

Peloton Minerals Corporation

Condensed Interim Consolidated Financial Statements

(Expressed in United States Dollars)

(Unaudited)

For the Three Months Ended March 31, 2025

Management's Responsibility for Interim Financial Statements

The accompanying unaudited condensed interim financial statements of Peloton Minerals Corporation (the "Company" or "Peloton") are the responsibility of management.

The unaudited condensed interim 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 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 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 sufficient knowledge to support management representations that it has exercised reasonable diligence 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 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 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 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.

"Edward Ellwood"

(signed)

"Eric Plexman"

(signed)

Notice to Reader

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Peloton Minerals Corporation
Interim Consolidated Statements of Financial Position
(Expressed in United States Dollars)
As at
(Unaudited)

	March 31, 2025	December 31, 2024
Assets		
Current		
Cash	\$ 36,334	\$ 24,648
HST receivable	11,044	13,687
Other receivable (Note 6)	4,680	30,696
Prepaid expenses	16,603	39,856
Total Current Assets	68,661	108,887
Investment (Note 3)	1,389,278	1,388,080
Equipment (Note 4)	43,954	48,262
Reclamation bonds (Note 6)	17,853	17,853
Total Assets	\$ 1,519,746	\$ 1,563,082
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 7 and 13)	\$ 943,644	\$ 855,841
Convertible debenture (Note 8)	100,000	100,000
Loans payable (Note 9)	146,076	145,950
Derivative liability – convertible debenture (Note 8)	93,976	76,194
Derivative liability – foreign currency warrants (Note 11)	1,123,363	1,146,411
Total Current Liabilities	2,407,059	2,324,396
Deposit for shares to be issued	26,127	14,096
Total Liabilities	2,433,186	2,338,492
Shareholders' Deficiency		
Capital stock (Note 10)	11,316,391	11,316,391
Contributed surplus	2,973,054	2,973,054
Deficit	(15,202,885)	(15,064,855)
Total Deficiency	(913,440)	(775,410)
Total Liabilities and Deficiency	\$ 1,519,746	\$ 1,563,082

Nature of Operations and Going Concern (Note 1)
Commitments (Note 16)

See accompanying notes.

Peloton Minerals Corporation
Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income
For the Three Months Ended March 31,
(Expressed in United States Dollars)
(Unaudited)

	2025	2024
Expenses		
Office and administrative costs (Note 13)	\$ 113,987	\$ 105,664
Professional fees	12,227	16,356
Exploration and evaluation expenditures (Note 5)	13,292	68,339
Foreign exchange loss (gain)	680	(18,788)
Depreciation (Note 4)	4,308	2,270
	144,494	173,841
Other expenses (income)		
Gain on revaluation of foreign currency warrants (Note 11)	(23,048)	(954,084)
Loss (gain) on revaluation of derivative liability (Note 8)	17,782	(40,027)
(Gain) loss on fair value adjustment of investment	(1,198)	38,747
	(6,464)	(955,364)
Net (loss) income and comprehensive (loss) income	\$ (138,030)	781,523
(Loss) income per share (Note 12)		
Basic and diluted	\$ (0.001)	\$ 0.006
Weighted average number of common shares outstanding (Note 12)		
Basic and diluted	138,714,260	125,023,958

See accompanying notes.

Peloton Minerals Corporation
Interim Consolidated Statements of Changes in Deficiency
(Expressed in United States Dollars)
For the Three Months Ended March 31,

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Total
	(Note 10)	(Note 10)	(Note 11)		
Balance, January 1, 2024	125,023,958	\$ 11,006,001	\$ 2,438,510	\$(15,499,134)	\$(2,054,623)
Net income and comprehensive income	-	-	-	781,523	781,523
Balance, March 31, 2024	125,023,958	\$ 11,006,001	\$ 2,438,510	\$(14,717,611)	\$(1,273,100)
Balance, January 1, 2025	138,714,260	\$ 11,316,391	\$ 2,973,054	\$(15,064,855)	\$ (775,410)
Net loss and comprehensive loss	-	-	-	(138,030)	(138,030)
Balance, March 31, 2025	138,714,260	\$ 11,316,391	\$ 2,973,054	\$(15,202,885)	\$ (913,,440)

Peloton Minerals Corporation

Interim Consolidated Statements of Cash Flow

(Expressed in United States Dollars)

For the Three months Ended March 31,

(Unaudited)

	2025	2024
Cash provided by (used in)		
Operations		
Net (loss) income	\$ (138,030)	\$ 781,523
Items not affecting cash:		
Gain on revaluation of foreign currency warrants	(23,048)	(954,084)
Loss (gain) on revaluation of derivative liability	17,782	(40,027)
Depreciation	4,308	2,270
(Gain) loss on fair value adjustment of investment	(1,198)	38,747
Unrealized foreign exchange loss	126	-
	(140,060)	(171,571)
Net changes in non-cash working capital		
HST receivable	2,643	(4,447)
Prepaid expenses	23,253	6,518
Other receivable	26,016	-
Accounts payable and accrued liabilities	87,803	47,739
	(345)	(121,761)
Financing		
Deposit for shares to be issued	12,031	5,333
Proceeds from share issuances, net	-	6,805
Proceeds from loans payable	-	76,053
	12,031	88,191
Net change in cash	11,686	(33,570)
Cash, beginning of period	24,648	38,818
Cash, end of period	\$ 36,334	\$ 5,248

See accompanying notes.

Peloton Minerals Corporation
Notes to Condensed Interim Consolidated Financial Statements
(Expressed in United States Dollars)
March 31, 2025
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Peloton Minerals Corporation (the "Company" or "Peloton") was incorporated under the Ontario Business Corporations Act on December 21, 2000. The Company has five wholly-owned subsidiary corporations: ES Subsidiary Corporation, a United States corporation incorporated under the laws of the State of Montana in August 2023, GT Subsidiary Corporation, a United States corporation incorporated under the laws of the State of Montana on August 28, 2012; IV Subsidiary Corporation, a United States corporation incorporated under the laws of the State of Montana on December 11, 2020; SBSL Subsidiary Corporation, a United States corporation incorporated under the laws of the State of Montana on October 15, 2018; and TC Subsidiary Corporation, a United States corporation incorporated under the laws of the State of Montana on August 28, 2012. In addition, it owns 16.53% (December 31, 2024 – 16.78%) of Celerity Mineral Corporation, a Canadian corporation incorporated on April 15, 2012.

The Company is engaged in the business of locating and exploring mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The head office and principal address of the Company is 380 Wellington Street, 6th Floor, London City Centre, Tower B, London, Ontario, N6A 5B5.

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business. During the three months ended March 31, 2025, the Company had a net loss of \$138,030 (March 31, 2024 – net income of \$781,523) and negative cash flows from operations of \$345 (March 31, 2024 - \$121,761). As of that date, the Company had accumulated a deficit of \$15,202,885 (December 31, 2024 - \$15,064,855) and a working capital deficiency of \$2,338,398 (December 31, 2024 – working capital deficiency of \$2,215,509).

As is common with exploration companies, the Company's ability to continue as a going concern is dependent upon obtaining necessary equity financing to finance its ongoing and planned exploration activities and to cover administrative costs, the discovery of economically recoverable resources, the ability of the Company to secure and maintain title and beneficial interest in the properties, entering agreements with others to explore and develop the mineral properties and future profitable production or proceeds from disposition of such properties. However, there can be no assurances that the Company will be able to obtain financing. These factors create material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

These unaudited condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments may be material.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2024, prepared in accordance with IFRS. The accounting policies adopted in these unaudited condensed interim consolidated financial statements are consistent with those disclosed in the Company's audited financial statement for the year ended December 31, 2024. Refer to these audited financial statements for material accounting policy information and future changes in accounting policies.

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors on May 30, 2025.

Basis of Consolidation

The unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, ES Subsidiary Corporation (United States), TC Subsidiary Corporation (United States), SBSL Subsidiary Corporation, GT Subsidiary Corporation (United States) and IV Subsidiary Corporation (United States). The functional currency of each of these entities is the United States dollar. The financial statements of the subsidiaries are included in the unaudited condensed interim consolidated financial statements from the date that control commences until the date that control ceases.

All transactions and balances between the Company and its subsidiaries are eliminated on consolidation.

Future Accounting Pronouncements

The accounting pronouncements detailed below have been issued but are not yet effective. The Company does not expect the impact of applying these standards to be significant on its consolidated financial statements.

IFRS 18, Presentation and Disclosure in the Financial Statements

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements* ("IFRS 18") to replace IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 *Statement of Cash Flows* were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 *Earnings Per Share* were issued to permit disclosures of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18.

2. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently evaluating the impact of the standard on its financial statements and will apply it from the effective date.

Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures

On May 30, 2024, the IASB issued narrow scope amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*. The amendments include the clarification of the date of initial recognition or derecognition of financial liabilities, including financial liabilities that are settled in cash using an electronic payment system. The amendments also introduce additional disclosure requirements to enhance transparency regarding investments in equity instruments designed at FVOCI and financial instruments with contingent features.

The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is currently evaluating the impact of the amendments on its financial statements and will apply the amendments from the effective date.

3. INVESTMENT

At March 31, 2025 and December 31, 2024, the Company held 6,657,457 common shares (representing 16.53% interest) of Celerity (December 31, 2024 – 16.78%) which is recorded at fair value through profit and loss and 537,457 warrants, exercisable at \$0.35 - \$0.52 (\$0.50 - \$0.75 CDN) into common shares of Celerity for 2 years following listing on a stock exchange. The fair value of the warrants have been estimated at \$Nil. If the Company were to exercise all the warrants as at March 31, 2025, it would hold 17.62% of Celerity at that date.

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Company's investments fall as at March 31, 2025:

	Level 1	Level 2	Level 3	Total
Investment - shares	\$ -	\$1,389,278	\$ -	\$1,389,278
Investment - warrants	\$ -	\$ -	\$ -	\$ -

Peloton Minerals Corporation
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(Expressed in United States Dollars)
March 31, 2025
(Unaudited)

4. EQUIPMENT

Cost	December 31, 2023	Additions	December 31, 2024	Additions	March 31, 2025
Diamond Drilling Equipment and Lithium Analyzer	\$90,799	\$ 40,755	\$131,554	\$ -	\$131,554
Accumulated Depreciation	December 31, 2023	Depreciation	December 31, 2024	Depreciation	March 31, 2025
Diamond Drilling Equipment and Lithium Analyzer	\$68,099	\$15,193	\$83,292	\$4,308	\$87,600
Carrying amount December 31, 2024					\$48,262
Carrying amount March 31, 2025					\$43,954

5. MINING CLAIMS - EXPLORATION AND EVALUATION EXPENDITURES

Cumulative spending to date:

	December 31, 2024	Additions	March 31, 2025
Silver Bell St. Lawrence Claims, MT ^(a)	\$ 468,876	\$ -	468,876
Independence Valley, NV ^(b)	67,230	-	67,230
Potential acquisition of Boulder Porphyry, MT ^(c)	904,021	-	904,021
North Elko Lithium, NV, NV ^(d)	1,456,791	13,292	1,470,083
Cost related to potential property acquisitions	74,515	-	74,515
	\$ 2,971,433	\$ 13,292	\$ 2,984,725
	December 31, 2023	Additions	December 31, 2024
Silver Bell St. Lawrence Claims, MT ^(a)	\$ 468,876	\$ -	\$ 468,876
Independence Valley, NV ^(b)	58,037	9,193	67,230
Potential acquisition of Boulder Porphyry, MT ^(c)	904,021	-	904,021
North Elko Lithium, NV ^(d)	998,000	458,791	1,456,791
Cost related to potential property acquisitions	74,515	-	74,515
	\$ 2,503,449	\$ 467,984	\$ 2,971,433

5. MINING CLAIMS - EXPLORATION AND EVALUATION EXPENDITURES (Cont'd)

(a) Silver Bell St. Lawrence

The Company held a 100% interest in the Silver Bell St. Lawrence ("SBSL") property consisting of 10 mining claims.

The Company also held a 100% interest in 20 mining claims adjacent to the northern and eastern boundaries of the SBSL property. These mining claims were called the Roar claims.

On March 15, 2019, the Company, through its wholly owned subsidiary, SBSL Subsidiary Corporation, signed an exploration agreement with Frederick Private Equity Corporation ("Frederick PEC") on the Silver Bell St. Lawrence Gold Project. Under the agreement, Frederick PEC could earn up to 75% interest in the Project by spending a total of US\$2,000,000 in exploration expenditures within six years and making annual option payments.

On April 26, 2019, AFR NuVenture Resources Inc. (formerly African Metals Corporation) ("AFR") announced that it had entered into an agreement with Frederick PEC whereby it may acquire initially a 51% interest in the Silver Bell St. Lawrence Project from Frederick PEC. As part of that transaction, AFR has agreed to expend and has expended a minimum of US\$200,000 in exploration expenditures in the first year. There is a common director between the Company and Frederick PEC and AFR who recused himself from the approval process of the transactions.

During the year ended December 31, 2024, the Company did not renew the unpatented mineral claims that it held in the Silver Bell St. Lawrence Project and retains only one patented mineral claim. The Company does not intend to pay the taxes and expects the claim to lapse. The Frederick PEC/AFR agreements have lapsed.

(b) Independence Valley

During July 2016, the Company acquired by staking a 38 mineral claim package located in Elko County, Nevada, about 77 miles south of the Company's Golden Trail Project. The mineral claim package is called the Independence Valley Project.

To maintain the staked claims, the Company must pay annual maintenance fees to the Department of the Interior (Bureau of Land Management – BLM Nevada State Office) and the local county in the cumulative approximate amount of \$212 per claim.

(c) Boulder Property

In 2021, the Company entered into an agreement to acquire 100% of the issued and outstanding shares of privately held Westmount Resources LLC ("Westmount") through the Company's former subsidiary, Celerity Mineral Corporation ("Celerity"). Westmount holds a 100% interest in 331 unpatented mineral claims called the Boulder Porphyry Property located approximately 16 miles (26 km) north-northeast of Butte, Montana. The shareholders of Westmount (the "Westmount Shareholders") would be issued 50% of the issued and outstanding shares of Celerity in exchange for their Westmount Shares in this arms-length transaction and US \$600,000 to be paid within one year after August 25, 2021, and a 1% net smelter return royalty (NSR) that may be bought down prior to commercial production by one-half for US \$5 million.

5. MINING CLAIMS - EXPLORATION AND EVALUATION EXPENDITURES (Cont'd)

(c) Boulder Property (Cont'd)

Under an amended agreement, Celerity had agreed to pay the Boulder Property vendors (the "Vendors") the \$600,000 in three installments of \$200,000 due on August 25, 2023 and August 25, 2024 and August 25, 2025. The Vendors may also elect to receive one or all of the payments in common share units of Celerity priced at \$0.21 (CAD \$0.30) per unit, with each unit comprised of one common share and one full warrant to purchase a second common share at an exercise price of \$0.35 (CAD \$0.50) during the first year after Celerity begins trading and at an exercise price of \$0.52 (CAD \$0.75) during the second year after Celerity begins trading.

The amended agreement stipulated that if the full \$600,000 was not paid by August 25, 2023 a one-half (1/2) percent NSR would be granted to the Vendors, or if the remaining balance was not paid by August 25, 2024 a further one-half (1/2) percent NSR would be granted to the Vendors. If Celerity defaulted on any of the minimum \$200,000 payments the Boulder Property would revert back to the Vendors.

On August 14, 2023, the parties agreed to cancel the requirement for cash payments to be made over three years totaling \$600,000, which was part of the original acquisition terms, that Peloton would transfer 11,500,000 common shares it hold in Celerity to Westmount Shareholders and that 100% of the Westmount ownership shall be transferred to Celerity. Peloton completed the transfer of the 11,500,000 common shares on December 14, 2023, as a result of which the Boulder Porphyry is held 100% by Celerity and Peloton's interest in Celerity was reduced to 15.99% with no further cash payments or other obligations to be made. All future exploration costs on the Boulder Porphyry Property after December 14, 2023 will be incurred by Celerity.

The NSR in the original agreement shall be reviewed by the Celerity Board to consider the amount and terms in the context of the latest amended agreement and updated as the Celerity Board determines appropriate.

(d) North Elko Lithium Project

The North Elko Lithium Project is comprised of:

(i) Golden Trail

The Company holds 100% interest in the Golden Trail property consisting of 23 contiguous unpatented mining claims in the Elko County region of Nevada.

To maintain the staked claims, the Company must pay annual maintenance fees to the Department of the Interior (Bureau of Land Management - BLM Nevada State Office) and the local counties in the cumulative approximate amount of \$212 per claim.

Peloton Minerals Corporation
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(Expressed in United States Dollars)
March 31, 2025
(Unaudited)

5. MINING CLAIMS - EXPLORATION AND EVALUATION EXPENDITURES (Cont'd)

(i) Texas Canyon

During February 2018, the Company acquired by staking a 44-mineral claim package located in Elko County, Nevada, about five miles west of the Company's Golden Trail Project. The mineral claim package is called the Texas Canyon Project.

To maintain the staked claims, the Company must pay annual maintenance fees to the Department of the Interior (Bureau of Land Management - BLM Nevada State Office) and the local county in the cumulative approximate amount of \$212 per claim.

(ii) Emmigrant Springs

During 2024 and early 2025, the Company discontinued some claims and acquired by staking other claims to bring the total to 375 mineral claim at March 31, 2025 package located in Elko County, Nevada, between and just south of the Company's Golden Trail Project and Texas Canyon Project. The mineral claim package is called the Emmigrant Springs Project. For recording purposes, these claims are registered in the name of a director of the Company and will be transferred to a subsidiary of the Company in 2025. As of May 30, 2025, this transfer has not occurred.

To maintain the staked claims, the Company must pay annual maintenance fees to the Department of the Interior (Bureau of Land Management – BLM Nevada State Office) and the local county in the cumulative approximate amount of \$212 per claim.

6. RECLAMATION BONDS

As at March 31, 2025, a reclamation bond is being held by the Bureau of Land Management ("BLM") in the amount of \$17,853 (December 31, 2024 - \$17,853) on the Golden Trail property.

The permit area for the Golden Trail property was reduced during 2024, thereby decreasing the bond requirement by \$4,680 which was approved by the BLM, after an additional bond of \$3,848 was posted in 2024.

The Company has not recorded a restoration liability as at March 31, 2025 as the Company has not yet disturbed the land at the Golden Trail property to trigger the recognition of this liability.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The following is a breakdown of the amounts included in accounts payable:

	March 31,	December 31,
	2025	2024
Trade payables	\$ 182,544	\$ 147,501
Accrued liabilities:		
Management and director fees	740,232	662,609
Audit and accounting	20,868	45,731
	\$ 943,644	\$ 855,841

Peloton Minerals Corporation
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(Expressed in United States Dollars)
March 31, 2025
(Unaudited)

8. CONVERTIBLE DEBENTURE

(a) Convertible debenture of \$100,000 USD

On August 11, 2015, the Company received \$100,000 USD (principal) from an arm's length party in exchange for a convertible debenture. The convertible debenture is due on demand upon six months' notice in writing, with such notice not to be given on or before August 11, 2020. The debenture pays interest at the rate of 4%, payable quarterly, beginning October 1, 2015 with the first payment due December 31, 2015. The convertible debenture, and all principal and interest owing, is convertible, in whole or in part, at the holder's option into units of the Company (the "Unit"). Each Unit consists of one common share and one common share purchase warrant. The conversion price of the debenture is \$0.035(\$0.05 CDN) per Unit. Each warrant will entitle the holder to acquire one additional common share at a price of \$0.070 (\$0.10 CDN) per share until August 11, 2020. Since the conversion into Unit did not happen by August 11, 2020, the warrant component has expired and the debenture is now only convertible into shares.

As security, the Company has pledged the diamond drill rig (Note 4).

If the common shares of the Company trade for ten consecutive days trading days on the Canadian Securities Exchange or any other stock exchange or quotation service upon which it happens to trade or be quoted at that time, at a price equal to or greater than \$0.139 (\$0.20 CDN) per share, this debenture will automatically be converted into units without any action on the part of either the Company or the holder.

(b) Valuation of debenture

The conversion rate of the units and the warrants to be issued on conversion of the above convertible debentures are not in the Company's functional currency and as a result are presented as a derivative financial liability. The Company valued the derivative financial liabilities using the Black-Scholes option pricing model and after valuing the derivative financial liabilities assigned the remaining value to the convertible debenture.

The fair value of the units of debenture were estimated at the issuance date using the Black-Scholes pricing model with the following inputs and assumptions:

Share price	\$0.04 CDN
Expected dividend yield	Nil
Exercise price	\$0.05 - \$0.10 CDN
Risk free interest rate	0.72%
Expected life	5.0 - 5.5 years
Expected volatility (based on historical prices)	210 - 223%

On the date of issuance, the Company determined the amount relating to the units in the convertible debenture to be \$76,886.

The fair value of the conversion feature was revalued at March 31, 2025 using the Black-Scholes option pricing model using the following inputs and assumptions:

Share price	\$0.09 CDN
Expected dividend yield	Nil
Exercise price	\$0.05 CDN
Risk free interest rate	2.91%
Expected life	0.50 year
Expected volatility (based on historical prices)	110%

Peloton Minerals Corporation
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8. CONVERTIBLE DEBENTURE (Cont'd)

On March 31, 2025, the conversion feature was revalued at \$93,976 resulting in a loss on revaluation of derivative liability of \$17,782 for the three months ended March 31, 2025.

Convertible Debenture	March 31,	December 31,
	2025	2024
Principal – debenture	\$ 100,000	\$ 100,000
Derivative liability – debenture	(76,886)	(76,886)
Accumulated accretion expense	76,886	76,886
	\$ 100,000	\$ 100,000

Derivative Liability	March 31,	December 31,
	2025	2024
Derivative liability – debenture (fair value on issuance date)	\$ 76,886	\$ 76,886
Fair value adjustment – debenture	17,090	(692)
	\$ 93,976	\$ 76,194

9. LOANS PAYABLE

As at March 31, 2025, the Company had a loan payable of \$86,950 (\$125,000 CDN) (December 31, 2024 - \$86,875 (\$125,000 CDN)) to an arm's length party. The loan is unsecured, due on demand and bear interest at 6%, payable quarterly. The proceeds of the loan can, at the holder's option, be used to participate in a future private placement of the Company.

As at March 31, 2025, the Company had a loan payable of \$59,126 (\$85,000 CDN) (December 31, 2024 - \$59,075 (\$85,000 CDN)) from an officer of the Company. The loan is unsecured, non-interest bearing and due on demand.

10. CAPITAL STOCK

Authorized: Unlimited common shares

Issued and outstanding common shares:

	Number of Shares	Value
Balance, January 1, 2024	125,023,958	\$ 11,006,001
Units issued for cash	13,476,862	886,369
Warrants exercised for cash	213,440	29,466
Allocated to warrants	-	(358,659)
Share issuance costs	-	(246,786)
Balance, December 31, 2024	138,714,260	\$ 11,316,391
Balance, March 31, 2025	138,714,260	\$ 11,316,391

There were no share movements during the three months ended March 31, 2025

Peloton Minerals Corporation
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11. STOCK OPTIONS AND WARRANTS

(a) Stock Options

During 2023, the shareholders of the Company approved a Security-Based Compensation Plan (the "Compensation Plan") to replace the Company's existing Stock Option Plan for the benefit of employees, directors, officers and third parties. The Compensation Plan allows for the Company to issue stock options, deferred share units, restricted share units, share appreciation rights, and/or any other security-based compensation plan that is acceptable to the regulatory authorities, including the Canadian Securities Exchange (the "Exchange") or any other stock exchange where the shares of the Company may be listed. The Compensation Plan is a hybrid plan with 10 percent rolling for stock options and fixed up to 10 percent for other awards. The exercise price of awards granted under the Compensation Plan will be determined by the directors, but will be at least equal to the closing trading price for the common shares for the last trading day prior to the grant and otherwise the fair market price as determined by the Board of Directors. The term of any award granted shall not exceed ten years. Except as otherwise provided elsewhere in the Stock Option Plan, the options shall be cumulatively exercisable in installments over the option period at a rate to be fixed by the Board of Directors. Outstanding stock option agreements were rolled into the Compensation Plan.

	Period ended March 31, 2025		Year ended December 31, 2024	
	Number of Options	Weighted Average Exercise Price (CDN)	Number of Options	Weighted Average Exercise Price (CDN)
Outstanding, beginning of period	13,700,000	\$ 0.10	9,550,000	\$ 0.11
Granted	-	\$ -	7,800,000	\$ 0.10
Expired	-	\$ -	(3,650,000)	\$ 0.10
Cancelled	-	\$ -	-	\$ -
Outstanding, end of period	13,700,000	\$ 0.10	13,700,000	\$ 0.10
Exercisable, end of period	13,700,000	\$ 0.10	13,700,000	\$ 0.10

The Company had the following stock options outstanding at March 31, 2025:

Number of Options	Exercise Price	Expiry Date
150,000	CDN \$0.120	October 15, 2025
2,150,000	CDN \$0.135	December 18, 2025
2,100,000	CDN \$0.100	June 10, 2027
1,000,000	CDN \$0.110	June 9, 2028
500,000	CDN \$0.110	November 29, 2028
2,100,000	CDN \$0.090	April 2, 2027
2,000,000	CDN \$0.100	June 13, 2027
2,900,000	CDN \$0.100	June 13, 2029
200,000	CDN \$0.100	July 9, 2029
600,000	CDN \$0.090	November 1, 2027
13,700,000		

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11. STOCK OPTIONS AND WARRANTS (Cont'd)

(a) Stock Options (Cont'd)

The above options were not included in the computation of diluted loss per share as they are anti-dilutive. The weighted average remaining contractual life of these options is 2.52 years (December 31, 2024 – 2.76 years).

(b) Warrants

The following summarizes the change in foreign currency warrants:

	Period ended	Year ended
	March 31, 2024	December 31, 2024
Balance, beginning of period	\$ 1,146,411	\$ 2,531,451
Fair value of warrants issued – April 16, 2024	-	596
Fair value of warrants issued – May 31, 2024	-	237,739
Fair value of warrants issued – June 4, 2024	-	66,376
Fair value of warrants issued – August 16, 2024	-	17,908
Fair value of warrants issued – November 18, 2024	-	36,040
Fair value of warrants extended	-	406,983
Fair value adjustment (Note 11(b)(i))	(23,048)	(2,150,682)
Balance, end of period	\$ 1,123,363	\$ 1,146,411

- (i) At March 31, 2025, the fair value of the 53,455,179 warrants outstanding was estimated at \$1,123,363 using the Black-Scholes pricing model with the following weighted average assumptions:

Share price	\$0.09 CDN
Expected dividend yield	Nil
Exercise price	\$0.100 - \$0.125 CDN
Risk free interest rate	2.57% - 3.87%
Expected life	1.34 years
Expected volatility (based on historical prices)	32% - 111%

At March 31, 2025, a gain on revaluation of foreign currency warrants of \$23,048 (March 31, 2024 – gain of \$954,084) was recognized in the interim unaudited consolidated statement of loss and comprehensive loss.

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11. STOCK OPTIONS AND WARRANTS (Cont'd)

(b) Warrants (Cont'd)

The Company had the following warrants outstanding at March 31, 2025:

Number of Warrants	Exercise Price (CDN)	Expiry Date
3,258,264	\$0.125	May 7, 2025
7,934,629	\$0.125	August 20, 2025
4,966,667	\$0.125	October 16, 2025
2,668,000	\$0.125	May 4, 2026
1,633,334	\$0.125	July 12, 2026
7,614,446	\$0.100	December 10, 2026
5,613,038	\$0.100	August 16, 2025
1,798,889	\$0.120	May 31, 2026
1,741,999	\$0.120	June 23, 2026
611,111	\$0.120	July 28, 2026
1,924,500	\$0.120	December 22, 2026
213,440	\$0.125	May 4, 2026
8,861,307	\$0.120	May 31, 2027
2,500,000	\$0.120	June 4, 2027
666,666	\$0.120	August 16, 2027
1,448,889	\$0.120	November 18, 2027
53,455,179		

(c) Broker Warrants

As at March 31, 2025, there were 1,540,136 (2024 – 1,540,136) broker warrants outstanding, with 192,450 broker warrants exercisable at \$0.090 CDN until December 22, 2028, 886,131 broker warrants exercisable at \$0.09 CDN until May 31, 2029, 250,000 broker warrants exercisable at \$0.09 CDN until June 4, 2029, 66,666 broker warrants exercisable at \$0.090 CDN until August 16, 2029 and 144,889 broker warrants exercisable at \$0.090 CDN until November 18, 2029. Each broker warrants are exercisable to purchase one additional private placement unit consisting of one common share and one common share purchase warrant exercisable for five years at \$0.12 CDN.

12. (LOSS) INCOME PER SHARE

The calculation of basic and diluted (loss) income per share for the period ended March 31, 2025 was based on the net loss attributable to common shareholders of \$138,030 (March 31, 2024 – net income of \$781,523) and the weighted average number of common shares outstanding of 138,714,260 (March 31, 2024 – 125,023,958).

Diluted (loss) income per share did not include the effect of 13,700,000 stock options, 53,455,179 warrants and 1,540,136 broker warrants outstanding as they are anti-dilutive.

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13. RELATED PARTY DISCLOSURES

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at fair value.

Remuneration of Directors and key management of the Company was as follows:

	March 31, 2024	March 31, 2024
Management and director fees ⁽ⁱ⁾	76,516	81,037

(i) Included in office and administrative costs in the interim consolidated statements of loss and comprehensive loss.

Other related party balances are listed below:

- (a) Included in accounts payable and accrued liabilities is \$740,232 (December 31, 2024 - \$662,609) of amounts owing to directors and management of the Company for management and director fees.
- (b) Included in loans payable is \$59,126 (December 31, 2024 - \$59,075) owing to an officer of the Company which is unsecured, non-interest bearing and due on demand.

14. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes issued capital stock, contributed surplus, deficit and foreign currency warrants in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity and warrants, debt or by securing strategic partners.

The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the period ended March 31, 2024.

15. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks by virtue of its activities. In particular market risk (composed of currency risk and equity price risk), liquidity risk, fair value risk, interest risk and credit risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance.

Risk management is carried out by management under policies approved by the Board of Directors. Management is charged with the responsibility of establishing controls and procedures to ensure that financial risks are mitigated in accordance with the approved policies.

(a) Market Risk

(i) Currency risk

The Company operates internationally and is exposed to foreign exchange risk from the Canadian Dollar. Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies.

As at March 31, 2025, the Company is exposed to currency risk through the following financial assets and liabilities denominated in Canadian dollars:

	March 31, 2025 (CDN\$)	December 31, 2024 (CDN\$)
Cash	\$ 13,510	\$ 33,213
Investment	\$ 1,997,237	\$ 1,997,237
Accounts payable and accrued liabilities	\$ 1,296,050	\$ 1,156,215
Loans payable	\$ 210,000	\$ 210,000

The above balances were translated into US dollars at the period-end rate of \$0.6956 (December 31, 2024 - \$0.6950) Canadian dollars to every US dollar.

Based on the above net exposures as at March 31, 2025, assuming that all other variables remain constant, a +/- 5% change in the Canadian dollar against the United States dollar would result in an increase/decrease in net loss of approximately \$17,600.

(ii) Equity risk

The Company is exposed to price risk with respect to equity prices of its investment. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the stock market. The Company's investments are subject to fluctuations in fair value arising from changes in the equity market

15. FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at March 31, 2025, the Company has current liabilities of \$2,407,059 (December 31, 2024 - \$2,324,396) due within 12 months and has cash of \$36,334 (December 31, 2024 - \$24,648) to meet its current obligations. As a result, the Company has liquidity risk and is dependent on raising additional capital to fund operations.

The convertible debenture is due on demand upon six months' notice in writing but the holder has not yet submitted a notice in writing demanding payment.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk is primarily related to the Company's interest-bearing debt on its interim consolidated statement of financial position. The Company does not have any debt with variable interest rates, thereby minimizing the Company's exposure to cash flow interest rate risk.

(d) Credit Risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk with respect to its cash. The Company reduces its credit risk by maintaining its primary bank accounts at large financial institutions.

16. COMMITMENTS

Leases

The Company is committed under lease agreements to the payment of amounts totaling \$1,066 until October 2025.

The Company is also required to make payments to the Bureau of Land Management to keep mining claims in good standing as noted in Note 5.