

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended  
March 31, 2025 and 2024

Unaudited - Expressed in Canadian Dollars, unless otherwise noted



**NOTICE OF DISCLOSURE OF NON-AUDITOR REVIEW OF THE CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

Pursuant to National-Instrument 51-102, 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, the interim financial statements must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying condensed consolidated interim financial statements of Oceanic Iron Ore Corp. (the "Company") have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") including International Accounting Standard 34 - *Interim Financial Reporting* ("IAS 34") and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements.

# Oceanic Iron Ore Corp.

## Condensed Consolidated Interim Statements of Financial Position (Unaudited – Expressed in Canadian Dollars)

	Notes	As at March 31, 2025	As at December 31, 2024
<b>Assets</b>			
<b>Current</b>			
Cash		\$ 1,374,202	\$ 1,420,984
Receivables		13,726	21,027
Prepaid expenses and deposits		33,835	2,057
		<b>1,421,763</b>	<b>1,444,068</b>
Mineral properties	4	<b>44,949,490</b>	44,899,434
<b>Total assets</b>		<b>\$ 46,371,253</b>	<b>\$ 46,343,502</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		\$ 294,020	\$ 257,674
Due to related parties	8	325,053	249,069
Current portion of advance royalty payable	4	225,227	216,750
Convertible debentures	5	15,202,734	9,125,047
		<b>16,047,034</b>	<b>9,848,540</b>
Non-current portion of advance royalty payable	4	<b>437,446</b>	416,283
<b>Total liabilities</b>		<b>16,484,480</b>	<b>10,264,823</b>
<b>Shareholders' equity</b>			
Share capital	6	<b>63,376,460</b>	63,162,558
Reserves	6	<b>11,508,999</b>	11,465,192
Deficit		<b>(44,998,686)</b>	(38,549,071)
<b>Total shareholders' equity</b>		<b>29,886,773</b>	<b>36,078,679</b>
<b>Total liabilities and shareholders equity</b>		<b>\$ 46,371,253</b>	<b>\$ 46,343,502</b>
<i>Nature of operations and going concern</i>	1		
<i>Commitments</i>	7		
<i>Subsequent event</i>	10		

### Approved by the Board:

_____ " Steven Dean "	Director
_____ " Gordon Keep "	Director

# Oceanic Iron Ore Corp.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited – Expressed in Canadian Dollars except per share and share amounts)

	Notes	Three months ended March 31, 2025	Three months ended March 31, 2024
<b>Expenses</b>			
Consulting and management fees	8	\$ 85,480	\$ 75,725
Directors' fees	8	7,500	7,500
Insurance		5,284	4,420
Office and general		8,111	4,824
Professional fees		44,260	22,975
Rent		2,667	2,667
Share-based compensation	6b, 6c, 8	43,807	9,438
Transfer agent and regulatory		15,017	11,590
<b>Loss from operations</b>		<b>(212,126)</b>	<b>(139,139)</b>
<b>Other expenses</b>			
Loss on change in fair value of derivative liabilities	5	(6,020,177)	(253,524)
Convertible debenture accretion expense	5	(217,312)	(116,391)
<b>Total other expenses</b>		<b>(6,237,489)</b>	<b>(369,915)</b>
<b>Net loss and comprehensive loss</b>		<b>\$ (6,449,615)</b>	<b>\$ (509,054)</b>
<b>Net loss per common share</b>			
Basic and Diluted		\$ (0.06)	\$ (0.00)
<b>Weighted average number of common shares outstanding</b>			
Basic and Diluted		114,817,612	108,027,900

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

# Oceanic Iron Ore Corp.

## Condensed Consolidated Interim Statements of Changes in Equity (Unaudited – Expressed in Canadian Dollars except share amounts)

	Notes	Shares	Share capital	Reserves	Deficit	Total equity
<b>Balance - January 1, 2025</b>		<b>114,334,691</b>	<b>\$ 63,162,558</b>	<b>\$ 11,465,192</b>	<b>\$ (38,549,071)</b>	<b>\$ 36,078,679</b>
Exercise of warrants	6d	430,000	54,100	-	-	54,100
Share-based compensation - RSUs and stock options	6b, 6c	-	-	43,807	-	43,807
Shares issued on settled debenture interest	5	776,676	139,802	-	-	139,802
Shares issued on redemption of convertible debenture	5	200,000	20,000	-	-	20,000
Net loss		-	-	-	(6,449,615)	(6,449,615)
<b>Balance - March 31, 2025</b>		<b>115,741,367</b>	<b>\$ 63,376,460</b>	<b>\$ 11,508,999</b>	<b>\$ (44,998,686)</b>	<b>\$ 29,886,773</b>

		Shares	Share capital	Reserves	Deficit	Total equity
<b>Balance - January 1, 2024</b>		<b>106,517,653</b>	<b>\$ 62,367,906</b>	<b>\$ 11,334,926</b>	<b>\$ (33,871,487)</b>	<b>\$ 39,831,345</b>
Share-based compensation - stock options	6c	-	-	9,438	-	9,438
Shares issued on settled debenture interest	5	1,544,185	92,651	-	-	92,651
Net loss		-	-	-	(509,054)	(509,054)
<b>Balance - March 31, 2024</b>		<b>108,061,838</b>	<b>\$ 62,460,557</b>	<b>\$ 11,344,364</b>	<b>\$ (34,380,541)</b>	<b>\$ 39,424,380</b>

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

# Oceanic Iron Ore Corp.

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

	Notes	Three months ended March 31, 2025	Three months ended March 31, 2024
<b>Operating activities</b>			
Net loss		\$ (6,449,615)	\$ (509,054)
Adjustments for:			
Share-based compensation	6b, 6c	43,807	9,438
Loss on change in fair value of derivative liabilities	5	6,020,177	253,524
Convertible debenture accretion expense	5	217,312	116,391
Net changes in non-cash working capital balances:			
Receivables		8,334	5,500
Prepaid expenses and deposits		(31,778)	(2,305)
Accounts payable and accrued liabilities		39,519	33,541
Due to related parties		75,984	50,221
Cash used in operating activities		\$ (76,260)	\$ (42,744)
<b>Investing activities</b>			
Mineral property expenditures	4	(24,622)	(9,754)
Cash used in investing activities		(24,622)	(9,754)
<b>Financing activities</b>			
Proceeds from exercise of warrants	6d	54,100	-
Cash from financing activities		54,100	-
Change in cash		(46,782)	(52,498)
Cash, beginning of the period		1,420,984	269,513
<b>Cash, end of the period</b>		<b>\$ 1,374,202</b>	<b>\$ 217,015</b>
<b>Non-cash investing and financing activities</b>			
Accretion of advance royalty payable		29,640	30,134
Conversion of convertible debenture principal		20,000	-
Shares issued on settlement of convertible debenture interest		139,802	92,651
Transaction costs recovery on convertible debentures		-	(60,103)

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

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

Oceanic Iron Ore Corp. (“Oceanic” or the “Company”) is an exploration-stage company engaged in the acquisition and exploration of iron ore properties in Québec, Canada. The Company was incorporated on March 8, 1986 under the British Columbia Business Corporations Act. The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, British Columbia. The Company’s registered/records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia. Its common shares are traded on the TSX Venture Exchange under the symbol “FEO”. The Company acquired a 100% interest in certain mining claims (the “Property”) located near Ungava Bay, Québec, Canada, in November 2010. The Company is currently conducting exploration activities on the Property. The Property comprises three project areas: Hopes Advance (or the “Hopes Advance Project”), Morgan Lake and Roberts Lake, which cover over 36,040 hectares and 862 mineral claims with iron formation and are located within 20 to 50 km from tidewater. The Company operates as a single reportable segment, being the exploration of the Property. All of the Company’s non-current assets are located in Canada.

While these condensed consolidated interim financial statements (“Interim Financial Statements”) have been prepared on the basis that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events result in a material uncertainty casting significant doubt on the validity of this assumption. For the three months ended March 31, 2025, the Company had no revenues and had negative cash flows from operations. As at March 31, 2025, the Company had an accumulated deficit of \$44,998,686 and a working capital deficit of \$14,625,271.

The Company’s ability to continue on a going concern basis for and beyond the next twelve months depends on its ability to negotiate an extension to the maturity of its Series C Debentures (with a face value of \$1,477,558 and currently maturing on March 10, 2026) or to successfully raise additional financing for continued operations, the necessary capital expenditures required, and to service its current obligations. The Company continues to pursue a number of options to improve its financial capacity, including securing a strategic partner to further advance the Hopes Advance Project. While 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 acceptable to the Company.

These Interim Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate, and the impact of such adjustments could be material.

### 2. BASIS OF PRESENTATION

These Interim Financial Statements have been prepared in accordance with IAS 34. These Interim Financial Statements do not include all disclosures required by IFRS Accounting Standards for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company’s audited annual consolidated financial statements (the “Annual Financial Statements”) as at and for the years ended December 31, 2024 and 2023. The accounting policies applied in these Interim Financial Statements are the same as those applied in Note 3 of the Company’s Annual Financial Statements.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

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### 2. BASIS OF PRESENTATION (CONTINUED)

These Interim Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value. In addition, these Interim Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. These Interim Financial Statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary. Certain prior period amounts have been reclassified to conform to the presentation in the current period. These Interim Financial Statements include the accounts of the Company and its inactive subsidiary incorporated in Canada.

These Interim Financial Statements were approved by the board of directors on May 26, 2025.

#### Accounting standards and amendments issued but not yet adopted

Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* ("Amendments to IFRS 9 and IFRS 7"): In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI. The Amendments to IFRS 9 and IFRS 7 are effective for periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impact of this standard on its disclosures.

IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18"): In April 2024, the IASB issued IFRS 18, which will replace IAS 1. IFRS 18 is effective for periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 will require defined categories and subtotals in the consolidated statements of (loss) income, require disclosure about management-defined performance measures, and adds new principles for aggregation and disaggregation of information. The Company is assessing the impact of this standard on its disclosures.

### 3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Company's interim results are not necessarily indicative of its results for a full year. The significant accounting policy judgments and areas of estimation uncertainty that applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in Note 4 of the Annual Financial Statements



# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 4. MINERAL PROPERTIES - UNGAVA BAY

#### a) Acquisition costs

	Three months ended March 31, 2025	Year ended December 31, 2024
<b>Acquisition costs - beginning of period</b>	<b>\$ 20,456,957</b>	<b>\$ 20,267,104</b>
<b>Additions during the period</b>		
Additional advance royalty payable	-	78,277
Accretion of advance royalty payable	29,640	111,576
<b>Acquisition costs - end of period</b>	<b>\$ 20,486,597</b>	<b>\$ 20,456,957</b>

#### b) Exploration costs

	Three months ended March 31, 2025	Year ended December 31, 2024
<b>Exploration costs - beginning of period</b>	<b>\$ 24,442,477</b>	<b>\$ 24,186,754</b>
<b>Expenditures during the period</b>		
Permitting and claims	12,166	95,627
Mapping & imagery	5,250	147,974
Equipment, supplies & rentals	3,000	6,000
Office and accommodation	-	6,122
<b>Exploration costs - end of period</b>	<b>\$ 24,462,893</b>	<b>\$ 24,442,477</b>
<b>Grand total - mineral properties</b>	<b>\$ 44,949,490</b>	<b>\$ 44,899,434</b>

Under the terms of the acquisition of the Property, the Company must pay advance net smelter royalty ("NSR") payments of \$200,000 per year until the commencement of commercial production. The aggregate advance NSR payments will then be credited against all future NSR payments payable from production. The advance NSR payments included in the purchase price represent the present value of advance payments to the royalty holders until the estimated date of commencement of commercial production.

A 1% NSR is payable to 154619 Canada Inc. ("154619") and a 1% NSR is payable to SPG Royalties Inc. ("SPG"). The Company discounted the advance NSR payments using a discount rate of 20% per annum, representing the estimated rate of return of similar investments. The advance royalty liability will be accreted up to the date of ultimate NSR advance payment, resulting in an increase to mineral property acquisition costs and the advance royalty payable.

The total estimated future undiscounted NSR payments as at March 31, 2025 and December 31, 2024 was \$1,050,000. For the three months ended March 31, 2025, accretion of the advance royalty payable totaled \$29,640 (2024: \$30,134). As at March 31, 2025, the total advance royalty payable was \$662,673 (December 31, 2024: \$633,033), with \$225,227 (December 31, 2024: \$216,750) recognized as a current liability and \$437,446 (December 31, 2024: \$416,283) recognized as a non-current liability.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 5. CONVERTIBLE DEBENTURES

The following tables summarize the changes to the convertible debentures:

	Series A Debentures	Series B Debenture	Series C Debentures	Series D Debentures	Series E Debentures	Total
<b>Balance - December 31, 2024</b>	<b>\$ 2,038,648</b>	<b>\$ 2,227,272</b>	<b>\$ 1,775,260</b>	<b>\$ 2,016,233</b>	<b>\$ 1,067,634</b>	<b>\$ 9,125,047</b>
Interest expense and accretion	27,695	29,194	29,697	44,951	75,848	207,385
Amortization of transaction costs	-	2,480	1,916	1,795	3,736	9,927
Interest settlements through share issuance	(16,150)	(17,797)	(31,398)	(23,775)	(50,682)	(139,802)
Partial redemption of convertible debenture	-	-	-	(20,000)	-	(20,000)
Loss (gain) on change in fair value of derivative liabilities	628,658	697,906	716,364	974,851	3,002,398	6,020,177
<b>Balance - March 31, 2025</b>	<b>\$ 2,678,851</b>	<b>\$ 2,939,055</b>	<b>\$ 2,491,839</b>	<b>\$ 2,994,055</b>	<b>\$ 4,098,934</b>	<b>\$15,202,734</b>
<b>Balance - December 31, 2023</b>	<b>\$ 1,078,434</b>	<b>\$ 1,255,642</b>	<b>\$ 848,444</b>	<b>\$ 267,227</b>	<b>\$ -</b>	<b>\$ 3,449,747</b>
Proceeds received	-	-	-	-	2,385,000	2,385,000
Transaction costs recovery (expense)	-	-	-	60,102	(74,751)	(14,649)
Interest expense and accretion	138,772	111,552	119,462	214,950	80,831	665,567
Amortization of transaction costs	-	9,892	7,663	10,125	4,983	32,663
Interest settlements through share issuance	(80,750)	(88,983)	(164,259)	(126,779)	(54,578)	(515,349)
Partial redemption of convertible debenture	-	-	(79,990)	(72,500)	-	(152,490)
Loss (gain) on change in fair value of derivative liabilities	902,192	939,169	1,043,940	1,663,108	(1,273,851)	3,274,558
<b>Balance - December 31, 2024</b>	<b>\$ 2,038,648</b>	<b>\$ 2,227,272</b>	<b>\$ 1,775,260</b>	<b>\$ 2,016,233</b>	<b>\$ 1,067,634</b>	<b>\$ 9,125,047</b>

The following tables summarize the components of the convertible debentures:

	Series A Debentures	Series B Debenture	Series C Debentures	Series D Debentures	Series E Debentures	Total
Convertible debenture liability	609,030	549,281	1,477,389	874,153	1,593,564	5,103,417
Deferred loss convertible debenture liability	-	-	(413,340)	(874,153)	(1,593,564)	(2,881,057)
Derivative liability	2,069,821	2,389,774	1,427,790	3,029,837	9,574,028	18,491,250
Deferred loss derivative liability	-	-	-	(35,782)	(5,475,094)	(5,510,876)
<b>Balance - March 31, 2025</b>	<b>\$ 2,678,851</b>	<b>\$ 2,939,055</b>	<b>\$ 2,491,839</b>	<b>\$ 2,994,055</b>	<b>\$ 4,098,934</b>	<b>\$15,202,734</b>
Convertible debenture liability	597,485	535,404	1,477,174	871,182	1,564,661	5,045,906
Deferred loss convertible debenture liability	-	-	(522,754)	(871,182)	(1,564,661)	(2,958,597)
Derivative liability	1,441,163	1,691,868	820,840	2,147,522	6,966,240	13,067,633
Deferred loss derivative liability	-	-	-	(131,289)	(5,898,606)	(6,029,895)
<b>Balance - December 31, 2024</b>	<b>\$ 2,038,648</b>	<b>\$ 2,227,272</b>	<b>\$ 1,775,260</b>	<b>\$ 2,016,233</b>	<b>\$ 1,067,634</b>	<b>\$ 9,125,047</b>

The convertible debentures are secured with a first ranking charge at any time against the assets of the Company, ranking pari-passu with the current secured debenture holders. Interest on the convertible debentures may be settled in cash or common shares quarterly, at the election of the Company, at the market price of the common shares at the time of the interest settlement. During the three months ended March 31, 2025 the Company settled \$139,802 (2024: \$92,651) of debenture interest by issuing 776,676 (2024: 1,544,185) common shares.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

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### 5. CONVERTIBLE DEBENTURES (CONTINUED)

The Series A Debentures, with a face value of \$760,000, were convertible into units at a conversion price of \$0.07 per unit during the first year of their term, following which (on September 26, 2023) the conversion price increased to \$0.10 per unit. Each unit comprises one common share and one share purchase warrant exercisable into one common share of the Company at a price of \$0.07 per common share. The Series A Debentures bear interest at 8.5% per annum over a five-year term and mature on September 26, 2027. As at March 31, 2025, Series A Debentures with a face value of \$105,000 (December 31, 2024: \$105,000) were held by an officer, a director and a company controlled by a director of the Company.

The Series B Debenture, with a face value of \$837,500, is convertible into units at a conversion price of \$0.10 per unit. Each unit comprises one common share and one share purchase warrant exercisable into one common share of the Company at a price of \$0.07 per common share. The Series B Debenture bears interest at 8.5% per annum over a five-year term and matures on November 29, 2028.

The Series C Debentures, with a face value of \$1,477,558, are convertible into units at a conversion price of \$0.19 per unit. Each unit comprises one common share and one share purchase warrant exercisable into one common share of the Company at a price of \$0.19 per common share. The Series C Debentures bear interest at 8.5% per annum over a five-year term and mature on March 10, 2026. As at March 31, 2025, Series C Debentures with a face value of \$868,038 (December 31, 2024: \$868,038) were held by an officer, directors, a significant shareholder and companies controlled by directors of the Company.

The Series D Debentures, with a face value of \$1,112,500, were convertible into units at a conversion price of \$0.07 per unit during the first year of their term, following which (on September 26, 2023) the conversion price increased to \$0.10 per unit. Each unit comprises one common share and one share purchase warrant exercisable into one common share of the Company at a price of \$0.07 per common share. The Series D Debentures bear interest at 8.5% per annum over a five-year term and mature on September 26, 2027. During the three months ended March 31, 2025, there were partial conversions of the Series D Debentures in the amount of \$20,000, which was converted by a company controlled by a director of the Company, resulting in the issuance of 200,000 common shares and 200,000 share purchase warrants. As at March 31, 2025, Series D Debentures with a face value of \$538,500 (December 31, 2024: \$558,500) were held by an officer, directors and companies controlled by directors of the Company.

The Series E Debentures, with a face value of \$2,385,000, are convertible into units at a conversion price of \$0.075 per unit during the first year of their term, following which (on September 24, 2025) the conversion price will increase to \$0.10 per unit. Each unit comprises one common share and one share purchase warrant exercisable into one common share of the Company at a price of \$0.075 per common share. The Series E Debentures bear interest at 8.5% per annum over a five-year term and mature on September 24, 2029. As at March 31, 2025, Series E Debentures with a face value of \$609,999 (December 31, 2024: \$609,999) were held by officers, directors and companies controlled by directors of the Company.

During the three months ended March 31, 2025, the loss on change in fair value of derivative liabilities of \$6,020,177 (2024: \$253,524) included the amortization of deferred loss of \$596,559 (2024: \$201,949).

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 5. CONVERTIBLE DEBENTURES (CONTINUED)

In accordance with IFRS 9 – *Financial Instruments* (“IFRS 9”), it has been determined that the respective convertible debentures are, for IFRS purposes, hybrid debt instruments which contain non-cash embedded derivative liabilities associated with the conversion features of the debentures into units. IFRS 9 further determines that the debenture is to be measured at amortized cost and the non-cash embedded derivative is to be measured at fair value.

The Company uses a binomial option pricing model to fair value the derivative liability components:

March 31, 2025

	Series A Debentures	Series B Debenture	Series C Debentures	Series D Debentures	Series E Debentures
Volatility	109.62%	101.11%	113.77%	109.62%	100.54%
Stock price	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
Exercise price of units	\$ 0.10	\$ 0.10	\$ 0.19	\$ 0.10	\$ 0.075
Exercise price of warrants	\$ 0.07	\$ 0.07	\$ 0.19	\$ 0.07	\$ 0.075
Interest rate	2.50%	2.59%	2.61%	2.50%	2.67%
Time to maturity (years)	2.49	3.67	0.94	2.49	4.49
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%

As all convertible debentures issued by the Company are convertible at the election of the holder, the Company does not control the timing of such conversions and, at the reporting date, is not considered to have an unconditional right to defer settlement (by conversion into equity instruments) for the next twelve months. As a result, the convertible debentures are presented as current liabilities.

### 6. SHARE CAPITAL

#### a) Share capital

Unlimited common and preferred shares without par value.

During the three months ended March 31, 2025, the Company issued:

- 776,676 common shares to settle debenture interest amounting to \$139,802, of which 251,208 common shares were issued to officers, directors, a significant shareholder and companies controlled by directors of the Company;
- 200,000 common shares from partial redemptions of convertible debentures amounting to \$20,000, which was issued to a company controlled by a director of the Company; and
- 430,000 common shares from the exercise of warrants, of which 230,000 common shares were issued to a company controlled by a director of the Company.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 6. SHARE CAPITAL (CONTINUED)

#### b) Restricted Share Units (“RSUs”)

During the three months ended March 31, 2025, the Company recognized share-based compensation expense of \$726 (2024: \$nil) with a corresponding increase to reserves.

	Number of RSUs
<b>RSUs outstanding - December 31, 2023</b>	-
Issued	50,000
<b>RSUs outstanding - December 31, 2024 and March 31, 2025</b>	<b>50,000</b>

#### c) Stock options

A summary of the changes in the stock options is as follows:

	Number of options	Weighted average exercise price
<b>Options outstanding - December 31, 2023</b>	<b>8,325,000</b>	<b>\$ 0.13</b>
Granted	3,020,000	\$ 0.09
Exercised	(510,000)	\$ 0.09
Expired	(650,000)	\$ 0.16
Forfeited	(570,000)	\$ 0.15
<b>Options outstanding - December 31, 2024 and March 31, 2025</b>	<b>9,615,000</b>	<b>\$ 0.12</b>
<b>Options exercisable - December 31, 2024</b>	<b>8,155,000</b>	<b>\$ 0.12</b>
<b>Options exercisable - March 31, 2025</b>	<b>8,405,000</b>	<b>\$ 0.12</b>

The following tables summarize information about stock options outstanding and exercisable:

Total options outstanding				Total options exercisable				March 31, 2025
Range of exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Weighted average exercise price	
\$0.05-\$0.10	4,840,000	7.6	\$ 0.08	4,096,667	7.3	\$ 0.08	\$ 0.08	
\$0.11-\$0.15	3,430,000	5.1	\$ 0.14	3,430,000	5.1	\$ 0.14	\$ 0.14	
\$0.16-\$0.20	700,000	9.7	\$ 0.18	233,333	9.7	\$ 0.18	\$ 0.18	
\$0.21-\$0.25	645,000	2.8	\$ 0.24	645,000	2.8	\$ 0.24	\$ 0.24	
	<b>9,615,000</b>	<b>6.5</b>	<b>\$ 0.12</b>	<b>8,405,000</b>	<b>6.1</b>	<b>\$ 0.12</b>		

Total options outstanding				Total options exercisable				December 31, 2024
Range of exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Weighted average exercise price	
\$0.05-\$0.10	4,840,000	7.8	\$ 0.08	3,846,667	7.4	\$ 0.08	\$ 0.08	
\$0.11-\$0.15	3,430,000	5.3	\$ 0.14	3,430,000	5.3	\$ 0.14	\$ 0.14	
\$0.16-\$0.20	700,000	9.9	\$ 0.18	233,333	9.9	\$ 0.18	\$ 0.18	
\$0.21-\$0.25	645,000	3.0	\$ 0.24	645,000	3.0	\$ 0.24	\$ 0.24	
	<b>9,615,000</b>	<b>6.7</b>	<b>\$ 0.12</b>	<b>8,155,000</b>	<b>6.2</b>	<b>\$ 0.12</b>		

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 6. SHARE CAPITAL (CONTINUED)

#### c) Stock options (continued)

During the three months ended March 31, 2025, the Company recorded share-based compensation expense relating to stock options of \$43,081 (2024: \$9,348).

#### d) Share purchase warrants

A summary of the changes in the share purchase warrants is as follows:

	Number of share purchase warrants	Weighted average exercise price
<b>Balance - December 31, 2023</b>	<b>214,285</b>	<b>\$ 0.07</b>
Issued	1,146,000	0.11
Exercised	(595,000)	0.07
<b>Balance - December 31, 2024</b>	<b>765,285</b>	<b>\$ 0.14</b>
Issued	200,000	0.07
Exercised	(430,000)	0.13
<b>Balance - March 31, 2025</b>	<b>535,285</b>	<b>\$ 0.13</b>

As at March 31, 2025, the share purchase warrants outstanding had a weighted average remaining life of 1.9 years.

### 7. COMMITMENTS

The Company's undiscounted contractual commitments were as follows:

**March 31, 2025**

	Less than 1 year	1 -3 years	More than 3 years	Total
Accounts payable and accrued liabilities	\$ 294,020	\$ -	\$ -	\$ 294,020
Due to related parties	325,053	-	-	325,053
Convertible debenture - liability component	551,443	4,135,101	3,571,545	8,258,089
Advance royalty payable	250,000	400,000	400,000	1,050,000
	\$ 1,420,516	\$ 4,535,101	\$ 3,971,545	\$ 9,927,162

**December 31, 2024**

	Less than 1 year	1 -3 years	More than 3 years	Total
Accounts payable and accrued liabilities	\$ 257,674	\$ -	\$ -	\$ 257,674
Due to related parties	249,069	-	-	249,069
Convertible debenture - liability component	560,369	4,221,042	3,639,329	8,420,740
Advance royalty payable	250,000	400,000	400,000	1,050,000
	\$ 1,317,112	\$ 4,621,042	\$ 4,039,329	\$ 9,977,483

Contractual commitments related to the convertible debenture – liability component represent principal and interest payments. The convertible debentures are assumed to be held to maturity. Of this balance, the interest component of \$1,685,531 may be settled in common shares at the election of the Company.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

### 8. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

#### a) Key Management Compensation

Key management includes the Company's directors, Chief Executive Officer and Chief Financial Officer. Compensation awarded to key management, which includes compensation to the former Interim Chief Executive Officer who resigned August 22, 2024, is also presented in the table below:

	Three months ended March 31, 2025	Three months ended March 31, 2024
Directors' fees	\$ 7,500	\$ 7,500
Consulting and management fees	80,000	73,750
Share-based compensation*	42,747	8,600
	<b>\$ 130,247</b>	<b>\$ 89,850</b>

\*Share-based compensation is valued based on the fair value of stock options and RSUs granted to individuals

#### b) Payments for services by related parties

During the three months ended March 31, 2025, the Company incurred corporate consulting fees of \$25,000 (2024: \$28,750), to Sirocco Advisory Services Ltd. ("Sirocco"), a company controlled by a director of the Company. As at March 31, 2025, the Company owed \$58,333 (December 31, 2024: \$33,333) to Sirocco relating to unpaid consulting fees.

During the three months ended March 31, 2025, the Company incurred corporate consulting fees of \$25,000 (2024: \$nil) to the Company's Chief Executive Officer. As at March 31, 2025, the Company owed \$8,333 (December 31, 2024: \$nil) to the Chief Executive Officer relating to unpaid consulting fees.

During the three months ended March 31, 2025 and 2024, the Company incurred corporate consulting fees of \$15,000 to Timbavati Consult Inc. ("Timbavati"), a company controlled by the Chief Financial Officer. As at March 31, 2025, the Company owed \$35,000 (December 31, 2024: \$20,000) to Timbavati relating to unpaid consulting fees.

During the three months ended March 31, 2025 and 2024, the Company incurred corporate consulting fees of \$15,000 to Fiore Management & Advisory Corp. ("Fiore"), a company controlled by a director of the Company. As at March 31, 2025, the Company owed \$35,000 (December 31, 2024: \$20,000) to Fiore relating to unpaid consulting fees.

As at March 31, 2025, the Company owed \$75,000 (December 31, 2024: \$67,500) in directors' fees to certain directors of the Company.

The Company was charged shared lease, overhead, and service costs by Artemis Gold Inc. ("Artemis"), a company with common management and directors. For the three months ended March 31, 2025, the Company incurred \$5,151 (2024: \$3,971) in shared lease, overhead, and service costs. As at March 31, 2025, the Company owed \$113,387 (December 31, 2024: \$108,236) to Artemis.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

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### 9. FINANCIAL RISK MANAGEMENT

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

#### ***Financial instrument risk exposure***

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Company's Board of Directors approves and monitors the risk management processes.

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, amounts due to related parties, advance royalty payable, and convertible debentures. These financial instruments are designated as follows: cash is a financial asset measured at amortized cost, accounts payable and accrued liabilities and amounts due to related parties are financial liabilities measured at amortized cost, the measurement of the advance royalty payable is disclosed in Note 4, and the measurement of the convertible debentures is disclosed in Note 5.

#### **Credit risk**

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and receivables. The Company has concentration of risk with respect to cash being held with one large Canadian financial institution. The Company's credit risk is mitigated by maintaining its financial liquid assets with highly reputable counterparties. The maximum exposure to credit risk is equal to the carrying value of the financial assets noted above.

#### **Liquidity risk**

Liquidity risk is the risk that the Company cannot meet its obligations as they fall due. The Company manages liquidity risk by preparing and maintaining cash forecasts, which illustrate cash spent to date and the Company's cash needs over the short term. Contractual undiscounted cash flow requirements for financial liabilities as at March 31, 2025 and December 31, 2024 are presented in Note 7.

The Company's ability to continue operations in the normal course of business is dependent on several factors, including the ability to renegotiate the maturity of the Series C Debentures or to secure additional financing. In addition, the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production, all of which are uncertain. Further information relating to liquidity risk is disclosed in Note 1.



# Oceanic Iron Ore Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited – Expressed in Canadian Dollars, unless otherwise noted)

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### 9. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### *Financial instrument risk exposure (continued)*

##### Market risk

Market risk is the risk that the fair market value of the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments and convertible debentures can be affected by changes in interest rates, foreign exchange rates and equity and commodity prices. The Company is exposed to market risk in its cash. The Company manages market risk by investing funds with a reputable financial institution that provides competitive rates of return.

Interest rate risk is the risk that the future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk is not significant and a 1% change in interest rates would not have a significant impact on the Company's net loss.

##### **Fair Value**

A three-level hierarchy for fair value measurements exists based upon the significance of inputs used in making fair value measurements:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices 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.

Fair value is based on available public market information or, when such information is not available, estimated using fair valuation techniques (including option pricing models and present value models) which include assumptions concerning the amount and timing of future cash flows and/or debt conversions, discount rates which factor in the appropriate credit risk, as well as historical volatility rate assumptions as applicable. The carrying values of cash, receivables, prepaid expenses and deposits, accounts payable and accrued liabilities, amounts due to related parties, advance royalty payable, and convertible debentures approximate their fair values due to their short-term nature.

As at March 31, 2025, the derivative liabilities of \$18,491,250 (December 31, 2024: \$13,067,633) included in the convertible debentures are measured at level 3 due to certain inputs that are not based on observable market data.

### 10. SUBSEQUENT EVENT

- a) Subsequent to period-end, the Company issued 100,000 common shares for proceeds of \$7,000 pursuant to the exercise of share purchase warrants.