



**Hawthorn Resources Corp.**

Condensed Interim Financial Statements  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)

For the nine months ended April 30, 2025

## **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 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 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 interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**Hawthorn Resources Corp.**  
Condensed Interim Statement of Financial Position  
For the nine months ended April 30, 2025  
(Expressed in Canadian dollars - Unaudited)

As at	April 30, 2025	July 31, 2024
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 208,767	\$ 11,613
Receivables and prepaids (Note 3)	<u>31,358</u>	<u>-</u>
	240,125	11,613
<b>Exploration and evaluation asset (Note 4)</b>	<u>172,500</u>	<u>69,500</u>
	<u>\$ 412,625</u>	<u>\$ 81,113</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 6)	<u>\$ 263,619</u>	<u>\$ 122,787</u>
<b>Shareholders' equity (deficiency)</b>		
Share capital (Note 5)	1,185,559	665,016
Reserves (Note 5)	29,625	18,804
Deficit	<u>(1,066,178)</u>	<u>(725,494)</u>
	<u>149,006</u>	<u>(41,674)</u>
	<u>\$ 412,625</u>	<u>\$ 81,113</u>

Nature and continuance of operations (Note 1)  
Subsequent event (Note 11)

Approved on Behalf of the Board on June 27, 2025

"Daniel Joyce"  
Daniel Joyce - Director

"Samantha Shorter"  
Samantha Shorter - Director

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

**Hawthorn Resources Corp.****Condensed Interim Statement of Loss and Comprehensive Loss**

For the nine months ended April 30, 2025

*(Expressed in Canadian dollars - Unaudited)*

	For the three months ended April 30, 2025	For the three months ended April 30, 2024	For the nine months ended April 30, 2025	For the nine months ended April 30, 2024
<b>EXPENSES</b>				
Bank charges and interest	\$ 573	\$ -	\$ 573	\$ -
Exploration expenses (Note 4)	-	-	-	100,310
Foreign exchange	260	-	260	-
Investor relations	15,623	-	15,623	-
Management fees (Note 6)	48,398	-	63,398	20,000
Office and rent	2,786	174	4,056	6,138
Professional fees (Note 6)	157,034	15,128	192,097	47,404
Share-based compensation (Note 5, 6)	-	-	29,490	-
Travel and conference	11,804	-	11,804	-
Transfer agent, listing and filing fees	7,499	3,599	23,383	14,274
<b>Loss and comprehensive loss for the period</b>	<b>\$ (243,977)</b>	<b>\$ (18,901)</b>	<b>\$ (340,684)</b>	<b>\$ (188,126)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>	<b>21,323,978</b>	<b>15,991,868</b>	<b>19,332,872</b>	<b>15,903,796</b>

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

**Hawthorn Resources Corp.**

## Condensed Interim Statement of Changes in Shareholders' Equity (Deficiency)

For the nine months ended April 30, 2025

*(Expressed in Canadian dollars - Unaudited)*

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total</b>
<b>Balance, July 31, 2023</b>	15,860,000	\$ 655,016	\$ 18,804	\$ (524,408)	\$ 149,412
Shares issued as property acquisition costs	200,000	10,000	-	-	10,000
Loss for the period	-	-	-	(188,126)	(188,126)
<b>Balance, April 30, 2024</b>	16,060,000	\$ 665,016	\$ 18,804	\$ (712,534)	\$ (28,714)
<b>Balance, July 31, 2024</b>	16,060,000	\$ 665,016	\$ 18,804	\$ (725,494)	\$ (41,674)
Private placement	5,000,000	500,000	-	-	500,000
Share issuance costs	-	(32,676)	-	-	(32,676)
Agent options exercised	345,500	53,219	(18,669)	-	34,550
Share-based payments	-	-	29,490	-	29,490
Loss for the period	-	-	-	(340,684)	(340,684)
<b>Balance, April 30, 2025</b>	21,405,500	\$ 1,185,559	\$ 29,625	\$ (1,066,178)	\$ 149,006

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

**Hawthorn Resources Corp.**  
Condensed Interim Statement of Cash Flows  
For the nine months ended April 30, 2025  
*(Expressed in Canadian dollars - Unaudited)*

For the nine months ended April 30,	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the period	\$ (340,684)	\$ (188,126)
Items not involving cash:		
Share-based payments	29,490	-
Changes in non-cash working capital items:		
Receivables and prepaid expenses	(31,358)	(7,521)
Accounts payable and accrued liabilities	140,832	67,591
Net cash used in operating activities	(201,720)	(128,056)
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Exploration and evaluation assets	(103,000)	-
Net cash used in investing activity	(103,000)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Private placement	500,000	-
Share issuance costs	(32,676)	-
Agent options exercised	34,550	-
Net cash provided by financing activities	501,874	-
<b>Change in cash for the period</b>	<b>197,154</b>	<b>(128,056)</b>
<b>Cash, beginning of period</b>	<b>11,613</b>	<b>136,768</b>
<b>Cash, end of period</b>	<b>\$ 208,767</b>	<b>\$ 8,712</b>

Note 9 – Supplemental disclosures with respect to cash flows.

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

**Hawthorn Resources Corp.**  
Notes to the Condensed Interim Financial Statements  
For the nine-month period ended April 30, 2025  
(Expressed in Canadian dollars)

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## **1 NATURE AND CONTINUANCE OF OPERATIONS**

Hawthorn Resources Corp., (the “Company”) was incorporated under the Business Corporations Act (British Columbia) (“BCBCA”) on September 8, 2020.

The address of its head office is located at Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3. The Company’s registered and records office is Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3.

The Company’s shares commenced trading on the Canadian Securities Exchange (the “CSE”) on February 22, 2023, under the symbol HWTN.

These condensed interim financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company’s ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The Company has incurred losses since inception and has an accumulated deficit of \$1,066,178. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim 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.

## **2 BASIS OF PREPARATION**

### **Statement of compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with IFRS and International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”).

This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the audited financial statements of the Company for the years ended July 31, 2024 and 2023.

### **Basis of presentation**

The condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

### **Use of judgments and estimates**

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

## 2 BASIS OF PREPARATION (cont'd...)

### *Use of judgments and Estimates* (cont'd...)

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

The key areas of judgment applied in the preparation of the condensed interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Going concern

The assessment of the Company's ability to continue as a going concern and to raise additional funding to cover its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

- Valuation of exploration and evaluation assets

The recognition of exploration and evaluation assets requires judgment regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

## 3 RECEIVABLES AND PREPAID EXPENSES

	April 30, 2025	July 31, 2024
GST receivable	\$ 14,840	\$ -
Prepaid expenses	16,518	-
	\$ 31,358	\$ -

## 4 EXPLORATION AND EVALUATION ASSETS

### *Broken Handle Property*

The Company entered into an option agreement (the "**Broken Handle Agreement**") with Origen Resources Inc. (the "**Optionor**") on December 15, 2020, as subsequently amended, to acquire a 75% right, title and interest (the "**Acquired Interest**") to certain claims (the "**Broken Handle Project**") subject to a 1.5% net smelter return ("**NSR**") royalty on the Acquired Interest (the "**Optionor 1.5% NSR**").



**Hawthorn Resources Corp.**  
Notes to the Condensed Interim Financial Statements  
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**4 EXPLORATION AND EVALUATION ASSETS** (cont'd...)

***Broken Handle Property*** (cont'd...)

Under the terms of the option agreement, the Company may acquire the interest by:

- a) paying an aggregate of \$250,000 and issuing an aggregate of 1,000,000 shares to Origen as follows:
  - i. \$15,000 upon signing of the Broken Handle Agreement (paid);
  - ii. \$25,000 and issuing 150,000 shares within 15 days of acceptance of the National Instrument (“NI”) 43-101 report by a recognised Canadian Stock Exchange and approval to list the shares to trade (“Exchange Approval Date”)(paid and issued with a fair value of \$19,500);
  - iii. Issuing 200,000 shares on or before February 22, 2024 (issued with a fair value of \$10,000);
  - iv. \$10,000 on or before October 22, 2024 (paid);
  - v. \$50,000 on or before November 15, 2024 (paid);
  - vi. \$43,000 on or before February 22, 2025 (paid);
  - vii. \$40,000 and issuing 150,000 shares on or before August 22, 2025; and
  - viii. \$80,000 and issuing 150,000 shares on or before August 22, 2026.
- b) incurring \$530,000 in exploration expenditures as follows:
  - i. \$100,000 on or before February 22, 2024 (completed);
  - ii. \$400,000 on or before August 22, 2026; and
  - iii. \$30,000 of additional exploration expenditures are required to be spent by October 1, 2025 to enable the claims comprising the property to be in good standing with respect to government required exploration work for a further year.

The Company will have the right to purchase from Origen 1% of the Optionor 1.5% NSR within one year of commencement of commercial production, at a cost of \$1,000,000.

The Broken Handle Project is also subject to a 1% NSR (“1% NSR”) payable to an arm’s-length private company.

	<b>Broken Handle Project</b>
Acquisition costs, July 31, 2023	\$ 59,500
Additions – shares	<u>10,000</u>
Acquisition costs, July 31, 2024	69,500
Additions – cash	<u>103,000</u>
Acquisition costs, April 30, 2025	<u>\$ 172,500</u>

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**4 EXPLORATION AND EVALUATION ASSETS** (cont'd...)

***Broken Handle Property*** (cont'd...)

During the nine months ended April 30, 2025 and 2024, the Company incurred the following exploration expenses:

	<b>April 30, 2025</b>	<b>April 30, 2024</b>
Assaying	\$ -	\$ 36,387
Camp costs	-	5,296
Communication	-	3,699
Field equipment rental	-	4,305
Field supplies	-	1,068
Geological consulting	-	46,781
Mobilization/demobilization	-	1,127
Vehicle rental	-	1,647
	<b>\$ -</b>	<b>\$ 100,310</b>

**5 SHARE CAPITAL**

**(a) Authorized**

Unlimited number of common shares without par value.

**(b) Issued and outstanding**

During the nine months ended April 30, 2025, the Company closed a non-brokered private placement financing and issued 5,000,000 common shares at a price of \$0.10 per common share for aggregate gross proceeds of \$500,000. The Company paid \$22,800 as finders' fees and recorded \$9,876 in other share issuance costs through accounts payable.

During the period ended April 30, 2024, the Company issued 200,000 common shares with a fair value of \$10,000 as property acquisition costs (note 4).

**(c) Escrowed shares**

As at April 30, 2025, the Company had 744,000 common shares subject to escrow release restrictions based on time such that 372,000 shares will be released on August 22, 2025 and February 22, 2026.

**(d) Stock options and agent options**

The Company has adopted an incentive stock option plan, which provides that the Company may grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Vesting of stock options is at the discretion of the Board of Directors.

During the nine months ended April 30, 2025, the Company granted 300,000 stock options (2024 – nil) at an exercise price of \$0.13 (2024 - \$nil) per stock option to an officer of the Company. All stock options vested upon grant and expire five years after the grant date. During the nine months ended April 30, 2025, the Company recognized \$29,490 (2024 - \$nil) in share-based compensation in the statement of loss and comprehensive loss related to the stock options. This amount was also recorded as reserves on the statement of financial position.

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**5 SHARE CAPITAL** (cont'd...)

**(d) Stock options and agent options** (cont'd...)

The following weighted average assumptions were used for the valuation of stock options:

	April 30, 2025
Risk-free interest rate	3.08%
Expected life of options	5 years
Annualized volatility	100.00%
Dividend rate	0.00%
Forfeiture rate	0.00%

The following is a summary of the Company's stock options and agent options activity:

	Stock options		Agent options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, July 31, 2023 and 2024	-	\$ -	350,000	\$ 0.10
Granted	300,000	0.13	-	-
Exercised/Expired *	-	-	(350,000)	0.10
Exercisable, April 30, 2025	300,000	\$ 0.13	-	\$ -

\*During the period ended April 30, 2025, 345,500 agent options were exercised for gross proceeds of \$34,550. The remaining 4,500 agent options expired unexercised.

As of April 30, 2025, the Company has stock options outstanding and exercisable to acquire common shares of the Company as follows:

	Expiry date	Exercise Price	Remaining life (years)	Number of options outstanding	Number of options exercisable
<b>Stock Options</b>	November 28, 2029	0.13	4.58	300,000	300,000

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## 6 RELATED PARTY TRANSACTIONS

Key management personnel includes those persons 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 consists of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer and President.

During the nine months ended April 30, 2025, the Company entered into the following transactions with related parties, not disclosed elsewhere in these condensed interim financial statements:

	April 30, 2025	April 30, 2024
Professional fees	\$ 16,500	\$ 13,500
Management fees	33,000	-
Share-based compensation	29,490	-
	\$ 78,990	\$ 13,500

As at April 30, 2025, \$12,600 (July 31, 2024 - \$18,900) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses. As at April 30, 2025, \$4,500 (July 31, 2024 - \$nil) was included in receivables and prepaids owed from an officer of the Company in relation to management fees paid in advance.

## 7 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### Financial instruments

Cash and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments.

#### *Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in a major Canadian bank.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at April 30, 2025, the Company had a negative working capital of \$23,494 (July 31, 2024 – deficiency of \$111,174). The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

#### *Interest rate risk*

The Company's financial asset exposed to interest rate risk consists of cash. As at April 30, 2025, the Company maintained all of its cash balance on deposit with a major Canadian bank. The Company does not have interest-bearing debt and does not rely on interest income for its operational forecast.

#### *Foreign currency risk*

The Company may at times be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at April 30, 2025, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

## **7 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)**

### **Financial instruments (cont'd...)**

#### *Price risk*

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

## **8 CAPITAL MANAGEMENT**

The Company's capital management objective is to maintain financial capacity that is strong to sustain the future development of the business.

The Company's capital structure includes shareholders' equity. The Company manages its capital structure to maximize its financial flexibility to adjust to changes in economic conditions. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's management of capital for the period ended April 30, 2025.

## **9 SUPPLEMENT DISCLOSURES WITH RESPECT TO CASH FLOWS**

During the nine months ended April 30, 2025, the Company reclassified \$18,669 from reserves to share capital in connection with the exercise of 345,500 agent options.

During the nine months ended April 30, 2024, the Company issued 200,000 common shares with a fair value of \$10,000 as property acquisition costs (note 4).

## **10 SEGMENTED INFORMATION**

The Company operates in one reportable operating segment, being the acquisition, exploration and evaluation of resource properties in British Columbia, as described in Note 4.

## **11 SUBSEQUENT EVENT**

During the nine months ended April 30, 2025, the Company entered into a binding letter agreement (the "Letter Agreement") with Stampede Metals Limited., a private Australian company ("Australia Corp"), to acquire (the "Acquisition") its wholly owned subsidiary, Stampede Metals Corporation, a private corporation incorporated in Nevada, USA ("Nevada Corp"). Nevada Corp holds the rights to the Prince Silver and Stampede Gap projects located in southeastern Nevada.

Subsequent to the period ended April 30, 2025, the Company announced the execution of a definitive agreement with Stampede Metals Ltd. for the acquisition of 100% of the issued and outstanding shares of Nevada Corp.

The Company also announced that it will proceed with a corporate name change to Prince Silver Corp.

Under the terms of the definitive agreement, the Company has agreed to acquire all issued and outstanding shares of Nevada Corp from the shareholders of Australia Corp, pursuant to the following terms:

- Share Consolidation: Prior to closing, the Company will consolidate its share capital on the basis of 0.75 new common shares for each existing common share.

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- **Consideration Shares:** In exchange for all outstanding shares of Nevada Corp, the Company will issue an aggregate of 15,000,000 post-consolidation common shares (the “Consideration Shares”) to Australia Corp at a deemed price of \$0.27 per share. The Consideration Shares will be subject to a one-year voluntary resale restriction from the closing date (the “Closing Date”) of the Acquisition.
- **Prince Project Milestone Shares:** The Company will also allot up to 8,500,000 additional common shares (the “Prince Milestone Shares”) to Australia Corp upon the publication of a NI 43-101 technical report for the Prince Silver project demonstrating aggregate inferred, measured, and indicated resources totaling a minimum of 100 million ounces of silver equivalent (the “Prince Project Milestone”). If the Prince Project Milestone is not achieved within four years from the Closing Date, the allotment will expire.
- **Acceleration Option:** The Company may elect, within one year of the Closing Date, to accelerate the issuance of the Prince Milestone Shares by instead issuing 6,800,000 common shares—reflecting a 20% reduction in consideration—to the Australia Corp shareholders.

In connection with the Acquisition, the Company also completed a previously announced subscription receipt financing (the “Offering”). Under the Offering, the Company issued 14,807,315 subscription receipts at a price of \$0.27 per Subscription Receipt, for total gross proceeds of \$3,997,975. Each Subscription Receipt will automatically convert into one unit (a “Unit”) upon satisfaction of certain escrow release conditions relating to the Acquisition on or before July 31, 2025, or such later date as may be agreed to by the Company and the escrow agent. Each Unit will consist of one post-consolidation common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable to acquire one post-consolidation common share at a price of \$0.40 per share until December 23, 2026, subject to accelerated expiry if the Company’s post-consolidation shares trade at or above \$0.60 for ten consecutive trading days. If the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the Subscription Proceeds will be returned to investors without deduction.

Upon conversion of the Subscription Receipts into Units, the Company will pay cash finder's fees of \$98,310 to eligible registrants and issue a total of 420,111 broker warrants. Each broker warrant will entitle the holder to acquire one post-consolidation common share at a price of \$0.40 per share until December 23, 2026.

All securities issued pursuant to the Acquisition and the Offering will be subject to a statutory hold period of four months and one day under applicable Canadian securities laws and Canadian Securities Exchange (“CSE”) policies. In accordance with CSE requirements, the Company has obtained written shareholder approval for the issuance of all post-consolidation common shares to be issued in connection with both the Acquisition and the Offering.

Completion of the Acquisition remains subject to several conditions, including but not limited to completion of the Offering, fulfillment of all applicable regulatory and CSE filing requirements, and receipt of all required corporate, shareholder, and regulatory approvals.