



Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2024 and 2023

To the shareholders of Grizzly Discoveries Inc.:

The condensed consolidated interim financial statements of Grizzly Discoveries Inc. (the "Company") for the three months ended October 31, 2024 and 2023 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

GRIZZLY DISCOVERIES INC.
Consolidated statements of financial position

As at	October 31 2024	July 31 2024
ASSETS		
Current		
Cash and cash equivalents	\$ 67,606	\$ 213,550
Restricted cash (note 3)	5,000	5,000
Other current assets (note 4)	150,948	145,940
	223,554	364,490
Deposit	108,530	108,106
Mineral properties (note 5)	10,091,645	10,045,885
	10,423,729	10,518,481
TOTAL ASSETS	\$ 10,423,729	\$ 10,518,481
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 595,188	\$ 615,744
Deferred flow through share premium	455	3,920
	595,643	619,664
Reclamation provision	15,000	15,000
	610,643	634,664
TOTAL LIABILITIES	610,643	634,664
EQUITY		
Share capital (note 6)	24,232,807	24,234,053
Warrant capital (note 6)	246,450	246,450
Contributed surplus (note 6)	4,542,961	4,512,961
Deficit	(19,209,132)	(19,109,647)
	9,813,086	9,883,817
TOTAL EQUITY	9,813,086	9,883,817
TOTAL LIABILITIES AND EQUITY	\$ 10,423,729	\$ 10,518,481

Approved by the Board of Directors

Director (signed by) "Brian Testo"

Director (signed by) "Sam Pillersdorf"

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

GRIZZLY DISCOVERIES INC.
Consolidated statements of loss and comprehensive loss

For the three months ended October 31	2024	2023
EXPENSES		
General and administration (note 9)	\$ (75,584)	\$ (121,394)
Share based compensation (note 8)	(30,000)	(25,000)
TOTAL EXPENSES	(105,584)	(146,394)
OTHER INCOME (LOSS)		
Interest income	1,043	4,461
Unrealized gain (loss) on marketable securities	1,591	(14,046)
Flow through share premium	3,465	30,269
TOTAL OTHER INCOME	6,099	20,684
NET LOSS AND COMPREHENSIVE LOSS	\$ (99,485)	(125,710)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$ (0.00)	(0.00)
Weighted average number of common shares outstanding	159,527,287	148,423,843

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

GRIZZLY DISCOVERIES INC.

Consolidated statements of changes in equity

	Number of common shares	Share capital	Warrant capital	Unit Subscriptions Received	Contributed surplus	Deficit	Total equity
As at July 31, 2023	142,159,760	\$ 23,657,276	\$ 566,711	\$ 84,230	\$ 3,831,250	\$(18,527,584)	\$ 9,611,883
Net income and comprehensive income	-	-	-	-	-	(125,710)	(125,710)
Private placement financing	7,484,359	396,671	140,834	(84,230)	-	-	453,275
Share based compensation (note 6)	-	-	-	-	25,000	-	25,000
Share issuance costs	-	(48,336)	-	-	-	-	(48,336)
October 31, 2023	149,644,119	\$ 24,005,611	\$ 707,545	\$ -	\$ 3,856,250	\$ (18,653,295)	\$ 9,916,111
As at July 31, 2024	159,527,287	\$ 24,234,053	\$ 246,450	-	\$ 4,512,961	\$(19,109,647)	\$ 9,883,817
Net loss and comprehensive loss	-	-	-	-	-	(99,485)	(99,485)
Share based compensation (note 6)	-	-	-	-	30,000	-	30,000
Share issuance costs	-	(1,246)	-	-	-	-	(1,246)
As at October 31, 2024	159,527,287	\$ 24,232,807	\$ 246,450	\$ -	\$ 4,542,961	\$(19,209,132)	\$ 9,813,086

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

GRIZZLY DISCOVERIES INC.
Consolidated statements of cash flows

For the three months ended October 31	2024	2023
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss	\$ (99,485)	\$ (125,710)
Items not affecting cash and cash equivalents:		
Share based compensation	30,000	25,000
Unrealized (loss)/gain on marketable securities	(1,591)	14,046
Flow through share premium	(3,465)	(30,269)
Changes in non-cash working capital:		
Other current assets	(3,402)	40,234
Accounts payable and accrued liabilities	19	(5,212)
Cash and cash equivalents used in operating activities	<u>(77,294)</u>	<u>(81,911)</u>
INVESTING ACTIVITIES:		
Deposit	(424)	(443)
Mineral property expenditures	(59,047)	(17,410)
Cash and cash equivalents used in investing activities	<u>(59,471)</u>	<u>(17,853)</u>
FINANCING ACTIVITIES:		
Proceeds from private placements	-	464,800
Costs of share issuance	(8,549)	(7,403)
Cash and cash equivalents (used in)/provided by financing activities	<u>(8,549)</u>	<u>457,397</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(145,944)	357,633
Cash and cash equivalents – beginning of period	<u>213,550</u>	<u>181,629</u>
CASH AND CASH EQUIVALENTS – END OF PERIOD	\$ 67,606	\$ 539,262

See Note 10 for supplemental cash flow information.

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

1. Nature of operations and going concern

Grizzly Discoveries Inc. (the “Company” or “Grizzly”) was incorporated on May 31, 2002 in Alberta and is in the business of acquiring and exploring mineral properties located in Canada. The Company has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company’s registered office is Suite 3400, 350 7 Avenue SW, Calgary, Alberta, T2P 3N9. The Company’s head office is at Suite 363 – 9768 170 Street NW, Edmonton, Alberta, T5T 5L4.

Long-term continuance of the Company’s operations is dependent upon achieving profitable operations and obtaining additional equity or debt financing. The recoverability of the carrying values of the Company’s mineral properties is dependent upon the existence and discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production from or proceeds from the disposition of mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. As at October 31, 2024, the Company has a deficit of \$19,209,132 (July 31, 2024 - \$19,109,647) and the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. These material uncertainties may cast significant doubt regarding the Company’s ability to continue as a going concern. At the current stage of the Company’s development, the ability of the Company to continue as a going concern is dependent upon its ability to obtain additional sources of financing. Management’s intentions are to continue to pursue additional financing. If the Company is unsuccessful in obtaining additional financing to fund operations and the exploration and development of its mineral properties, the going concern assumption may not be appropriate and adjustments would be necessary to the carrying value of assets and liabilities and reported revenues and expenses. Such adjustments may be material.

2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial statements as specified in International Accounting Standard 34 – *Interim financial reporting* (“IAS 34”) issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements do not contain all of the disclosures required for financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Company for the year ended July 31, 2024.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary Alberta Potash Corp. (incorporated in Alberta). All intercompany balances and transactions have been eliminated on consolidation.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian Dollars, the Company’s functional currency, unless otherwise noted.

These consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors of the Company on December 30, 2024.

3. Restricted cash

The Company has restricted cash in the amount of \$5,000 (July 31, 2024 - \$5,000) as security for corporate credit card liabilities.

GRIZZLY DISCOVERIES INC.
Notes to the consolidated financial statements
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4. Other current assets

As at	October 31 2024	July 31 2024
Accounts receivable	\$ 1,139	\$ 1,139
Goods and services tax receivable	23,653	17,009
Mineral exploration tax credits receivable	88,881	88,830
Prepayments and deposits	25,150	28,428
Marketable securities	12,125	10,534
Total other current assets	\$ 150,948	\$ 145,940

The Company holds securities of publicly traded companies which it has classified as FVTPL, carried at fair value, with unrealized gains and losses held as a component of net loss.

5. Mineral properties

	Alberta Diamond Properties	Alberta Potash Properties	BC Precious Metals Properties	Total
Balance, July 31, 2023	\$ 1	\$ 1	\$ 9,345,254	\$ 9,345,256
Acquisition costs	-	3,499	60,315	63,814
Exploration and evaluation costs	-	-	640,315	640,315
Impairment	(1)	(3,499)	-	(3,500)
Balance, July 31, 2024	\$ -	\$ 1	\$ 10,045,884	\$ 10,045,885
Acquisition costs	-	-	26,409	26,409
Exploration and evaluation costs	-	-	19,351	19,351
Balance, October 31, 2024	\$ -	\$ 1	\$ 10,091,644	\$ 10,091,645

BC Precious Metals Properties

Motherlode Crown Grants Acquisition Agreement

On June 17, 2024, the Company entered into a purchase agreement (the "Purchase Agreement") with First Majestic Silver Corp. ("First Majestic") to acquire the Motherlode Crown Grants in Southeast British Columbia. The Motherlode Crown Grants comprise 13 Crown Grants that which include subsurface mineral rights. Under the terms of the Purchase Agreement, the Company will cover all costs related to the transfer of the Crown Grants from First Majestic to the Company. As consideration, Grizzly will issue First Majestic 250,000 common shares of the Company (the "Consideration Shares") upon closing of the transaction. As at October 31, 2024, the Company has accrued estimated costs of \$63,600, of which \$50,000 has been paid to First Majestic. The Company expects that the transaction will be completed in the second or third quarter of 2025.

At closing, the Company will grant a 1% Net Smelter Return (NSR) Royalty on the Crown Grants to First Majestic and retains an option to purchase the NSR Royalty for \$250,000 at any time.

GRIZZLY DISCOVERIES INC.
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Impairment

In the year ended July 31, 2024, the Company incurred costs of \$3,499 (three months ended October 31, 2024 - \$Nil) related to its Alberta Potash properties which had been written down to a nominal carrying value of \$1 in prior years. These costs have been reported as an impairment on the consolidated statements of loss and comprehensive loss.

In the year ended July 31, 2024, the Company has de-recognized the Alberta Diamonds properties as it no longer holds an interest in the underlying mineral claims.

6. Share capital

Common shares

The Company's articles authorize an unlimited number of common shares with no par value and an unlimited number of preferred shares. The Company has not issued any preferred shares. A summary of changes in common share capital is as follows:

	Number of Shares	Weighted average issue price	Amount
Balance, July 31, 2023	142,159,760		\$ 23,657,276
Shares issued in private placement financings	16,917,527	\$ 0.037	620,440
Shares issued as commissions	400,000	\$ 0.053	21,200
Shares issued as consideration for mineral property	50,000	\$ 0.050	2,500
Costs of share issuance	-		(67,363)
Balance, July 31, 2024	159,527,287		\$ 24,234,053
Costs of share issuance	-		(1,246)
Balance, October 31, 2024	159,527,287		24,232,807

Common share purchase warrants

A summary of changes in common share purchase warrant capital is as follows:

	Number of Warrants	Weighted average issue price	Amount
Balance, July 31, 2023	22,426,692		\$ 566,711
Warrants issued in private placement financings	11,537,597	\$ 0.020	226,050
Warrants issued as commissions	600,000	\$ 0.034	20,400
Warrants expired	(22,426,692)	\$ 0.024	(566,711)
Balance, July 31 and October 31, 2024	12,137,597		\$ 246,450

GRIZZLY DISCOVERIES INC.
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A summary of share purchase warrants outstanding is as follows:

As at October 31, 2024				As at July 31, 2024			
Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry	Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry
\$ 0.10	4,142,179	4,142,179	0.8	\$ 0.10	4,142,179	4,142,179	1.0
\$ 0.07	1,487,750	1,487,750	1.2	\$ 0.07	1,487,750	1,487,750	1.5
\$ 0.05	6,507,668	6,507,668	1.7	\$ 0.05	6,507,668	6,507,668	2.0
\$ 0.070	12,137,597	12,137,597	1.3	\$ 0.070	12,137,597	12,137,597	1.6

Common share purchase options

A summary of stock option activity is as follows:

	Number of options	Weighted average exercise price
Balance, July 31, 2023	9,850,000	\$ 0.09
Issued	3,500,000	\$ 0.06
Expired	(1,550,000)	\$ 0.09
Balance, July 31, 2024	11,800,000	\$ 0.08
Issued	1,000,000	\$ 0.05
Balance, October 31, 2024	12,800,000	\$ 0.07

A summary of stock options outstanding is as follows:

As at October 31, 2024				As at July 31, 2024			
Exercise price	Options outstanding	Options exercisable	Years to expiry	Exercise price	Options outstanding	Options exercisable	Years to expiry
\$ 0.050	250,000	250,000	0.0	\$ 0.050	250,000	250,000	0.3
\$ 0.080	250,000	250,000	0.8	\$ 0.080	250,000	250,000	1.0
\$ 0.060	1,250,000	1,250,000	1.2	\$ 0.060	1,250,000	1,250,000	1.5
\$ 0.090	3,000,000	3,000,000	2.6	\$ 0.090	3,000,000	3,000,000	2.9
\$ 0.110	300,000	300,000	3.3	\$ 0.110	300,000	300,000	3.5
\$ 0.090	3,250,000	3,250,000	3.4	\$ 0.090	3,250,000	3,250,000	3.7
\$ 0.090	250,000	250,000	3.8	\$ 0.090	250,000	250,000	4.1
\$ 0.090	250,000	250,000	4.0	\$ 0.090	250,000	250,000	4.2
\$ 0.050	3,000,000	3,000,000	4.4	\$ 0.050	3,000,000	3,000,000	4.7
\$ 0.050	1,000,000	1,000,000	4.8	\$ -	-	-	-
\$ 0.074	12,800,000	12,800,000	3.2	\$ 0.076	11,800,000	9,850,000	3.4

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During the three months ended October 31, 2024, the Company issued an aggregate of 1,000,000 (2023 – 500,000) stock options to directors, officers, and consultants at a weighted average exercise price of \$0.05 (2023 - \$0.09) per common share and expiring no later than 5 years from the issue date. These options all vested upon issuance.

The total estimated fair value of the 1,000,000 (2023 – 500,000) common share purchase options vested during the year of \$30,000 (2023 - \$25,000) was recorded as share based compensation expense and an increase to contributed surplus. The weighted average grant date fair value of \$0.03 (2023 - \$0.05) per option granted was estimated using the Black Scholes option pricing model using the following weighted average grant date assumptions: grant date stock price \$0.03 (2023 - \$0.06); risk-free rate 2.77% (2023 – 4.26%); expected volatility 155% (2023 - 141%); annual dividend yield 0%, and; expected life of option 5 years. The expected volatility is based on historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

9. General and administrative expenses

For the three months ended October 31	2024	2023
Advertising and promotion	\$ 4,235	\$ 45,649
Conferences and corporate travel	2,345	5,202
Consulting fees	51,000	51,000
Office and administration	9,206	9,157
Regulatory and transfer fees	8,532	8,886
Professional fees	266	1,500
	<hr/>	<hr/>
General and administrative expenses	\$ 75,584	\$ 121,394

10. Supplemental cash flow information

Interest and dividends received and paid

During the three months ended October 31, 2024, the Company received interest of \$1,043 (2023 - \$4,461) from deposits with its financial institution. The Company did not pay any interest or dividends, nor did it receive any dividends, in either of the periods ended October 31, 2024 or 2023.

Non-cash transactions eliminated from the consolidated statements of cash flows

The following table lists non-cash transactions which were recorded in the three months ended October 31, 2024 and 2023 and have been eliminated from the consolidated statements of cash flows.

For the three months ended October 31	2024	2023
Mineral exploration tax credits accrued as a reduction of mineral properties	\$ 15	\$ 26,602
(Decrease)/Increase in accounts payable related to investing activities	\$ (13,272)	\$ 322,853
(Decrease)/Increase in accounts payable related to financing activities	\$ (7,303)	\$ 666
Shares and warrants issued as share issue costs	\$ -	\$ 41,600

11. Commitment

Pursuant to the sale of flow-through shares in the year ended July 31, 2024, the Company has an outstanding contractual obligation at October 31, 2024 to incur qualified exploration expenditures on its mineral properties totalling \$2,438 (July 31, 2024 - \$21,000) no later than December 31, 2025.