

VALLEYVIEW RESOURCES LTD.  
Condensed Consolidated Interim Financial Statements

For the Three-Month Period Ended August 31, 2024 and 2023  
(Expressed in Canadian Dollars)  
(Unaudited)

## Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4 subsection 4.3 (3), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying condensed consolidated interim financial statements of Valleyview Resources Ltd. have been prepared by and are the responsibility of management.

These condensed consolidated interim financial statements for the three months ended August 31, 2024, have not been reviewed or audited by the Company's independent auditors in accordance with the standards established by the Chartered Professional Accountants of Canada.

**Valleyview Resources Ltd.**  
**Condensed Consolidated Interim Statements of Financial Position**  
*(Expressed in Canadian dollars)*

<b>As at</b>	<b>(Unaudited) August 31, 2024</b>	<b>May 31, 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
<b>Current</b>		
Cash	160,135	306,062
GST receivable	19,343	17,163
Loan receivable (Note 4)	287,778	-
	<u>467,256</u>	<u>323,225</u>
<b>Non-current</b>		
Exploration and evaluation asset (Note 5)	277,343	244,790
<b>Total Assets</b>	<b>744,599</b>	<b>568,015</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 7 and 8)	132,318	199,448
<b>Shareholders' Equity</b>		
Share capital (Note 6)	967,239	667,239
Reserves (Note 6)	34,655	34,655
Accumulated deficit	(389,613)	(333,327)
Total Shareholders' Equity	<u>612,281</u>	<u>368,567</u>
<b>Total Liabilities and Shareholders' Equity</b>	<b>744,599</b>	<b>568,015</b>

Nature of operations and going concern – (Note 1)  
 Commitments – (Note 11)  
 Subsequent events – (Note 12)

**APPROVED BY THE BOARD OF DIRECTORS ON  
 OCTOBER 25, 2024**

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 "Roger Lemaitre" Director

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 "Michael Blady" Director

# Valleyview Resources Ltd.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

	Three months ended August 31, 2024	Three months ended August 31, 2023
	\$	\$
<b>Operating Expenses</b>		
Office	2,334	3,261
Professional fees	45,000	68,008
Management fees (Note 8)	8,000	9,450
Rent	952	-
<b>Loss and comprehensive loss for the year</b>	<b>(56,286)</b>	<b>(80,719)</b>
Basic and diluted loss per share	(0.00)	(0.00)
<b>Weighted average number of shares outstanding</b>		
Basic and diluted	13,141,304	6,217,391

# Valleyview Resources Ltd.

## Condensed Consolidated Interim Statements of Cash Flows

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

	Three months ended August 31, 2024	Three months ended August 31, 2023
	\$	\$
<b>Operating activities</b>		
Net loss	(56,286)	(80,719)
Changes in non-cash working capital items		
Accounts payable and accrued liabilities	(67,131)	29,300
Prepaid expenses	-	(15,000)
GST receivable	(2,180)	-
Cash used in operating activities	(125,597)	(66,419)
<b>Investing activities</b>		
Exploration and evaluation asset	(32,552)	(39,019)
Loan advanced (Note 4)	(287,778)	-
Cash used in investing activities	(320,330)	(39,019)
<b>Financing activities</b>		
Net proceeds from issuance of shares pursuant to private placements	-	62,500
Proceeds from issuance of shares pursuant to warrant exercise	300,000	-
Cash provided by financing activities	300,000	62,500
<b>Decrease in cash</b>	(145,927)	(42,938)
<b>Cash - beginning</b>	306,062	198,928
<b>Cash - ending</b>	160,135	155,990
<b>Non-cash transactions:</b>		
Exploration and evaluation expenditures in accounts payable	17,942	18,093

**Valleyview Resources Ltd.**  
**Condensed Consolidated Interim Statements of Changes in Equity**  
*(Unaudited - Expressed in Canadian dollars)*

	Number of common shares #	Share capital \$	Reserves \$	Accumulated deficit \$	Total \$
<b>Balance, May 31, 2023</b>	6,000,000	251,232	2,769	(37,456)	216,545
Shares issued for cash, net of share issuance costs (Note 6)	1,250,000	62,500	-	-	62,500
Loss for the period	-	-	-	(80,719)	(80,719)
<b>Balance, August 31, 2024</b>	7,250,000	313,732	2,769	(118,175)	198,326
<b>Balance, May 31, 2024</b>	12,750,000	667,239	34,655	(333,327)	368,567
Shares issued on exercise of warrants (Note 6)	3,000,000	300,000	-	-	300,000
Loss for the period	-	-	-	(56,286)	(56,286)
<b>Balance, August 31, 2024</b>	15,750,000	967,239	34,655	(389,613)	612,281

*The accompanying notes are an integral part of these financial statements*

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian dollars)*

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### 1. Nature of operations and going concern

Valleyview Resources Ltd. (the “Company” or “Valleyview”) was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on October 25, 2021. The Company’s principal activity is the acquisition, exploration and development of mineral properties.

On August 14, 2024, the Company incorporated 1496946 B.C. Ltd., a wholly owned subsidiary.

The Company’s corporate office is located at 503 – 905 Pender St. W, Vancouver, B.C. V6C 1L6.

The Company completed its Initial Public Offering on March 28, 2024 and began trading its shares on the TSX Venture Exchange under the symbol VVR on April 2, 2024.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. The Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent on its ability to obtain necessary financing to meet its ongoing expenses and discharge its liabilities in the normal course of business. Although the Company has been successful in obtaining financing in the past, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to carrying values, and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

### 2. Basis of preparation

#### a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The condensed consolidated interim financial statements have been prepared in conformity with IAS 34 Interim Financial Reporting and do not include all the information required for full annual financial statements in accordance with IFRS and should be read in conjunction with the annual financials for the year ended May 31, 2024.

These condensed consolidated interim financial statements were approved by the board of directors on October 25, 2024.

#### b) Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

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### 2. Basis of preparation (continued)

#### c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company, and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated from the date of acquisition of control. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The principal subsidiaries and their geographic locations at August 31, 2024, were as follows:

Name of Subsidiary	Proportion of Ownership Interest	Country of Incorporation	Functional Currency	Principal Activity
1496946 B.C. Ltd.	100%	Canada	Canadian	Holding company

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

#### d) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency for the Company.

#### e) Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are continuously 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. However, actual outcomes can differ from these estimates. Significant judgments made by management in the process of applying accounting policies and that have the most significant effect on the amount recognized in the financial statements include capitalization of exploration assets and the application of the going concern assumption (Note3).

### 3. Material accounting policy information

These condensed interim financial statements have been prepared following the same accounting principles and methods of computation as is outlined in the Company's financial statements for the year ended May 31, 2024. A description of the accounting standards and interpretations that have been adopted by the Company can be found in the notes of the annual financial statements for the year ended May 31, 2024.

The preparation of the condensed consolidated interim financial statements requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. These condensed consolidated interim financial statements include estimates, which by their nature, are uncertain. These assumptions and associated estimates are based on historical experience and other factors that are considered to be relevant. As such, actual results may differ from estimates and the effect of such differences may be material. Significant estimates and judgements used in the preparation of these condensed interim financial statements remained unchanged from those disclosed in the Company's annual financial statements for the year ended May 31, 2024.



# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian dollars)*

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### 3. Material accounting policy information (continued)

#### Accounting standards issued but not yet effective

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's annual financial statements.

### 4. Loan receivable

On August 16, 2024, Valleyview entered into a Participation and Administration Agreement with Nico Consulting Corp. and several co-lenders (the "Co-Lenders"), including Valleyview, to provide a loan to Shift Rare Metals Inc. (the "Borrower"). The total loan amount is up to US\$650,000. As of August 31, 2024, Valleyview advanced CDN \$287,778 as part of its proportionate interest in the loan.

The loan is structured as follows:

- The Company's participation in the first tranche of the loan is US\$200,000, representing 37.04% of the total first tranche amount of US\$540,000.
- The loan bears interest at a rate specified in the Loan Agreement and is secured by certain assets of Shift Rare Metals Inc. under the terms of the Loan Agreement and Security Documents.
- The loan includes a conversion option, allowing the Lender to convert all or part of the loan into common shares of the Borrower, as stipulated in the Loan Agreement.

The loan is expected to be converted upon closing of the transaction discussed in Note 11 below; therefore, it is classified as a current asset on the statement of financial position.

### 5. Exploration and evaluation assets

On March 16, 2023, the Company entered into an option agreement with Nexus Uranium Corp. ("Nexus Uranium") to acquire a 100% interest, subject to a 2% Net Smelter Return Royalty ("NSR"), in the three claim blocks comprising the 9,900 hectare Fraser Lake copper property by making payments of 3,000,000 shares and committing to exploration expenditures totalling \$300,000. Under the terms of the Option Agreement, Valleyview can earn an initial 51% interest through the issuance of 1,000,000 shares (issued) and incurring \$100,000 in exploration expenditures (incurred) within the first 12 months. An additional 49% interest can be earned through the issuance of an additional 2,000,000 shares and by incurring \$200,000 in additional exploration expenditures within 18 months of acquiring the initial 51% ownership. Nexus Uranium will retain a 2% NSR, of which 1% can be repurchased for \$2,000,000 in cash. Following the acquisition of the initial 51%, if Valleyview elects to not acquire the remaining 49% interest, both companies shall form a standard joint venture based on pro-rata ownership.

The Company's exploration properties consist of 21 contiguous mineral title claims, namely the Fraser Lake Property, located northwest of Prince George, British Columbia, Canada.

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

### 5. Exploration and evaluation assets (continued)

	Fraser Lake Property	Total
	\$	\$
<b>Acquisition costs</b>		
<b>Balance, May 31, 2023</b>	-	-
Issuance of shares	50,000	50,000
<b>Balance, May 31, 2024 and August 31, 2024</b>	50,000	50,000
<b>Exploration costs</b>		
<b>Balance, May 31, 2023</b>	64,298	64,298
Assays	23,127	23,127
Field expenses	36,327	36,327
Geologist fees	53,250	53,250
Travel and accommodation	17,788	17,788
<b>Balance, May 31, 2024</b>	194,790	194,790
Assays	14,437	14,437
Field expenses	18,116	18,116
<b>Balance, August 31, 2024</b>	227,343	227,343
<b>Total, May 31, 2024</b>	244,790	244,790
<b>Total, August 31, 2024</b>	277,343	277,343

The Option Agreement has the following terms:

Date	Cash	Shares	Exploration Expenditures
Year 1 Anniversary Date	-	1,000,000	\$100,000 within 12 months of the Agreement Date
18 months after exercise of Initial Option	-	2,000,000	\$200,000
<b>Total</b>	-	<b>3,000,000</b>	<b>\$300,000</b>

### 6. Share capital

**a) Authorized share capital:** Unlimited common shares without par value.

As at August 31, 2024, the Company had 1,935,000 common shares in escrow.

**b) Issued share capital:**

Share capital activities during the year ended May 31, 2024, are as follows:

- i. On August 15, 2023, the Company issued 1,250,000 units at a price of \$0.05 per unit, for proceeds of \$62,500. Each unit consists of one common share and one warrant exercisable at \$0.10 per share for a period of 60 months from the date of issuance.
- ii. On September 8, 2023, the Company issued 1,000,000 shares to Nexus Uranium as a condition of the option agreement signed on March 16, 2023. Upon the issuance of these shares, the Company met the initial earn-in requirements granting a 51% interest in the Fraser Lake property (Note 4).

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

### 6. Share capital (Continued)

- iii. On March 28, 2024, the Company announced the closing of its initial public offering (IPO), pursuant to which it issued 4,500,000 shares at a price of \$0.10 per share, for gross proceeds of \$450,000. In connection with the offering, the company paid a cash commission of \$36,000, a corporate finance fee \$35,000 and additional share issuance costs of \$23,606. In addition, an aggregate of 360,000 non-transferable compensation warrants were issued. Each compensation warrant is exercisable into one common share of the Company at a price of \$0.10 per share for a period of 60 months from the date of issuance. The fair value of the finders' warrants was estimated to be \$31,886 calculated using the Black-Scholes Option Pricing Model and the following assumptions:

	<b>March 28, 2024</b>
Exercise price	\$0.10
Risk-free dividend rate	3.51%
Expected life of warrants	5
Dividend rate	0.00%
Annualized volatility	137%

Share capital activities during the three-month period ended August 31, 2024, are as follows:

- i) On August 20, 2024, 3,000,000 warrants were exercised for gross proceeds of \$300,000 at a price of \$0.10 per share.

#### c) Warrants

The Company's warrants outstanding as at August 31, 2024 and the changes for the periods then ended are as follows:

	<b>Number</b>	<b>Weighted average exercise price \$</b>
<b>Balance as at May 31, 2023</b>	4,925,000	0.10
Issued – Private placement	1,250,000	0.10
Issued – Initial Public Offering	360,000	0.10
<b>Balance as at May 31, 2024</b>	6,535,000	0.10
Exercised – August 20, 2024	(3,000,000)	0.10
<b>Balance as at August 31, 2024</b>	3,535,000	0.10

At August 31, 2024, the following warrants are outstanding:

<b>Expiry Date</b>	<b>Number of regular warrants</b>	<b>Weighted average exercise price \$</b>	<b>Weighted average years outstanding</b>
May 15, 2028	2,550,000	0.10	3.71
August 15, 2028	625,000	0.10	3.96
March 28, 2029	360,000	0.10	4.58
<b>Total</b>	3,535,000	0.10	3.84

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

### 7. Accounts payable and accrued liabilities

	August 31, 2024	May 31, 2024
	\$	\$
Accounts payable	67,318	179,448
Accrued liabilities	65,000	20,000
	132,318	199,448

### 8. Related party transactions

The Company's related parties consist of the Company's directors and officers, and any companies associated with them. Transactions with related parties for goods and services are made on normal commercial terms.

The remuneration of key management personnel, comprised of the directors of the Company, executives and non-executives and officers of the Company, during the three months ended August 31, 2024 and 2023 was as follows:

	August 31, 2024	August 31, 2023
	\$	\$
Management fees - CEO	6,000	6,300
Management fees - CFO	2,000	3,150
<b>Total</b>	<b>\$8,000</b>	<b>\$9,450</b>

As at August 31, 2024, accounts payable includes \$31,500 owing to the CFO of the Company (2023 - \$6,300) and \$1,050 owing to the former CFO of the Company (2023 - Nil).

- Joel Leonard, the Chief Financial Officer, concurrently held an executive position at Nexus Uranium. The Company entered into an option agreement with Nexus Uranium as per Note 4. This option agreement was approved by the Board of Directors of both the Company and Nexus Uranium.

### 9. Financial instruments

#### Classification of financial instruments

The Company's financial instruments consist of cash and accounts payable. These financial instruments are classified as either fair value through profit or loss ("FVTPL") or at amortized cost.

The classification of the financial instruments as well as their carrying values as at August 31, 2024 is shown in the table below:

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

### 9. Financial instruments (Continued)

At August 31, 2024	Assets – FVTPL	Liabilities – Amortized cost	Total
	\$	\$	\$
<b>Financial assets</b>			
Cash	160,135	-	160,135
Total financial assets	160,135	-	160,135
<b>Financial liabilities</b>			
Accounts payable	-	67,318	67,318
Total financial liabilities	-	67,318	67,318

The fair values approximate the carrying values due to their short-term nature.

#### Financial and capital risk management

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors. The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Discussions of risks associated with financial assets and liabilities are detailed below:

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a cash loss due to the fluctuation in interest rates is limited as the Company's liabilities are non-interest bearing. The Company considers this risk to be low.

##### b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company considers credit risk with respect to its cash to be low as cash is mainly held through large Canadian financial institutions.

##### c) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. Accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company has current assets of \$467,256 and current liabilities of \$132,318 as at August 31, 2024.

##### d) Commodity price risk

Commodity price risk is the risk that the value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

# Valleyview Resources Ltd.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian dollars)*

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### 10. Management of capital

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 objective of the Company. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements.

The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

### 11. Commitments

On August 19, 2024, the Company entered into a definitive agreement to acquire Shift Rare Metals Inc. ("Shift") by way of a three-cornered amalgamation. As part of this acquisition, Valleyview will acquire Shift's uranium and vanadium exploration properties located in northwestern Colorado, specifically the Coyote Basin and Red Wash claims. Under the terms of the acquisition agreement, Valleyview will issue 11,000,000 post-split common shares and pay US\$250,000 to the shareholders of Shift. Additional consideration includes the issuance of further shares and cash payments tied to the completion of milestones, including the issuance of a technical report and mineral resource estimate.

In connection with this acquisition, Valleyview announced plans to conduct a share split of its outstanding common shares. The split will be conducted on the basis of 1.5 new common shares for each existing common share. The stock split is subject to approval by the TSX Venture Exchange.

Valleyview also plans to raise gross proceeds of no less than \$7,000,000 through a financing of post-split common shares at a minimum price of \$0.30 per share.

The transaction has not yet closed as of August 31, 2024, and no shares have been issued or funds raised.

### 12. Subsequent Events

On September 1, 2024, the Company announced the granting of 1,250,000 stock options to its directors and officers, exercisable at \$0.15 per share for a five-year term. These options are subject to a one-year vesting schedule, with 25% vesting on the grant date and the remaining options vesting in equal portions every three months thereafter.