CARLTON Precious Inc.

Consolidated Financial Statements
For the three months ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

CARLTON PRECIOUS INC. (formerly Nubian Resources Ltd.)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

		As at		
		January 31, 2025		July 31, 2024
ASSETS				
Current				
Cash	**$**	**67,250**	$	227,209
Marketable securities (Note 4)		**2,200,000**		3,025,000
Taxes receivable		**16,806**		16,576
Other current assets		**9,329**		26,599
Total Current Assets	**$**	**2,293,385**		3,295,384
Non Current Assets				
Reclamation deposits		**77,743**		77,743
Equipment (Note 5)		**734**		910
Exploration and evaluation assets (Notes 6 and 7)		**8,085,951**		8,004,654
Total Assets	**$**	**10,157,813**	$	11,378,691
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 8)	**$**	**426,213**	$	296,385
Total Liabilities	**$**	**426,213**	$	296,385
EQUITY				
Share capital (Note 9)		**26,254,836**		26,214,836
Share-based compensation reserve		**3,986,022**		3,855,022
Deficit		**(17,309,258)**		(16,912,552)
Accumulated other comprehensive income (loss)		**(2,900,000)**		(2,075,000)
Total Equity		**10,031,600**		11,082,306
Total Liabilities and Equity	**$**	**10,457,813**	$	11,378,691

Going Concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors on April 1, 2025 by:

"Martin Walter"	*"Campbell Smyth"*
Director	Director

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

CARLTON PRECIOUS INC. (formerly Nubian Resources Ltd.)

Consolidated Statements of Operations and Comprehensive Loss

(Expressed in Canadian dollars)

	Three Months Ended January 31		Six months ended January 31	
	2025	2024	**2025**	2024
Expenses				
Amortization	**$ 88**	$ 152	**$ 176**	$ 304
Bank charges	**150**	270	**460**	460
Employee Benefits	**2,162**	1,716	**5,010**	3,433
Filing fees	**6,917**	9,796	**35,261**	24,807
Foreign exchange	**-**	-	**2,132**	(20)
Insurance	**3,125**	3,125	**6,250**	6,250
Investor relations and promotion	**6,011**	1,292	**32,664**	1,292
Management and director fees	**52,750**	40,750	**93,500**	81,500
Office	**4,869**	4,500	**16,611**	9,000
Professional fees	**43,209**	37,000	**51,792**	37,000
Rent and utilities	**8,077**	10,078	**17,847**	18,155
Share-based compensation	**-**	-	**131,000**	-
Telecommunications	**-**	-	**659**	-
Travel and accommodation	**-**	5,257	**3,344**	5,257
Total Expenses	**(127,358)**	(113,936)	**(396,706)**	(187,438)
Net Income (loss)	**(127,358)**	(113,936)	**(396,706)**	(187,438)
Comprehensive Income				
Unrealized gain (loss) on available for sale securities	(1,650,000)	-	**(825,000)**	(2,475,000)
Net Income (Loss) And Comprehensive Income (Loss) For The Period	**$ (1,777,358)**	$ (113,936)	**$ (1,221,706)**	$ (2,662,438)
Net Income (Loss) Per Share, Basic and Diluted	**$ (0.01)**	$ 0.00	**$ (0.01)**	$ 0.00
Comprehensive Income (Loss), Per Share, Basic and Diluted	**$ (0.02)**	$ 0.00	**$ (0.01)**	$ (0.04)
Net Income (Loss) and Comprehensive Income (Loss), Per Common Share, Basic and Diluted	**$ (0.03)**	$ 0.00	**$ (0.02)**	$ (0.04)
Weighted Average Number of Shares Outstanding	**68,101,764**	63,326,401	**67,922,416**	63,326,401

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

CARLTON PRECIOUS INC. (formerly Nubian Resources Ltd.)

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Number of common shares	Share capital	Share-based compen-sation reserve	Accumulated deficit	Accumulated other comprehen-sive income	Total equity
Balance, July 31, 2023	**63,326,401**	**$ 25,967,386**	**$ 3,847,622**	**$ (16,547,274)**	**$ (425,000)**	**$ 12,842,734**
Net loss for the quarter	-	-	-	(187,438)	-	(187,438)
Comprehensive loss for the quarter	-	-	-	-	(2,475,000)	(2,475,000)
Balance, January 31, 2024	**63,326,401**	**$ 25,967,386**	**$ 3,847,622**	**$ (16,734,712)**	**$ (2,900,000)**	**$ 10,180,296**
Balance, July 31, 2024	**67,743,068**	**$ 26,214,836**	**$ 3,855,022**	**$ (16,912,552)**	**$ (2,075,000)**	**$ 11,082,306**
Exercise of warrants	500,000	40,000	-	-	-	40,000
Share-based compensation	-	-	131,000	-	-	131,000
Net loss for the quarter	-	-	-	(396,706)	-	(396,706)
Comprehensive loss for the quarter	-	-	-	-	(825,000)	(825,000)
Balance, January 31, 2025	**68,243,068**	**$ 26,254,836**	**$ 3,986,022**	**$ (17,309,258)**	**$ (2,900,000)**	**$ 10,031,600**

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

CARLTON PRECIOUS INC. (formerly Nubian Resources Ltd.)
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Six Months Ended January 31, 2025	2024
Cash Provided By (Used In)		
Operating Activities		
Net income (loss)	**$ (396,706)**	$ (187,438)
Items not affecting cash:		
Amortization	**176**	304
Share-based compensation	**131,000**	-
Changes in non-cash operating assets and liabilities:		
Accounts payable and accrued liabilities	**129,828**	10,545
Other current assets	**17,270**	16,454
Taxes receivable	**(230)**	86,316
Cash Used In Operating Activities	**(118,662)**	(73,819)
Investing Activities		
Exploration and evaluation assets costs incurred	**(81,297)**	(60,613)
Cash Used In Investing Activities	**(81,297)**	(60,613)
Financing Activities		
Exercise of warrants	**40,000**	-
Cash Provided By Financing Activities	**40,000**	-
Increase (Decrease) In Cash	**(159,959)**	(134,432)
Cash, Beginning Of Period	**227,209**	236,273
Cash, End Of Period	**$ 67,250**	$ 101,841
Disclosure Of Supplementary Cash Flow And Non-Cash Investing and Financing Information		
Accounts payable included in exploration and evaluation costs	**$ 25,946**	$ 15,006

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Carlton Precious Inc. (formerly Nubian Resources Ltd.) (the "Company" or "Carlton") is listed on the TSX Venture Exchange (the "TSX.V") under the symbol "CPI" and the OTCQB Venture Market under the symbol "NBRFF". The principal business is the exploration of mineral properties and it is considered to be an exploration company. The Company was incorporated on October 28, 2004 pursuant to the Business Corporations Act (British Columbia). On May 2, 2007, the Company became a public company listed on the TSX.V. The Company's principal place of business is located at 202 – 2526 Yale Court Road, Abbotsford, British Columbia, V2S 8G9.

The Company's principal business activity is the exploration and evaluation of mineral properties located in Australia, Peru, and the United States.

The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties, and to establish future profitable production. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. As at January 31, 2025, the Company had a net loss of $396,706 (2024 – loss of $187,438) during the period and an accumulated deficit of $17,309,258 (July 2024 - $16,912,552). The Company's operations are funded from equity financing which is dependent upon many external factors and may be difficult or impossible to secure or raise when required. The Company may not have sufficient cash to fund the exploration and development of its mineral properties to commercial production and therefore may require additional funding, which if not raised, may result in the delay, postponement or curtailment of some of its activities. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Management continues to evaluate the need for additional financing and is of the opinion that additional financing will be available to continue its planned activities in the normal course. Nonetheless, there is no assurance that the Company will be able to raise sufficient funds in the future to complete its planned activities.

Accordingly, these consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities, contingent obligations and commitments other than in the normal course of business and at amounts different from those in the consolidated financial statements. Such adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The significant accounting policies are presented in Note 3 and have been consistently applied in each of the periods presented herein.

b) Basis of Preparation

These consolidated financial statements have been prepared using the historical cost convention except for financial instruments which have been measured at fair value. These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. In the opinion of management, all adjustments (including normal recurring accruals), considered necessary for a fair presentation have been included.

2. BASIS OF PRESENTATION (Continued)

c) Foreign Currencies

i) *Presentation and functional currency*

The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar.

ii) *Foreign currency transactions*

Transactions in currencies other than the functional currency are recorded at the rate of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses arising from translation to the Company's presentation currency are recorded as foreign exchange loss (gain), which is included in profit or loss.

d) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. The preparation of the consolidated financial statements also requires management to exercise judgment in the process of applying the accounting policies.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Revisions to accounting estimates are recognised prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

Critical accounting estimates

The following are the key estimates that have a significant risk of resulting in a material adjustment to future operating results:

Impairment of assets

When there are indications that an asset may be impaired, the Company is required to estimate the asset's recoverable amount. Recoverable amount is the greater of value in use and fair value less costs to sell. Determining the recoverable amount required management's estimates of future cash flows from the Dunfee & Copper Hills Properties and the Yandoit Project.

2. BASIS OF PRESENTATION (Continued)

d) Significant Accounting Judgments and Estimates (Continued)

Critical accounting estimates (Continued)

Share-based compensation

The fair value of share-based payments and warrants is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Critical judgments used in applying accounting policies

In the preparation of these consolidated financial statements management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments may have an effect on the amounts recognized in the consolidated financial statements.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenses, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the respective entity operates; the functional currency the parent and its subsidiaries is determined to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiary if there is a change in events and/or conditions which determine the primary economic environment.

Impairment of exploration and evaluation assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Asset acquisitions

Management has had to apply judgment relating to acquisitions with respect to whether the acquisitions were business combinations or asset acquisitions. Management applied a three-element process, considering inputs, processes and outputs of the acquired entity in order to reach a conclusion.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries below:

Australia	Peru	United States
Blackwood Prospecting Pty Ltd. *Owns 100% of Stavely Tasmania Pty Ltd., 100% of Bestlevel Holdings Pty Ltd., and 33% of Ballarat Investment Project Management Pty Ltd ("BIPM") (Note 6) that owns the Yandoit Project, Victoria, Australia*	Nubian Resources Peru S.A.C. *Owns 100% of Esquilache Silver Project*	Nubian Gold & Copper USA Ltd. *Owns 100% of Copper Hills (New Mexico) and Dunfee properties (Nevada), USA*
Stavely Tasmania Pty Ltd. *Owns 100% of Fosterville East, Victoria, Australia and 100% of Lefroy and 75% of Matthina projects, Tasmania*		
Bestlevel Holdings Pty Ltd. *Owns 25% of Matthina project, Tasmania*		

b) Business Combinations

A business combination is defined as an acquisition of assets and liabilities that constitute a business. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return. A business also includes those assets and liabilities that do not necessarily have all the inputs and processes required to produce outputs, but can be integrated with the inputs and processes of the Company to create outputs. When acquiring a set of activities or assets in the exploration and development stage, which may not have outputs, the Company considers other factors to determine whether the set of activities or assets is a business.

Business combinations are accounted for using the acquisition method. Acquisitions that do not meet the definition of a business are accounted for using the asset acquisition method.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Financial Instruments

The following is the Company's accounting policy for financial instruments under IFRS 9 *Financial Instruments* ("IFRS 9"):

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or if the Company has opted to measure them at FVTPL. The following table shows the classification under IFRS 9:

Financial assets/liabilities	Classification IFRS 9
Cash	Amortized cost
Marketable securities	FVTOCI
Reclamation deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Promissory note	Amortized cost

c) Financial Instruments (Continued)

ii) Measurement

Financial assets and liabilities at amortized cost.

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities at FVTOCI

Financial assets carried at FVTOCI are initially recognized at fair value plus transactions costs. Subsequently, they are measured at fair value, with unrealized gains and losses arising from the changes in fair value recognized in other comprehensive income (loss). When assets carried at FVTOCI are disposed of, the cumulative unrealized gains or losses previously accumulated in reserves are included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss an impairment gain or loss equal to the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

d) Equipment

Equipment is recorded at cost and amortized over its estimated useful life. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Amortization methods, useful lives and residual values are reviewed at each financial year end and are adjusted if appropriate. Equipment is recorded at cost less accumulated amortization. Amortization is recorded when equipment is available for use, over the estimated useful life using the following methods and rates:

Classification	Method	Rate
Office equipment	Declining balance	20% to 45%

e) Exploration and Evaluation Assets

The Company capitalizes all acquisition costs and direct exploration expenditures on mineral properties in which it has a continuing interest. On abandonment or sale of any property, accumulated capitalized amounts are charged to operations net of proceed. Following commencement of commercial production, capitalized costs will be amortized over the estimated useful life of the mineral reserve using the units of production method. Property investigation costs, where a property interest is not acquired, are expensed as incurred. Incidental revenues received while the properties are in the exploration stage are credited to the carrying value of the mineral properties. Cost recoveries are credited against specific property costs, as received.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Exploration and Evaluation Assets (Continued)

Property acquisition costs include cash costs and the fair market value of issued shares, including those paid under option or joint interest agreements. Option payment terms are at the sole discretion of the Company and are recorded as acquisition costs upon payment.

Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values. Capitalized costs are subject to measurement uncertainty and it is reasonably possible a change in future conditions could require a material change in recorded amounts.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of permits and the potential for problems arising from government conveyance accuracy, prior unregistered agreements or transfers, native land claims, confirmation of physical boundaries, and title may be affected by undetected defects. The Company does not carry title insurance.

The Company has evaluated title to all of its mineral properties and believes, to the best of its knowledge, that evidence of title is adequate and acceptable given the current stage of exploration.

Management's capitalization of exploration costs and assumptions regarding the future recoverability of such costs are subject to significant measurement uncertainty. Management's assessment of recoverability is based on, among other things, the Company's estimate of current mineral reserves and resources which are supported by geological estimates, estimated metal prices, and the procurement of all necessary regulatory permits and approvals. These assumptions and estimates could change in the future and this could materially affect the carrying value and the ultimate recoverability of amounts recorded for capitalization of exploration and evaluation assets.

f) Impairment of Non-Financial Assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that the assets may be impaired. If such indication exists, the recoverable amount of the identified asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

g) General Provisions

A provision is a liability of uncertain timing or amount of a future expenditure when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The present value of expected future cash outflows is recognized as a liability and the increase to the liability due to the passage of time is recorded as a finance expense. The Company uses a credit adjusted discount rate that reflects current market assessments of the time value of money and the risk specific to the liability.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Decommissioning Liabilities

The Company accounts for the estimated fair value of legal obligations to reclaim and remediate exploration and evaluation assets in the period incurred, at the net present value of the cash flows required to settle the future obligations. The corresponding amount is capitalized to the related asset and accounted for in accordance with the Company's related accounting policies for exploration and evaluation assets. The liabilities are subject to accretion over time as a finance expense for increases in the fair value of the liabilities. Changes in estimates are accounted for prospectively from the period the estimate is revised.

The operations of the Company may in the future be affected, from time to time in varying degrees, by changes in environmental regulations, including those for future removal and site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly and are not predictable.

i) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill that is not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

j) Share Capital

Agent's warrants issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model.

The fair value of shares issued as consideration for exploration and evaluation assets is based on the trading price of those shares on the TSX.V on the date of the agreement to issue shares as determined by the Board of Directors.

Proceeds from unit placements are allocated between shares and warrants issued using the residual method. When the Company issues common shares and warrants together as units, proceeds is allocated first to share capital based on the market value of common shares on the date of issue, with any residual proceeds being allocated to the warrants.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Share-based Compensation

The Company accounts for stock options issued to employees at the fair value determined on the grant date using the Black-Scholes option pricing model. The fair value of the options is recognized as an expense using the graded vesting method where the fair value of each tranche is recognized over its respective vesting period. When stock options are forfeited prior to becoming fully vested, any expense previously recorded is reversed. If and when the stock options are ultimately exercised, the applicable amounts of their fair values in the reserves account are transferred to share capital.

Share-based compensation made to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured. These payments are recorded at the date the goods and services are received.

l) Loss per Share

Basic loss per common share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Dilutive earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. In periods where a loss is incurred, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive and basic and diluted loss per common share is the same. In a profit year, under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average price during the period.

4. MARKETABLE SECURITIES

	January 31, 2025		July 31, 2024	
	Book Value	**Fair Value**	**Book Value**	**Fair Value**
Shares in Athena Gold Corporation				
5,000,000 shares received December 15, 2020	$ 250,000	200,000	$ 250,000	$ 275,000
45,000,000 shares received December 29, 2021	4,500,000	1,800,000	4,500,000	2,475,000
5,000,000 shares purchased April 24, 2023	350,000	200,000	350,000	275,000
	$ 5,100,000	2,200,000	$ 5,100,000	$ 3,025,000

On December 27, 2021, Athena completed its acquisition of the Company's Excelsior Springs and Palmetto exploration projects in exchange for a cash payment of USD $10,000 ($12,800) and 50,000,000 common shares of Athena Gold Corporation ("Athena"). As part of the transaction, Carlton retained a 1% net smelter returns royalty on the projects.

(Expressed in Canadian dollars)

4. MARKETABLE SECURITIES (Continued)

Carlton also agreed to use commercially reasonable efforts to distribute all Athena Shares that it holds to its shareholders, pro rata, subject to certain conditions, including that the distribution can be effected in accordance with applicable laws and the policies of the TSX Venture Exchange, exempt from the requirements to file a prospectus in Canada. In order to facilitate this proposed distribution, Carlton and Athena agreed to prepare and file with the U.S. Securities and Exchange Commission a registration statement on Form S-1, covering the resale and distribution by Nubian to its shareholders of the Athena Shares held by it. This registration statement has expired without any distribution of Athena Shares to shareholders of the Company.

Accordingly, the Property sale comprises of:

Cash	$	12,800
5,000,000 shares of Athena issued		250,000
45,000,000 shares of Athena issued		4,500,000
Total Consideration		4,762,800
Less: carrying value of the Property		(243,859)
Gain on disposition	$	4,518,941

On April 24, 2023, the Company subscribed to 5,000,000 common shares of Athena at a value of $0.07 per share.

5. EQUIPMENT

COST		
Balance at July 31, 2023	$	24,542
Additions		-
Balance at July 31, 2024		24,542
Additions		
Balance at January 31, 2025	**$**	
ACCUMULATED AMORTIZATION		
Balance at July 31, 2023	$	23,022
Amortization for the year		610
Balance, at July 31, 2024		23,632
Amortization for the period		176
Balance at January 31, 2024	**$**	**23,808**
NET BOOK VALUE		
At July 31, 2024	$	910
At January 31, 2025	**$**	**734**

(Expressed in Canadian dollars)

6. ASSET ACQUISITIONS

During the year ended July 31, 2021, the Company, through its wholly-owned subsidiary, Blackwood Prospecting PTY Ltd. ("Blackwood"), acquired 100% of the issued and outstanding shares of Stavely Tasmania PTY Ltd. ("Stavely"), which owns 100% of the Fosterville East, 100% of the Lefroy, and 75% of the Matthina projects; acquired 100% of the issued and outstanding shares of Bestlevel PTY Ltd. ("Bestlevel"), which holds 25% of the Matthina project; and acquired 60% of the issued and outstanding shares of Ballarat Project Investment Management PTY Ltd. ("BIPM"), which owns 100% of the Yandoit Project. The Company's interest in BIPM was subsequently reduced to 33% (See Note 7).

The transactions did not constitute a business combination as the companies do not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisitions have been accounted for as asset acquisitions, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transactions, Stavely, Bestlevel, and BIPM became subsidiaries of the Company. The net assets acquired pursuant to the acquisitions are as follows:

Consideration:

Cash	$	453,628
Shares issued		4,611,762
Finders' fees		198,136
Promissory note (note 9)		734,100
Total	$	5,997,626

Purchase Price Allocation:

Cash	$	60,830
Bonds		64,157
Exploration and evaluation assets		5,994,925
GST payable		(37,469)
Loans		(84,817)
Total net assets acquired	$	5,997,626

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

January 31, 2025	USA	Peru	Australia		
	Dunfee & Copper Hills Properties	Esquilache Project	Yandoit Project	Stavely Projects	Total
Acquisition costs:					
Balance, beginning of year	$ 2	$ 1,072,500	$ 1,809,017	$ 2,768,055	**$ 5,649,574**
Balance, end of period	$ 2	$ 1,072,500	$ 1,809,017	$ 2,768,055	**$ 5,649,574**
Exploration costs:					
Balance, beginning of year	-	982,480	1,229,665	142,935	**2,355,080**
Incurred during the period:					
Data modelling	-	-	-	-	-
Licences and permits	-	-	-	-	-
Drilling and exploration	-	-	-	-	-
General and administrative	-	40,794	375	40,128	81,297
Balance, end of period	-	1,023,274	1,230,040	183,063	**2,496,377**
Total expenditures	$ 2	$ 2,095,774	$ 3,039,057	$ 2,951,118	**$ 8,085,951**

July 31, 2024	USA	Peru	Australia		
	Dunfee & Copper Hills Properties	Esquilache Project	Yandoit Project	Stavely Projects	Total
Acquisition costs:					
Balance, beginning of year	$ 2	$ 1,072,500	$ 1,809,017	$ 2,768,055	**$ 5,649,574**
Balance, end of period	2	1,072,500	1,809,017	2,768,055	**5,649,574**
Exploration costs:					
Balance, beginning of year	-	903,383	1,131,192	126,348	**2,160,923**
Incurred during the period:					
Licences and permits	-	69,210	-	-	**69,210**
General and administrative	-	9,887	98,473	16,587	**124,947**
Balance, end of period	-	982,480	1,229,665	142,935	**2,355,080**
Total expenditures	$ 2	$ 2,054,980	$ 3,038,682	$ 2,910,990	**$ 8,004,654**

a) US Properties

During the year ended July 31, 2021, the Company no longer had plans to explore the Dunfee and Copper Hill properties. As such, indicators of impairment existed and the properties were impaired to a nominal value.

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Esquilache Project, Peru

On December 28, 2017, the Company entered into a binding agreement with Zinc One Resources Inc. ("Zinc One") to acquire the Esquilache silver project (the "Esquilache Project") comprising the historical Esquilache underground silver mine and the adjacent Virgen de Chapi prospect located in the Puno Department of Southern Peru. Under the terms of the agreement, Carlton agreed to pay $150,000 in cash (paid) and $450,000 in common shares of the Company (1,638,151 common shares were issued on July 30, 2018) and four annual advanced Net Smelter Royalty (NSR) payments of $22,500 on December 27, 2018, $78,600 on July 5, 2019, $37,000 on October 5, 2019, and $56,000 on January 5, 2020, as well as 23 payments of $20,000 each between April 5, 2020 and October 5, 2025.

On August 18, 2020, the Company accelerated its purchase of the Esquilache Project from Zinc One with a one-time cash payment of $350,000 (paid), instead of $661,806 in total advance royalty payments until October 2025 as outlined in the preceding paragraph.

The Project is subject to a 2% NSR of which Carlton will have the right to purchase 1% for $500,000 at any time, until the third anniversary of the first sale of gold, silver or concentrate.

On October 6, 2022, the Company entered into a royalty transfer agreement with Zinc One to purchase the 2% NSR (the "NSR Transfer Agreement"). As consideration for the NSR Transfer Agreement, the Company has paid Zinc One $75,000 and has issued 500,000 common shares of the Company with a fair value of $0.095 per share, based on the closing price on October 6, 2022, the date of receipt of conditional approval by the TSX Venture Exchange.

c) Yandoit Project, Australia

On October 22, 2020, the Company, through its wholly-owned subsidiary, Blackwood, acquired 60% of the issued and outstanding shares of BIPM which holds the Yandoit Project. Under the terms of the binding letter of intent, Carlton paid an AUD $20,000 (CAD $18,862) option payment and granted a 2% net smelter return royalty to the vendor. There is also an exploration commitment of AUD $1 million (approximately CAD $915,400) in the 24-month period following the date of the definitive agreement, which has been met. The initial 60% interest in BIPM was paid as follows (see Note 6):

Cash	$	357,346
Shares issued (4,361,760)		2,137,262
Promissory note, interest free and repayable in 18 months from November 27, 2020		734,100*
	$	3,228,708

*Which payment may be reduced in certain circumstances.

A finder's fee of $163,333 was paid by issuance of 333,333 common shares of the Company.

Carlton had the option to pay the promissory note in cash, Carlton shares or by returning 134,778 shares in BIPM. During the year ended July 31, 2023, the Company elected to return the 134,778 shares (the "First Election").

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (Continued)

c) Yandoit Project, Australia (Continued)

Carlton, through Blackwood, also had the option to acquire the remaining shares in BIPM by making a payment of AUD $3.5 million (approximately, CAD $3.2 million) payable in common shares of Carlton or return a further 38,508 shares in BIPM, such election to occur within the 24-month period following the date of the definitive agreement (the "Second Election"). Carlton elected to not exercise its right to acquire the remaining interest in BIPM and as a result of the First Election and Second Election, its ownership in BIPM was reduced to 33% and the promissory note was cancelled. See Note 9.

Furthermore, pursuant to the subscription agreement entered into between the Company and BIPM on October 22, 2020, and the transfer failure event that occurred when neither MIN5503 nor EL6274 were registered in the name of BIPM by the Sunset Date (as defined in the subscription agreement), the 1,744,704 escrow shares with a fair value of $854,905, representing 40% of the shares issued on acquisition of the Yandoit Project, will be cancelled, and the acquisition cost of the Yandoit Project has been reduced by $854,905 and $734,100, respectively.

As at January 31, 2025, the Company holds a 33% interest in the Yandoit Project.

d) Stavely Projects, Australia

On September 23, 2020, the Company , through its wholly-owned subsidiary, Blackwood, acquired 100% of the issued and outstanding shares of Stavely, which owns 100% of Fosterville East, 100% of Lefroy, and 75% of Matthina projects, and acquired 100% of the issued and outstanding shares of Bestlevel, which holds 25% of the Matthina project (collectively the "Stavely Projects"). Together, the Stavely Properties comprise six exploration licenses that include the Fosterville East project located in central Victoria, and the Lefroy and Mathinna projects located in northeast Tasmania.

The consideration was paid as follows (See Note 6):

Cash	$	96,282
Shares issued		2,474,500
	$	2,570,782

A finder's fee of $34,803 was paid by issuance of 126,832 common shares of the Company.

(Expressed in Canadian dollars)

8. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

The following Director transactions and Related Party balances pertain solely to Carlton Precious Inc.

a) Director transactions

For the six months ended January 31, 2025:

	Management & consulting Fees	Employee Benefits	Total
	$	$	$
Executive Directors and Officers*	66,000	5,010	71,010
Non-executive Directors*	27,500	-	27,500

For the six months ended January 31, 2024:

	Management & consulting Fees	Employee benefits	Total
	$	$	$
Executive Directors and Officers*	54,000	3,433	57,433
Non-executive Directors*	27,500	-	27,500

b) Related Party balances

	January 31, 2025	July 31, 2024
Accounts payable	**$ 237,500**	$ 184,000

* Paid to directors, non-executive directors, and/or companies controlled by those individuals who are considered key management personnel of the Company. All balances owing are unsecured with no fixed terms of repayment.

(Expressed in Canadian dollars)

9. SHARE CAPITAL

a) Authorized

Unlimited number of Class "A" voting Common shares without par value
Unlimited number of Preferred shares without par value (none issued)

b) Issued

During the year ended July 31, 2024:

On June 25, 2024, the Company issued 4,416,667 units, each unit priced at $0.06 for aggregate gross proceeds of $265,000. Each unit comprised one common share and one-half warrant exercisable at $0.08 until June 25, 2026. The Company also issued 169,166 finder's warrants, exercisable at $0.06 into one unit on the same terms as the subscriber units.

During the period ended January 31, 2025:

During the period ended January 31, 2025, 500,000 shares were issued pursuant to a warrant exercise.

c) Warrants

A summary of the changes in warrants to acquire an equivalent number of shares for the years ended July 31, 2024 and 2023 and for the period ended January 31, 2025 was as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2023	-	-
Issued during the year	2,208,333	$0.08
Finders' warrants	169,166	$0.06
Balance, July 31, 2024	**2,377,499**	**$0.08**
Exercised in the period	500,000	$0.08
Balance, January 31, 2025	**1,877,499**	

The Company applies the fair value method in accounting for its finders' fee warrants using the Black-Scholes pricing model. During the year ended July 31, 2024, the Company issued 169,166 (2023 – nil) finders' fee warrants. The finders' fee warrants granted resulted in share issue costs of $7,400 (2023- $nil). The following parameters were used to value finders' fee warrants:

	July 31, 2024
Expected life	2 years
Risk free interest rate	3.97%
Annualized volatility	83%
Dividend rate	n/a
Fair value of shares at grant date	$0.08

(Expressed in Canadian dollars)

9. SHARE CAPITAL (Continued)

c) Warrants (Continued)

The Company had outstanding warrants as of January 31, 2025 as follows:

Number of Warrants	Exercise Price	Expiry Date
1,708,333	$ 0.08	June 24, 2026
169,166	$ 0.06	June 24, 2026
1,877,499		

As of January 31, 2025, the weighted average remaining contractual life of the warrants was 1.4 years (2024 – 1.90 years).

d) Stock Options

The Company has a stock option plan that provides for the issuance of compensatory options to its directors, officers, employees and consultants. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares at any point in time. Options granted under the plan may have a maximum term of 10 years. Terms of the vesting period over which the options are earned is determined by the Board of Directors.

A summary of the changes in stock options to acquire an equivalent number of shares for the years ended July 31, 2024 and 2023 and for the period ended January 31, 2025 was as follows:

	Number of Options	Weighted Average Exercise Price
Balance, July 31, 2023	**4,495,000**	**$ 0.37**
Cancelled during the year	(970,000)	0.36
Expired during the year	(680,000)	0.39
Balance, July 31, 2024	2,845,000	$ $0.39
Issued during the period	2,550,000	0.10
Balance, January 31, 2025	**5,395,000**	**$ 0.25**

In estimating the fair value of options issued using the Black-Scholes option pricing model, the Company is required to make assumptions. The expected volatility assumption is based on the historical volatility of the Company's common share price on the TSX-V. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has historically not paid dividends on its common stock.

(Expressed in Canadian dollars)

9. SHARE CAPITAL (Continued)

d) Stock Options (Continued)

The Company had outstanding stock options as of January 31, 2025 as follows:

Number of Options	Number of Options Exercisable	Exercise Price		Expiry Date
900,000	900,000	$	0.30	July 5, 2025
50,000	50,000	$	0.60	September 23, 2025
1,595,000	1,595,000	$	0.42	December 23, 2025
300,000	300,000	$	0.42	January 26, 2026
2,550,000	2,550,000	$	0.10	October 29, 2027
5,395,000	5,395,000			

As of January 31, 2025, the weighted average remaining contractual life of the options was 1.7 years (2024 – 1.25 years).

e) Nature and Purpose of Share-based Compensation Reserve

'Share-based Compensation Reserve' is used to recognize the fair value of stock option grants prior to exercise, expiry or cancellation and the fair value of other share-based consideration paid at the date of payment.

10. CAPITAL MANAGEMENT

The Company manages capital with the goal to safeguard the Company's ability to continue as a going concern and ensure its ability to further explore and develop its mineral property holdings in Australia, Peru, and the USA. The Company includes cash and the components of shareholders' equity in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties.

To ensure continued operations, the Company depends on external financing to fund its activities.

In the past, the Company has been successful in raising funds through the issuance of share capital. It is uncertain, however, how successful the Company will be in raising more funds in the current difficult market conditions. The Company currently has insufficient funds for its anticipated operational activities and will require equity financing, joint ventures or other forms of financing in order to fund continued exploration activities and administrative overhead costs for the coming year.

There were no changes in the Company's approach to capital management during the period ended January 31, 2025. Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

(Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these consolidated financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

As at January 31, 2025, the classification of the financial instruments and as their carrying values and fair values are shown in the table below:

	Level	Book value/ amortized cost	Fair value/ amortized cost
Financial assets			
Cash	1	$ 67,250	$ 67,250
Marketable securities	1	5,100,000	2,200,000
		$ 5,167,250	$ 2,267,250
Financial liabilities			
Accounts payable	1	$ 426,213	$ 426,213
		$ 426,213	$ 426,213

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop certain of these estimates. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies. The methods and assumptions used to estimate the fair value of financial instruments are described below:

The Company is exposed to potential loss from various risks including commodity price risk, interest rate risk, currency risk, credit risk and liquidity risk. Based on the Company's operations, the liquidity risk, commodity risk and currency risk are considered the most significant.

The carrying values of the Company's cash and accounts payable and accrued liabilities were a reasonable approximation of fair value due to their short-term nature.

Financial instruments measured at fair value on the consolidated statement of financial position were made using inputs within the following fair value hierarchy that reflect their significance:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

There have been no transfers between levels 1 and 2, or transfers in or out of level 3 for the period ended January 31, 2025 or for the year ended July 31, 2024.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

a) Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of base and precious metals including copper and gold, and the outlook for these metals. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for metals historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

b) Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, Australia, Peru and United States of America and a portion of its expenses are incurred in Australian dollars ("AUD") and United States dollars ("USD"). A significant change in the currency exchange rates between the Canadian dollar and the AUD or USD could have an effect on the Company's results of operations, financial position or cash flows.

The Company has not hedged its exposure to currency fluctuations. At January 31, 2025, the Company was exposed to currency risk through the following assets and liabilities denominated in USD and AUD.

	January 31, 2025	July 31, 2024
Cash	**$** 19,317	$ 10,363
Accounts payable and accrued liabilities	**$** (26,003)	$ (23,040)

Based on the above net exposures at January 31, 2025, and assuming that all other variables remain constant, a 10% appreciation or depreciation of the Canadian dollar against the AUD or USD would result in an increase/decrease of $669 (July 2024 - $1,267), respectively in the Company's loss from operations.

c) Liquidity Risk

The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes, the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short term obligations during the year.

The difficult market conditions make it uncertain whether the Company can continue to raise adequate funds to meet its financial obligations (see Note 1).