



**Founders
Metals**



Condensed Consolidated Interim Financial Statements

For the three and nine months ended May 31, 2025 and 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	May 31, 2025	August 31, 2024
ASSETS		
Current		
Cash	\$ 43,489,959	\$ 4,800,069
Amounts receivable	279,557	62,373
Prepays and deposits	328,500	282,256
	44,098,016	5,144,698
Non-current		
Fixed assets (note 4)	3,446,193	1,672,422
Deposit (note 3)	100,000	-
Exploration and evaluation properties (note 5)	57,028,645	28,312,375
	\$ 104,672,854	\$ 35,129,495
LIABILITIES		
Current		
Accounts payable and accrued liabilities (notes 7 and 8)	\$ 4,536,670	\$ 3,040,891
	4,536,670	3,040,891
EQUITY		
Share capital (note 6)	112,754,183	40,912,439
Option and warrant reserve	5,325,774	2,616,913
Deficit	(17,943,773)	(11,440,748)
Total shareholders' equity	100,136,184	32,088,604
Total liabilities and shareholders' equity	\$ 104,672,854	\$ 35,129,495

Nature of operations (note 1)

Subsequent events (note 9)

Approved by the Board of Directors on July 17, 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		Nine months ended	
	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Expenses				
Marketing	\$ 210,360	\$ 216,994	\$ 777,112	\$ 673,902
General and administration	293,296	80,710	943,859	344,273
Management fees (note 8)	164,470	286,644	693,092	538,894
Professional fees	365,054	49,126	1,069,664	173,198
Regulatory and filing fees	34,609	10,745	84,322	137,285
	(1,067,789)	(644,219)	(3,568,049)	(1,867,552)
Other income				
Interest income	271,527	51,152	493,073	138,858
Foreign currency translation gain (loss)	(118,704)	70	(170,440)	(1,415)
Share-based compensation (note 6)	(2,748,161)	(5,478,250)	(3,257,609)	(6,019,750)
Net and comprehensive loss for the period	\$ (3,663,127)	\$ (6,071,247)	\$ (6,503,025)	\$ (7,749,859)
Basic and diluted loss per common share	(0.04)	(0.09)	(0.07)	(0.14)
Basic and diluted weighted average number of common shares outstanding	101,068,170	65,364,879	93,092,153	56,647,371

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 nine months ended May 31, 2025 and 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	13,437,501	15,750,000	-	-	15,750,000
Share issuance costs	-	(1,286,274)	-	-	(1,286,274)
Shares issued for RSUs settled	425,000	692,750	(692,750)	-	-
Share-based compensation – Restricted Share Units	-	-	3,504,500	-	3,504,500
Share-based compensation – Options	-	-	2,515,250	-	2,515,250
Options exercised	1,740,000	980,450	(285,200)	-	695,250
Warrants exercised	5,746,375	2,825,917	(3,316)	-	2,822,601
Net loss and comprehensive loss	-	-	-	(7,749,859)	(7,749,859)
Balance, May 31, 2024	69,139,626	\$ 35,256,289	\$ 6,534,919	\$ (11,452,150)	\$ 30,339,058
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	-	(4,286,078)	-	-	(4,286,078)
Shares issued for RSUs settled	1,337,500	2,260,375	(2,492,750)	-	(232,375)
Options exercised	282,600	808,236	(367,380)	-	440,856
Warrants exercised	5,339,750	2,946,533	(2,082)	-	2,944,451
Share-based compensation - Restricted Share Units	-	-	4,726,884	-	4,726,884
Share-based compensation – Stock Options	-	-	844,189	-	844,189
Net loss and comprehensive loss	-	-	-	(6,503,025)	(6,503,025)
Balance, May 31, 2025	101,350,170	\$ 112,754,183	\$ 5,325,774	\$ (17,943,773)	\$ 100,136,184

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 nine months ended	May 31, 2025	May 31, 2024
Operating activities		
Net loss for the period	\$ (6,503,025)	\$ (7,749,859)
Item not affecting cash:		
Share-based compensation (note 6)	3,257,609	6,019,750
	(3,245,416)	(1,730,109)
Changes in non-cash working capital:		
Amounts receivable	(217,184)	57
Prepays and deposits	(146,244)	88,033
Accounts payable and accrued liabilities	(2,778,696)	(550,081)
Cash used in operating activities	(6,387,540)	(2,192,100)
Investing activities		
Equipment (note 4)	(2,097,047)	(432,953)
Exploration and evaluation property expenditures, net (note 5)	(19,130,430)	(7,521,140)
Cash used in investing activities	(21,227,477)	(7,954,093)
Financing activities		
Proceeds from private placements (note 6)	67,205,678	15,750,000
Proceeds from options exercised (note 6)	440,856	695,250
Proceeds from warrants exercised (note 6)	2,944,451	2,822,601
Cash share issuance costs (note 6)	(4,286,078)	(748,364)
Cash provided by financing activities	66,304,907	18,519,487
Net increase in cash	38,689,890	8,373,294
Cash, beginning of the period	4,800,069	2,028,169
Cash, end of the period	\$ 43,489,959	\$ 10,401,463
Supplementary information		
Exploration and evaluation property expenditures included in accounts payable and accrued liabilities	\$ 3,457,845	\$ 1,581,339
Equipment purchases in accounts payable and accrued liabilities	\$ 67,255	\$ -
Exploration and evaluation property acquisition included in accounts payable and accrued liabilities	\$ -	\$ 6,623
Capitalized exploration and evaluation amortization	\$ 390,531	\$ 82,930
Share-based compensation expense capitalized to exploration and evaluation	\$ 2,830,464	\$ -
Shares issued for the acquisition of Antino Gold	\$ 2,907,000	\$ -
Interest received	\$ 490,848	\$ 138,858

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 nine months ended May 31, 2025 and 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 July 17, 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 nine months ended May 31, 2025 and 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 May 31, 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 nine months ended May 31, 2025 and 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	1,611,125	233,832	284,135	2,164,302
Disposition	-	-	-	-	-
Balance, May 31, 2025	\$ 57,835	\$ 3,271,140	\$ 455,309	\$ 284,135	\$ 4,068,419
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	5,448	338,214	38,187	8,682	390,531
Disposition	-	-	-	-	-
Balance, May 31, 2025	\$ 9,973	\$ 478,159	\$ 125,412	\$ 8,682	\$ 622,226
Carrying Amounts					
As of August 31, 2024	\$ 18,100	\$ 1,520,070	\$ 134,252	\$ -	\$ 1,672,422
As of May 31, 2025	\$ 47,862	\$ 2,792,981	\$ 329,897	\$ 275,453	\$ 3,446,193

During the nine months ended May 31, 2025, the Company purchased equipment, exploration camps and vehicles for a total of \$2,164,302 (2024 - \$432,953) and recorded amortization of \$390,531 (2024 - \$82,930) 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 nine months ended May 31, 2025, the Company incurred expenditures totaling \$28,713,040 (2024 - \$9,183,150) with respect to the Antino Gold Project.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended May 31, 2025 and 2024
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 (incurred); and
- completing and delivering to Nana, a concept study similar to a preliminary economic assessment of the Project by an independent qualified professional.

The Company may either proceed with Option 3 or decline and immediately enter into a joint venture with Nana, which would otherwise begin after Option 3 is complete. In the event Option 2 is not successfully completed, the Company must transfer back to Nana the interest it acquired under Option 1 for \$1.00. Subsequent to the nine months ended May 31, 2025, the Company exercised its right to acquire an additional 19% interest in the Project, for a total of 70% (note 9).

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.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended May 31, 2025 and 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 (note 6)	890	4,356,656	4,357,546
Software	-	97,603	97,603
Amortization (note 4)	-	390,531	390,531
Assays and analysis	-	2,153,786	2,153,786
Drilling	-	4,923,774	4,923,774
Engineering consulting	-	235,714	235,714
Fieldwork	1,650	5,902,153	5,903,803
Airborne and geophysical survey	-	973,088	973,088
Freight	-	60,078	60,078
Geological consulting	-	1,887,917	1,887,917
Administration	-	1,391,740	1,391,740
Project development	-	251,016	251,016
Resource development	-	171,930	171,930
Rentals	-	415,124	415,124
Travel and support	690	2,671,466	2,672,156
Share-based compensation (note 6)	-	2,830,464	2,830,464
Balance, May 31, 2025	\$ 9,321,972	\$ 47,706,673	\$ 57,028,645

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended May 31, 2025 and 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 nine months ended May 31, 2025, the Company issued 1,337,500 common shares upon the settlement of 1,337,500 previously granted RSUs.

During the nine months ended May 31, 2025, the Company issued 2,610,000 common shares upon the exercise of 2,610,000 warrants with an exercise price of \$0.35 for gross proceeds of \$913,500.

During the nine months ended May 31, 2025, the Company issued 29,750 common shares upon the exercise of 29,750 agent warrants with an exercise price of \$0.20 for gross proceeds of \$5,950. As a result, \$2,082 was reallocated from the option and warrant reserve to share capital.

During the nine months ended May 31, 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 nine months ended May 31, 2025, the Company issued 282,600 common shares upon the exercise of 282,600 stock options with an exercise price of \$1.56 for gross proceeds of \$440,856. As a result, \$367,380 was reallocated from the option and warrant reserve to share capital.

During the nine months ended May 31, 2025, the Company incurred share issue costs totalling \$4,286,078 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.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended May 31, 2025 and 2024
Expressed in Canadian Dollars (Unaudited)

6. Share capital (continued)

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	3,250,000	4.50
Exercised	(282,600)	1.56
Outstanding options, May 31, 2025	7,459,400	\$ 2.44

A summary of stock options outstanding and exercisable as at May 31, 2025 is as follows:

Expiry Dates	Exercise Price	Number of options outstanding	Number of options exercisable	Remaining contractual life (years)
March 4, 2026	\$ 0.50	675,000	675,000	0.8
December 1, 2026	0.75	162,000	162,000	1.5
April 24, 2028	0.35	1,330,000	1,330,000	2.9
October 4, 2028	0.80	750,000	750,000	3.4
March 4, 2029	1.56	1,292,400	1,292,400	3.8
October 1, 2029	2.55	300,000	300,000	4.3
May 6, 2030	4.70	2,950,000	-	4.9
	\$ 2.44	7,459,400	4,509,400	3.7

On May 7, 2025, the Company granted 2,950,000 stock options to directors, officers, employees and consultants of the company, vesting in three equal tranches over a 36-month period, with one-third vesting on each of the first, second and third anniversaries of the grant date (note 8). These stock options are exercisable at a price of \$4.70 per common share and have an expiry date of May 6, 2030, or earlier in accordance with the terms of the plan. The estimated fair value of these options of \$8,331,878 was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: weighted average grant date stock price \$4.48; expected life, 5 years; expected volatility, 78%, risk-free rate, 2.70%; expected dividends, 0%. The expected volatility was determined by reference to the volatility of the Company's historical stock price. Share-based compensation expense of \$334,741 related to these stock options was recorded during the nine months ended May 31, 2025, of which \$134,748 was capitalized to exploration and evaluation properties (note 5).

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended May 31, 2025 and 2024

*Expressed in Canadian Dollars (Unaudited)***6. Share capital (continued)**

b) Stock options (continued)

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, was recorded as share-based compensation expense during the nine months ended May 31, 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.

c) Warrants

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	(5,339,750)	0.55
Expired	(797,998)	0.74
Outstanding warrants, May 31, 2025	-	\$ -

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended May 31, 2025 and 2024

*Expressed in Canadian Dollars (Unaudited)***6. Share capital (continued)**

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)	-	(475,000)
Settled	-	(2,150,000)	(2,150,000)
Balance at August 31, 2024	2,650,000	-	2,650,000
Granted	1,380,000	-	1,380,000
Vested	(2,650,000)	2,650,000	-
Cancelled	-	-	-
Settled	-	(1,475,000)	(1,475,000)
Balance at May 31, 2025	1,380,000	1,175,000	2,555,000

On May 7, 2025, the Company granted 1,380,000 RSUs to Eligible Persons of the Company under its RSU Plan, vesting in three equal tranches over a 36-month period, with one-third vesting on each of the first, second and third anniversaries of the grant date (note 8). The RSUs were determined to have a value of \$6,182,400 based on the share price at the date of grant. A share-based compensation expense of \$248,384 related to these RSUs was recorded during the nine months ended May 31, 2025, of which \$129,592 was capitalized to exploration and evaluation properties (note 5).

On March 4, 2024, the Company granted 2,700,000 RSUs to Eligible Persons of the Company under its RSU Plan, which vested on March 4, 2025. There were 50,000 of these RSUs that were forfeited and cancelled in April 2024. A share-based compensation expense of \$4,478,500 was recorded during the nine months ended May 31, 2025 based on the share price at the date of grant, of which \$2,049,124 was capitalized to exploration and evaluation properties (note 5). During the nine months ended May 31, 2025, a total of 1,475,000 RSUs were settled for which the Company issued 1,337,500 common shares and recorded an accrued liability of \$749,375 to be settled in cash. As a result of the cash settlement, additional share-based compensation of \$517,000 was recorded during the nine months ended May 31, 2025 which was capitalized to exploration and evaluation properties (note 5).

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 settled 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 May 31, 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, counterparty 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 May 31, 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 nine months ended May 31, 2025 and 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 nine months ended May 31, 2025, the Company engaged the services of vendors linked to the Antino Gold Project, who billed the Company in euros ("EUR").

As at May 31, 2025, the Company held payables and accruals of US \$2,427,655 and EUR €20,401. A 10% change in the US dollar and Euros exchange rate would result in a \$336,650 impact on foreign exchange gains or losses.

Classification of financial instruments

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

	May 31, 2025	August 31, 2024
Financial assets at amortized cost		
Cash	\$ 43,489,959	\$ 4,800,069
Deposit	100,000	-
Amounts receivables	279,557	62,373
	\$ 43,869,516	\$ 4,862,442

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

	May 31, 2025	August 31, 2024
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	\$ 4,536,670	\$ 3,040,891
	\$ 4,536,670	\$ 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 investor 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.

Founders Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended May 31, 2025 and 2024

*Expressed in Canadian Dollars (Unaudited)***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 nine months ended	May 31, 2025	May 31, 2024
Management fees paid to key management and directors	\$ 724,620	\$ 320,850
Share-based compensation (note 6)	3,408,641	-
Management fees paid to companies controlled by directors, officers - capitalized to exploration and evaluation assets	948,476	155,003
	\$ 5,081,737	\$ 457,853

As at May 31, 2025, accounts payable and accrued liabilities include \$107,816 (August 31, 2024 - \$nil) payable to companies controlled by officers or directors of the Company. The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

As at May 31, 2025, accounts payable and accrued liabilities include \$790,783 (August 31, 2024 - \$nil) payable to directors and officers of the Company. The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

9. Subsequent events

The Company exercised its right to acquire an additional 19% interest in the Antino Gold Project, for a total interest of 70%, and issued 95,000 common shares and made a cash payment of US \$1,500,000 (note 5). The Company also incurred the minimum exploration expenses required of US \$10,000,000 and submitted an internal concept study similar to a preliminary economic assessment of the Project by an independent qualified professional.

The Company completed the settlement of 1,025,000 RSUs which vested on March 4, 2025, under the Company's RSU plan.



**Founders
Metals**