



Unaudited Condensed Interim Financial Statements
(Expressed in Canadian Dollars)
For the nine months ended October 31, 2024

*The attached financial statements have been prepared by Management of
Harfang Exploration Inc. and have not been reviewed by the auditor*

HARFANG EXPLORATION INC.Statements of Financial Position
(Unaudited, in Canadian Dollars)

	Note	As at October 31, 2024	As at January 31, 2024
		\$	\$
Assets			
Current assets			
Cash		4,027,386	6,427,920
Sales tax receivable		102,444	38,783
Tax credits receivables		115,787	498,832
Prepaid expenses and others		37,200	103,646
Current assets		4,282,817	7,069,181
Non-current assets			
Deferred transaction costs	8	427,608	-
Investment and listed shares	4	486,255	167,000
Exploration and evaluation assets	5	9,384,664	9,185,775
Capital assets		139,573	169,481
Non-current assets		10,438,100	9,522,256
Total assets		14,720,917	16,591,437
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		277,944	119,070
Liability related to the premium on flow-through shares		-	468,172
Lease liabilities – current portion		26,755	23,978
Current liabilities		304,699	611,220
Non-current liabilities			
Lease liabilities		90,772	110,422
Total Liabilities		395,471	721,642
Equity			
Share capital		29,243,688	29,179,394
Contributed surplus		2,211,389	2,077,489
Deficit		(17,129,631)	(15,387,088)
Total equity		14,325,446	15,869,795
Total liabilities and equity		14,720,917	16,591,437

Subsequent events

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The accompanying notes are an integral part of these unaudited condensed interim financial statements.

HARFANG EXPLORATION INC.
Statements of Loss and Comprehensive Loss
(Unaudited, in Canadian Dollars)

	Note	Three months ended October 31,		Nine months ended October 31,	
		2024	2023	2024	2023
		\$	\$	\$	\$
Operating Expenses					
Exploration and evaluation expenditures, net of tax credits	7	332,777	506,494	1,024,556	1,622,288
Salaries and benefits		47,050	45,306	132,198	137,068
Stock-based compensation	6	-	-	133,900	-
Director's fees		13,625	17,875	49,375	59,625
Consulting and professional fees		131,947	96,878	625,015	355,189
Office and administrative		18,292	14,856	91,694	66,875
Travel, conference and investor relations		87,788	72,553	277,181	183,272
Filing fees		6,511	10,260	36,340	30,781
Depreciation		9,969	9,969	29,908	19,939
Gain on disposal of exploration and evaluation assets	5	(2,500)	-	(2,500)	(7,189)
Residual gain on option payment on exploration and evaluation assets	5	-	-	(25,000)	(25,000)
Impairment of exploration and evaluation assets		-	3,500	-	4,462
Operating expenses		(645,459)	(777,691)	(2,372,667)	(2,447,310)
Other income (expense)					
Interest income		57,870	81,660	208,262	245,333
Change in fair value – listed shares		(2,225)	(21,000)	(36,725)	(74,000)
Finance costs – financing fees lease		(3,054)	(3,617)	(9,585)	(6,112)
		52,591	57,043	161,952	165,221
Loss before income taxes		(592,868)	(720,648)	(2,210,715)	(2,282,089)
Deferred income taxes recovery		127,772	68,197	468,172	385,818
Net loss and comprehensive loss		(465,096)	(652,451)	(1,742,543)	(1,896,271)
Net loss per common share - basic and diluted		(0.01)	(0.01)	(0.03)	(0.03)
Weighted average number of common shares outstanding - basic and diluted		64,676,670	60,858,856	64,659,896	60,244,148

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

HARFANG EXPLORATION INC.

Statements of Changes in Equity (Unaudited, in Canadian Dollars)

	Note	Number of Shares outstanding	Share Capital	Warrants	Contributed surplus	Deficit	Total equity
			\$	\$	\$	\$	\$
Balance at February 1, 2023		58,063,313	28,155,697	15,997	2,009,492	(13,193,541)	16,987,645
Net loss and comprehensive loss		-	-	-	-	(1,896,271)	(1,896,271)
Issuance of shares under flow-through private placements		2,795,543	1,005,100	-	-	-	1,005,100
• Less: Liability related to the premium on flow-through shares		-	(394,200)	-	-	-	(394,200)
Share issuance costs		-	(17,153)	-	-	-	(17,153)
Warrants expired		-	-	(15,997)	15,997	-	-
Balance at October 31, 2023		60,858,856	28,749,444	-	2,025,489	(15,089,812)	15,685,121
Balance at February 1, 2024		64,166,000	29,179,394	-	2,077,489	(15,387,088)	15,869,795
Net loss and comprehensive loss		-	-	-	-	(1,742,543)	(1,742,543)
Exploration and evaluation assets paid in shares	5	510,670	64,294	-	-	-	64,294
Stock-based compensation	6	-	-	-	133,900	-	133,900
Balance at October 31, 2024		64,676,670	29,243,688	-	2,211,389	(17,129,631)	14,325,446

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

HARFANG EXPLORATION INC.Statements of Cash Flows
(Unaudited, in Canadian Dollars)

		Nine months ended October 31,	
	Note	2024	2023
		\$	\$
Operating activities			
Net loss for the period		(1,742,543)	(1,896,271)
Adjustments for:			
Residual gain on option payment on exploration and evaluation assets	5	(25,000)	(25,000)
Stock-based compensation	6	133,900	-
Depreciation		29,908	19,939
Gain on disposal of exploration and evaluation assets	5	(2,500)	(7,189)
Impairment of exploration and evaluation assets		-	4,462
Change in fair value – listed shares		36,725	74,000
Deferred income taxes recovery		(468,172)	(385,818)
Changes in non-cash working capital items			
Sales tax receivable		(63,661)	57,520
Tax credits receivable		383,045	(180,746)
Prepaid expenses and others		66,446	10,859
Accounts payable and accrued liabilities		47,060	111,742
Cash flows used in operating activities		(1,604,792)	(2,216,502)
Investing activities			
Investment in exploration and evaluation assets	5	(123,676)	(155,144)
Proceeds from disposal of exploration and evaluation assets	5	2,500	5,000
Option payment receipt on exploration and evaluation assets	5	25,000	25,000
Acquisition of capital assets		-	(35,874)
Deferred transaction costs	8	(347,345)	-
Investments in NewOrigin	4	(388,873)	-
Proceeds from disposal of listed shares	4	53,525	-
Cash flows used in investing activities		(778,869)	(161,018)
Financing activities			
Flow-through private placements		-	1,005,100
Share issuance costs		-	(25,535)
Principal repayment – lease liabilities		(16,873)	(22,887)
Cash flows from (used) in financing activities		(16,873)	956,678
Net change in cash		(2,400,534)	(1,420,842)
Cash – beginning		6,427,920	7,413,806
Cash – ending		4,027,386	5,992,964
Additional information			
Interest received		202,615	245,333
Exploration and evaluation assets included in accounts payable and accrued liabilities		10,919	-
Shares received in exchange of exploration and evaluation assets		-	30,000
Deferred transaction costs included in accounts payable and accrued liabilities	8	80,263	-
Advances to NewOrigin included in accounts payable and accrued liabilities	4	14,985	-

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

HARFANG EXPLORATION INC.

Notes to the Condensed Interim Financial Statements

Nine months ended October 31, 2024

(Unaudited, in Canadian Dollars)

1. NATURE OF OPERATIONS

Harfang Exploration Inc. (the “Corporation” or “Harfang”) was incorporated on March 30, 2010 under the Business Corporations Act (British Columbia) and on June 22, 2017, in conjunction with a reverse takeover, continued under the Business Corporations Act (Québec). The Corporation’s shares are listed on the TSX Venture Exchange under symbol HAR. The Corporation’s head office is located at 1100, Avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, Canada.

The Corporation, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties in Canada. Its focus is currently on the exploration and evaluation of its mineral properties in the James Bay area in the Province of Québec for gold and lithium and in northern Ontario for gold.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation properties. The recoverability of deferred exploration and evaluation expenses is dependent on the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain necessary financing to continue the exploration, evaluation and development of its properties; and obtaining certain government approvals or proceeds from the disposal of properties. Changes in future conditions could require material impairment of the carrying value of the exploration and evaluation assets. The Corporation will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Although the Corporation has taken steps to verify title to its mining properties on which it is currently conducting exploration and evaluation work, in accordance with industry standards for the current stage of exploration and evaluation of such property, these procedures do not guarantee the Corporation’s title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of Compliance

These unaudited condensed interim financial statements (the “Financial Statements”) have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. Accordingly, the Financial Statements do not include all of the information and footnotes required by IFRS Accounting Standards for complete financial statements for year-end reporting purposes.

The Financial Statements were approved by the Corporation’s Board of Directors on December 18, 2024.

2.2 Basis of Presentation

The Financial Statements should be read in conjunction with the audited annual consolidated financial statements for the year ended January 31, 2024, of the Corporation, which have been prepared in accordance with IFRS Accounting Standards. The accounting policies, methods of computation and presentation applied in the Financial Statements are consistent with those of the Corporation’s previous financial year ended January 31, 2024.

2.3 Changes in accounting standards

IFRS 18, Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. The new standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The new Accounting Standard introduces significant changes to the structure of income statements and introduces new principles for aggregation and disaggregation of information. The impact of adoption of the amendments has not yet been determined by the Corporation.

HARFANG EXPLORATION INC.
Notes to the Condensed Interim Financial Statements
Nine months ended October 31, 2024
(Unaudited, in Canadian Dollars)

(iii) Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instrument Disclosures

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. The amendments to IFRS 9 and IFRS 7 are effective for annual reporting beginning on or after January 1, 2026, with earlier application permitted. The impact of adoption of the amendments has not yet been determined by the Corporation.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Corporation to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

In preparing the Financial Statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Corporation's audited annual consolidated financial statements for the year ended January 31, 2024.

4. INVESTMENT AND LISTED SHARES

4.1 Investment

On August 20, 2024, NewOrigin Gold Corp. ("NewOrigin") issued to Harfang a convertible debenture pursuant to which Harfang loaned a principal amount of \$250,000 to NewOrigin (the "Debenture"). The principal amount of the Debenture bears interest at a rate equal to the prime rate plus 5%, which as of August 20, 2024, was equal to 11.7% per annum. The proceeds arising from the Debenture were used by NewOrigin to pay certain accounts payable and loans outstanding as well as various transaction fees. The maturity date of the Debenture was the earlier of the closing of the Transaction (see note 8) and January 31, 2025. Subject to certain conditions, the principal amount of the Debenture is convertible into NewOrigin Shares at a price of \$0.05 per NewOrigin Share. As of October 31, 2024, Harfang has recognized an amount of \$5,647 of interest relating to the Debenture, which brings the total amount of the Debenture to \$255,647.

In addition, the Arrangement Agreement with NewOrigin (see note 8) included a covenant of Harfang to ensure that all mineral claims related to the Sky Lake, North Abitibi and South Abitibi Projects remained in good standing. To this end, Harfang completed advances of funds in the form of exploration expenses executed prior to the closing of the Transaction for a total amount as at October 31, 2024, of \$153,858.

The total investment amount as at October 31, 2024, which includes the Debenture and the advances to NewOrigin, amounts to \$409,505.

HARFANG EXPLORATION INC.

Notes to the Condensed Interim Financial Statements

Nine months ended October 31, 2024

(Unaudited, in Canadian Dollars)

4.2 Listed shares

	As at October 31, 2024			As at October 31, 2023		
	Market price per share	Number of shares	Fair value	Market price per share	Number of shares	Fair value
	\$		\$	\$		\$
QcX Gold Corp.	0.01	1,750,000	17,500	0.025	1,750,000	43,750
Monarch Mining Corporation	0.00	1,250,000	-	0.015	1,250,000	18,750
Abitibi Metals Corp.	0.395	150,000	59,250	0.135	600,000	81,000
			76,750			143,500

The listed shares are only common shares of Canadian publicly traded companies. The fair values of the listed shares are based on the quoted market prices of those shares on a recognized stock exchange at the end of each reporting period (Level 1). The Corporation sold 150,000 shares of Abitibi Metals Corp. in September 2023 at a price of \$0.357 per share for a total value of \$53,525.

5. EXPLORATION AND EVALUATION ASSETS

Mineral properties acquisition costs	As at Feb. 1, 2024	Property acquisitions	Net claims acquisitions / renewals	Option payments	As at October 31, 2024
	\$	\$	\$	\$	\$
Lake Menarik	852,652	-	3,221	-	855,873
Serpent	4,968,033	-	85,204	-	5,053,237
Blakelock	1,540,930	-	-	-	1,540,930
Egan ⁽¹⁾	1,619,554	64,294	-	27,554	1,711,402
La Passe	44,684	-	-	-	44,684
Taïga	48,356	-	18,616	-	66,972
Ewart	19,040	-	-	-	19,040
Lemare	19,561	-	-	-	19,561
Conviac	23,800	-	-	-	23,800
Sakami	34,680	-	-	-	34,680
Ross	14,485	-	-	-	14,485
	9,185,775	64,294	107,041	27,554	9,384,664

Mineral properties acquisition costs	As at Feb. 1, 2023	Net claims acquisitions / renewals	Option payments	Disposal	Impairment	As at October 31, 2023
	\$	\$	\$	\$	\$	\$
Lake Menarik	840,412	12,240	-	-	-	852,652
Serpent	4,960,553	7,480	-	-	-	4,968,033
Blakelock	1,540,930	-	-	-	-	1,540,930
Egan	1,534,554	-	85,000	-	-	1,619,554
Lake Fagnant	8,537	-	-	-	(423)	8,114
Lake Aulneau	11,427	-	-	-	(4,039)	7,388
La Passe	35,164	9,520	-	-	-	44,684
Taïga	48,356	-	-	-	-	48,356
Selbaie	27,811	-	-	(27,811)	-	-
Ewart	19,040	-	-	-	-	19,040
Lemare	15,972	3,589	-	-	-	19,561
Conviac	23,800	-	-	-	-	23,800
Sakami	34,680	-	-	-	-	34,680
Ross	-	14,485	-	-	-	14,485
	9,101,236	47,314	85,000	(27,811)	(4,462)	9,201,277

HARFANG EXPLORATION INC.

Notes to the Condensed Interim Financial Statements

Nine months ended October 31, 2024

(Unaudited, in Canadian Dollars)

- (1) Following an amendment to the option agreement in Fiscal 2024, the Corporation earned 100% of the interest in Egan in February 2024 by paying the last \$27,554 cash and issuing 510,670 shares of Harfang valued at \$64,294 as per the exchange price on February 2, 2024. The vendors retain a 2% NSR of which the Corporation retains the option to buy back one-half (1%) of the NSR at any time for \$1,500,000 and a right of first refusal over the remaining NSR.
- (2) On October 11, 2024, the Corporation signed an agreement for the sale of 100% of its right, title and interest in the Lake Aulneau Project to Ressources SRQ Inc. ("SRQ"). In accordance with the terms of the agreement, SRQ paid to Harfang \$2,500 in cash.
- (3) In accordance with the option agreement regarding the Pontax property signed with Li-FT Power Ltd., Harfang received the sum of \$25,000 on July 15, 2024 for the second anniversary of the agreement.

6. STOCK OPTIONS

On March 20, 2024, the Corporation granted to its directors, officers, employees and consultants 1,300,000 options exercisable at an exercise price of \$0.15, valid for 10 years. The options vested 100% at the grant date. Those options were granted at an exercise price over the closing market value of the shares the previous day of the grant. Total stock-based compensation costs amount to \$133,900 for an estimated fair value of \$0.103 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 92% expected volatility, 3.5% risk-free interest rate and 10 years options expected life. The expected life and expected volatility were estimated by benchmarking comparable situations for companies that are similar to the Corporation.

A summary of changes in stock options are as follows:

	Nine months ended October 31, 2024	
	Number of options	Weighted Average Exercise Price
		\$
Balance, beginning	2,288,065	0.53
Granted	1,300,000	0.15
Expired	(18,558)	0.77
Balance, end	3,569,507	0.39

Stock options outstanding and exercisable as at October 31, 2024 are as follows:

Number of options outstanding and exercisable	Exercise price	Expiry date
	\$	
362,600	0.55	December 20, 2024
54,390	0.83	September 10, 2026
185,581	0.54	June 22, 2027
55,674	0.54	March 15, 2028
113,670	0.54	July 18, 2028
81,192	0.58	May 27, 2029
114,830	0.54	May 22, 2030
273,733	0.92	February 19, 2031
27,837	0.69	September 28, 2031
600,000	0.55	April 20, 2032
400,000	0.15	December 11, 2033
1,300,000	0.15	March 20, 2034
3,569,507		

HARFANG EXPLORATION INC.

Notes to the Condensed Interim Financial Statements

Nine months ended October 31, 2024

(Unaudited, in Canadian Dollars)

7. EXPLORATION AND EVALUATION EXPENSES

	Three months ended		Nine months ended	
	October 31,		October 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Salaries and benefits	118,965	141,228	391,772	386,085
Geology	124,477	447,189	399,246	600,028
Analysis	62,904	62,710	106,611	234,729
Transportation	66,148	8,996	99,217	25,301
Geophysics	-	-	38,758	110,582
Drilling	-	15,236	-	694,426
Lodging and food	12,958	7,305	33,239	18,533
Supplies and equipment	7,115	1,261	15,503	8,761
Exploration and evaluation expenditures before tax credits	392,567	683,925	1,084,346	2,078,445
Tax credits	(59,790)	(177,431)	(59,790)	(456,157)
Exploration and evaluation expenditures	332,777	506,494	1,024,556	1,622,288

8. SUBSEQUENT EVENTS

Arrangement Agreement with NewOrigin and Related Transactions

On August 8, 2024, Harfang and NewOrigin entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which Harfang agreed, subject to certain conditions, to acquire all of the issued and outstanding common shares of NewOrigin (the "NewOrigin Shares") that it did not already own or could acquire, pursuant a court-approved plan of arrangement made under the provisions of the *Business Corporations Act* (Ontario) (the "Transaction"). The Arrangement Agreement included a covenant of Harfang to ensure that all mineral claims related to the Sky Lake, North Abitibi and South Abitibi Projects remained in good standing.

On August 20, 2024, NewOrigin issued to Harfang a convertible debenture pursuant to which Harfang loaned a principal amount of \$250,000 to NewOrigin. The principal amount of the Debenture bears interest at a rate equal to the prime rate plus 5%, which as of August 20, 2024, was equal to 11.7% per annum. The proceeds arising from the Debenture were used by NewOrigin to pay certain accounts payable and loans outstanding as well as various transaction fees. The maturity date of the Debenture was the earlier of the closing of the Transaction and January 31, 2025. Subject to certain conditions, the principal amount of the Debenture is convertible into NewOrigin Shares at a price of \$0.05 per NewOrigin Share.

On September 9, 2024, NewOrigin completed a series of shares for debt transactions to settle outstanding accounts and loans payable to certain current and former directors and officers of NewOrigin (including wholly-owned corporations thereof) and service providers, for a total amount of \$181,110 (the "Shares for Debt Transactions"). NewOrigin issued 6,037,015 NewOrigin Shares at a deemed price of \$0.03 per NewOrigin Share in connection with the Shares for Debt Transactions.

On October 23, 2024, the Transaction was approved by the NewOrigin shareholders. On October 30, 2024, the Ontario Superior Court of Justice issued a final order approving the Transaction.

On November 7, 2024, the Transaction closed and Harfang acquired all of the issued and outstanding NewOrigin Shares. The former NewOrigin shareholders received 0.25694426 (the "Exchange Ratio") of a common share of Harfang ("Harfang Share") in exchange for each NewOrigin Share. As a result, Harfang issued an aggregate of 16,169,120 Harfang Shares and NewOrigin became a wholly-owned subsidiary of Harfang. Upon closing of the Transaction, the former NewOrigin shareholders owned approximately 20% of the issued and outstanding Harfang Shares.

As per the terms of the Arrangement Agreement, outstanding warrants and stock options of NewOrigin were automatically exchanged for warrants and stock options of Harfang based on the Exchange Ratio.

HARFANG EXPLORATION INC.

Notes to the Condensed Interim Financial Statements

Nine months ended October 31, 2024

(Unaudited, in Canadian Dollars)

As of October 31, 2024, Harfang incurred various transaction costs of \$427,608, which were recorded as deferred transaction costs to the statement of financial position as the Transaction will be recorded as an acquisition of assets since the acquired assets and assumed liabilities did not constitute businesses under IFRS 3, *Business Combinations*. Accordingly, the acquisition of NewOrigin has been accounted for in accordance with IFRS 2, *Share-based Payment*.