AsiaBaseMetals Inc.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

DECEMBER 31, 2024 AND 2023

(Expressed in Canadian dollars)

(UNAUDITED – PREPARED BY MANAGEMENT)

ASIABASEMETALS INC.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by CPA Canada for a review of condensed interim financial statements by an entity's auditors.

ASIABASEMETALS INC.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024 and SEPTEMBER 30, 2024

(Expressed in Canadian Dollars)

	December 31, 2024 (Unaudited)	September 30, 2024 (Audited)
ASSETS		
Current		
Cash (Note 5)	$ 3,582	$ 1,777
Amounts receivable	10,370	8,197
	13,952	9,974
Reclamation deposit (Note 7)	10,000	10,000
Exploration and evaluation assets (Note 6)	3,953	3,953
	$ 27,905	$ 23,927
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 10)	$ 679,871	$ 661,439
DEFICIENCY		
Share capital (Note 8)	4,701,254	4,661,354
Share-based payment reserves	1,819,977	1,818,455
Accumulated deficit	(7,173,197)	(7,117,321)
	(651,966)	(637,512)
	$ 27,905	$ 23,927

CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (Note 1)
SUBSEQUENT EVENT (Note 13)

Approved by the Board on February 24, 2025:

“Rajinder Chowdhry”
Director

“Henry Park”
Director

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

ASIABASEMETALS INC.

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDED DECEMBER 30, 2024 AND 2023

(Unaudited - Expressed in Canadian Dollars)

		2024		**2023**
EXPENSES				
Management fees (Note 10)	$	37,500	$	37,500
Share-based payments (Note 10)		1,522		44,442
Professional fees		11,973		17,281
Office, administration, and miscellaneous		765		5,112
Regulatory and transfer agent fees		2,189		2,328
Travel		-		1,463
Exploration, net		39		300
Foreign exchange loss (gain)		1,779		(401)
Interest and bank charges		109		110
Property investigation		-		-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$	(55,876)	$	(108,135)
LOSS PER SHARE – BASIC AND DILUTED		(0.00)		(0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		49,687,871		49,402,871

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

ASIABASEMETALS INC.

CONDENSED INTERIM STATEMENTS OF CHANGES IN DEFICIENCY

FOR THE THREE MONTHS ENDED DECEMBER 31, 2024 AND 2023

(Unaudited - Expressed in Canadian Dollars)

	Common Shares (Note 8)				
	Number of Common Shares	Amount	Share-based Payment Reserves	Accumulated Deficit	Total
Balances at October 1, 2023	49,402,871	$ 4,661,354	$ 1,725,847	$ (6,781,912)	$ (394,711)
Share-based payments	-	-	44,442	-	44,442
Net loss and comprehensive loss	-	-	-	(108,135)	(108,135)
Balances at December 31, 2023	49,402,871	$ 4,661,354	$ 1,770,289	$ (6,890,047)	$ (458,404)
Balances at October 1, 2024	49,402,871	$ 4,661,354	$ 1,818,455	$ (7,117,321)	$ (637,512)
Exercise of share purchase warrants	285,000	39,900	-	-	39,900
Share-based payments	-	-	1,522	-	1,522
Net loss and comprehensive loss	-	-	-	(55,876)	(55,876)
Balances at December 31, 2024	49,687,871	$ 4,701,254	$ 1,819,977	$ (7,173,197)	$ (651,966)

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

ASIABASEMETALS INC.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2024 AND 2023

(Unaudited - Expressed in Canadian Dollars)

	2024	2023
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	$ (55,876)	$ (108,135)
Items not involving cash		
Share-based payments	1,522	44,442
Change in non-cash working capital items		
Amounts receivable	(2,173)	4,984
Accounts payable and accrued liabilities	18,432	66,042
Cash provided by operating activities	(38,095)	7,333
FINANCING ACTIVITIES		
Proceeds from exercise of share purchase warrants	39,900	-
Cash provided by financing activities	39,900	-
CHANGE IN CASH DURING THE PERIOD	1,805	7,333
CASH, BEGINNING OF PERIOD	1,777	1,487
CASH, END OF PERIOD	$ 3,582	$ 8,820
Supplemental Cash Flow Information		
Income taxes paid	$ -	$ -
Interest paid	$ -	$ -

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

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

AsiaBaseMetals Inc. (the "Company") was incorporated on August 11, 2009 under the laws of British Columbia. The Company is an exploration company focused on the exploration and development of zinc and base metals. The address of the Company's corporate office and principal place of business is 6153 Glendalough Pl., Vancouver, British Columbia, V6N 1S5, Canada.

At December 31, 2024, the Company has working capital deficit of $651,966 and does not generate cash flow operations. As at December 31, 2024, the Company has accumulated deficiency of $7,173,197. The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition of the resource property. The outcome of these matters cannot be predicted at this time and these factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim financial statements.

2. MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including IAS 34 – Interim Financial Reporting. For these purposes, IFRS comprise the standards issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies applied in these condensed interim financial statements are consistent with those applied in the preparation of, and disclosed in, the Company's audited annual financial statements for the year ended September 30, 2024.

b) Basis of presentation

The condensed interim financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Going Concern

These condensed interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception and has an accumulated deficit of $7,173,197 at December 31, 2024. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Significant accounts that require estimates as the basis for determining the stated amounts include deferred income taxes, share-based payments, assessment of decommissioning provision and assessment of impairment of exploration and evaluation assets.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective or assessments with a significant risk of material adjustment.

(i) Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(ii) Going Concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Management monitors future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 2(c).

(iii) Cash held with Sanctioned Banks

The sanctions imposed against Myanma Investment and Commercial Bank ("MICB") in Myanmar could directly affect the Company's ability to use or withdraw cash or cash equivalents. As a result, funds held by MICB could experience restrictions on withdrawal or on their use of the cash or cash equivalents for current operations, refer to Note 5.

(Unaudited - Expressed in Canadian Dollars)

4. NEW ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant effect on the Company's financial statements.

5. CASH

The United States and Canada have sanctioned two of Burma's military regime-controlled banks, one of them being Myanma Investment and Commercial Bank ("MICB"). The Company's funds held with MICB are restricted and there is uncertainty whether the funds can be accessed and recovered. As a result, management has reduced the balance $33,971 held with MICB to $nil during the year ended September 30, 2023.

6. EXPLORATION AND EVALUATION ASSETS

	Total ($)
Balance, September 30, 2023	3,493
Acquisition Costs	3,953
Impairment	(3,493)
Balance, September 30, 2024	3,953
Acquisition Costs	-
Impairment	-
Balance, December 31, 2024	**3,953**

Gnome Zinc, BC

On September 30, 2009, Tintina Resources Inc. ("Tintina") transferred its interest in the Gnome Zinc project and $500,000 in cash to the Company as part of its reorganization. Tintina also transferred its right, title and interest in the Gnome Zinc project to purchase a 1% NSR royalty for $2,000,000 up to the period ending on March 11, 2020. The transaction was recorded as a shareholder transfer at Tintina's carrying value of the Gnome Zinc project of $146,748 and an increase in cash of $500,000. During the year ended September 30 2024, the 4 claims acquired from prior year have expired and the Company has written off $3,493 and acquired new 6 claims for a total of $3,953.

6. EXPLORATION AND EVALUATION ASSETS (continued)

Cedar River Property, Ontario

On March 30, 2023, the Company entered into an option agreement with 2758145 Ontario Ltd. To acquire 100% interest in 100 active mineral claims in Ontario and to be in good standing, the Company was required to make total cash payments of $45,600 and issued a total 333,335 common shares of the Company over three years period. During the year ended September 30, 2023, the Company had paid $6,667 and issued 54,767 common shares with a fair value of $8,215.

The Company had written off $14,882 as the Company did not intend to perform additional exploration work on the property. The Company had terminated the option agreement on December 20, 2023.

Robbins Lake Property, Ontario

On March 30, 2023, the Company entered into an option agreement with 2758145 Ontario Ltd. To acquire 100% interest in 40 active mineral claims in Ontario and to be in good standing, the Company was required to make total cash payments of $45,600 and issued a total 333,334 common shares of the Company over three years period. During the year ended September 30, 2023, the Company had paid $6,666 and issued 54,767 common shares with a fair value of $8,215.

The Company has written off $14,881 and has terminated the option agreement with 2758145 Ontario Ltd. on October 24, 2023.

Moosetrack Lake Property, Ontario

On March 30, 2023, the Company entered into an option agreement with 2758145 Ontario Ltd. To acquire 100% interest in 50 active mineral claims in Ontario and to be in good standing, the Company was required to make total cash payments of $45,600 and issued a total 333,331 common shares of the Company over three years period. During the year ended September 30, 2023, the Company had paid $6,667 and issued 54,766 common shares with a fair value of $8,215.

The Company has written off $14,882 and has terminated the option agreement with 2758145 Ontario Ltd. on October 24, 2023.

7. RECLAMATION DEPOSIT

On July 23, 2019, the Company paid $10,000 for a reclamation bond to the Minister of Finance for the Province of British Columbia (the “Province”) with respect to the exploration drilling on the Gnome Property. This amount was determined by the Province to be sufficient to meet all anticipated reclamation requirements.

8. SHARE CAPITAL

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

b) Issued and outstanding as at December 31, 2024: 49,687,871 (September 30, 2024 – 49,402,871) common shares.

   There were no share transactions for the three months period ended December 31, 2023.

   During the three months ended December 31, 2024,

   i. The Company issued 285,000 shares upon the exercise of share purchase warrants for total proceeds of $39,900.

(Unaudited - Expressed in Canadian Dollars)

9. STOCK OPTION PLAN, SHARE-BASED PAYMENTS AND WARRANTS

The Company adopted a rolling stock option plan (the "Plan") to grant options to directors, senior officers, employees, independent contractors and consultants of the Company. The Plan reserves for issuance up to 10% of the issued and outstanding share capital of the Company from time to time, and provides that it is solely within the discretion of the Board or, if the Board so elects, by a committee consisting of not less than two of its members appointed by the Board, to determine who should receive options and in what amounts.

Options granted under the Plan for a term not to exceed 10 years from the date of their grant and are exercisable at a price not less than the discounted market price (which is the market price less a discount of 25% for a closing price of up to $0.33, a discount of 20% for a closing price of $0.34 to $1.33, and a discount of 15% for a closing price above $1.34, subject to a minimum of $0.07).

On November 2, 2023, the Company granted 400,000 to directors, advisors and consultants of the Company. The stock options are exercisable at a price of $0.20 per share for a period of five years from date of grant, of which 50% vested on the grant date, 25% vest 6 months after the date of the grant and the remaining 25% vest 12 months after the date of the grant. The fair value of $35,084 was estimated using the Black-Scholes option model with the assumptions presented below. As at December 31, 2024, the Company has recognized $791 as share-based payments.

On January 31 2024, the Company granted 250,000 to directors, advisors and consultants of the Company. The stock options are exercisable at a price of $0.20 per share for a period of five years from date of grant, of which 50% vested on the grant date, 25% vest 6 months after the date of the grant and the remaining 25% vest 12 months after the date of the grant. The fair value of $14,500 was estimated using the Black-Scholes option model with the assumptions presented below. As at December 31, 2024, the Company has recognized $731 as share-based payments

The following weighted average assumptions were used in the valuation of stock options granted in the Black-Scholes Option Pricing model:

	Three months ended December 31, 2024	Year ended September 30, 2024
Risk-free interest rate	-%	3.33%
Expected life	-	5 years
Annualized volatility	-%	107.14%
Dividend rate	-%	0.00%

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance at September 30, 2023	2,925,000	$ 0.20
Granted	650,000	$ 0.20
Forfeited	(250,000)	$ 0.20
Balance at September 30, 2024	3,325,000	$ 0.20
Granted	-	$ 0.20
Balance at December 31, 2024	3,325,000	$ 0.20

(Unaudited - Expressed in Canadian Dollars)

9. STOCK OPTION PLAN, SHARE-BASED PAYMENTS AND WARRANTS (continued)

The stock options outstanding and exercisable as at December 31, 2024 are as follows:

Outstanding	Exercisable	Exercise price	Expiry date
2,925,000	2,193,750	$ 0.20	March 30, 2028
400,000	200,000	$0.20	November 2, 2028

For the three months ended December 31, 2024, the Company recognized share-based payments of $1,522 (2022 - $44,442). The weighted average remaining life of the stock options is 3.38 years.

Warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance at September 30, 20223	3,872,143	$ 0.14
Exercised	-	$ -
Balance at September 30, 2024	3,872,143	$ 0.14
Exercised	(285,000)	$ 0.14
Balance at December 31, 2024	3,587,143	$ 0.14

The warrants outstanding as at December 31, 2024 are as follows:

Outstanding	Exercise price	Expiry date
3,872,143	$ 0.14	April 27, 2027

The average remaining life of the warrants is 3.32 years.

10. RELATED PARTY BALANCES AND TRANSACTIONS

During the three months ended December 31, 2024 and 2023, the following amounts were incurred or paid to officers and directors and/or their related companies:

i) The Company incurred $37,500 (2023 - $37,500) for management fees to a company controlled by the Chief Executive Officer (“CEO”).

As at December 31, 2024 and 2023, the following balances were due to officers and directors and/or related companies:

i) Included in accounts payable and accrued liabilities is $439,066 (September 30, 2024 – $387,320) due to company controlled by the CEO of the Company of which $12,371 is secured by a promissory note. The remaining amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

ii) Included in accounts payable and accrued liabilities is $51,298 (September 30, 2024 - $64,624) due to the CEO of the Company. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

On April 1, 2015 the Company entered into an agreement with a company controlled by a director to provide CEO services at a rate of $12,500 per month ($150,000 per year) for an indefinite term. The agreement can be terminated without cause by the Company with a fourteen (14) month cash payment in the amount of $175,000.

(Unaudited - Expressed in Canadian Dollars)

10. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Key management personnel compensation:

Key management personnel include the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and directors of the Company. The remuneration of directors and officers of the Company is as follows:

	Three months ended December 31, 2024	2023
Management fees	$ 37,500	$ 37,500
Share based payments	731	11,612
Total remuneration	$ 38,231	$ 49,112

Key management personnel receive compensation in the form of short-term employee benefits, share-based payments, separation payment, and post-employment benefits. Short-term benefits include management fees paid to the CEO and the CFO of the Company for their services in their roles.

11. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject to.

The Company considers the aggregate of its equity as capital. As at December 31, 2024, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from operations.

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations through its current operating year.

Financial Instruments and Fair Value Measurements

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

ssets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at December 31, 2024 as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial assets				
Cash	$ 3,582	$ –	$ –	$ 3,582

Financial Risk

(i) Credit Risk

Credit risk arises from non-performance by counterparties of contractual financial obligations. The Company's maximum credit risk is primarily attributable to its cash. The Company limits its exposure to credit loss for cash by placing such instruments with financial institutions.

As at December 31, 2024, the Company's maximum exposure to credit risk is the carrying value of cash of $3,582.

(ii) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient financial resources to meet liabilities when due. As at December 31, 2024, the Company has a working capital deficit of $665,919. The Company requires funds to be raised from financing activities to meet its current obligations. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(iii) Interest Rate Risk

In management's opinion, the Company's interest rate risk is minimal as the Company does not have any bank indebtedness that bear interest at fixed or variable rates.

Foreign Currency Risk

The Company is exposed to currency fluctuations in the acquisition of foreign currencies. The Company holds insignificant balance in cash in foreign currencies (US dollars) and is therefore not exposed to significant gains or losses on foreign exchange. A significant change in the currency exchange rate between the Canadian dollar relative to the US dollar would have an insignificant effect on the Company's results of operations, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations.

As at December 31, 2024, a change of 10% +/- in US dollar would not result in a significant impact to the statements of loss and comprehensive loss.

(iv) Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities.