadian Dollars (Unaudited)

	Number of shares	Share capital	Option and warrant reserve	Deficit	Total equity
Balance, August 31, 2023	47,790,750	\$ 16,293,446	\$ 1,496,435	\$ (3,702,291)	\$ 14,087,590
Shares issued for cash	7,187,501	5,750,000	-	-	5,750,000
Share issuance costs	-	(556,544)	-	-	(556,544)
Options issued	-	-	541,500	-	541,500
Options exercised	920,000	607,200	(285,200)	-	322,000
Warrants exercised	3,122,625	1,787,604	(3,316)	-	1,784,288
Net loss and comprehensive loss	-	-	-	(1,678,612)	(1,678,612)
Balance, February 29, 2024	59,020,876	\$ 23,881,706	\$ 1,749,419	\$ (5,380,903)	\$ 20,250,222
Balance, August 31, 2024	73,889,626	\$ 40,912,439	\$ 2,616,913	\$ (11,440,748)	\$ 32,088,604
Shares issued for Antino Gold	1,140,000	2,907,000	-	-	2,907,000
Shares issued for cash	19,360,694	67,205,678	-	-	67,205,678
Share issuance costs	-	(4,224,649)	-	-	(4,224,649)
Options issued	-	-	509,448	-	509,448
Options exercised	175,000	500,500	(227,500)	-	273,000
Warrants exercised	4,793,950	2,756,567	(1,152)	-	2,755,415
Net loss and comprehensive loss	-	-	-	(2,839,898)	(2,839,898)
Balance at February 28, 2025	99,359,270	\$ 110,057,535	\$ 2,897,709	\$ (14,280,646)	\$ 98,674,598

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

Founders Metals Inc.**Condensed Consolidated Interim Statements of Cash Flows***Expressed in Canadian Dollars (Unaudited)*

For the six months ended	February 28, 2025	February 29, 2024
Operating activities		
Net loss for the period	\$ (2,839,898)	\$ (1,678,612)
Item not affecting cash:		
Share-based compensation	509,448	541,500
	(2,330,450)	(1,137,112)
Changes in non-cash working capital:		
Amounts receivables	(32,219)	(48,403)
Prepays and deposits	(106,373)	136,635
Accounts payable and accrued liabilities	(2,597,358)	(497,497)
Cash used in operating activities	(5,066,400)	(1,546,377)
Investing activities		
Equipment (note 4)	(1,938,415)	(313,126)
Exploration and evaluation property exploration acquisition, net (note 5)	-	(136,680)
Exploration and evaluation property exploration expenditures, net (note 5)	(12,135,083)	(3,201,142)
Cash used in investing activities	(14,073,498)	(3,650,948)
Financing activities		
Proceeds from private placements (note 6)	67,205,678	5,750,000
Proceeds from options exercised (note 6)	273,000	322,000
Proceeds from warrants exercised (note 6)	2,755,415	1,784,288
Cash share issuance costs (note 6)	(4,220,584)	(556,544)
Cash provided by financing activities	66,013,509	7,299,744
Net increase in cash	46,873,611	2,102,419
Cash, beginning of the period	4,800,069	2,028,169
Cash, end of the period	\$ 51,673,680	\$ 4,130,588
Supplementary information		
Exploration and evaluation property expenditures included in accounts payable and accrued liabilities	\$ 3,445,974	\$ 1,588,300
Share issuance costs in accounts payable	\$ 4,065	\$ -
Capitalized exploration and evaluation amortization	\$ 205,357	\$ 46,856
Shares issued for the acquisition of Antino Gold	\$ 2,907,000	\$ -
Interest received	\$ 220,269	\$ 87,706

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

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended February 28, 2025 and February 29, 2024

*Expressed in Canadian Dollars (Unaudited)***1. Nature of operations**

Founders Metals Inc. ("Founders" or the "Company") was incorporated under the Canada Business Corporations Act on April 6, 2000. The Company's common shares are listed for trading on the TSX Venture Exchange under the trading symbol "FDR", on the Frankfurt Stock Exchange under the trading symbol "9DLO", and on the OTCQX Markets under the trading symbol "FDMIF". The address of the Company's corporate and registered office and principal place of business is 1050 – 1075 West Georgia Street, Vancouver, BC V6E 3C9. The Company's principal business is to explore and develop the gold and mineral exploration Antino Gold Project located in Suriname.

Founders is a Canadian exploration company with properties in North and South America. The Company focuses on acquiring and advancing gold projects in the Guiana Shield. Its flagship asset is the 20,000 ha Antino Gold Project in Suriname. The Antino Gold Project is in the exploration stage and, based on information to date, does not yet have economically recoverable reserves. The recoverability of the amounts shown on the balance sheets for the mineral property and related deferred costs is dependent upon the existence of economically recoverable reserves, maintaining beneficial interest in the property and the underlying mining claims, obtaining the necessary regulatory approvals and permits, the ability to obtain the necessary financing to fulfill its obligations as they arise, the ability to complete the development of the claims, and achieving profitable production or the proceeds from the disposition of the property.

2. Basis of presentation**Statement of compliance**

These condensed consolidated interim financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), including International Accounting Standards ("IAS") 34, Interim Financial Reporting. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2024.

These condensed consolidated interim financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis, except for certain financial instruments, which are stated at fair value. In addition, they have been prepared using the accrual basis of accounting, except for the cash flow information. The Canadian dollar is the functional and presentation currency of the Company.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors of the Company on April 29, 2025.

Basis of preparation

These condensed consolidated interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as the Company's audited annual consolidated financial statements for the year ended August 31, 2024, and should be read in conjunction with those annual consolidated financial statements and notes thereto.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended February 28, 2025 and February 29, 2024

*Expressed in Canadian Dollars (Unaudited)***2. Basis of presentation (continued)****Basis of preparation (continued)**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. These condensed consolidated interim financial statements have been prepared using the same judgments, estimates and assumptions as described in the Company's audited annual consolidated financial statements for the year ended August 31, 2024, and should be read in conjunction with those annual consolidated financial statements and notes thereto.

3. Deposit

The deposit balance comprises a guaranteed investment certificate ("GIC") with a principal balance of \$100,000 which is held as collateral against corporate credit cards of the Company. The GIC earns interest at a rate of 3.75%, payable upon maturity, and has an initial maturity date of October 28, 2025, at which time the GIC automatically renews.

As at February 28, 2025, the deposit balance was \$100,000 (August 31, 2024 - \$nil).

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended February 28, 2025 and February 29, 2024
Expressed in Canadian Dollars (Unaudited)

4. Fixed assets

Cost	Equipment	Heavy Equipment	Vehicles	Exploration Camps	Total
Balance, August 31, 2023	\$ -	\$ 530,000	\$ 116,633	\$ -	\$ 646,633
Additions	22,625	1,130,015	104,844	-	1,257,484
Disposition	-	-	-	-	-
Balance, August 31, 2024	\$ 22,625	\$ 1,660,015	\$ 221,477	\$ -	\$ 1,904,117
Additions	35,210	1,453,933	165,137	284,135	1,938,415
Disposition	-	-	-	-	-
Balance, February 28, 2025	\$ 57,835	\$ 3,113,948	\$ 386,614	\$ 284,135	\$ 3,842,532
Accumulated Depreciation					
Balance, August 31, 2023	\$ -	\$ 26,500	\$ 65,577	\$ -	\$ 92,077
Depreciation	4,525	113,445	21,648	-	139,618
Disposition	-	-	-	-	-
Balance, August 31, 2024	\$ 4,525	\$ 139,945	\$ 87,225	\$ -	\$ 231,695
Depreciation	3,436	180,034	17,941	3,946	205,357
Disposition	-	-	-	-	-
Balance, February 28, 2025	\$ 7,961	\$ 319,979	\$ 105,166	\$ 3,946	\$ 437,052
Carrying Amounts					
As of August 31, 2024	\$ 18,100	\$ 1,520,070	\$ 134,252	\$ -	\$ 1,672,422
As of February 28, 2025	\$ 49,874	\$ 2,793,969	\$ 281,448	\$ 280,189	\$ 3,405,480

During the six months ended February 28, 2025, the Company purchased field equipment, exploration camps and vehicles for a total of \$1,938,415 (February 29, 2024 - \$313,126) and recorded amortization of \$205,357 (February 29, 2024 - \$46,856) which was capitalized to exploration and evaluation properties.

5. Exploration and evaluation properties**Antino Gold Project**

The Antino Gold Project is a resource definition stage gold exploration project located in southeastern Suriname, within the Guiana Shield Gold Belt. The project is approximately 275 km from the capital city of Paramaribo and is accessible by air to the Antino Camp airstrip or by barge along the Maroni/Lawa River bordering French Guiana. The 200 square kilometer property holds Rights to the Exploitation of Gold (Suriname mining titles), and all necessary permits for exploration, drilling, and mining have been obtained.

During the six months ended February 28, 2025, the Company incurred \$18,689,634 (2024 - \$4,964,868) in Exploration and evaluation properties expenditures.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
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Expressed in Canadian Dollars (Unaudited)

5. Exploration and evaluation properties (continued)**Antino Gold Project (continued)**

On March 21, 2023, the Company completed the acquisition (the "Acquisition") from Orea Mining Corp. ("Orea") of the option (the "Option") to acquire up to 75% of the Antino Gold Project (the "Project") in Suriname from Nana Resources N.V. Pursuant to an assignment agreement (the "Assignment Agreement") signed on March 17, 2023, Orea assigned to the Company all of its option, rights, and obligations pursuant to an existing option agreement (the "Option") with Nana Resources N.V. ("Nana") dated March 16, 2022 to acquire up to 75% of the shares in the capital of Lawa Gold N.V. ("Lawa") which is the registered owner of 100% of the Project (the "Assignment"). To acquire the Option, the Company paid Orea \$500,000 cash and issued 1,000,000 common shares of the Company.

On September 6, 2024, the Company amended and restated the Assignment Agreement with Nana on the project, whereby the restated agreement removes the mineral resource estimate and subsequent preliminary economic assessment conditions for completing Option 1 and Option 2, respectively.

The Option, as amended and restated, to acquire up to 75% ownership of the Project and become operator of the Project under the Assignment Agreement and Option Agreement is completed in the following three stages:

a) Option 1 to acquire an initial 51% interest in the Project within three years of the Commencement Date of September 18, 2023 by:

- making cash payments totaling US \$1,650,000 (paid);
- incurring a minimum of US \$6,000,000 in exploration expenses (incurred); and
- issuing 1,615,000 common shares of the Company (issued).

On October 15, 2024, the Company exercised its right to acquire 51% of the Antino Gold Project by completing the required cash payments, incurring the minimum exploration expenses and issuing the required number of common shares of the Company.

b) Option 2 to acquire an additional 19% interest in the Project, for a total of 70%, within two years of completion of the Option 1 by:

- making cash payments totaling US \$1,500,000;
- issuing 95,000 common shares of the Company;
- incurring a minimum of US \$10,000,000 in exploration expenses; and
- completing and delivering to Nana, a concept study similar to a preliminary economic assessment of the Project by an independent qualified professional.

Upon completion of Option 2, the Company may either proceed with Option 3 or decline and immediately enter a joint venture with Nana, which would otherwise begin after Option 3 is complete.

c) Option 3 to acquire an additional 5% in the Project, for a total of 75%, within three years of completion of Option 2 by:

- incurring a minimum of US \$10,000,000 in exploration expenses; and
- completing a bankable feasibility study prepared in accordance with National Instrument 43-101.

Upon successful earn-in of the Project, the Company and the optionor, Nana, will form a joint venture with the objective of accelerating the project into commercial production.

Exploration and evaluation properties (continued)

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended February 28, 2025 and February 29, 2024

*Expressed in Canadian Dollars (Unaudited)***5. Exploration and evaluation properties (continued)****Elmtree Gold Project**

The Elmtree Property comprises 72 mineral claims totaling over 1,800 hectares (ha) in northeastern New Brunswick, approximately 20 km northwest of Bathurst and within the Bathurst Mining Camp. This project consists of three expansion-ready gold deposits with additional exploration targets.

The Elmtree Gold Project was acquired on February 26, 2021. The Company paid \$350,000 cash to the vendor and issued 14,000,000 common shares of the Company with an estimated fair value of \$0.45 per share for a total consideration of \$6,650,000. The vendor retains a 2% net smelter royalty. The Company also paid an arm's length third party a finders' fee of 200,000 common shares of the Company with an estimated fair value of \$0.45 per share and transaction costs of \$27,103.

Summary of costs

Total costs incurred by the Company on its Exploration and Evaluation Properties are summarized as follows:

	Elmtree Gold	Antino Gold	Total
Balance, August 31, 2024	\$ 9,318,742	\$ 18,993,633	\$ 28,312,375
Acquisition	1,440	4,356,656	4,358,096
Software	-	46,708	46,708
Amortization	-	205,357	205,357
Assays and analysis	-	1,475,451	1,475,451
Drilling	-	3,427,948	3,427,948
Engineering consulting	-	170,016	170,016
Fieldwork	1,650	4,329,986	4,331,636
Airborne and geophysical survey	-	573,391	573,391
Freight	-	27,257	27,257
Geological consulting	-	1,395,664	1,395,664
Administration	-	471,494	471,494
Project development	-	49,971	49,971
Resource development	-	135,630	135,630
Rentals	-	287,529	287,529
Travel and support	690	1,736,576	1,737,266
Balance, February 28, 2025	\$ 9,322,522	\$ 37,683,267	\$ 47,005,789

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended February 28, 2025 and February 29, 2024
Expressed in Canadian Dollars (Unaudited)

6. Share capital**a) Common shares**

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

On September 30, 2024, the Company issued 1,140,000 common shares with a fair value of \$2,907,000 in connection with the Antino Gold property to exercise its right to acquire up to 51% ownership of the property (note 5). The fair value of the common shares was determined based on the closing price of the Company's common shares on the date of issuance.

On October 25, 2024, the Company closed a bought deal private placement offering and issued 8,340,000 common shares at a price of \$2.40 for aggregate gross proceeds of \$20,016,000.

On November 5, 2024, the Company closed a strategic investment from B2Gold Corp. and issued 4,400,000 common shares at a price of \$2.75 for aggregate gross proceeds of \$12,100,000.

On February 20, 2025, the Company closed a bought deal private placement offering and issued 6,136,455 common shares at a price of \$5.30 for aggregate gross proceeds of \$32,523,211.

On February 21, 2025, the Company closed a strategic investment from B2Gold Corp. and issued 484,239 common shares at a share price of \$5.30 for aggregate gross proceeds of \$2,566,467.

During the six months ended February 28, 2025, the Company issued 2,077,500 common shares upon the exercise of 2,077,500 warrants with an exercise price of \$0.35 for gross proceeds of \$727,125.

During the six months ended February 28, 2025, the Company issued 16,450 common shares upon the exercise of 16,450 agent warrants with an exercise price of \$0.20 for gross proceeds of \$3,290. As a result, \$1,152 was reallocated from the option and warrant reserve to share capital

During the six months ended February 28, 2025, the Company issued 2,700,000 common shares upon the exercise of 2,700,000 warrants with an exercise price of \$0.75 for gross proceeds of \$2,025,000.

During the six months ended February 28, 2025, the Company issued 175,000 common shares upon the exercise of 175,000 stock options with an exercise price of \$1.56 for gross proceeds of \$273,000. As a result, \$227,500 was reallocated from the option and warrant reserve to share capital.

During the six months ended February 28, 2025, the Company incurred share issue costs totalling \$4,224,649 related to the above share capital transactions.

b) Stock options

The Company has a stock option plan (the "Plan") for directors, officers, employees, and consultants. The Plan provides for the issuance of incentive options to acquire up to a total of 10% of the issued and outstanding common shares of the Company. The exercise price of each option shall not be less than the minimum prescribed amount allowed under the TSX. The options can be granted for a maximum term of 5 years with vesting provisions determined by the Company.

6. Share capital (continued)

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended February 28, 2025 and February 29, 2024
Expressed in Canadian Dollars (Unaudited)

b) Stock options (continued)

A summary of stock option activity in the periods is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding options, August 31, 2024	4,492,000	\$ 0.89
Issued	300,000	2.55
Exercised	(175,000)	1.56
Outstanding options, February 28, 2025	4,617,000	\$ 0.97

A summary of stock options outstanding and exercisable is as follows:

February 28, 2025				August 31, 2024		
Expiry Dates	Exercise Price	Number of options	Remaining contractual life (years)	Exercise Price	Number of options	Remaining contractual life (years)
March 4, 2026	\$ 0.50	675,000	1.0	\$ 0.50	675,000	1.5
December 1, 2026	0.75	162,000	1.8	0.75	162,000	2.3
April 24, 2028	0.35	1,330,000	3.2	0.35	1,330,000	3.7
October 4, 2028	0.80	750,000	3.6	0.80	750,000	4.1
March 4, 2029	1.56	1,400,000	4.1	1.56	1,575,000	4.6
October 1, 2029	2.55	300,000	4.6	-	-	-
	\$ 0.97	4,617,000	3.2	\$ 0.89	4,492,000	3.7

On October 1, 2024, the Company granted 300,000 stock options to a new director of the Company, vesting immediately upon grant (note 8). The stock options are exercisable at a price of \$2.55 per common share and have an expiry date of October 1, 2029, or earlier in accordance with the terms of the plan. The estimated fair value of these options of \$509,448, or \$1.70 per option, has been recorded as share-based compensation expense during the six months ended February 28, 2025 and as an increase to option and warrant reserve, and was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: weighted average grant date stock price \$2.55; expected life, 5 years; expected volatility, 82%, risk-free rate, 2.74%; expected dividends, 0%. The expected volatility was determined by reference to the volatility of the Company's historical stock price. The options were issued with an exercise price equal to the quoted market price of the Company's common shares on the date of issuance.

6. Share capital (continued)

c) Warrants

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended February 28, 2025 and February 29, 2024
Expressed in Canadian Dollars (Unaudited)

The following is a summary of the changes in the Company's warrants during the periods:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, August 31, 2024	6,137,748	\$ 0.56
Exercised	(4,793,950)	0.57
Expired	(776,998)	0.75
Outstanding warrants, February 28, 2025	566,800	\$ 0.34

A summary of the warrants outstanding and exercisable is as follows:

February 28, 2025				August 31, 2024		
Expiry Dates	Exercise Price	Number of warrants	Remaining contractual life (years)	Exercise Price	Number of warrants	Remaining contractual life (years)
February 26, 2025	\$ 0.75	-	-	\$ 0.75	3,476,998	0.6
March 31, 2025	0.35	532,500	0.1	0.35	2,610,000	0.6
March 21, 2025	0.20	34,300	0.1	0.20	50,750	0.6
	\$ 0.34	566,800	0.1	\$ 0.58	6,137,748	0.5

d) Restricted Share Units ("RSUs")

A summary of unvested and vested RSUs is as follows:

	Unvested RSUs	Vested RSUs	Total
Balance at August 31, 2023	2,575,000	-	2,575,000
Granted	2,700,000	-	2,700,000
Vested	(2,150,000)	2,150,000	-
Cancelled	(475,000)	-	-
Redeemed	-	(2,150,000)	(2,150,000)
Balance at August 31, 2024 and February 28, 2025	2,650,000	-	2,650,000

On March 4, 2024, the Company granted 2,700,000 RSUs to Eligible Persons of the Company under its RSU Plan, which vest on March 4, 2025. There were 50,000 of these RSUs that were forfeited and cancelled in April 2024.

On April 28, 2023, the Company granted 2,575,000 RSUs to Eligible Persons of the Company under its RSU Plan, which vested on April 28, 2024. A total of 425,000 of these RSUs were forfeited and cancelled and a total 2,150,000 RSUs were redeemed during the year ended August 31, 2024.

7. Financial instruments and risk management

Fair value of financial instruments

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The Company's cash and deposit are classified as Level 1, whereas accounts payable and accrued liabilities are classified as Level 2. As at February 28, 2025, the Company believes that the carrying values of cash, deposit, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is defined as the risk of loss associated with counterparty's inability to fulfill its payment obligations. The maximum exposure to credit risk is the carrying amount of the Company's financial assets.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by taking into account the anticipated cash expenditures for its exploration and other operating activities, and its holding of cash and cash equivalents. The Company will pursue further equity or debt financing as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favourable terms.

As at February 28, 2025, the Company's financial liabilities consist of its accounts payable and accrued liabilities, which are all current obligations.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended February 28, 2025 and February 29, 2024
Expressed in Canadian Dollars (Unaudited)

7. Financial instruments and risk management (continued)**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As many of the transactions associated with the Antino Gold Project are conducted in US dollars, the Company is thus exposed to foreign currency exchange risk on these transactions. In addition, during the six months ended February 28, 2025, the Company engaged the services of vendors linked to the Antino Gold Project, who billed the Company in euros ("EUR").

As at February 28, 2025, the Company held payables and accruals of US 2,539,896 and EUR €18,914. A 10% change in the US dollar exchange rate would result in a \$369,645 impact on foreign exchange gains or losses.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	February 28, 2025	August 31, 2024
Financial assets at amortized cost		
Cash	\$ 51,673,680	\$ 4,800,069
Deposit	100,000	-
Amounts receivables	94,592	62,373
	\$ 51,868,272	\$ 4,862,442

Financial liabilities included in the statement of financial position are as follows:

	February 28, 2025	August 31, 2024
Financial assets at amortized cost		
Accounts payable and accrued liabilities	\$ 3,893,572	\$ 3,040,891
	\$ 3,893,572	\$ 3,040,891

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve inventor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

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8. Related party transactions and balances

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the six months ended	February 28, 2025	February 29, 2024
Management fees paid to key management and directors	\$ 520,420	\$ 190,000
Share-based compensation (note 6)	509,448	-
Management fees paid to companies controlled by directors, officers - capitalized to exploration and evaluation assets	339,826	54,000
	\$ 1,369,694	\$ 244,000

As at February 28, 2025, accounts payable and accrued liabilities include \$66,589 (August 31, 2024 - \$nil) payable to companies controlled by officers or directors of the Company. The amount is unsecured, non-interest bearing and has no fixed terms of repayment.

As at February 28, 2025, accounts payable and accrued liabilities include \$6,000 (August 31, 2024 - \$nil) payable to a director of the company. The amount is unsecured, non-interest bearing and has no fixed terms of repayment.

The share-based compensation expense in the current six months ended totalled \$509,448 (2024 - \$nil) relate to the fair value and underlying vesting terms of stock options issued to a new director of the company.

9. Subsequent events

The Company issued 532,500 common shares upon the exercise of 532,500 warrants with an exercise price of \$0.35 for gross proceeds of \$186,375.

The Company issued 13,300 common shares upon the exercise of 13,300 warrants with an exercise price of \$0.20 for gross proceeds of \$2,660.

The Company issued 1,337,500 common shares related to 1,337,500 RSUs which had vested.

The Company issued 107,600 common shares upon the exercise of 107,600 stock options with an exercise price of \$1.56 for gross proceeds of \$167,856.

A total of 2,650,000 RSUs vested subsequent to February 28, 2025.

A total of 21,000 warrants with an exercise price of \$0.20 expired without exercise.



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