
S2 MINERALS INC.
FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of S2 Minerals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

S2 Minerals Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at August 31, 2024	As at May 31, 2024
ASSETS		
<i>Current</i>		
Cash	\$ 285,123	\$ 367,791
Short-term investments	10,000	10,000
Amounts receivable (note 3)	5,398	2,841
Prepays	326	1,888
Total current assets	300,847	382,520
<i>Non-Current</i>		
Fixed assets (note 4)	181,772	187,397
Total non-current assets	181,772	187,397
Total assets	\$ 482,619	\$ 569,917
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities	\$ 16,002	\$ 30,764
Total current liabilities	16,002	30,764
Total liabilities	16,002	30,764
SHAREHOLDERS' EQUITY		
Share capital (note 6)	3,788,615	3,788,615
Contributed surplus (note 6(c))	243,999	243,999
Deficit	(3,565,997)	(3,493,461)
Total shareholders' equity	466,617	539,153
Total liabilities and shareholders' equity	\$ 482,619	\$ 569,917

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Harvey L.A. Yesno"

Director

"Daniel Noone"

Director

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

S2 Minerals Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

Three Month Ended August 31,	2024	2023
Operating expenses		
Exploration and evaluation (note 8)	\$ 6,918	\$ 6,194
Professional fees	37,762	39,365
Salaries and related costs	12,941	12,936
Reporting issuer costs	4,360	9,095
Office and administrative	7,299	6,404
Travel and accommodation	2,946	4,807
Foreign exchange loss	310	270
Comprehensive loss for the period	\$ 72,536	\$ 79,071
Net loss per share		
- basic and diluted (note 5)	\$ 0.00	\$ 0.00
Weighted average number of common shares outstanding - basic and diluted (note 5)	37,937,649	37,887,650

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

S2 Minerals Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Period Ended August 31,	2024	2023
Operating activities		
Net loss for the period	\$ (72,536)	\$ (79,071)
<i>Adjustments for non-cash items:</i>		
Depreciation (note 4)	5,625	5,625
<i>Changes in non-cash working capital items:</i>		
Amounts receivable	(2,557)	(2,475)
Prepays	1,562	787
Accounts payable and accrued liabilities	(14,762)	(16,814)
Net cash used in operating activities	(82,668)	(91,948)
Net change in cash	(82,668)	(91,948)
Cash, beginning of period	367,791	999,880
Cash, end of period	\$ 285,123	\$ 907,932

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

S2 Minerals Inc.
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares	Share Capital	Contributed Surplus	Warrants	Deficit	Total
Balance May 31, 2023	37,887,650	\$ 3,785,365	\$ 16,970	\$ 227,029	\$(2,980,535)	\$ 1,048,829
Net loss for the period	-	-	-	-	(79,071)	(79,071)
Balance, August 31, 2023	37,887,650	\$ 3,785,365	\$ 16,970	\$ 227,029	\$(3,059,606)	\$ 969,758
Balance May 31, 2024	37,937,649	\$ 3,788,615	\$ 243,999	\$ -	\$(3,493,461)	\$ 539,153
Net loss for the period	-	-	-	-	(72,536)	(72,536)
Balance, August 31, 2024	37,937,649	\$ 3,788,615	\$ 243,999	\$ -	\$(3,565,997)	\$ 466,617

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

S2 Minerals Inc.
Notes to Condensed Interim Financial Statements
Three Months ended August 31, 2024 and 2023
(Expressed in Canadian Dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

S2 Minerals Inc. ("S2" or the "Company") was incorporated on November 30, 2020 under the laws of the Province of Ontario, Canada, and its head office is located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, M5H 3L5.

These unaudited condensed financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has an accumulated deficit of \$3,565,997 as August 31, 2024 (May 31, 2024 - \$3,493,461), a working capital of \$284,845 (May 31, 2024 - \$351,756), and a net loss for three months ended August 31, 2024 of \$72,536 (three months ended August 31, 2023 - \$79,071). The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and the attainment of profitable operations. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern. These unaudited condensed financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the Company's annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted. These unaudited condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended May 31, 2024, which include information necessary or useful to understanding the Company's business and financial statement presentation.

The accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended May 31, 2024, except for the adoption of new IFRS standards as set out below.

In preparing these unaudited condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The critical judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied and disclosed in the Company's financial statements for the year ended May 31, 2024.

These unaudited condensed interim financial statements were approved by the Board of Directors on October 7, 2024.

Other Narrow Scope Amendments to IFRSs and IFRS Interpretations

The Company adopted various amendments to IFRSs, which were effective for accounting periods beginning on or after June 1, 2024. The impact of adoption was not significant to the Company's unaudited condensed interim financial statements.

New and Revised IFRSs, Narrow Scope Amendments to IFRSs and IFRS Interpretations not yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after May 31, 2025. Management is still evaluating and does not expect any such pronouncements to have a significant impact on the Company's unaudited condensed interim financial statements upon adoption.

S2 Minerals Inc.
Notes to Condensed Interim Financial Statements
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3. AMOUNTS RECEIVABLE

	As at August 31, 2024	As at May 31, 2024
Sales tax recoverable	\$ 5,398	\$ 2,841
Total	\$ 5,398	\$ 2,841

4. FIXED ASSETS

Cost	Exploration Equipment
Balance, May 31, 2023	\$ 225,000
Additions	-
Balance, May 31, 2024 and August 31, 2024	\$ 225,000

Accumulated Depreciation	Exploration Equipment
Balance, May 31, 2023	\$ 15,103
Depreciation	22,500
Balance, May 31, 2024	\$ 37,603
Depreciation	5,625
Balance, August 31, 2024	\$ 43,228

Carrying amounts	Exploration Equipment
Balance, May 31, 2024	\$ 187,397
Balance, August 31, 2024	\$ 181,772

5. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended August 31, 2024 was based on the loss attributable to common shares of \$72,536 (three months ended August 31, 2023 - loss of \$79,071) and the weighted average number of common shares outstanding of 37,937,649, respectively (three months ended August 31, 2023 - 37,887,650).

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6. SHARE CAPITAL

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of Shares	Share Capital
Balance, May 31, 2023 and August 31, 2023	37,887,650	\$ 3,785,365

	Number of Shares	Share Capital
Balance, May 31, 2024 and August 31, 2024	37,937,649	\$ 3,788,615

c) Stock Options

A summary of changes in stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, May 31, 2023, August 31, 2023, May 31, 2024 and August 31, 2024	300,000	\$ 0.25

On November 23, 2021, the Company granted 300,000 stock options to a director of the Company. Each stock option allows the holder to acquire one common share at an exercise price of \$0.25 for a period of 3 years. The options shall vest as to one-quarter upon the date of grant, one-quarter upon 6 months, 12 months, and 18 months from the grant date, respectively. A grant date fair value of \$16,970 was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions: expected dividend yield of 0%; risk free interest rate of 1.17%; expected life of 3 years; share price of \$0.145; and an expected volatility of 80% based on the Company's historical trading data.

As at August 31, 2024, the following stock options were outstanding:

Number of Options	Exercisable Options	Exercise Price	Weighted Average Remaining Contractual Life (Years)	Expiry Date
300,000	300,000	\$0.25	0.23	November 23, 2024
300,000	300,000	\$0.25	0.23	

d) Share Purchase Warrants

A summary of changes in warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2023 and August 31, 2023	6,000,000	\$ 0.25
Balance, May 31, 2024 and August 31, 2024	-	\$ -

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7. RELATED PARTY TRANSACTIONS

Key management personnel include 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 executive and non-executive members of the Company's Board of Directors and corporate officers, excluding the Chief Financial Officer ("CFO") and the Corporate Secretary. As at August 31, 2024, there were no balances owed to management (May 31, 2024 - \$nil).

The compensation cost for key management personnel is as follows:

Three Months Ended August 31,	2024	2023
Salaries and fees	\$ 27,000	\$ 27,000
	\$ 27,000	\$ 27,000

During the three months ended August 31, 2024, the Company paid rent of \$7,500 (three months ended August 31, 2023 - \$7,500) to G2 Goldfields Inc. ("G2"), a company with common directors and management with S2.

During the three months ended August 31, 2024, the Company paid professional fees and disbursements totaling \$11,791 (three months ended August 31, 2023 - \$7,815) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, and (ii) regulatory filing services. The Marrelli Group was owed \$nil (May 31, 2024 - \$nil) and these amounts were included in accounts payable and accrued liabilities.

8. EXPLORATION AND EVALUATION

Three Months Ended August 31, 2024

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ -	\$ -	\$ 1,293	\$ 1,293
Depreciation of exploration equipment (note 4)	-	-	5,625	5,625
	\$ -	\$ -	\$ 6,918	\$ 6,918

Three Months Ended August 31, 2023

	Sandy Lake Project	Weebigee Joint Venture	Fort Hope Project	Total
Expenditures	\$ 1,650	\$ (1,081)	\$ -	\$ 569
Depreciation of exploration equipment (note 4)	-	-	5,625	5,625
	\$ 1,650	\$ (1,081)	\$ 5,625	\$ 6,194

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8. EXPLORATION AND EVALUATION (Continued)

The Company is party to an option agreement whereby the Company may acquire up to a 100% interest in certain claims in the Fort Hope Project by making cash payments totaling \$1,000,000 and issuing a total of 200,000 common shares in the Company before December 2025. In order for the Company to exercise the option the consideration is due as follows to Slam Exploration Ltd.:

- \$50,000 cash payment (paid) on execution
- \$100,000 cash payment (paid) plus 50,000 common shares (issued and valued at \$4,750) in S2 is due by December 2022
- \$150,000 cash payment (paid) plus 50,000 common shares (issued and valued at \$3,250) in S2 is due by December 2023
- \$200,000 cash payment plus 50,000 common shares in S2 is due by December 2024
- \$500,000 cash payment plus 50,000 common shares in S2 is due by December 2025

The Company is also party to various agreements whereby certain mineral claims are subject to a 2% Net Smelter Royalty (NSR).

On April 17, 2023, S2 announced that it has acquired 880 mining claims (the "Property") in the Veekay Lake, Gifford Lake, Opikeigan Lake, Frond Lake, Rich Lake and Reserve Lake areas in Ontario.

The Property was acquired from a director of the Company pursuant to an assignment agreement dated as of April 14, 2023. The director had acquired the Property from an arm's length third party for a cash payment of \$300,000 and a 2% net smelter returns royalty (the "Royalty") and agreed that if the Property was assigned to a public company before March 2024, such public company would issue \$50,000 of common shares (the "Shares"). The Company can purchase 1% of the Royalty for \$1,000,000. The Company assumed the obligations under the Royalty and issued 526,315 Shares valued at a price of \$0.15 per Share to Windfall Geotek Inc., arm's length third party.