

**VALKEA RESOURCES CORP.
(formerly Outback Goldfields Corp.)**

Condensed Interim Consolidated Financial Statements

For the three and nine months ended March 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Nine Months Ended March 31, 2025 and 2024

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Valkea Resources Corp. for the interim periods ended March 31, 2025 and 2024, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, D&H Group LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

May 30, 2025

VALKEA RESOURCES CORP. (formerly Outback Goldfields Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	March 31, 2025	June 30, 2024
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		133,365	83,684
Restricted cash		-	2,414,000
Amounts receivable	6, 11	200,658	15,687
Prepaid expenses	7	194,936	85,783
		528,959	2,599,154
Deferred transaction costs		-	168,748
Reclamation bond		20,796	21,168
Equipment		9,072	13,079
Exploration and evaluation assets	5, 8	23,306,865	13,900,025
Total assets		23,865,692	16,702,174
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9, 11	503,332	115,976
Total liabilities		503,332	115,976
SHAREHOLDERS' EQUITY			
Share capital	10(b)	41,477,670	31,259,203
Subscription receipts	10(b), (f)	-	2,414,000
Warrant reserve		233,466	155,055
Option reserve		3,191,041	2,115,112
Accumulated other comprehensive income		64,677	-
Deficit		(21,604,494)	(19,357,172)
Total shareholders' equity		23,362,360	16,586,198
Total liabilities and shareholders' equity		23,865,692	16,702,174

Nature of operations and going concern (Note 1)
Subsequent event (Note 15)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Chris Donaldson"
Chairman

/s/ "Ota Hally"
Chief Financial Officer

VALKEA RESOURCES CORP. (formerly Outback Goldfields Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three months ended March 31, 2025	March 31, 2024	Nine months ended March 31, 2025	March 31, 2024
		\$	\$	\$	\$
Operating expenses					
Accounting and legal		59,482	12,940	160,891	50,269
Corporate development and marketing		214,518	4,642	482,970	29,783
Exploration expenses	8	743	31,055	1,405	128,843
Management and professional fees	11	127,768	55,602	326,824	231,003
Office and administrative	11	53,704	70,018	140,760	177,323
Share-based compensation	10, 11	331,331	550	1,075,929	3,850
Transfer agent, listing and filing fees		19,574	18,321	106,624	34,789
		(807,120)	(193,128)	(2,295,403)	(655,860)
Other income (expense)					
Foreign exchange loss		-	(18,694)	-	(24,097)
Gain on sale of equipment		4,885	-	4,885	-
Interest income		8,207	7,278	43,196	31,012
Net loss for the period		(794,028)	(204,544)	(2,247,322)	(648,945)
Gain on translation to presentation currency		52,774	-	64,677	-
Comprehensive loss for the period		(741,254)	(204,544)	(2,182,645)	(648,945)
Net loss per share:					
Basic and diluted		(0.02)	(0.04)	(0.09)	(0.11)
Weighted average number of common shares:					
Basic and diluted		32,247,629	5,837,050	24,639,775	5,837,050

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

VALKEA RESOURCES CORP. (formerly Outback Goldfields Corp.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Nine months ended	
	2025	March 31, 2024
	\$	\$
Operating activities		
Net loss for the period	(2,247,322)	(648,945)
Adjustment for:		
Share-based compensation	1,075,929	3,850
Gain on sale of equipment	(4,885)	-
Changes in non-cash working capital:		
Amounts receivable	(111,368)	(6,525)
Prepaid expenses	(109,153)	10,066
Accounts payable and accrued liabilities	198,280	(87,224)
Cash used in operating activities	(1,198,519)	(728,778)
Investing activities		
Cash acquired from the Transaction	17,936	-
Cash paid for the Transaction	(1,500,000)	-
Transaction costs paid for the Transaction	(1,012,904)	-
Investments in exploration and evaluation assets	(1,103,457)	(243,843)
Proceeds from sale of equipment	6,816	-
Purchases of equipment	-	(12)
Reclamation bond	-	(4,404)
Cash used in investing activities	(3,591,609)	(248,259)
Financing activities		
Proceeds from private placements	2,649,979	-
Proceeds from warrants exercised	875	-
Unit issuance costs	(214,592)	-
Restricted cash released	2,414,000	-
Cash provided by financing activities	4,850,262	-
Effect of foreign exchange on cash and cash equivalents	(10,453)	-
Change in cash and cash equivalents	60,134	(977,037)
Cash and cash equivalents, beginning of period	83,684	1,312,361
Cash and cash equivalents, end of period	133,365	335,324
Supplemental cash flow disclosures:		
Interest paid in cash	-	-
Income taxes paid in cash	-	-
Cash interest earned on cash equivalents	42,712	-
Shares issued for acquisition of exploration and evaluation assets	5,500,000	-
Exploration and evaluation assets in accounts payable	182,761	-

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

VALKEA RESOURCES CORP. (formerly Outback Goldfields Corp.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Subscription receipts	Warrant reserve	Option reserve	Accumulated other comprehensive income	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$	\$	\$	\$
Balance, June 30, 2023	5,837,050	31,259,203	-	155,055	2,111,262	-	(18,551,361)	14,974,159
Share-based compensation	-	-	-	-	3,850	-	-	3,850
Net loss for the period	-	-	-	-	-	-	(648,945)	(648,945)
Balance, March 31, 2024	5,837,050	31,259,203	-	155,055	2,115,112	-	(19,200,306)	14,329,064
Subscription receipts issued for cash	-	-	2,414,000	-	-	-	-	2,414,000
Share-based compensation	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(156,866)	(156,866)
Balance, June 30, 2024	5,837,050	31,259,203	2,414,000	155,055	2,115,112	-	(19,357,172)	16,586,198
Shares issued for acquisition of exploration and evaluation assets	13,750,000	5,500,000	-	-	-	-	-	5,500,000
Shares issued for warrants exercised	2,187	1,497	-	(622)	-	-	-	875
Subscription receipts issued for cash	-	-	2,589,979	-	-	-	-	2,589,979
Units issued for cash	150,000	60,000	-	-	-	-	-	60,000
Conversion of subscription receipts to units	12,509,947	5,003,979	(5,003,979)	-	-	-	-	-
Unit issuance costs	-	(347,009)	-	79,033	-	-	-	(267,976)
Share-based compensation	-	-	-	-	1,075,929	-	-	1,075,929
Gain on translation to presentation currency	-	-	-	-	-	64,677	-	64,677
Net loss for the period	-	-	-	-	-	-	(2,247,322)	(2,247,322)
Balance, March 31, 2025	32,249,184	41,477,670	-	233,466	3,191,041	64,677	(21,604,494)	23,362,360

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

VALKEA RESOURCES CORP. (formerly Outback Goldfields Corp.)
Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended March 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Valkea Resources Corp. (formerly Outback Goldfields Corp.) (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act of Ontario on March 6, 2018. On September 17, 2024, the Company changed its name to Valkea Resources Corp. The Company’s head office is located at Suite 600 - 1111 Hastings Street, Vancouver, British Columbia, V6E 2J3. The Company’s principal business activities include the acquisition and exploration of mineral property assets.

On February 13, 2019, the Company’s common shares commenced trading on the Canadian Securities Exchange (“CSE”) under the symbol “SKRB”. In December 2020, the Company’s trading symbol on the CSE was changed to “OZ”. In the year ended June 30, 2021, the Company began trading on the Frankfurt Exchange under the trading symbol “S600”. In January 2022, the Company began trading on the TSX Venture Exchange (the “TSXV”) under the trading symbol “OZ”. On November 14, 2024, the Company began trading on the OTCQB Venture Market under the ticker symbol “OZBKF”.

These unaudited condensed interim consolidated financial statements for the three and nine months ended March 31, 2025 and 2024 (the “financial statements”) have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at March 31, 2025, the Company had working capital of \$25,627 (June 30, 2024 - \$2,483,178) and an accumulated deficit of \$21,604,494 (June 30, 2024 - \$19,357,172). For the three and nine months ended March 31, 2025, the Company incurred a net loss of \$794,028 and \$2,247,322, respectively (2024 - \$204,544 and \$648,945, respectively). The Company expects to incur further losses in the development of its business. The Company’s ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

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

On September 17, 2024, the Company completed a consolidation of its common shares on a ten-to-one basis. All share and per share amounts have been retrospectively adjusted to reflect the consolidation. Any references to common shares are on a post-consolidation basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidation.

On September 18, 2024, the Company completed the acquisition with S2 Resources Limited (“S2”) whereby the Company acquired all the issued and outstanding shares of Sakumpu Exploration Oy (“Sakumpu”) (the “Transaction”) (Note 5).

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on May 30, 2025.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company’s audited financial statements for the years ended June 30, 2024 and 2023 (the “Annual Financial Statements”).

b) Basis of presentation

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards, as well as information presented in the condensed interim consolidated statements of cash flows.

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Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended March 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

c) Functional and presentation currency

The financial statements are presented in Canadian dollars (“\$” or “CAD”). The functional currency is the currency of the primary economic environment in which an entity operates and listed in Note 2(d) below. References to “AUD” are to Australian dollars, references to “EUR” are to euros.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company’s subsidiaries included in these financial statements as at March 31, 2025 is as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Functional currency	Principal activity
Valkea Resources Corp.	Canada	100%	CAD	Holding company and head office function
Outback Goldfields Australia Pty Ltd (“Outback Australia”)	Australia	100%	AUD	Holding company
Sakumpu Exploration Oy ⁽¹⁾	Finland	100%	EUR	Holding company

(1) On September 18, 2024, the Company acquired a 100% interest in Sakumpu Exploration Oy.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS

In the preparation of these financial statements, the Company used the same accounting policies as in the Annual Financial Statements, except for the following:

Restricted Share Units (“RSUs”) and Deferred Share Units (“DSUs”)

The RSU and DSU plans are available to the Company’s directors, certain employees and consultants. RSUs and DSUs are exchangeable, at settlement date, for (i) one common share of the Company, (ii) a lump sum payment in cash equal to the market value of one common share of the Company on the settlement date, or (iii) any combination of the foregoing. The settlement date of RSUs is the vesting date of respective RSU issuances. The fair value of each RSU and DSU is measured at the grant date by reference to the Company’s share price at that time. The fair value of RSUs and DSUs granted is recognized as share-based compensation over the vesting period.

The following pronouncements which became effective for periods beginning on or after January 1, 2024 and have thus been applied effective for July 1, 2024:

Classification of liabilities as current or non-current - amendments to IAS 1

Additionally, the Company assessed the impacts of the amendments to IAS 1 *Presentation of Financial Statements*, effective for periods beginning on or after January 1, 2024, which clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments had no impact on the Company’s financial statements.

There were no other recent pronouncements applicable to the Company’s financial statements.

3. MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS (continued)

Pronouncements issued but not yet effective (do not adopt yet but disclose as below)

On April 9, 2024, the International Accounting Standards Board issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

In May 2024, the International Accounting Standards Board ("IASB") issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the financial statements.

4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed in its Annual Financial Statements, except for the following:

Asset acquisition versus business combination

At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets is acquired. More specifically, consideration is given to the extent to which significant processes are acquired. When the acquisition does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized.

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(Unaudited - Expressed in Canadian dollars)

5. ACQUISITION OF SAKUMPU EXPLORATION OY

On September 18, 2024, the Company completed the Transaction whereby the Company acquired all of the issued and outstanding shares of Sakumpu from Norse Exploration Pty Ltd. (the "S2 Subsidiary"), an indirect wholly owned subsidiary of S2 pursuant to a share purchase agreement between the Company, the S2 Subsidiary, and S2 dated May 9, 2024 (the "Share Purchase Agreement"). Pursuant to the Share Purchase Agreement, the Company paid S2 \$1,500,000 in cash and issued 13,750,000 common shares of the Company at a fair value of \$0.40 per share to S2. As a result of the common shares issued to S2 and its common share ownership resulting from participation in private placements, S2 became the largest single shareholder of Valkea with an approximate 44.6% ownership at the time of the Transaction. Due to the significant shareholding in Valkea by S2, the TSXV viewed the Transaction as a reverse takeover of Valkea by S2.

The Company incurred transaction costs of \$1,128,268 comprised of legal fees and due diligence costs in connection with the Transaction, of which \$115,364 was incurred during the year ended June 30, 2024, and recorded in deferred transaction costs. Total transaction costs have been included as part of the total consideration in the Transaction.

Sakumpu did not qualify as a business under IFRS 3 *Business Combinations*, as it did not possess the significant inputs, processes, and outputs that together constitute a business at the time of acquisition. Therefore, the Transaction was accounted for as an asset acquisition. Accordingly, no goodwill was recorded and consideration measured at fair value was allocated to the assets and liabilities acquired.

A summary of the Company's consideration and the net assets acquired from Sakumpu as at September 18, 2024, acquisition date is as follows:

	\$
Consideration:	
Cash payments	1,500,000
Fair value of common shares issued to S2 (Note 10(b))	5,500,000
Transaction costs	1,128,268
	8,128,268
Assets and liabilities acquired:	
Cash	17,936
Amounts receivable	73,603
Exploration and evaluation assets	8,041,728
Equipment	1,316
Accounts payable and accrued liabilities	(6,315)
	8,128,268

The amount of \$8,041,728 allocated to the exploration and evaluation assets was allocated to the Finnish properties (Note 8(b)).

6. AMOUNTS RECEIVABLE

A summary of the Company's amounts receivable is as follows:

	March 31, 2025	June 30, 2024
	\$	\$
Goods and services taxes receivable	180,298	15,687
Other receivables	20,360	-
	200,658	15,687

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Notes to the Condensed Interim Consolidated Financial Statements
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7. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	March 31, 2025	June 30, 2024
	\$	\$
Exploration expenses	846	15,650
Corporate development and marketing	137,524	45,250
Office and administrative	47,138	14,120
Transfer agent, listing, and filing fees	9,428	10,763
	194,936	85,783

8. EXPLORATION AND EVALUATION

A summary of the Company's exploration and evaluation assets is as follows:

	Yeungroon project	Silver Spoon project	Finnish properties	Total
	\$	\$	\$	\$
Balance, June 30, 2023	10,508,759	3,125,053	-	13,633,812
Chemical analysis	17,843	-	-	17,843
Geological services	59,031	28,994	-	88,025
Geophysical surveys	11,310	-	-	11,310
Materials and supplies	7,029	-	-	7,029
Project management	77,617	40,409	-	118,026
Recording and filing	15,294	4,315	-	19,609
Travel	3,961	410	-	4,371
Balance, June 30, 2024	10,700,844	3,199,181	-	13,900,025
Acquisition costs	-	-	8,041,728	8,041,728
Depreciation	2,392	731	-	3,123
Drilling and trenching	-	-	325,891	325,891
Geological services	28,067	3,006	675,953	707,026
Project management	12,088	9,127	-	21,215
Recording and filing	-	191	168,470	168,661
Travel	-	-	63,425	63,425
Currency translation	26,321	1,663	47,787	75,771
Balance, March 31, 2025	10,769,712	3,213,899	9,323,254	23,306,865

The Company does not capitalize expenditures on projects that were previously impaired. Expenditures on previously impaired projects are expensed.

A summary of the Company's exploration expenses for the three months ended March 31, 2025 on previously impaired projects is as follows:

	Glenfine project	Total
	\$	\$
Geological services	743	743
	743	743

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8. EXPLORATION AND EVALUATION (continued)

A summary of the Company's exploration expenses for the three months ended March 31, 2024 on previously impaired projects is as follows:

	Ballarat West project	Glenfine project	Total
	\$	\$	\$
Geological services	1,943	25,759	27,702
Project management	11	3,198	3,209
Recording and filing	144	-	144
	2,098	28,957	31,055

A summary of the Company's exploration expenses for the nine months ended March 31, 2025 on previously impaired projects is as follows:

	Ballarat West project	Glenfine project	Total
	\$	\$	\$
Geological services	201	945	1,146
Project management	51	208	259
	252	1,153	1,405

A summary of the Company's exploration expenses for the nine months ended March 31, 2024 on previously impaired projects is as follows:

	Ballarat West project	Glenfine project	Total
	\$	\$	\$
Geological services	19,126	93,077	112,203
Project management	1,789	4,217	6,006
Recording and filing	4,239	6,395	10,634
	25,154	103,689	128,843

a) Finnish Properties

On September 18, 2024, the Company completed the Transaction with S2 (Note 5). The acquisition of Sakumpu includes several exploration licenses, including the Aarnivalkea mineral prospect within the Paana Central exploration license and of two licenses which are subject to an earn-in agreement with Rupert Resources Corp. (collectively, the "Finnish Properties"). These licenses are wholly owned by Sakumpu. There is no minimum exploration expenditures required on the Finnish Properties although there are annual minimum landholder payments required.

b) Victorian Gold Projects

The Victorian Gold Projects include Yeungroon, Silver Spoon, Ballarat West, and Glenfine projects.

On March 4, 2025, the Company completed the grant of an option on its Yuengroon, Ballarat West, and Silver Spoon projects ("YBWSS Option") located in Australia to S2 and contemplated as part of the Transaction. Pursuant to the YBWSS Option, S2 can earn an 80% interest in the Yuengroon, Ballarat West, and Silver Spoon projects by sole-funding total expenditures of AUD \$1.2 million within four years. The Company also announced that it has granted S2 an option on its Glenfine project (the "Glenfine Option" and, together with the YBWSS Option, the "Options") located in Australia. Pursuant to the Glenfine Option, S2 can earn a 51% interest in the Glenfine project by sole funding total expenditures of AUD 200,000 within four years. Upon exercise of the YBWSS Option, S2 will hold an 80% interest in the Yuengroon, Ballarat West, and Silver Spoon projects, and the Company will retain a 20% interest. Upon exercise of the Glenfine Option, S2 will hold a 51% interest in the Glenfine project, and the current Glenfine partners will retain a 49% interest. If a party's joint venture interest is diluted below 10%, it will automatically convert to a 2% net smelter return royalty.

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8. EXPLORATION AND EVALUATION (continued)

The minimum exploration expenditure commitments associated with granted exploration licenses at the Victorian Gold Projects are as follows:

- \$419,800 for year ended June 30, 2025;
- \$317,300 for year ended June 30, 2026;
- \$25,000 for year ended June 30, 2027; and
- \$25,000 for the year ended June 30, 2028.

The Company has the flexibility to defer expenditures from one year to the next, and it is expected renewals of certain licenses will result in additional minimum expenditures.

Following a strategic evaluation of the Company's four projects in the year ended June 30, 2023, it was determined that given existing plans and finances available for exploration, the priority of the Company is the Yeungroon and Silver Spoon projects. As a result, the Glenfine and Ballarat West projects were impaired in the year ended June 30, 2023 and any future expenditures are expensed.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	March 31, 2025	June 30, 2024
	\$	\$
Trade payables	336,935	85,292
Accrued liabilities	166,397	30,684
	503,332	115,976

10. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

During the nine months ended March 31, 2025, the Company had the following share capital transactions:

- On September 5, 2024, the Company closed a private placement for gross proceeds of \$60,000 by issuing 150,000 units at a price of \$0.40 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one additional common share at a price of \$0.60 per common share until September 5, 2027. The gross proceeds from the units were allocated using the residual value method whereby the proceeds were allocated to the common shares based on the market value at the date of issuance and the remaining proceeds were allocated to the warrants and recognized in warrant reserve. As the fair value of the common shares on the issuance date was equivalent to the cash proceeds, \$nil residual value was allocated to the share purchase warrants. In connection with this private placement, the Company paid cash finders' fees of \$3,700 and issued 9,000 finders' warrants with an aggregate fair value of \$2,566. Each finders' warrant entitles the holder to purchase one common share at an exercise price of \$0.40 until September 5, 2027. The finders' warrants were valued using the Black-Scholes option pricing model with a corresponding amount added to warrant reserve.

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10. SHARE CAPITAL (continued)

- On September 18, 2024, upon closing of the Transaction, 12,509,947 subscription receipts of the Company issued on June 21, 2024, and September 16, 2024 (Note 10(f)) were converted into 12,509,947 units of the Company. Each unit consists of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share at a price of \$0.60 per common share until September 18, 2027. The gross proceeds of \$5,003,979 were allocated using the residual value method whereby the proceeds were allocated to the common shares based on the market value at the date of issuance with remaining proceeds allocated to the warrants and recognized in warrant reserve. As the fair value of the common shares on the issuance date was equivalent to the cash proceeds, \$nil residual value was allocated to the share purchase warrants. In connection with the issuance of subscription receipts that subsequently converted to units, the Company incurred unit issuance costs of \$340,743, of which \$53,384 was incurred during the year ended June 30, 2024 and recorded in deferred transaction costs. Unit issuance costs were comprised of cash finders' fees of \$121,113, cash issuance costs of \$143,163 and the issuance of 268,800 finders' warrants with an aggregate fair value of \$76,467. Each finders' warrant entitles the holder to purchase one common share at an exercise price of \$0.40 per share until September 18, 2027. The finders' warrants were valued using the Black-Scholes option pricing model with a corresponding amount added to the warrant reserve.
- On September 18, 2024, the Company issued 13,750,000 common shares at a fair value of \$0.40 per share to S2 for a total fair value of \$5,500,000 as a part of the consideration for the Transaction (Note 5).
- On March 6, 2025, the Company issued 2,187 common shares upon the exercise of 2,187 finders' warrants at an exercise price of \$0.40 for gross proceeds of \$875. As a result, the total fair value of the finders' warrants of \$622 was transferred from warrant reserve to share capital.

During the year ended June 30, 2024, the Company did not have any share capital transactions.

c) Warrants

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, June 30, 2024 and 2023	-	-
Issued	12,937,747	0.60
Exercised	(2,187)	0.40
Balance, March 31, 2025	12,935,560	0.60

A summary of the Company's warrants outstanding as at March 31, 2025 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
September 5, 2027	9,000	0.40	2.43
September 5, 2027	150,000	0.60	2.43
September 18, 2027	266,613	0.40	2.47
September 18, 2027	12,509,947	0.60	2.47
	12,935,560	0.60	2.47

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10. SHARE CAPITAL (continued)

During the nine months ended March 31, 2025, the Company had the following warrant transactions:

- In connection with the September 5, 2024 private placement, the Company issued 9,000 finders' warrants with an aggregate fair value of \$2,566, which were valued using the Black-Scholes option pricing model with a corresponding amount added to the warrant reserve. Each finders' warrant entitles the holder to purchase one common share at an exercise price of \$0.40 per share until September 5, 2027.
- In connection with the September 5, 2024 private placement, the Company issued 150,000 common share purchase warrants. Each common share purchase warrant is exercisable into one additional common share at a price of \$0.60 per common share until September 5, 2027.
- In connection with the subscription receipts issued on June 21, 2024 and September 16, 2024 (Note 10(f)), the Company issued 268,800 finders' warrants with an aggregate fair value of \$76,467, which were valued using the Black-Scholes option pricing model with a corresponding amount added to the warrant reserve. Each finders' warrant entitles the holder to purchase one common share at an exercise price of \$0.40 per share until September 18, 2027.
- On September 18, 2024, upon closing of the Transaction, 12,509,947 subscription receipts of the Company issued in the private placements that closed on June 21, 2024 and September 16, 2024 (Note 10(f)) were converted into 12,509,947 units of the Company. As a result, 12,509,947 common share purchase warrants of Company were issued. Each common share purchase warrant is exercisable into one additional common share at a price of \$0.60 per common share until September 18, 2027.
- On March 6, 2025, the Company issued 2,187 common shares upon the exercise of 2,187 finders' warrants at an exercise price of \$0.40 for gross proceeds of \$875. As a result, the total fair value of the finders' warrants of \$622 was transferred from warrant reserve to share capital.

During the year ended June 30, 2024, the Company did not issue any warrants.

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for warrants issued during the nine months ended March 31, 2025 is as follows:

Share price	\$0.40
Exercise price	\$0.59
Expected life	3.00 years
Risk-free interest rate	2.87%
Expected volatility	119.31%
Expected annual dividend yield	0.00%

d) Stock options

On November 19, 2020, the Company adopted a new revised stock option plan that allows issuance for up to 10% of its outstanding shares on a rolling basis amongst other terms of the plan. The purposes of the plan continue to be (a) support the achievement of the Company's performance objectives and (b) ensure that interests of key persons are aligned with the success of the Company. The fair value of each option grant is estimated at the date of grant using the Black-Scholes option pricing model and are amortized over their vesting period.

A summary of the Company's stock option activity is as follows:

	Number of stock options outstanding	Weighted average exercise price
	#	\$
Balance, June 30, 2023	583,500	5.70
Expired	(525,000)	6.00
Balance, June 30, 2024	58,500	2.55
Granted	3,150,000	0.40
Balance, March 31, 2025	3,208,500	0.44

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10. SHARE CAPITAL (continued)

A summary of the Company's stock options outstanding as at March 31, 2025 is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
February 23, 2028	14,000	4,667	1.10	2.90
July 9, 2028	5,833	5,833	3.00	3.28
October 21, 2028	38,667	38,667	3.00	3.56
September 16, 2029	3,150,000	1,050,000	0.40	4.47
	3,208,500	1,099,167	0.44	4.45

During the nine months ended March 31, 2025, the Company granted the following stock options:

- On September 17, 2024, the Company granted 3,150,000 stock options to directors, officers, and consultants. These stock options have an exercise price of \$0.40, expire on September 16, 2029, and vest over a two-year period in three equal tranches with the first 1/3 on the grant date, and 1/3 every twelve months thereafter.

During the year ended June 30, 2024, the Company did not grant any stock options.

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for stock options granted during the nine months ended March 31, 2025 is as follows:

Share price	\$0.40
Exercise price	\$0.40
Expected life	5.00 years
Risk-free interest rate	2.72%
Expected volatility	138.78%
Expected annual dividend yield	0.00%

During the three and nine months ended March 31, 2025, the Company recognized share-based compensation of \$137,822 and \$667,072, respectively (2024 - \$550 and \$3,850, respectively), relating to the vesting of stock options.

e) Deferred share units

A summary of the Company's DSU activity is as follows:

	Number of DSUs
	#
Outstanding, June 30, 2024 and 2023	-
Granted	2,030,000
Outstanding, March 31, 2025	2,030,000

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10. SHARE CAPITAL (continued)

During the nine months ended March 31, 2025, the Company granted the following DSUs:

- On September 17, 2024, the Company granted 1,931,250 DSUs to certain directors and officers of the Company. These DSUs will vest on September 17, 2025. The fair value of each DSU was determined to be the fair value of the Company's common share on grant date, resulting in total fair value of \$772,500 which will be recognized as share-based compensation on a straight-line basis over the vesting period.
- On March 3, 2025, the Company granted 98,750 DSUs to certain directors of the Company. These DSUs will vest on March 3, 2026. The fair value of each DSU was determined to be the fair value of the Company's common share on grant date, resulting in total fair value of \$39,500 which will be recognized as share-based compensation on a straight-line basis over the vesting period.

During the year ended June 30, 2024, the Company did not grant any DSUs.

During the three and nine months ended March 31, 2025, the Company recognized \$193,509 and \$408,857, respectively (2024 - \$nil and \$nil, respectively) in share-based compensation related to the vesting of DSUs.

f) Subscription receipts

On June 21, 2024, the Company closed a private placement of subscription receipts for gross proceeds of \$2,414,000 by issuing 6,035,000 subscription receipts at a price of \$0.40 per subscription receipt. On September 18, 2024, the subscription receipts were converted into 6,035,000 units (Note 10(b)).

On September 16, 2024, the Company closed a private placement of subscription receipts for gross proceeds of \$2,589,979 by issuing 6,474,947 subscription receipts at a price of \$0.40 per subscription receipt. On September 18, 2024, the subscription receipts were converted into 6,474,947 units (Note 10(b)).

11. RELATED PARTY TRANSACTIONS

Key management personnel include those having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions is as follows:

	Three months ended		Nine months ended	
	March 31,		March 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Corporate development and marketing	100,000	-	134,903	-
Management and professional fees	103,000	51,799	299,569	214,198
Office and administrative	-	-	12,500	36,000
Share-based compensation	300,337	468	884,551	3,276
	503,337	52,267	1,331,523	253,474

The Company sub-leased its office space and received shared services from an entity controlled by its Chairman of the Board of Directors. This contract ended on September 30, 2024. During the nine months ended March 31, 2025, sub-lease costs, office expenses, human resource support, and related fees of \$12,500 were paid to this entity (2024 - \$36,000). All transactions with this entity are at fair market value for services received by the Company. As of October 1, 2024, these services are no longer provided by a related party.

As at March 31, 2025, included in accounts payable and accrued liabilities are due to related parties of \$173,034 (June 30, 2024 - \$32,541). The amounts due are unsecured, due on demand and are non-interest bearing.

11. RELATED PARTY TRANSACTIONS (continued)

As at March 31, 2025, included in amounts receivable is \$20,000 (June 30, 2024 - \$nil) owed by a related company under common control. The balance earns a transaction fee of \$1,500 and interest at 10.20% per year. The balance, transaction fee, and accrued interest are all due on July 10, 2025. During the three and nine months ended March 31, 2025, the Company accrued interest income on this balance of \$360 and \$360, respectively (2024 - \$nil and \$nil, respectively).

12. CAPITAL MANAGEMENT

The Company's capital consists of all components of shareholders' equity. The Company manages its capital structure based on the funds available to the Company, in order to support exploration. The Board of Directors does not impose quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain the future development of the business.

In the management of capital, the Company considers all types of equity and is dependent on third party financing, whether through debt, equity, or other means. Although the Company has been successful in raising funds to date, there is no assurance that the Company will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to the Company. Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at March 31, 2025, financial instruments comprised of cash and cash equivalents, amounts receivable except for goods and services taxes receivable, reclamation bond, and accounts payable and accrued liabilities that are classified as and measured at amortized cost. The carrying value of cash and cash equivalents, amounts receivable, reclamation bond, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these financial instruments.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfil its contractual obligations. The Company's credit risk relates primarily to cash and cash equivalents. The Company minimizes its credit risk related to cash and cash equivalents by placing cash and cash equivalents with major financial institutions. The Company considers the credit risk to be minimal.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's primary exposure to liquidity risk is through accounts payable and accrued liabilities. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. As of March 31, 2025, the Company had cash and cash equivalents of \$133,365 (June 30, 2024 - \$83,684) and working capital of \$25,627 (June 30, 2024 - \$2,483,178). As at March 31, 2025, liquidity risk is assessed as high. The Company will need to raise additional funds in the future to continue its exploration operations and there is no certainty that it will be able to obtain adequate financing in the future.

c) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company is exposed to foreign exchange risk from fluctuations in the Canadian dollar to the Australian dollar and the Euro. A 1% change in the Canadian dollar exchange rate relative to the Australian dollar would change the Company's loss by approximately \$354; and a 1% change in the Canadian dollar exchange rate relative to the Euro would change the Company's loss by approximately \$645.

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13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

A summary of the Company's financial assets and liabilities as at March 31, 2025 that are denominated in the Australian dollar and the euro is as follows:

	AUD	EUR
	\$	\$
Financial assets		
Cash and cash equivalents	11,698	102,750
Amounts receivable	2,892	169,480
Reclamation bond	20,796	-
	35,386	272,230
Financial liabilities		
Accounts payable and accrued liabilities	-	207,761
	-	207,761
Net financial assets	35,386	64,469

14. SEGMENTED INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company has been identified as the Chief Financial Officer, who makes strategic decisions and allocates resources based on the information available by operating segment. The CODM determines the reportable segments of the Company based on the availability of discrete financial results and the nature of operations relating to each operating segment. The CODM identified three reportable segments being 1) Canada, 2) Australia, and 3) Finland.

A summary of the Company's assets and liabilities by geographic segment as at March 31, 2025 is as follows:

	Canada	Australia	Finland	Total
	\$	\$	\$	\$
Current assets	236,215	20,514	272,230	528,959
Non-current assets	-	14,012,127	9,324,606	23,336,733
Total assets	236,215	14,032,641	9,596,836	23,865,692
Total liabilities	(295,571)	-	(207,761)	(503,332)

A summary of the Company's assets and liabilities by geographic segment as at June 30, 2024 is as follows:

	Canada	Australia	Total
	\$	\$	\$
Current assets	2,565,337	33,817	2,599,154
Non-current assets	168,748	13,934,272	14,103,020
Total assets	2,734,085	13,968,089	16,702,174
Total liabilities	(100,180)	(15,796)	(115,976)

A summary of the Company's net loss by geographic segment for the three months ended March 31, 2025 is as follows:

	Canada	Australia	Finland	Total
	\$	\$	\$	\$
Operating expenses	771,736	10,038	25,346	807,120
Operating loss	(771,736)	(10,038)	(25,346)	(807,120)
Gain on sale of equipment	-	4,885	-	4,885
Interest income	8,087	-	120	8,207
Net loss	(763,649)	(5,153)	(25,226)	(794,028)

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14. SEGMENTED INFORMATION (continued)

A summary of the Company's net loss by geographic segment for the three months ended March 31, 2024 is as follows:

	Canada	Australia	Total
	\$	\$	\$
Operating expenses	172,956	20,172	193,128
Operating loss	(172,956)	(20,172)	(193,128)
Foreign exchange loss	-	(18,694)	(18,694)
Interest income	7,269	9	7,278
Net loss	(165,687)	(38,857)	(204,544)

A summary of the Company's net loss by geographic segment for the nine months ended March 31, 2025 is as follows:

	Canada	Australia	Finland	Total
	\$	\$	\$	\$
Operating expenses	2,227,215	31,836	36,352	2,295,403
Operating loss	(2,227,215)	(31,836)	(36,352)	(2,295,403)
Gain on sale of equipment	-	4,885	-	4,885
Interest income	43,072	2	122	43,196
Net loss	(2,184,143)	(26,949)	(36,230)	(2,247,322)

A summary of the Company's net loss by geographic segment for the nine months ended March 31, 2024 is as follows:

	Canada	Australia	Total
	\$	\$	\$
Operating expenses	562,527	93,333	655,860
Operating loss	(562,527)	(93,333)	(655,860)
Foreign exchange loss	-	(24,097)	(24,097)
Interest income	29,274	1,738	31,012
Net loss	(533,253)	(115,692)	(648,945)

15. SUBSEQUENT EVENT

On May 23, 2025, the Company granted 98,750 DSUs to certain directors of the Company.