



**NORD PRECIOUS METALS MINING INC.**  
**(FORMERLY CANADA SILVER COBALT WORKS INC.)**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**For the Three and Nine Months Ended September 30, 2024 and 2023**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

## **Management's Responsibility for Financial Reporting**

The accompanying unaudited condensed interim consolidated financial statements of Nord Precious Metals Mining Inc. (formerly Canada Silver Cobalt Works Inc). ("Nord" or "the Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

### **NOTICE TO READER**

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

## NORD PRECIOUS METALS MINING INC.

(FORMERLY CANADA SILVER COBALT WORKS INC.)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Notes	September 30, 2024	December 31, 2023
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		82,787	245,827
Restricted cash		-	389,260
Amounts and sales tax receivable	3	115,350	79,808
Prepaid expenses		372,751	50,208
Marketable securities	4	330,325	205,395
<b>Total current assets</b>		<b>901,213</b>	<b>970,498</b>
<b>Property, plant, and equipment</b>	6	<b>1,446,106</b>	<b>1,641,652</b>
<b>Total assets</b>		<b>2,347,319</b>	<b>2,612,150</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payables and accrued liabilities	9	3,690,123	2,877,330
Shares subscription liability		-	389,260
Flow-through liability premium	11	253,871	253,871
<b>Total liabilities</b>		<b>3,943,994</b>	<b>3,520,461</b>
<b>Equity (Deficiency)</b>			
Share capital	7	63,062,537	62,912,157
Reserves	7	8,791,992	8,791,992
Contributed surplus		9,557,089	9,545,825
Deficit		(85,807,677)	(82,158,285)
<b>Equity attributable to shareholders of the corporation</b>		<b>(4,396,059)</b>	<b>(908,311)</b>
Non-controlling interest	12	2,799,384	-
<b>Total Equity (Deficiency)</b>		<b>(1,596,675)</b>	<b>(908,311)</b>
<b>Total equity and liabilities</b>		<b>2,347,319</b>	<b>2,612,150</b>

Nature of Business and Going Concern (Note 1), Exploration and Evaluation Projects (Note 5),  
Commitments and Contingencies (Note 11)

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

## NORD PRECIOUS METALS MINING INC.

(FORMERLY CANADA SILVER COBALT WORKS INC.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the Three and Nine Months Ended September 30, 2024

(Unaudited - Expressed in Canadian Dollars)

		Three Months Ended Sept. 30, 2024	Three Months Ended Sept. 30, 2023	Nine Months Ended Sept. 30, 2024	Nine Months Ended Sept. 30, 2023
				\$	\$
<b>Expenses</b>					
Exploration and evaluation	5,9	153,434	193,516	517,784	1,365,040
<b>Corporate</b>					
Accounting and audit		36,852	30,000	153,013	37,770
Admin and general expenses		66,989	4,298	90,354	25,294
Corporate development		-	230	-	1,330
Filing costs and shareholders' information		158,219	59,884	309,098	181,976
Legal fees		-	161,405	20,796	211,532
Marketing and communications		15,500	80,518	27,500	201,140
Consulting and professional fees		222,741	210,593	622,196	691,318
Salaries and wages		-	61,192	14,681	165,295
Temiskaming testing laboratory		15,207	135,151	205,561	538,275
Stock-based compensation	7,9	-	23,520	39,730	89,665
Travel, lodging and food		3,663	18,810	14,991	69,702
<b>Total corporate expenses</b>		<b>519,171</b>	<b>785,601</b>	<b>1,497,920</b>	<b>2,213,297</b>
<b>Other items</b>					
Other expenses (income)		-	(61,193)	-	68,008
Gain on disposal of equipment		-	55,501	-	(405)
Gain on settlement of accounts payable		-	-	(71,736)	-
Premium on flow-through shares		-	-	-	(215,199)
Impairment of amounts due from Granada Gold Mine Inc.	3	126,561	18,324	143,857	24,442
Realized and unrealized loss on marketable securities	4	3,000	-	(124,930)	-
<b>Total other items</b>		<b>129,561</b>	<b>12,632</b>	<b>(52,809)</b>	<b>(123,154)</b>
<b>Total expenses</b>		<b>802,166</b>	<b>991,749</b>	<b>1,962,895</b>	<b>3,455,183</b>
<b>Net loss and comprehensive loss for the period</b>		<b>(802,166)</b>	<b>(991,749)</b>	<b>(1,962,895)</b>	<b>(3,455,183)</b>
Net loss and comprehensive loss attributable to:					
Shareholders of the corporation		(736,274)	(991,749)	(1,738,621)	(3,455,183)
Non-controlling interest	12	(65,892)	-	(224,274)	-
		<b>(802,166)</b>	<b>(991,749)</b>	<b>(1,962,895)</b>	<b>(3,455,183)</b>
<b>Net loss per share – basic and diluted</b>		<b>(0.03)</b>	<b>(0.04)</b>	<b>(0.06)</b>	<b>(0.14)</b>
<b>Weighted average number of shares outstanding basic and diluted</b>	1,8	<b>30,722,428</b>	<b>26,114,592</b>	<b>30,533,159</b>	<b>24,960,509</b>

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

## NORD PRECIOUS METALS MINING INC.

(FORMERLY CANADA SILVER COBALT WORKS INC.)

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited)

	Number of Shares (Note 1)	Share Capital	Reserves	Contributed Surplus	Deficit	Equity Attributable to Shareholders	Non-controlling Interest	Total Equity (Deficit)
		\$	\$	\$	\$			\$
<b>Balances, December 31, 2022</b>	<b>23,443,468</b>	<b>60,578,215</b>	<b>11,161,418</b>	<b>6,620,260</b>	<b>(76,092,869)</b>	<b>2,267,024</b>	-	<b>2,267,024</b>
Options and warrants cancelled or expired	-	-	(77,906)	77,906	-	-	-	-
Private placements	2,616,028	1,051,076	544,882	-	-	1,595,958	-	1,595,958
Share issue costs	-	(62,843)	(32,578)	-	-	(95,421)	-	(95,421)
Flow-through share premium	-	(287,944)	-	-	-	(287,944)	-	(287,944)
Issued for exploration and evaluation projects	450,000	32,750	-	-	-	32,750	-	32,750
Exercise of warrants	700,000	182,346	(126,346)	-	-	56,000	-	56,000
Stock-based compensation	-	-	89,665	-	-	89,665	-	89,665
Net loss for the period	-	-	-	-	(3,455,183)	(3,455,183)	-	(3,455,183)
<b>Balances, September 30, 2023</b>	<b>26,174,496</b>	<b>61,493,600</b>	<b>11,559,135</b>	<b>6,698,166</b>	<b>(79,548,052)</b>	<b>202,849</b>	-	<b>202,849</b>
Balance, December 31, 2023	30,249,496	62,912,157	8,791,992	9,545,825	(82,158,285)	(908,311)	-	(908,311)
Dividend distribution (Note 12)	-	-	-	-	(1,939,237)	(1,939,237)	-	(1,939,237)
Non-controlling interest on acquisition	-	-	-	-	-	-	2,623,992	2,623,992
Change in minority interest	-	-	-	-	-	-	399,666	399,666
Issued on settlement of debt	342,932	102,880	-	-	-	102,880	-	102,880
Expiry of options and warrants	-	-	-	(28,466)	28,466	-	-	-
Stock-based compensation	-	-	-	39,730	-	39,730	-	39,730
Issued for exploration and evaluation projects	130,000	47,500	-	-	-	47,500	-	47,500
Net loss for the period	-	-	-	-	(1,738,621)	(1,738,621)	(224,274)	(1,962,895)
<b>Balances, September 30, 2024</b>	<b>30,722,428</b>	<b>63,062,537</b>	<b>8,791,992</b>	<b>9,557,089</b>	<b>(85,807,677)</b>	<b>(4,396,059)</b>	<b>2,799,384</b>	<b>(1,596,675)</b>

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

**NORD PRECIOUS METALS MINING INC.**

(FORMERLY CANADA SILVER COBALT WORKS INC.)

Condensed Interim Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars)

	Notes	Sept. 30, 2024	Sept. 30, 2023
		\$	\$
<b>OPERATING ACTIVITIES</b>			
Loss before for the period:		(1,962,895)	(3,455,183)
Adjustments for:			
Amortization		170,358	255,219
Stock-based compensation		39,730	89,655
Unrealized (gain) loss on marketable securities		(124,930)	-
Flow-through premium		-	(215,199)
Loss (Gain) on sale of equipment		-	405
(Gain) on settlement of accounts payable		(71,736)	-
Write-down of amounts due from Granada Gold Mine Inc.		143,857	6,118
Issuance of shares for mineral exploration property interest		47,500	32,750
Operating cash flows before movements in working capital			
(Increase) in amounts receivable		(35,542)	774,947
(Increase) in prepaid expenses		155,198	202,162
(Decrease) increase in current liabilities		1,171,137	66,428
<b>Cash used in operating activities</b>		<b>(467,323)</b>	<b>(2,224,364)</b>
<b>INVESTING ACTIVITIES</b>			
Proceeds received from sale of equipment		24,900	397,572
Advances to Granada Gold Mine Inc.		(143,857)	(24,442)
<b>Cash provided by (used in) investing activities</b>		<b>118,957</b>	<b>373,130</b>
<b>FINANCING ACTIVITIES</b>			
Issuance of common shares and warrants	12	423,240	1,581,900
Share issue costs		-	(81,363)
Warrant and option exercise		-	56,000
<b>Cash provided by financing activities</b>		<b>423,240</b>	<b>1,556,537</b>
<b>(Decrease) in cash</b>		<b>(245,827)</b>	<b>(294,697)</b>
<b>Cash – beginning of period</b>		<b>245,827</b>	<b>323,635</b>
<b>Cash – end of period</b>		<b>82,787</b>	<b>28,938</b>

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

# **NORD PRECIOUS METALS MINING INC.**

(FORMERLY CANADA SILVER COBALT WORKS INC.)

## **Notes to the Condensed Interim Consolidated Financial Statements September 30, 2024 and 2023**

(Unaudited - expressed in Canadian Dollars)

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### **1. NATURE OF BUSINESS AND GOING CONCERN**

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#### **Nature of business**

Nord Precious Metals Mining Inc. (formerly Canada Silver Cobalt Works Inc.) ("Nord" or the "Company") was incorporated on April 29, 2005 pursuant to the Canada Business Corporations Act. The address of the Company's head office is 3028 Quadra Court, Coquitlam, BC V3B 5X6. Nord's principal business activities are the acquisition, evaluation, exploration and development of mineral properties. To date, the Company has not realized any revenues from its properties. These condensed interim consolidated financial statements were approved by the Board of Directors on November 29, 2024.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and evaluation activities, and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, government licensing requirements or regulations, social licensing requirements, non-compliance with regulatory and environmental requirements and aboriginal land claims.

Pursuant to shareholder approval received at the Company's October 31, 2023 annual general meeting, the Company has changed its name to Nord Precious Metals Mining Inc. The Company's shares started trading under the new trading symbol "NTH" effective January 23, 2024 on the TSX Venture Exchange.

On August 16, 2024, the Company consolidated its issued and outstanding common shares on a 1 for 10 basis. Accordingly, disclosure in these condensed interim consolidated financial statements including per share amounts has been adjusted to reflect the consolidation.

#### **Going concern**

As at September 30, 2024, the Company had not yet achieved profitable operations, had a working capital deficiency of \$3,042,781 (December 31, 2023: working capital deficiency of \$2,549,963). For the nine months ended September 30, 2024 the Company incurred a net loss of \$1,962,895 (nine months ended September 30, 2023: \$3,455,183), had cash outflow from operations of \$467,323 (nine months ended September 30, 2023: \$2,224,364), had accumulated losses of \$85,807,677 (December 31, 2023: \$82,158,285) and expects to incur future losses in the development of its business. These items represent material uncertainties which cast significant doubt about the ability of the Company to continue as a going concern. The Company is in the process of exploring its properties and has not yet determined whether these properties contain economically recoverable reserves. The continued operations of the Company are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the financing to complete the necessary exploration and development of such property and upon attaining future profitable production or proceeds from disposition of the properties. Management is actively pursuing additional sources of financing, 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.

## **NORD PRECIOUS METALS MINING INC.**

(FORMERLY CANADA SILVER COBALT WORKS INC.)

### **Notes to the Condensed Interim Consolidated Financial Statements September 30, 2024 and 2023**

(Unaudited - expressed in Canadian Dollars)

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As at December 31, 2022 the Company was committed to incur \$5,440,000 in eligible exploration expenditures of expenses by December 31, 2023 as required under the flow-through share offerings completed during 2022.

The Company did not meet its expenditure requirement for the year ended December 31, 2023, by approximately \$3,405,000. As at September 30, 2024 included in accounts payable and accrued liabilities, the Company has recorded a flow-through indemnification provision of \$1,037,111.

Under the terms of flow-through private placements that closed on April 14, May 11, November 6 and November 27, 2023, the Company is committed to spend an aggregate of \$2,397,850 in eligible exploration expenses by December 31, 2024.

These condensed interim consolidated financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

## **2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

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### **Statement of Compliance**

These interim condensed consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, as required by National Instrument 52-107 sec. 3.2(1)(b)(ii), and do not include all the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements were approved by the board of directors on November 29, 2024.

These interim condensed consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2023.

### **Basis of presentation and functional currency**

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that have been measured at fair value. The condensed interim consolidated financial statements have been presented on an accrual basis except for cash flow information. The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar.



# NORD PRECIOUS METALS MINING INC.

(FORMERLY CANADA SILVER COBALT WORKS INC.)

## Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Unaudited - expressed in Canadian Dollars)

### Significant accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make judgments 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. Actual outcomes could differ from these judgments and estimates. The consolidated financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods when the revision affects both current and future periods.

In the process of applying the Company's accounting policies, management has made the same judgments, estimates, and assumptions which were set out in the Company's annual financial statements for the year ended December 31, 2023.

### 3. AMOUNTS RECEIVABLE

The Company's amounts receivable are comprised of the following:

	<u>Sept.30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
<u>Current</u>		
Due from Granada		
Gold Mine Inc.	\$       nil	\$       nil
Amount receivable from equipment sale	nil	49,500
Sales tax receivable	<u>115,350</u>	<u>30,308</u>
	<u>\$   115,350</u>	<u>\$   79,808</u>

Amounts due from Granada are unsecured, non-interest bearing with no fixed terms of repayment. During the nine months ended September 30, 2024, the Company advanced an aggregate of \$143,857 (year ended December 31, 2023 - \$130,798) to Granada, receiving an aggregate of \$nil (year ended December 31, 2023 - \$202,350) in repayments. As at September 30, 2024, the Company assessed the carrying value of the amount receivable, recording an impairment charge of \$143,857 (nine months ended September 30, 2023 - \$24,442 on the condensed interim consolidated statements of loss and comprehensive loss).

## NORD PRECIOUS METALS MINING INC.

(FORMERLY CANADA SILVER COBALT WORKS INC.)

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2024 and 2023

(Unaudited - expressed in Canadian Dollars)

#### 4. MARKETABLE SECURITIES

The Company's marketable securities are comprised of the following:

	As at Sept. 30, 2024		As at December 31, 2023	
	Cost	FMV	Cost	FMV
	\$	\$	\$	\$
Granada Gold Mine Inc. 13,093,000 shares (December 31, 2023 – 13,093,000 shares)	2,393,880	327,325	2,393,880	193,395
Global Energy Metals Corp. 200,000 shares (December 31, 2023 – 200,000 shares)		6,000		12,000
<b>Total marketable securities</b>	<b>2,393,880</b>	<b>330,325</b>	<b>2,393,880</b>	<b>205,395</b>

There were no additions during the nine months ended September 30, 2024

For the nine months ended September 30, 2024, an unrealized gain of \$124,930 (nine months ended September 30, 2023 - \$nil) was recognized on the Company's consolidated statements of loss and comprehensive loss in relation to changes in market value during the respective periods.

#### 5. EXPLORATION AND EVALUATION PROJECTS

##### Castle Silver Mine Project, Ontario

Nord holds a 100% interest in certain claims and parcels located in the Haultain and Nicol townships of Ontario. The property is subject to a sliding scale royalty on silver production which will start from 3% when the price of silver is US\$15 or lower per troy ounce and up to 5% when the price of silver is greater than US\$30 per troy ounce and a 5% gross overriding royalty on the sale of products derived from the property with a minimum annual payment of \$15,000 in the form of royalties on all future production from the property and a 1% net smelter return royalty ("NSR").

##### Castle East Property, Ontario

In 2020, Nord entered into a Purchase and Sale Agreement with Granada, a related party with which there are common directors and officers, pursuant to which the Company repurchased from Granada a back-in option on five mining leases at Castle East, forming part of the Castle mine property near Gowganda, Ontario. In payment, Nord issued 294,100 common shares to Granada. Each of the shares were accompanied by one common share purchase warrant. Each warrant entitles Granada to acquire one additional common share of Nord for \$5.50 for a period of five years. The common shares issued were valued at \$1,764,600 based on a common share price of \$5.50, and the common share purchase warrants were valued at \$1,293,503 for total consideration of \$3,058,103. The warrants value is based on the Black Scholes option pricing model, using the following assumptions: share price of \$5.50, an

## **NORD PRECIOUS METALS MINING INC.**

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### **Notes to the Condensed Interim Consolidated Financial Statements September 30, 2024 and 2023**

(Unaudited - expressed in Canadian Dollars)

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exercise price of \$5.50, risk free interest rate of 0.38%, expected life of warrants of 5 years, expected volatility rate of 114%, and expected dividend rate of 0%.

#### **Beaver Property, Ontario**

The Company holds a 100% interest in the Beaver and Violet cobalt and silver properties located in the township of Coleman, in northern Ontario, which are subject to a 3% NSR royalty. Each 1% can be purchased for \$1,500,000.

#### **Eby-Otto Property, Ontario**

On July 28, 2021 the Company entered into an option agreement to acquire the Eby-Otto property in exchange for cash payments totaling \$364,000, payable over five years (\$124,000 paid) and the issuance of 80,000 common shares of the Company over a period of five years (20,000 issued and valued at \$44,000 based on the quoted market price of the Company's shares at the time of issuance). The Company will also be required to incur a total of \$2.4 million of exploration expenditures on the property during the five year period. The optionors will retain a 3% royalty on the property if the Company completes the entire option. As at December 31, 2023, the July 28, 2021 option agreement was terminated due to the Company not fulfilling all obligations.

On August 30, 2021 the Company entered into an option agreement with a group of claimholders to acquire an additional property in exchange for, over a period of 5 years, cash payments totaling \$182,000 (\$47,000 paid), the issuance of 40,000 common shares of Nord (10,000 issued and valued at \$15,500 based on the quoted market price of the Company's share at the date of issuance) and incurring a total of \$1.2 million in exploration expenditures on the Property. In addition, the Claim Holders will retain a 3% royalty if Nord completes the entire option. Nord will be the operator and will manage all exploration work throughout the term of the option. As at December 31, 2024, the August 30, 2021 option agreement was terminated.

On February 8, 2022, the Company entered into an option agreement to acquire, over a period of 4 years, 100% of the property in return for cash payments totaling \$100,000 (\$25,000 – paid), the issuance of 40,000 common shares (10,000 issued, ascribed a fair value of \$21,000, based on the market price of the Company's shares at the date of issuance) and incurring a total of \$340,000 in exploration expenditures on the property. On February 12, 2024, the Company issued a further 10,000 common shares ascribed a fair value of \$3,500) In addition, the vendor will retain a 3% royalty which may be purchased by the Company for \$2 million. On May 28, 2024, the Company terminated the remaining option agreement.

#### **Chute-des-Passes, Quebec**

On November 22, 2021, the Company entered into an acquisition agreement for 100% ownership of the 16 Chute-des-Passes Property claims jointly owned by SOQUEM INC. ("SOQUEM") (50% ownership) and MINES COULON INC. ("Mines Coulon") (50% ownership). The agreement is for the acquisition of 100% of the Chute des Passes property in return of payment of \$10,000 in cash and each vendor will retain an NSR. In consideration for the purchase of its interest in the Chute-des-Passes Property, the Company granted SOQUEM the right to receive 0.5% of the NSR on the Chute-des-Passes Property, half of which is

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### **Notes to the Condensed Interim Consolidated Financial Statements September 30, 2024 and 2023**

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redeemable for an amount of \$125,000. In return for the transfer of its interest in the Chute-des-Passes Property, the Company granted Mines Coulon the right to receive 0.5% of the NSR on the Chute-des-Passes Property, half of which is redeemable for an amount of \$125,000. There is also an existing NSR of 1%, of which 0.5% is redeemable for \$500,000. The total NSR on the property is 2% where 1% is redeemable for the sum of \$750,000.

#### **Case Lake Property, Ontario**

On February 6, 2023, the Company announced it had signed the Option Agreement to acquire a LCT Pegmatite land package (Lithium-Cesium-Tantalum). The Property acquisition consists of 2 separate agreements and four claim 'blocks'. The Company and Optionor shall enter into two Option Agreements whereby the Optionor shall grant to the Company the right to acquire an undivided 100% interest in and to the Properties as follows:

- Combined cash payment of \$20,000 (paid) and issuance of 20,000 (issued February 27, 2023 and ascribed a fair value of \$16,000) shares of the Company to be paid to the Optionor.
- The Company incurs a total exploration expenditures on the Property in the amount \$40,000 on or before the one-year anniversary of the Definitive Agreement, to earn an undivided 50% interest in the Property;
- Combined cash payment of \$40,000;
- Issuance of 40,000 shares of the Company to the Optionor by the one-year anniversary of the Definitive Agreement date (issued on January 29, 2024 and ascribed a fair value of \$16,000);
- The Company incur a total exploration expenditures in the amount \$80,000 on or before the second year anniversary of the Definitive Agreement, to earn an undivided 100% interest in the Property;
- Upon exercise of the Option by the Company, the Company grants to the Optionor a 2% NSR on each of the 1-block and 3-block Properties and on Claims within a 2-kilometre area of influence from the perimeter of the 3-block package as well as to certain Nord claims in between and within a 2-kilometre area of influence from the perimeter of the 1-block property. The Company retains the option to buy back 1% of each NSR for \$500,000.

On February 2, 2024 the Company announced it had entered into two Property Option Agreements with Zachary St-Denis for the acquisition of a 100% interest, subject to a 2% NSR in 4 claims blocks (Case Agreement – 3 claims blocks) (Sangster Agreement – 1 claim block) (the "Agreements") located near Kirkland Lake, Ontario, the Company has amended certain terms of the Agreement. Pursuant to the Amended Option Agreements, the Company will now be issuing 80,000 shares (20,000 - Sangster and 60,000 - Case Property) in lieu of a \$40,000 cash payment (\$10,000 – Sangster and \$30,000 – Case Property) on the 1st anniversary of the Agreements. All other terms of the Agreement remain the same. On April 11, 2024, the Company issued the 80,000 common shares which were ascribed a fair value of \$28,000.

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The following table shows exploration and evaluation expenses incurred by property:

<b>Nine Months Ended Sept. 30, 2024</b>	Castle Silver Properties	Beaver Property	Sudbury Property	Eby-Otto Property	Quebec Property	Case Lake Property	Total
	\$	\$	\$	\$	\$		\$
Acquisition costs	28,913	-	2,500	500	3,500	44,000	79,413
Assay and testing	-	-	-	-	2,500	-	2,500
Amortization	170,355	-	-	-	-	-	170,355
Drilling	320	-	-	-	-	-	320
Facility expenses	82,551	-	-	-	1,456	-	84,007
Consulting and professional fees	87,669	2,000	-	4,000	61,488	-	155,157
Geology, geophysics and surveys	-	-	-	-	-	-	-
Labour	12,763	-	-	-	7,587	-	20,350
Environmental	-	-	-	-	-	-	-
Taxes, permits and licensing	5,433	249	-	-	-	-	5,682
	388,004	2,249	2,500	4,500	76,531	44,000	517,784

**Year Ended December 31, 2023**

	Castle Silver Properties	Beaver Property	Sudbury Property	Eby-Otto Property	Quebec Property	Case Lake Property	Total
	\$	\$	\$	\$	\$	\$	\$
Acquisition costs	36,000	127	7,550	27,000	20,813	36,000	127,490
Assay and testing	33,318	-	-	57,433	24,242	-	114,993
Amortization	61,088	-	-	61,088	61,088	-	183,264
Drilling	228,644	-	-	8,477	150,075	-	387,196
Facility expenses	197,013	-	90	7,873	41,391	-	246,367
Consulting and professional fees	48,797	1,000	2,000	10,000	158,242	-	220,041
Geology, geophysics and surveys	99,482	-	1,000	133,871	593,852	-	828,207
Labour	256,041	4,387	21,014	51,680	199,733	-	532,855
Taxes, permits and licensing	35,178	507	-	-	-	-	35,685
	995,561	6,021	31,654	357,422	1,249,440	36,000	2,676,098

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**6. PROPERTY, PLANT, AND EQUIPMENT**

	Land	Building, Machinery & Equipment	Vehicles	Total
	\$	\$	\$	\$
<b>COST</b>				
As at December 31, 2022	550,312	2,160,350	422,868	3,133,530
Dispositions	-	(502,559)	(156,988)	(659,547)
Additions	-	75,542	-	75,542
<b>As at December 31, 2023</b>	<b>550,312</b>	<b>1,733,333</b>	<b>265,880</b>	<b>2,549,525</b>
Dispositions	-	(25,100)	-	(25,100)
Additions	-	-	-	-
<b>As at September 30, 2024</b>	<b>550,312</b>	<b>1,708,233</b>	<b>265,880</b>	<b>2,524,425</b>
<b>ACCUMULATED AMORTIZATION</b>				
As at December 31, 2022	-	602,613	145,139	747,752
Dispositions	-	(139,947)	(51,588)	(191,535)
Accumulated amortization	-	268,337	83,319	351,656
<b>As at December 31, 2023</b>	<b>-</b>	<b>731,003</b>	<b>176,960</b>	<b>907,963</b>
Dispositions	-	-	-	-
Accumulated amortization	-	150,350	20,007	170,357
<b>As at September 30, 2024</b>	<b>-</b>	<b>881,353</b>	<b>196,967</b>	<b>1,078,319</b>
<b>NET BOOK VALUE</b>				
As at December 31, 2022	550,312	1,557,737	277,729	3,385,778
As at December 31, 2023	550,312	1,002,330	88,920	1,641,652
<b>As at September 30, 2024</b>	<b>550,312</b>	<b>826,880</b>	<b>68,913</b>	<b>1,446,106</b>

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### **7. SHARE CAPITAL**

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#### **8.1 Authorized share capital**

The Company has an authorized share capital of an unlimited number of shares with no par value. As at September 30, 2024, the Company had 30,722,428 common shares issued and outstanding (December 31, 2023: 30,249,496).

#### **8.2 Share issuance**

##### **a). Private Placements**

There were no private placements during the nine months ended September 30, 2024

For the nine months ended September 30, 2023, the Company undertook the following transactions:

On April 14, 2023, the Company closed the first tranche of a non-brokered private placement by way of issuing 695,000 non-flow-through units at a price of \$0.50 per unit raising gross proceeds of \$347,500. The Company also issued 597,000 Quebec flow-through units at a price of \$0.80 per unit raising gross proceeds \$477,600 for an aggregate of \$825,100. A related party subscribed to 200,000 non flow-through units.

On May 11, 2023, the Company closed the 2nd final tranche by way of issuing 933,100 non-flow-through units at a price of \$0.50 per unit raising gross proceeds of \$466,550. The Company also issued 362,813 Quebec flow-through units at a price of \$0.80 per unit raising gross proceeds of \$290,250 for an aggregate of \$756,800.

Each unit is comprised of one common share of the Company and one share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.75 per share for a period of two years from closing.

Each Quebec flow-through unit is comprised of one flow-through common share of the Company and one share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$1.00 per share, for a period of three years from closing.

Costs of issue amounted to \$81,363 plus 28,116 finder shares (ascribed a fair value of \$14,057). 53362 finder's warrants were issued. 39,362 of the finder's warrants are exercisable at \$1.00 per for a period of three years from closing and 14,000 finder's warrants are exercise ale at \$0.75 per share for a period of two years from closing.

In connection with these flow-through private placements, the Company is obligated to incur \$767,850 in eligible exploration expenditures by December 31, 2024. A flow-through premium liability of \$287,944 was recognized on the Company's condensed interim consolidated financial statements in relation with these financings.

The 695,000 \$0.75 warrants issued on April 14, 2023 have been recorded at an estimated value of \$141,879, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.75, an exercise price of \$0.75, risk free interest rate of 3.81%, expected life of warrants of 2 years, expected volatility rate of 82% and expected dividend rate of 0%.

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The 597,000 \$1.00 warrants issued on April 14, 2023 have been recorded at an estimated value of \$148,221, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.75, an exercise price of \$1.00, risk free interest rate of 3.69%, expected life of warrants of 3 years, expected volatility rate of 82% and expected dividend rate of 0%.

The 933,100 \$0.075 warrants issued on May 11, 2023 have been recorded at an estimated value of \$164,380, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.65, an exercise price of \$0.75, risk free interest rate of 3.65%, expected life of warrants of 2 years, expected volatility rate of 82% and expected dividend rate of 0%.

The 362,813 \$1.00 warrants issued on May 11, 2023 have been recorded at an estimated value of \$77,026, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.65, an exercise price of \$1.00, risk free interest rate of 3.50%, expected life of warrants of 3 years, expected volatility rate of 82% and expected dividend rate of 0%.

The 39,362 \$1.00 finders warrants issued on May 11, 2023 have been recorded at an estimated value of \$8,699, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.65, an exercise price of \$1.00, risk free interest rate of 3.65%, expected life of warrants of 2 years, expected volatility rate of 82% and expected dividend rate of 0%.

The 14,000 \$0.75 finders warrants issued on May 11, 2023 have been recorded at an estimated value of \$4,676, based on the Black Scholes option pricing model, using the following assumptions: share price of \$0.65, an exercise price of \$0.75, risk free interest rate of 3.50%, expected life of warrants of 3 years, expected volatility rate of 82% and expected dividend rate of 0%.

On April 14, 2022, the Company closed a brokered private placement by raising gross proceeds of approximately \$6.04 million, including the partial exercise of an option to increase the size of the offering by Research Capital Corporation and Canaccord Genuity Corp, the co-lead agents of the offering. At the closing the Company issued 746,800 units ("Units") at a price of \$2.50 per Unit, 868,250 flow-through units ("FT Units") at a price of \$2.70 per FT Unit, and 631,000 Quebec flow-through units ("QFT Units") at a price of \$2.90 per QFT Unit. Each Unit consists of one common share (a "Common Share") and one common share purchase warrant (a "Warrant"). Each FT Unit consists of one flow-through Common Share (a "FT Share") and one Warrant. Each QFT Unit consists of one Quebec flow-through Common Share (a "QFT Share") and one Warrant. Each Warrant entitles its holder to purchase one additional Common Share at an exercise price of \$0.32 per share at any time up to 36 months following the closing of the offering. In connection with the offering, the Company paid the agents a cash commission of \$422,882 and incurred other cash costs of issue of \$77,012, and broker warrants entitling the agents to purchase up to 157,224 Units at an exercise price of \$2.50 for a period of three years from closing of the Offering.

Each warrant entitles the holder thereof to purchase one additional common share of the Company at an exercise price of \$3.20 per share, for a period of three years from closing and have been recorded at an estimated value of \$1,484,000, based on the Black Scholes option pricing model, using the following assumptions: share price of \$2.80, an exercise price of \$3.20, risk free interest rate of 2.47%, expected life of warrants of 3 years, expected volatility rate of 82% and expected dividend rate of 0%.

Each finder warrant entitles the holder thereof to purchase one additional common share of the Company at an exercise price of \$2.50 per share, for a period of three years from closing and have been recorded at an estimated value of \$125,000, based on the Black Scholes option pricing model, using the following assumptions: share price of \$2.80 an exercise price of \$2.50, risk free interest rate of 2.47%, expected life of warrants of 3 years, expected volatility rate of 82% and expected dividend rate of 0%.



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#### **b). Exercise of Options**

There were no option exercises during the nine months ended September 30, 2024 or 2023.

#### **c). Exercise of Warrants**

There were no warrant exercises during the nine months ended September 30, 2024.

During the nine months ended September 30, 2023, 700,000 warrants with an exercise price of \$0.08 were exercised for gross proceeds of \$56,000.

#### **d). Other**

During the nine months ended September 30, 2024 the Company issued 130,000 common shares ascribed a fair value of \$47,500 in accordance with property option agreements. The shares were valued based on the quoted market price on the date of issuance. (see note 5)

During the nine months ended September 30, 2024, the Company issued 349,232 common shares in settlement of debt of \$174,616. A gain on settlement of debt of \$71,736 was recorded on the Company's condensed interim statements of loss and comprehensive loss for the period then ended, representing the difference between the value of the shares and the corresponding debt settled with their issuance.

During the nine months ended September 30, 2023 the Company issued 450,000 common shares ascribed a fair value of \$32,750 in accordance with property option agreements. The shares were valued based on the quoted market price on the date of issuance.

During the period ended September 30, 2022 the Company issued 250,000 common shares ascribed a fair value of \$70,750 in accordance with a property option agreement related to the Company's Eby-Otto property. The shares were valued based on the quoted market price on the date of issuance.

During the nine months ended September 30, 2023, the Company re-priced an aggregate of 12,261,327 outstanding common share purchase warrants ("Warrants") issued in two tranches pursuant to a private placement that closed on September 1, 2020. The Warrants have an exercise price of \$0.65 and two expiry dates one being August 14, 2023 and one being September 1, 2023. The Company amended the Warrant exercise price to \$0.08 per share and extend the Warrant expiry date by two years to August 14, 2025 and September 1, 2025.

### **8.3 Stock Option Plan**

The Company has in place a stock option plan (the "Plan") under which officers, directors, employees and consultants are eligible to receive incentive stock options.

The aggregate number of common shares reserved for issuance under the Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's common shares issued and outstanding at the time of grant. The term of any options granted under the Plan will be fixed by the Board of Directors and may not exceed ten years, but so long as the Company remains a "Tier 2" issuer under the policies of the Toronto Stock Exchange, options may not exceed a term of five years. The exercise price of options granted under the Plan will be determined by the Board of Directors, provided that it is not lower than the fair market value of the option shares on the date of the grant of the option.

The terms of the plan are as follows:

- (i) the maximum number of shares that can be received by a beneficiary during any 12 month period is limited to 5% of issued and outstanding shares;
- (ii) the maximum number of shares that can be reserved for a consultant during any 12 month period is limited to a 2% of issued and outstanding shares; and

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- (iii) the maximum number of shares that can be reserved for a supplier of investor relations services during any 12-month period is limited to 2% of issued and outstanding shares; moreover, the options granted may be exercised on a 12 month period after the grant, at the rate of 25% per quarter.

The following is a summary of the changes in the Company's stock option activities for the nine months ended September 30, 2024 and 2023:

	September 30, 2024		September 30, 2023	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning of period	1,078,034	\$ 2.62	1,007,834	\$ 3.09
Granted	290,000	0.50	285,000	0.90
Exercised	-	-	-	-
Expired/cancelled	(272,034)	2.30	(1,760,000)	3.60
<b>Outstanding, end of period</b>	<b>1,096,000</b>	<b>1.95</b>	<b>1,116,834</b>	<b>2.59</b>
<b>Exercisable, end of period</b>	<b>1,096,000</b>	<b>1.95</b>	<b>1,116,834</b>	<b>2.59</b>

The following table summarizes information regarding stock options outstanding and exercisable as at September 30, 2024:

Exercise price	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price
<b>Options</b>				
\$0.50 – 1.40	495,000	495,000	3.06	0.63
\$2.10 - \$3.00	318,500	318,500	0.47	2.29
\$3.10 - \$4.00	160,000	160,000	0.53	3.29
\$4.10 - \$7.00	122,500	122,500	0.93	4.65
<b>Total</b>	<b>1,096,000</b>	<b>1,096,000</b>	<b>1.70</b>	<b>1.95</b>

The weighted average fair value of the options granted during the nine months ended September 30, 2024 was \$1.37 (nine months ended September 30, 2023 - \$0.30) at the grant date using the Black-Scholes option pricing model.

The weighted average assumptions used for the calculation were:

	Sept. 30, 2024	Sept 30, 2023
Risk free interest rate	3.50%	4.32%
Expected life	5 years	2.89 years
Expected volatility	52.30%	80.43%
Stock price	0.35	0.60
Expected dividend per share	-	-

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Expected volatility was calculated using historical daily closing share prices for the Company's common shares using the same time period as the life of the option.

**8.4 Share purchase warrants**

The following is a summary of the changes in the Company's share purchase warrants for the nine months ended September 30, 2024 and 2023:

	Sept. 30, 2024		Sept. 30, 2023	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of period	11,635,538	\$ 1.79	10,532,380	\$ 3.23
Granted	-	-	2,641,274	0.082
Exercised	-	-	(70,000)	0.80
Expired	(209,334)	5.00	(343,499)	6.00
<b>Outstanding, end of period</b>	<b>11,426,204</b>	<b>1.32</b>	<b>12,760,155</b>	<b>2.76</b>

The following table summarizes information regarding share purchase warrants outstanding and exercisable as at September 30, 2024:

Exercise price	Number of warrants outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price
\$0.50	146,500	1.16	0.50
\$0.60	2,137,759	0.16	0.60
\$0.75	1,572,100	0.54	0.75
\$0.80	3,457,383	0.87	0.80
\$1.00	999,174	1.54	1.00
\$1.10	245,368	0.05	1.10
\$1.125	379,880	0.15	1.125
\$2.50	157,224	0.54	2.25
\$3.20	2,246,050	0.54	3.20
\$5.50	84,766	0.78	5.50
<b>Total</b>	<b>11,426,204</b>	<b>1.32</b>	<b>\$1.79</b>

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#### **8. LOSS PER SHARE**

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The calculation of basic and diluted loss per share is based on the following data:

	<b>Nine Months Ended Sept. 30 2024</b>	Nine Months Ended Sept. 30, 2023
Net loss for the period	<b>\$ (1,962,895)</b>	\$ (3,455,183)
Weighted average number of shares – basic and diluted	<b>30,533,159</b>	24,960,509
<b>Loss per share, basic and diluted</b>	<b>\$ (0.06)</b>	\$ (0.14)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share purchase warrants and convertible debentures, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and warrants were anti-dilutive for the nine months ended September 30, 2024 and 2023.

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#### **9. RELATED PARTY TRANSACTIONS**

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The Company has entered into agreements with officers of the Company and private companies controlled by officers and directors of the Company for management consulting, geological consulting and other services required by the Company.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of officers and directors of the Company for the three and nine months ended September 30, 2024 was \$105,885 and \$349,199, respectively (three and nine months ended September 30, 2023 - \$167,388 and \$519,533, respectively) and share based payments valued at \$28,770 (three and nine months ended September 30, 2023 - \$13,750 and \$54,550, respectively). For the three and nine months ended September 30, 2024, \$60,000 and \$180,000, respectively (three and nine months ended September 30, 2023 - \$124,000 and \$368,000, respectively) was included in exploration and evaluation expenses on the Company's consolidated statements of loss and comprehensive loss. As at September 30, 2024, included in accounts payable and accrued liabilities is \$254,496 in relation to these fees (December 31, 2023 - \$12,643).

There were no Directors' fees paid to members of the Board of Directors for the nine months ended September 30, 2024 and 2023.

Included in prepaid expenses are expense advances of \$nil paid to the Company's CEO (December 31, 2023 - \$10,000)

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Included in exploration and evaluation expenses for the three and nine months ended September 30, 2024 was \$26,000 and \$125,080 (three and nine months ended September 30, 2023 - \$49,201 and \$157,603, respectively) in equipment rental costs from Granada. As at September 30, 2024, \$nil was included in accounts payables and accrued liabilities related to this rental (December 31, 2023 - \$nil).

#### **10. CAPITAL MANAGEMENT**

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The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its exploration, development and operating activities.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to pursue the exploration of its mineral properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at September 30, 2024 had cash of \$82,787 (December 31, 2023 -\$245,827).

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2024 and 2023.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As at September 30, 2024, the Company was not compliant with this working capital requirement.

#### **11. COMMITMENTS AND CONTINGENCIES**

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##### **(a) Environmental Contingencies**

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

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#### **(b) Flow-Through Shares**

The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that may become payable by the subscribers as a result of the Company not meeting this expenditure commitment. As at December 31, 2022 the Company was committed to incur \$5,440,000 in eligible exploration expenditures of expenses as required under the flow-through share offerings during 2022, which were to be incurred prior to December 31, 2023. The Company did not meet its expenditure requirement for the year ended December 31, 2023, by approximately \$3,405,000. As at March 31, 2024, included in accounts payable and accrued liabilities, the Company has recorded a flow-through indemnification provision of \$1,037,111.

The Company's provision for indemnity costs represents management's best estimate of the present value of the future outflows required. The provision reflects estimates of future payments directly attributable to the indemnity and assumptions about claims in respect of the indemnity. Changes in these factors can result in a change to the provision recognized by the Company.

Under the terms of flow-through private placements closed on April 14, May 11, November 6 and November 27, 2023, the Company is committed to spend an aggregate of \$2,397,850 in eligible exploration expenses by December 31, 2024. Exploration expenses for the nine months ended September 30, 2024 are detailed in note 5 of these condensed interim consolidated financial statements.

#### **(c) Management Contracts**

The Company is party to multiple management contracts. Upon the occurrence of certain events such as a change in control, the contract requires payment of up to \$768,500. As a triggering event has not taken place, the contingent payment has not been reflected in these financial statements.

#### **(d) Memorandum of Understanding**

The Company has entered into a Memorandum of Understanding ("MOU") with the Matachewan First Nation community in connection with certain exploration and evaluation programs in their area; to support the engagement process two per cent of the exploration costs are provided to the First Nation, calculated and paid on an annual basis following the end of the calendar year.

In addition, the Company has entered into a second MOU with both Temagami First Nation and Teme-Augama Nation to provide a framework process for consultation during the life of the project.

The MOUs also include terms outlining environmental protection, employment, training and business opportunities, and mitigation of impacts on the traditional pursuits of the members of the First Nation communities.

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#### **12. NON-CONTROLLING INTEREST**

On December 4, 2023, the Company received conditional approval from the TSX Venture exchange for the spin out of the Company's Graal property and public listing of the Company's subsidiary Coniagas Battery Metals Inc. ("Coniagas") Shareholders of record at the close of business on March 6, 2024 (the "Distribution Record Date") received on March 14, 2024 one Coniagas common share and one-half of a Coniagas common share purchase warrant for every 51.5771 Nord shares held.

On February 29, 2024 (the "Arrangement Date"), the Company completed received 24,000,000 common shares and 12,000,000 warrants of the Coniagas for their 100% interest in the Carveout Entity (the "Arrangement"). The Carve-out Entity represents the operational efforts towards the Graal Property in accordance with existing option agreements. The 24,000,000 common shares received by Nord comprised 79% of the issued and outstanding common shares of the Company on the date of Arrangement, and the management of the Carve-out Entity continued as management of the Company. As at September 30, 2024, the Company held a 52.7% interest in Coniagas.

Shareholders of record on the Distribution Record Date received an aggregate of 5,874,600 Coniagas common shares (ascribed a fair value of \$1,586,142) and 2,937,300 Coniagas common share purchase warrants on a pro rata basis based on the number of issued and outstanding common shares of Nord on the Distribution Record Date. The warrants were ascribed a fair value of \$353,095 using the Black-Scholes valuation model using the following assumptions: share price - \$0.27; exercise price - \$0.40; volatility -100%; term – 2 years; risk free interest rate – 4.06%. No fractional Coniagas common shares or warrants will be distributed to Nord's shareholders.

On March 18, 2024, Coniagas' common shares began trading on the TSX Venture Exchange under the symbol "COS".

In February 2024, Coniagas completed a private placement of 3,250,000 units at a price of \$0.25 per unit, for gross proceeds of \$812,500. Each unit consisted of one common share and one warrant. Each warrant entitles its holder to purchase one additional common share of Coniagas at a price of \$0.40 for 2 years. Directors, officers and their relatives subscribed for 1,732,000 shares for gross proceeds of \$433,000. Of the total proceeds, \$389,260 was collected by December 31, 2023 and was presented as restricted cash and share subscription liability in the statement of financial position.