ZEB NICKEL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three and Six Months Ended September 30, 2024
(Expressed in Canadian Dollars)

(UNAUDITED)

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

ZEB NICKEL CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	**September 30 2024**	**March 31, 2024**
Assets		
Current		
Cash	$ 5,412	$ 9,363
Commodity tax receivable	4,718	3,989
Prepaid	7,735	32,540
Total current assets	17,865	45,892
Total Assets	$ 17,865	$ 45,892
Liabilities and Shareholders' Deficiency		
Current liabilities		
Accounts payable and accrued liabilities	$ 797,923	$ 595,833
Loan payable to related parties (note 5)	408,474	366,017
Promissory note payable (note 4)	812,460	812,460
Total Liabilities	2,018,857	1,774,310
Shareholders' Deficiency		
Share capital (note 6)	7,498,154	7,498,154
Contributed surplus (note 6)	838,134	838,134
Accumulated other comprehensive income	50,679	87,953
Accumulated deficit	(10,387,959)	(10,152,659)
Total shareholders' deficiency	(2,000,992)	(1,728,418)
Total Liabilities and Shareholders' Deficiency	$ 17,865	$ 45,892

Nature and going concern (note 1)

Approved by the Board of Directors:

Director: John Zorbas

Director: Richard Montjoie

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

ZEB NICKEL CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended September 30, 2024	Three months ended September 30, 2023	Six months ended September 30 2024	Six months ended September 30 2023
Expenses				
Advertising and promotion	$ 7,000	$ 1,136	$ 14,000	$ 1,136
Bank fees	640	714	1,152	1,391
Consulting fees	-	19,401	6,000	38,321
Filing and regulatory fees	4,571	2,043	5,373	8,391
Management fees	7,087	26,931	27,567	53,879
Office	6,064	19,359	11,803	40,572
Professional fees	29,500	69,298	61,561	130,413
Share-based compensation	-	34,368	-	99,149
Transfer agent fees	-	4,388	-	7,663
Net loss for before other items:	(54,862)	(177,638)	(127,456)	(380,915)
Other items:				
Impairment of exploration and evaluation assets (note 3)	(95,884)	-	(95,884)	-
Accretion of promissory note payable	-	(39,996)	-	(85,709)
Foreign exchange	1,872	(174)	446	(4,150)
Write-off of commodity tax receivable	(4,698)	-	(12,406)	-
Net loss for the period	$ (153,572)	$ (217,808)	$ (235,300)	$ (470,774)
Other Comprehensive Loss for the Period				
Items that will be reclassified subsequently to profit or loss				
Net loss and comprehensive loss	$ (153,572)	$ (217,808)	$ (235,300)	$ (470,774)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
Weighted average number of shares outstanding - basic and diluted	55,653,930	55,653,930	55,653,930	55,511,705

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

ZEB NICKEL CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital		Contributed	Accumulated other comprehensive		
	Number	Amount	surplus	loss	Deficit	Total
Balance, March 31, 2023	55,653,930	$ 7,498,154	$ 716,940	$ 53,870	$ (3,435,858)	$ 4,833,106
Stock-based compensation	-	-	99,149	-	-	99,149
Net loss and comprehensive loss for the period	-	-	-	-	(470,774)	(470,774)
Balance, September 30, 2023	55,653,930	$ 7,498,154	$ 816,089	$ 53,870	$ (3,906,632)	$ 4,461,481
Stock-based payments	-	-	22,045	-	-	22,045
Net loss and comprehensive loss for the period	-	-	-	34,083	(6,246,027)	(6,211,944)
Balance, March 31, 2024	55,653,930	7,498,154	838,134	87,953	(10,152,659)	(1,728,418)
Net loss and comprehensive loss for the period	-	-	-	(37,274)	(235,300)	(272,574)
Balance, September 30, 2024	55,653,930	$ 7,498,154	$ 838,134	$ 50,679	$ (10,387,959)	$ (2,051,671)

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

ZEB NICKEL CORP.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Six months ended September 30,	2024	2023
Operating Activities		
Net loss	$ (235,300)	$ (470,774)
Items not affecting cash:		
Accretion of long-term payable	-	94,549
Share-based compensation	-	99,149
Impairment of exploration and evaluation assets	95,884	-
Foreign exchange gain	(420)	(6,888)
Changes in non-cash operating working capital:		
Commodity tax receivables	(729)	(213,919)
Prepaid	24,805	22,099
Accounts payable and accrued liabilities	201,693	346,624
Cash provided by (used in) operating activities	85,933	(129,160)
Investing Activities		
Exploration and evaluation costs	(95,884)	(216,614)
Cash used in investing activities	(95,884)	(216,614)
Financing Activities		
Loan from related parties	6,000	297,053
Cash provided by financing activities	6,000	297,053
Change in cash and cash equivalent	(3,951)	(48,721)
Cash and cash equivalent, beginning	9,363	116,497
Cash and cash equivalent, ending	$ 5,412	$ 67,776

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of business and going concern

ZEB Nickel Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 6, 2019. The Company's principal business activity is the acquisition, exploration and development of mineral properties located in South Africa.

The Company's head office is #250 – 750 West Pender St. Vancouver, BC, V6C 2T7, Canada. The Company's registered and records office is located at 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, Canada. The Company's shares trade on the TSX Venture Exchange (the "Exchange") under the ticker symbol "ZBNI".

The Company's condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these condensed interim consolidated 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.

The Company's continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing. The Company has not achieved profitable operations and has accumulated losses since inception. During the six months ended September 30, 2024, the Company incurred a net loss of $235,300 (six months ended September 30, 2023 - $470,774) and as at September 30, 2024, has an accumulated deficit of $10,387,959 (March 31, 2024 - $10,152,659). The Company will need to raise additional capital resources to fund its exploration programs and administrative expenses beyond the next twelve months. The above conditions may cast significant doubt about the Company's ability to continue as a going concern.

2. Material accounting policies and basis of preparation

Statement of compliance and basis of presentation

The condensed interim consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the audited Financial Statements of the Company for the fifteen months ended March 31, 2024.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 29, 2024. Any subsequent changes to IFRS that are given effect in our annual consolidated financial statements for the year ending March 31, 2025 could result in restatements of these condensed interim consolidated financial statements. None of these standards are expected to have a significant effect on the condensed interim consolidated financial statements.

2. Material accounting policies and basis of preparation (continued)

Adoption of new accounting standards, interpretations and amendments

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

These amendments are effective for reporting periods beginning on or after January 1, 2025.

Amendments to IAS 21 - Lack of Exchangeability

The amendments to IAS 21 clarifies that entities must estimate the spot exchange rate when it is determined that a currency lacks exchangeability and introduces targeted disclosure requirements.

These amendments are effective for reporting periods beginning on or after January 1, 2024

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

The Company adopted the following accounting standards in 2024:

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The implementation of these amendments reduced disclosures in the notes to the consolidated financial statements.

Amendments to IAS 8 – Definition of Accounting Estimates

These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. There were no significant impact to the consolidated financial statements as a result of the implementation of these amendments.

Amendment to IAS 1 – Presentation of Financial Statements

The amendment replaced the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies.

(Expressed in Canadian Dollars)

3. Exploration and evaluation assets

The Company controls the rights to the Zebediela Nickel Project located in the Limpopo Province in the Republic of South Africa.

During the fifteen month period ended March 31, 2024, the Company impaired the Zebediela Nickel Project to $Nil due to lack of a substantial exploration budget, which resulted in the impairment of exploration and evaluation assets of $6,114,356.

As at	September 30, 2024	March 31 2024
Opening balance	$ -	$ 5,500,277
Additions		
Drilling	-	136,079
Field crew, camp costs and supplies	-	70,227
Project management, administration and other	95,884	407,773
	95,884	614,079
Impairment	(95,884)	(6,114,356)
Ending balance	$ -	$ -

4. Promissory note

Upon completion of the Transaction, $812,640 (US$600,000) of accounts payable due to a company controlled by a director of the Company was converted into a non-interest bearing promissory note payable maturing January 30, 2023 (18 months from after the completion of the acquisition). The Company applied an effective interest rate of 20% to discount the promissory note to its fair value and recognized a gain of $182,145 during the year ended December 31, 2021.

As of September 30, 2024, the note has yet to be repaid, and is considered payable on demand and has no specific terms of repayment.

Continuity of the promissory note is as follows:

Balance, December 31, 2022	$ 802,901
Accretion	12,708
Foreign exchange translation	(3,149)
Balance, March 31, 2024 and September 30, 2024	$ 812,460

5. Loans payable

During the period ended September 30, 2024, the Company:

1. received loans in the amount of $41,457 from a corporation who has a common director. The amount is unsecured, non-interest bearing and has no specific terms of repayment.

During the fifteen-month period ended March 31, 2024, the Company:

1. received a loan in the amount of $50,000 from a corporation who has a common director. The amount is unsecured, non-interest bearing and has no specific terms of repayment. The Company made a repayment of $1,000.

2. received a loan in the amount of $26,607 (ZAR366,500) from a corporation who has a common director. The amount is unsecured, non-interest bearing and has no specific terms of repayment.

3. received a loan in the amount of $235,410 from a corporation who has a common director. The amount is unsecured, non-interest bearing and has no specific terms of repayment.

4. received a loan in the amount of $55,000 from an arm's length company. The amount is unsecured, non-interest bearing and has no specific terms of repayment.

6. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued and outstanding

During the period ended September 30, 2024, the Company had no share activity.

During the fifteen-month period ended March 31, 2024, the Company:

- issued 743,944 common shares valued at $171,107 to settle payable of $199,443 and recorded $28,336 gain on debt settlement in profit and loss.

Stock option plan

The Company has a stock option plan in place under which it is authorized to grant options to directors, senior officers, employees, management company employees, and consultants to acquire up to 10% of the issued and outstanding common shares. Under the plan, the maximum issuance in any 12-month period is limited for any consultant or person providing investor relations services to 2%, and 5% for any other participant. The exercise price of the shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange. The options can be granted for a maximum term of ten years. Options issued for investor relations services will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may vest within any three-month period. All other vesting terms are determined by the Board of Directors.

(Expressed in Canadian Dollars)

6. Share capital (continued)

Stock options

During the period ended September 30, 2024, the Company granted no stock options.

During the fifteen-month period ended March 31, 2024, the Company granted 1,200,000 stock options to directors of the Company, exercisable at a price of $0.25 and an expiry date of February 13, 2027. The options vest in equal tranches over a one-year period from the grant date. The options have a fair value of $206,500, calculated using the Black-Scholes option pricing model using the following inputs (i) Volatility of 150.00%; (ii) Term of 4 years; (iii) Discount rate of 3.42%; (iv) Dividend rate of Nil; and (v) market stock price of $0.20. The options vest 20% every 3 months starting February 13, 2023. During the fifteen-month period ended March 31, 2024, the Company recorded $206,500 of share-based compensation relating to the vesting period.

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

	Number of options	Weighted average exercise price
Balance, December 31, 2022	2,760,000	$ 0.25
Granted	1,200,000	0.25
Cancelled	(210,000)	0.25
Balance, March 31, 2024	3,750,000	$ 0.25
Cancelled	(1,050,000)	0.25
Balance, September 30, 2024	2,700,000	$ 0.16
Exercisable, September 30, 2024	2,700,000	$ 0.16

As at September 30, 2024, the Company had the following stock options outstanding:

Exercise price ($)	Number of options outstanding	Expiry date	Number of options exercisable
0.25	1,500,000	November 9, 2025	1,500,000
0.25	1,200,000	February 13, 2027	1,200,000
	2,700,000		2,700,000

The weighted average remaining contractual life of options outstanding as at September 30, 2024 is 1.67 years (March 31, 2024 – 2.02 years)

7. Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's executive officers and Board of Director members.

During the three and six month period ended September 30, 2024, the Company paid or accrued:

1. $20,712 and $27,567, respectively (2023 - $19,859) in management fees to a director of the Company.
2. $22,500 and $45,000, respectively (2023 - $22,500) in professional fees to an accounting firm in which the former CFO has an interest.
3. $Nil and $6,000, respectively (2023 - $6,000) in consulting fees to a director of the Company.
4. $Nil (three and six months ended September 30, 2023 - $43,201 and $86,449, respectively) in exploration expenditures, relating to project management, administration and other, to a corporation who has an officer who is also the interim CEO and director of the Company.
5. $Nil (three and six months ended September 30, 2023 - $36,368 and $101,149, respectively) in share-based compensation to directors of the Company.

At September 30, 2024, the Company had:

1. $137,095 (March 31, 2024 - $158,425) in accounts payable and accrued liabilities relating to amounts owed to officers and directors of the Company.
2. $408,474 (March 31, 2024 - $312,017) in loans payable due to related parties are unsecured, non-interest bearing and are due on demand.

8. Capital management

The Company defines its capital as shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. There were no changes in the Company's approach to capital management during the period ended September 30, 2024. The Company is not subject to externally imposed capital requirements.

9. Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfil its obligations. The Company's credit risk is primarily attributable to its cash. The Company's management believes it has no significant credit risk as its cash is held with a major Canadian financial institution.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At September 30, 2024, the Company had a cash balance of $5,412 (March 31, 2024 - $9,363), and $2,018,857 (March 31, 2024 - $1,774,310) of current liabilities. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subjected to normal trade terms.

(Expressed in Canadian Dollars)

9 Financial risk factors (continued)

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates prices. The Company is not exposed to any significant interest rate risk.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to fluctuations in foreign currencies through its operations in South Africa. The Company monitors this exposure but has no hedge positions. As at September 30, 2024 and March 31, 2024, the Company was exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	September 30, 2024		March 31, 2024	
	South African Rand ($CAD equivalent)	**US Dollars** ($CAD equivalent)	**South African Rand** ($CAD equivalent)	**US Dollars** ($CAD equivalent)
Cash	$ 991	$ 631	6,814	$ -
Commodity tax receivable	-	-	20,150	-
Accounts payable and accrued liabilities	(436,015)	(6,114)	(271,241)	-
Loans payable	(39,769)	(134,990)	(26,607)	$ (6,133)
Note payable	-	(812,460)	-	(812,460)
	$ (474,793)	$ (952,933)	(270,884)	$ (818,593)

Based on the above net exposures at September 30, 2024, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately $143,000 (March 31, 2024 - $128,100) in the Company's after-tax net loss, respectively.

10. Segmented information

The Company's operations comprise a single reporting segment. As the operations comprise a single reporting segment, amounts disclosed in the financial statements for expenses and loss for the period also represent segmented amounts.

All of the Company's exploration and evaluation assets are in South Africa.