

**BATHURST METALS CORP.**  
(An Exploration Stage Company)

**Condensed Interim Financial Statements**  
**Nine Months Ended June 30, 2024 and 2023**  
(Expressed in Canadian Dollars)  
(Unaudited)

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**Notice of Disclosure of Non-auditor Review of the Interim Financial Statements  
For the Nine Months Ended June 30, 2024**

Under 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, 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 have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

**BATHURST METALS CORP.**  
**(An Exploration Stage Company)**  
**Condensed Interim Statements of Financial Position**  
**(Expressed in Canadian Dollars)**

<b>As at</b>	<b>June 30, 2024 (Unaudited)</b>	<b>September 30, 2023</b>
<b>Assets</b>		
<b>Current</b>		
Cash (notes 5(c), 8(c))	\$ 142,157	\$ 35,368
Accounts receivable	22,779	25,731
Prepaid expenses (note 10)	19,993	9,043
Marketable securities (note 7)	237,500	137,500
	422,429	207,642
<b>Non-Current</b>		
Reclamation bonds (note 6)	23,500	23,500
Mineral property interests (notes 7, 8(b), 10)	1,569,087	1,083,543
	\$ 2,015,016	\$ 1,314,685
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 6)	\$ 280,451	\$ 165,029
Due to related parties (note 10)	34,131	31,108
	314,582	196,137
<b>Shareholders' Equity</b>		
<b>Capital Stock</b> (note 8)	10,437,569	9,785,532
<b>Share-Based Payments Reserve</b> (note 9)	2,170,749	2,154,871
<b>Reserves</b>	259,630	197,625
<b>Deficit</b>	(11,167,514)	(11,019,480)
	1,700,434	1,118,548
	\$ 2,015,016	\$ 1,314,685

Approved on behalf of the Board:

*"Harold Forzley"* \_\_\_\_\_ Director  
Harold Forzley

*"Stephen Millen"* \_\_\_\_\_ Director  
Stephen Millen

**BATHURST METALS CORP.**  
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**Condensed Interim Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	<b>3 months ended June 30, 2024</b>	<b>3 months ended June 30, 2023</b>	<b>9 months ended June 30, 2024</b>	<b>9 months ended June 30, 2023</b>
<b>Expenses</b>				
Accounting and audit	\$ 10,926	\$ 10,492	\$ 36,880	\$ 31,374
Consulting	-	2,000	-	2,000
Filing and listing fees	2,080	968	7,551	9,789
General and office (note 10(b))	2,089	1,296	3,295	4,678
Interest and bank charges	117	233	3,919	1,419
Investors relations	30,162	161	81,950	3,167
Legal	-	6,937	3,889	19,798
Management fees (note 10(a))	30,000	30,000	93,125	84,000
Marketing	15,000	833	45,833	12,218
Meals and entertainment	452	737	1,740	1,866
Rent	1,500	-	3,500	-
Transfer agent fees	-	500	150	4,462
Travel	1,158	330	1,220	2,336
Interest income	(47)	(38)	(896)	(433)
Share-based payments (note 9(b))	5,010	-	15,878	176,800
	<b>98,447</b>	<b>54,449</b>	<b>298,034</b>	<b>353,474</b>
<b>Other (Income)</b>				
(Gain) loss on sale of mineral properties	-	4,280	(151,250)	(362,776)
Unrealized loss on marketable securities (note 7(d))	23,750	87,500	1,250	37,500
	<b>23,750</b>	<b>91,780</b>	<b>(150,000)</b>	<b>(325,276)</b>
<b>Loss and Comprehensive Loss for the Period</b>				
	<b>\$122,197</b>	<b>\$146,229</b>	<b>\$148,034</b>	<b>\$28,198</b>
<b>Loss Per Share: Basic</b>				
	<b>\$ 0.0037</b>	<b>\$ 0.0059</b>	<b>\$ 0.0048</b>	<b>\$ 0.0012</b>
<b>Weighted Average Number of Common Shares Outstanding</b>				
	<b>33,354,811</b>	<b>24,973,355</b>	<b>31,015,898</b>	<b>23,505,442</b>

**BATHURST METALS CORP.**  
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**Condensed Interim Statements of Changes in Shareholders' Equity**  
**(Expressed in Canadian Dollars)**  
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	Capital Stock		Share-Based Payments Reserve	Reserves	Deficit	Total
	Number of Shares	Amount				
<b>Balance, September 30, 2022</b>	20,307,860	\$ 9,238,312	\$ 1,978,071	\$ 164,425	\$ (10,876,542)	\$ 504,266
Units issued for cash (note 8(b))	2,000,000	200,000	-	-	-	200,000
Flow-through units issued for cash (note 8(c))	1,660,000	174,300	-	33,200	-	207,500
Shares issued for mineral properties (notes 7(g)), 8(b))	1,100,000	156,500	-	-	-	156,500
Share issue costs (note 8(b))	-	(38,402)	-	-	-	(38,402)
Share-based payments (note 9(b))	-	-	176,800	-	-	176,800
Net loss for the period	-	-	-	-	(28,198)	(28,198)
<b>Balance, June 30, 2023</b>	25,067,860	\$ 9,730,710	\$ 2,154,871	\$ 197,625	\$ (10,904,740)	\$ 1,178,466
<b>Balance, September 30, 2023</b>	25,567,860	\$ 9,785,532	\$ 2,154,871	\$ 197,625	\$ (11,019,480)	\$ 1,118,548
Units issued for cash (note 8(b))	2,387,500	191,000	-	-	-	191,000
Flow-through units issued for cash (note 8(c))	4,025,000	346,875	-	55,625	-	402,500
Shares issued for mineral properties (notes 7(g)(h), 8(b))	2,000,000	167,500	-	-	-	167,500
Share issue costs (notes 8(b), (c))	-	(53,338)	-	6,380	-	(46,958)
Share-based payments (note 9(b))	-	-	15,878	-	-	15,878
Net loss for the period	-	-	-	-	(148,034)	(148,034)
<b>Balance, June 30, 2024</b>	<b>33,980,360</b>	<b>\$ 10,437,569</b>	<b>\$ 2,170,749</b>	<b>\$ 259,630</b>	<b>\$(11,167,514)</b>	<b>\$ 1,700,434</b>

See notes to condensed interim financial statements.

**BATHURST METALS CORP.**  
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**Condensed Interim Statements of Cash Flows**  
**Nine Months Ended June 30**  
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	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Net loss for the period	\$ (148,034)	\$ (28,198)
Items not affecting cash:		
Share-based payments	15,878	176,800
Unrealized loss on marketable securities	1,250	37,500
Gain on sale of mineral properties	(151,250)	(362,776)
	(282,156)	(176,674)
Changes in non-cash working capital		
Accounts receivable	2,952	3,391
Prepaid expenses	(10,950)	16,361
Accounts payable and accrued liabilities	110,603	(45,153)
Due to related parties	473	(39,511)
<b>Cash Used in Operating Activities</b>	<b>(179,078)</b>	<b>(241,586)</b>
<b>Investing Activities</b>		
Investment in mineral assets	(35,699)	(35,605)
Acquisition of mineral property interests	(274,976)	(57,853)
Proceeds on sale of mineral property (note 7(d))	50,000	300,000
<b>Cash Provided by (Used in) Investing Activities</b>	<b>(260,675)</b>	<b>206,542</b>
<b>Financing Activities</b>		
Repayment of promissory notes	-	(11,000)
Proceeds on common share units issuance	593,500	407,500
Share issue costs	(46,958)	(38,402)
<b>Cash Provided by Financing Activities</b>	<b>546,542</b>	<b>358,098</b>
<b>Increase in Cash</b>	<b>106,789</b>	<b>323,054</b>
<b>Cash, Beginning of Period</b>	<b>35,368</b>	<b>11,788</b>
<b>Cash, End of Period</b>	<b>\$ 142,157</b>	<b>\$ 334,842</b>
<b>Non-cash transaction:</b>		
Mineral property interest accrued in accounts payable and accrued liabilities	\$ 4,819	\$ 16,517
Mineral property interest accrued in due to related parties	\$ 2,550	\$ -
Marketable securities received on sale of mineral properties	\$ 101,250	\$ 225,000
Shares issued for mineral properties (notes 7(g), 7(h))	\$ 167,500	\$ 156,500
Fair value of broker warrants in share issue costs	\$ 6,380	\$ -
<b>Cash paid during the period for:</b>		
Income taxes	\$ -	\$ -
Interest	\$ 3,294	\$ 702

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Bathurst Metals Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on January 24, 2006 and commenced trading on August 14, 2020 under the stock symbol “BMV”. The Company is involved in the acquisition, exploration and development of mineral properties located in British Columbia and Nunavut, Canada. The Company’s registered office is located at 700-1199 West Hastings Street, Vancouver, British Columbia V6E 3T5. The Company’s shares trade on the TSX Venture Exchange (“TSXV”). On December 3, 2021, the Company was approved to trade in the US under the symbol “BMVVF” as an Over-the-Counter (“OTC”) equity.

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Several adverse conditions may cast significant doubt on the validity of this assumption. The Company reported a net loss of \$148,034 for the nine-months period ended June 30, 2024 (nine-months ended June 30, 2023 - \$28,198), and as at June 30, 2024 has an accumulated deficit of \$11,167,514 (September 30, 2023 - \$11,019,480), and to date has no source of revenue or operating cash flow.

The Company’s ability to continue as a going concern is dependent on the Company being able to obtain the necessary financing to meet administrative overheads and to complete the acquisition, exploration, and development of its mineral property interests into profitable mining operations.

The Company has relied mainly upon the issuance of capital stock and loan arrangements to finance its activities. Future capital requirements will depend on many factors including the Company’s ability to execute its business plan. The Company intends to continue relying upon the issuance of capital stock to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Inability to secure future financing would have a material adverse effect on the Company’s business, results of operations, and financial condition.

These 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. Such adjustments could be material.

**2. BASIS OF PREPARATION**

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These financial statements were approved by the Board of Directors and authorized for issue on August 16, 2024.

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**2. BASIS OF PREPARATION (Continued)**

(b) Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at their fair values. In addition, these financial statements have been prepared using the accrual basis of accounting, except cash flow information.

(c) Presentation and functional currency

The presentation and functional currency of the Company is the Canadian dollar. All amounts in these financial statements are expressed in Canadian dollars, unless otherwise indicated.

(d) Critical accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make certain critical accounting estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures. Actual results could differ from these judgments and estimates. Estimates and underlying assumptions are reviewed on an ongoing basis based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The impacts of changes to estimates are recognized in the period estimates are revised and in future periods affected. The critical judgment and assumptions applied in the preparation of these financial statements and other major sources of measurement uncertainty are discussed in note 4.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the significant accounting policies used in the preparation of these financial statements:

(a) Mineral property interests

All costs related to the acquisition, exploration, and development of mineral property interests are capitalized on a property-by-property basis. Such costs include mineral property acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed or the Company's mineral rights are allowed to lapse.

The carrying value of all categories of mineral property are reviewed at each reporting date by management for indicators that the recoverable amount may be less than the carrying value. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash-generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(a) Mineral property interests (Continued)

Net recoverable amount may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments, or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, provision is made for the impairment in value.

From time to time the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, any amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received.

(b) Provisions for decommissioning and restoration liabilities

The Company recognizes an estimate of the liability associated with a decommissioning and restoration obligation in the financial statements at the time the liability is incurred. The estimated fair value of the decommissioning and restoration obligation is recorded as a liability, with a corresponding increase in the carrying amount of the related asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to operations in the period. The decommissioning and restoration obligation can also increase or decrease due to changes in the estimates of timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the decommissioning and restoration obligation are charged against the decommissioning and restoration obligation to the extent of the liability recorded.

(c) Equity units

Proceeds from the issue of units are allocated between common shares and share purchase warrants on a residual value basis, wherein the proceeds are firstly allocated to common shares based on the trading price on the date of issue of the units and the balance, if any, allocated to the attached share purchase warrants.

(d) Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchased the shares.

The Company allocates proceeds received first to share capital based on the trading price on the date of issue, and any excess is allocated to flow-through premium liability.

For a financing involving flow-through units consisting of common shares and warrants, the Company allocates proceeds received as follows:

- Share capital – the trading price of the common share;
- Warrant reserve – based on the valuation derived using the Black-Scholes option pricing model; and
- Flow-through premium liability – any excess, recorded as liability.

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) Flow-through shares (Continued)

Thereafter, as qualifying resource expenditures are incurred, these costs are charged to operations and flow-through premium, if any, is amortized to profit or loss.

At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time.

(e) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of capital stock. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in share-based payments reserve until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payments reserve is credited to capital stock along with any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest, except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(f) Earnings (loss) per share

Earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method to compute the dilutive effect of options, warrants, and similar instruments. Under this method the dilutive effect on loss per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

(g) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Deferred tax assets and liabilities are measured using substantively enacted rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially enacted. The amount of deferred income tax assets is limited to the amount of the benefit that is probable of being realized.

(h) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

- (i) Monetary assets and liabilities, at the rate of exchange in effect as at the statement of financial position date;
- (ii) Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
- (iii) Revenue and expenses (excluding depreciation, which is translated at the same rate as the related asset), at the exchange rates in effect on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in profit or loss.

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(i) Financial instruments

Financial assets

Initial recognition and measurement

A financial asset is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss. A financial asset is measured at amortized cost if it meets the conditions that: i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and iii) is not designated as fair value through profit or loss.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

*Financial assets at fair value through profit or loss*

Financial assets measured at fair value through profit or loss are carried in the statements of financial position at fair value with changes in fair value therein, recognized in profit or loss.

The Company classifies cash and marketable securities as fair value through profit or loss.

*Financial assets measured at amortized cost*

A financial asset is subsequently measured at amortized cost, using the effective interest method.

There are no financial assets classified as measured at amortized cost.

*Financial assets measured at fair value through other comprehensive income ("FVTOCI")*

A financial asset measured at fair value through other comprehensive income is carried in the statement of financial position with changes in fair value in other comprehensive income.

There are no financial assets classified as measured at FVTOCI.

Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- The contractual rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(i) Financial instruments (Continued)

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled, or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

The Company's financial liabilities include accounts payable and accrued liabilities, promissory notes, and balance due to related parties. These are measured at amortized cost.

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments classified as Level 1 in the fair value hierarchy are cash, marketable securities, accounts payable and accrued liabilities, promissory notes payable, and balances due to related parties. Their carrying values approximate the fair values due to the short-term maturity of these instruments.

**4. CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

***Critical judgments***

The Company has made the following critical judgments, apart from those involving estimations, in the process of applying its accounting policies that have the most significant effect on the amounts recognized in the financial statements:

***Going concern***

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. See note 1 for more information.

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**4. CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)**

***Critical judgments*** (Continued)

*Impairment of mineral property interests*

The Company's mineral property interests represent acquisition costs and exploration expenditures relating to the Company's mineral properties. At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset, which is the greater of the asset's value in use and fair value less costs to sell. The Company considers both external and internal sources of information in assessing whether there are any indications that the Company's mineral property interests are impaired.

*Flow-through expenditures*

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any discount disallowed may result in the Company's required expenditures not being fulfilled.

***Key sources of estimation uncertainty***

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that may have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

*Provision for decommissioning*

An obligation to incur future reclamation, rehabilitation, and environmental costs arises when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. As at June 30, 2024 and September 30, 2023, management has determined that the Company has an obligation for decommissioning of \$20,000 included in accounts payable and accrued liabilities.

*Income taxes*

In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

*Share-based payments*

Assumptions are used in determining share-based payments. The fair value of stock options and warrants are subject to the limitation of the Black-Scholes option pricing model that requires market data and estimates used by the Company in the assumptions. These inputs are subjective assumptions and changes in these inputs can materially affect the fair value estimated.

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**5. RISK MANAGEMENT**

The Company's risk exposures are summarized below.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk, and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's financial asset and liability exposed to interest rate risk consists of reclamation bond and promissory notes. Reclamation bond consists of GICs held at banking institutions that bear interest at 2.7% and prime less 2.95% and mature one year from the purchase date.

(ii) Foreign currency risk

The Company is not exposed to significant foreign currency risk on its financial instruments.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk exists with respect to the Company's cash of \$142,157 (September 30, 2023 - \$35,368), and the Company's reclamation bonds of \$23,500 (September 30, 2023 - \$23,500), which are held at a single major Canadian financial institution.

Credit risk is minimized by ensuring that these financial assets are placed with a major Canadian financial institution with strong investment-grade rating by a primary ratings agency.

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**5. RISK MANAGEMENT (Continued)**

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at June 30, 2024, the Company has cash of \$142,157 (September 30, 2023 - \$35,368) of which \$26,395 (September 30, 2023 - \$35,235) is for general operational expenses and \$115,762 (September 30, 2023 - \$133) is reserved for payment of qualified exploration expenditures with funds raised from flow-through unit financings. The Company's current liabilities totalled \$314,582 (September 30, 2023 - \$196,137) and the balance of \$313,282 is related to non-qualified exploration expenditures and general operational expenses and \$1,300 of the current liabilities qualifies for payment using funds from the December 2023 flow-through financing.

The Company's accounts payable and amounts due to related parties are due in the short term (0 to 3 months).

As at June 30, 2024, there are insufficient cash balances to meet current obligations and expected future exploration activity. The Company will be required to continue to raise additional capital in order to fund its operations and liabilities as they come due.

**6. RECLAMATION BONDS**

Pursuant to government regulations, and as a condition of undertaking mineral property exploration activities, the Company is obligated to provide specified amounts of security ("reclamation bonds") against potential future rehabilitation costs for the Crack Moly mineral property that had been previously written off as impaired.

The Company has pledged two guaranteed investment certificates as reclamation bonds with the following terms:

	Interest Rate	Maturity Date	Amount
Bank of Montreal	Prime less 2.95%	January 15, 2025	\$ 20,000 <sup>(1)</sup>
Bank of Montreal	2.7%	July 25, 2025	3,500
			\$ 23,500

<sup>(1)</sup> The Company estimated that the undiscounted value of its site restoration obligation for Crack Moly minerals property amounts to \$20,000 and has recognized a decommissioning liability in accounts payable and accrued liabilities. As it is uncertain when reclamation activities are to occur, a discount rate has not been applied to correspond with the impact of the passage of time.

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**7. MINERAL PROPERTY INTERESTS**

The Company incurred the following acquisition and exploration expenditures (recoveries):

Acquisition Costs	Gela Lake	McAvoy	TED/ Turner	McGregor/ Speers Lake	U1	Muskox Reef	Peerless	Kannika	Total
Balance, September 30, 2022	\$9,436	\$9,436	\$112,973	\$4,509	\$3,382	\$10,933	\$ -	\$ -	\$150,669
Additions:									
Option payment	-	-	-	-	-	20,866	51,500	-	72,366
Shares issued for option agreement	-	-	-	-	-	-	211,500	-	211,500
Transaction costs	-	-	-	6,152	-	-	21,816	-	27,968
Disposals:									
Impairment	-	-	-	-	(3,382)	-	-	-	(3,382)
Option of property	-	-	-	(10,661)	-	-	-	-	(10,661)
Balance, September 30, 2023	\$9,436	\$9,436	\$112,973	\$ -	\$ -	\$31,799	\$284,816	\$ -	\$448,460
Additions:									
Option payment	-	-	-	-	-	-	25,000	-	25,000
Shares issued for option agreement	-	-	-	-	-	-	40,000	127,500	167,500
Transaction costs	-	-	-	-	-	-	-	10,699	10,699
<b>Balance, June 30, 2024</b>	<b>\$9,436</b>	<b>\$9,436</b>	<b>\$112,973</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$31,799</b>	<b>\$349,816</b>	<b>\$138,199</b>	<b>\$651,659</b>

  

Exploration Costs	Gela Lake	McAvoy	TED/ Turner	McGregor/ Speers Lake	U1	Muskox Reef	Peerless	Kannika	Total
Balance, September 30, 2022	\$12,403	\$12,232	\$271,802	\$142,214	\$ -	\$ -	\$ -	\$ -	\$438,651
Additions:									
Assay	5,973	-	1,335	-	-	1,982	9,210	-	18,500
Geological consulting	15,475	2,975	18,450	9,350	-	16,575	22,133	-	84,958
Field expenses	2,501	-	4,501	66	148	326	8,375	-	15,917
Storage	(203)	(203)	(248)	(135)	-	-	-	-	(789)
Transportation	75,344	2,730	83,516	-	4,198	33,100	-	-	198,888
Travel	10,980	353	10,979	-	948	7,675	4,812	-	35,747
Disposals:									
Impairment	-	-	-	-	(5,294)	-	-	-	(5,294)
Option of property	-	-	-	(151,495)	-	-	-	-	(151,495)
Balance, September 30, 2023	\$122,473	\$18,087	\$390,335	\$ -	\$ -	\$59,658	\$44,530	\$ -	\$635,083
Additions:									
Assay	-	-	-	-	-	-	7,187	-	7,187
Drilling	-	-	-	-	-	-	154,413	-	154,413
Geological consulting	1,000	-	-	-	-	3,550	59,969	6,000	70,519
Field expenses	300	-	-	-	-	350	20,959	4,000	25,609
Permits	-	-	-	-	-	-	10,050	-	10,050
Storage	173	-	-	-	-	99	-	-	272
Travel	445	-	-	-	-	445	13,405	-	14,295
<b>Balance, June 30, 2024</b>	<b>\$124,391</b>	<b>\$18,087</b>	<b>\$390,335</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$64,102</b>	<b>\$310,513</b>	<b>\$10,000</b>	<b>\$917,428</b>

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**7. MINERAL PROPERTY INTERESTS (Continued)**

As at September 30, 2023	Gela Lake	McAvoy	TED/ Turner	McGregor/ Speers Lake	U1	Muskox Reef	Peerless	Kannika	Total
Acquisition	\$9,436	\$9,436	\$112,973	\$ -	\$ -	\$31,799	\$284,816	\$ -	\$448,460
Exploration	122,473	18,087	390,335	-	-	59,658	44,530	-	635,083
<b>Total</b>	<b>\$131,909</b>	<b>\$27,523</b>	<b>\$503,308</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$91,457</b>	<b>\$329,346</b>	<b>\$ -</b>	<b>\$1,083,543</b>

As at June 30, 2024	Gela Lake	McAvoy	TED/Turner	McGregor/ Speers Lake	U1	Muskox Reef	Peerless	Kannika	Total
Acquisition	\$9,436	\$9,436	\$112,973	\$ -	\$ -	\$31,799	\$349,816	\$138,199	\$651,659
Exploration	124,391	18,087	390,335	-	-	64,102	310,513	10,000	917,428
<b>Total</b>	<b>\$133,827</b>	<b>\$27,523</b>	<b>\$503,308</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$95,901</b>	<b>\$660,329</b>	<b>\$148,199</b>	<b>\$1,569,087</b>

(a) Gela Lake Project, Nunavut, Canada

The 100% Company-owned Gela Lake Project ("Gela") consists of one (1) claim block (H1) that covers 1,557.65 staked hectares; originally staked on November 17, 2019, the Company allowed one (1) claim to lapse during the fiscal year ended September 30, 2023.

The Company continues to maintain its claims in good standing. The Company continues working with the Nunavut Authority to ensure that the required work programs for the Gela Lake Project are compliant as to content and timing.

The Gela Lake Project mineral claim is in good standing until December 9, 2025.

(b) McAvoy Lake Project, Nunavut, Canada

The 100% Company-owned McAvoy Lake Project ("McAvoy") consists of one (1) claim block (M1) that covers 1,091.125 staked hectares. The M1 claim was part of the option agreement dated September 11, 2018 with Declan Cobalt Inc. (as described in the Turner Lake Project section below). Two (2) mineral claims (M2/M3), staked by the Company on November 17, 2019, were allowed to lapse by management during the fiscal year ended September 30, 2023.

The Company continues to maintain its claims in good standing. The Company continues working with the Nunavut Authority to ensure that the required work programs for the McAvoy Lake Project are compliant as to content and timing.

The McAvoy Lake Project mineral claim is in good standing until November 9, 2025.

(c) Turner Lake/TED Project, Nunavut, Canada

On September 11, 2018, the Company entered into an agreement with Canadian Palladium Resources Inc. (formerly Declan Cobalt Inc.) (the "Vendor") to purchase a 100% interest in the T1 mineral claim on the Turner Lake Project ("Turner Lake") located in Nunavut. Under the terms of the agreement, the Company agreed to purchase a 100% right title and interest in Turner Lake in exchange for 133,333 common shares (issued on July 28, 2020 at a fair market value of \$45,000) of the Company which were delivered to the Vendor within 10 days after the Company received regulatory approval (the "Completion Date"). There is a 1% net smelter return ("NSR") reserved on only the T1 mineral claim by the original property

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**7. MINERAL PROPERTY INTERESTS (Continued)**

(c) Turner Lake/TED Project, Nunavut, Canada (Continued)

owners of Turner Lake, which may be purchased for \$1,000,000 (cash) at any time after commercial production.

The Company then staked the T2/T3 mineral claims as part of Turner Lake on November 16, 2019.

The Turner Lake Project covers 4,428.49 hectares.

The Company continues to maintain its claims in good standing. The Company continues working with the Nunavut Authority to ensure that the required work programs for the Turner Lake Project are compliant as to content and timing.

The Turner Lake mineral claims are in good standing until November 9, 2024 (T1) and December 9, 2024 (T2 and T3) respectively.

The TED Project (“TED”) was acquired by staking on February 1, 2021 the T4-T6 mineral claims covering 2,643.98 hectares. The Company’s 100% owned property is adjacent to the Company’s 100% owned Turner Lake Project. These projects are located approximately 60 kilometers north-northwest of the community of Bathurst Inlet in the Kitikmeot District of western Nunavut, Canada. The project area covers an eight (8) kilometres strike length of iron formations contained within upper greenschist to lower amphibolite facies.

The Company continues to maintain its claims in good standing. The Company continues working with the Nunavut Authority to ensure that the required work programs for the TED Project are compliant as to content and timing.

The TED Project claims (T4, T5, and T6) are in good standing until February 1, 2026.

(d) McGregor/Speers Lake Project, Nunavut, Canada

The 100% Company-owned McGregor Lake Project (“McGregor”) and Speers Lake Project (“Speers”) consists of 12 claim blocks that cover 14,000 staked hectares, physically staked on September 1, 2020. The claims cover the Muskox intrusion from McGregor Lake south to the Coppermine River and extend to cover the intrusion’s contact with the Archean Age, metavolcanics, and sediments.

On March 21, 2023, the Company entered into an option agreement with SPC Nickel Corp. (“SPC”) to grant SPC the exclusive and irrevocable right and option to acquire a 100% undivided legal and beneficial interest in the McGregor Lake and Speers Lake Projects.

Under the terms of the option agreement, SPC continues to maintain its claims in good standing. SPC has confirmed that they continue to work with the Nunavut Authority to ensure that the required work programs for the McGregor/Speers Projects are compliant as to content and timing.

The McGregor Lake Project and the Speers Lake Project claims are in good standing until September 25, 2024.

Under the terms of the option agreement, to acquire 100% interest, SPC must pay \$1,350,000 in cash and issue to the Company 7,500,000 SPC common shares as follows:

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**7. MINERAL PROPERTY INTERESTS (Continued)**

(d) McGregor/Speers Lake Project, Nunavut, Canada (Continued)

	Cash Payment	Common Shares Issuance
Upon execution of agreement	\$300,000 (received April 5, 2023)	
With 5 days of execution of agreement	-	2,500,000 (received April 5, 2023)
On or before March 21, 2024	\$50,000 (received February 20, 2024)	2,250,000 (received February 21, 2024)
On or before March 21, 2025	\$250,000*	750,000
On or before March 21, 2026	\$350,000*	2,000,000
On or before March 21, 2027	\$400,000*	-
<b>Total</b>	<b>\$1,350,000</b>	<b>7,500,000</b>

- During the quarter ended December 31, 2023, the Company and SPC entered into an amendment agreement dated December 30, 2023, to revise the cash payment schedule as noted above.

If SPC exercises its option and earns 100% undivided interest in the property, SPC shall pay the Company 1% NSR from any commercial production. SPC will have the right to purchase 0.5% NSR from the Company for \$5,000,000.

As a result of the option agreement with SPC, the Company recorded a gain on option of \$362,844 with proceeds of \$525,000 consisting of cash of \$300,000 (received on April 5, 2023) and 2,500,000 common shares of SPC recorded as marketable securities with a fair value of \$225,000 (received on April 5, 2023). The cost of \$162,156 accumulated on the property has been netted against the proceeds. At June 30, 2024, the SPC shares of 2,500,000 are recorded at the fair value of \$125,000 and \$12,500 of unrealized loss on marketable securities has been recorded in the statement of loss and comprehensive loss for the three and nine months ended June 30, 2024.

On February 20, 2024, the Company received the \$50,000 cash payment and the amount has been recorded as a gain on sale of mineral properties on the statement of loss and comprehensive loss. In addition, the Company received 2,250,000 common shares of SPC on February 21, 2024. The fair value of the 2,250,000 common shares is \$101,250 which is included in gain on sale of mineral properties on the statement of loss and comprehensive loss. On June 30, 2024, the 2,250,000 common shares were adjusted to the fair value of \$112,500 and an unrealized loss of \$11,250 has been recorded in the statement of loss and comprehensive loss for the three months ended June 30, 2024 and an unrealized gain of \$11,250 has been recorded in the statement of loss and comprehensive loss for the nine month period ended June 30, 2024.

(e) Muskox Reef, Nunavut, Canada

With an effective date of August 1, 2022, the Company signed an agreement with Nunavut Tunngavik Incorporated to obtain a 100% interest in the minerals within, upon, or under Inuit Owned Mineral Title Lands parcel CO-62 comprising approximately 10,433 hectares. The effective date was triggered by the first payment made on October 1, 2022. The property is immediately to the north of the Company's 100% owned Speers Lake property and is approximately 100 km south of Kugluktuk in Nunavut. The Mineral Exploration Agreement includes the Inuit Owned Lands Mineral Production Lease, which sets out the details of a 12% net profits royalty. In determining the net profits, the available deductions

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**7. MINERAL PROPERTY INTERESTS (Continued)**

(e) Muskox Reef, Nunavut, Canada (Continued)

which can be deducted from gross revenues in each year are limited to 70% of gross revenues. Starting on August 1, 2022, the Company will be required to make the following annual payments and incur exploration expenditures by each anniversary date per the agreement:

	Rent per Year	Exploration Expenditures
Year 1	\$10,433 (paid Oct 1, 2022)	\$52,165 (incurred)
Year 2	\$20,866 (paid July 25, 2023)	\$52,165
Year 3 to Year 5	\$20,866	\$104,330
Year 6 to Year 10	\$31,299	\$208,660
Year 11 to Year 15	\$41,732	\$312,990
Year 16 to Year 20	\$52,165	\$417,320

\$64,102 (\$59,658 – September 30, 2023) in exploration expenditures have been incurred as at June 30, 2024.

(f) U1, Nunavut, Canada

The Company acquired the U1 by staking a 100% interest in the U1 mineral claim that covers 960.39 hectares. The property covers three known uranium occurrences with values reported up to 0.95% uranium as indicated in the Nunavut assessment report database. The uranium mineralization is typically fracture controlled, pitchblende and uranoplane associated with quartz plus/minus galena hosted in Hornby group sandstones. The U1 claim is in close proximity to the company's McGregor Lake claims, being only 4 kilometres to the east. The U1 mineral claim is in good standing until January 18, 2024.

In January 2024, following the results of the 2023 fieldwork, management decided to allow the U1 claim to lapse and allocate the available exploration funds to other projects within the Company's portfolio. A total of \$8,676 was recognized as impairment expense for the lapsed claim for the year ended September 30, 2023.

(g) Peerless Mineral Claims, British Columbia, Canada

On January 30, 2023 ("effective date"), the Company entered into a definitive Option Agreement with an arm's length vendor BCT Holdings Corp. (the "Vendor") to acquire an undivided 100% interest in 12 mineral claims covering approximately 5,500 hectares located in the Bridge River Mining Camp of British Columbia, known as the Peerless Mineral Claims (the "Claims").

Subsequent to June 30, 2024, the agreement has been amended with cash payment originally due 18 months after the effective date and all subsequent cash payments deferred for six (6) months from the original due date (note 13).

The Company shall have the right to acquire 100% of the interest of the Claims by making cash payments of \$500,000, incurring not less than \$2,700,000 in expenditures and issuing 7,500,000 common shares of the Company as follows:

**7. MINERAL PROPERTY INTERESTS (Continued)**

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(g) Peerless Mineral Claims, British Columbia, Canada (Continued)

	Cash Payments	Expenditures	Common Shares issuance
7 days after effective date	\$ -	\$ -	500,000 <sup>(1)</sup>
3 months after effective date	25,000 <sup>(2)</sup>	-	-
6 months after effective date	25,000 <sup>(3)</sup>	-	500,000 <sup>(4)</sup>
12 months after effective date	25,000 <sup>(5)</sup>	200,000 <sup>(6)</sup>	500,000 <sup>(7)</sup>
18 months after effective date	-	-	500,000 <sup>(8)</sup>
24 months after effective date	50,000	500,000	-
30 months after effective date	50,000	-	2,000,000
36 months after effective date	50,000	1,000,000	-
42 months after effective date	75,000	-	3,500,000
48 months after effective date	100,000	1,000,000	-
54 months after effective date	100,000	-	-
<b>Total</b>	<b>\$ 500,000</b>	<b>\$ 2,700,000</b>	<b>7,500,000</b>

- (1) Issued on February 8, 2023 (note 9(b))  
(2) Paid on April 30, 2023  
(3) Paid on July 31, 2023  
(4) Issued on August 2, 2023 (note 9(b))  
(5) Paid February 1, 2024  
(6) Incurred \$288,228 as at March 31, 2024.  
(7) Issued on January 30, 2024 (note 9(b))  
(8) Issued on July 31, 2024 (note 13)

In the event that the Company does not complete all the expenditure requirements for any annual period, then in order to satisfy the expenditure requirement for such annual period and maintain the Option in effect, the Company shall have the right to request that the Vendor retain as a payment for its own uses an amount equal to the expenditure shortfall for that annual period. All amounts paid to the Vendor for the expenditure shortfall will constitute qualifying expenditure obligations.

Following commencement of commercial production, the Company shall pay to the Vendor a royalty in an amount equal to 2.5% of net smelter returns ("NSR"). The amount is subject to a buy-back by the Company of 1% for \$1,000,000. The Company must notify the Vendor of the NSR buy-back within 6 months of commencement of commercial production.

The Peerless mineral claims are in good standing until October 20, 2024.

On June 22, 2023, the Company entered into an exploration agreement with the Bridge River Indian Band ("Xwísten") for a mutually beneficial arrangement for the current and proposed exploration activities and the protection of traditional activities and sensitive sites. During the term of the agreement, and as compensation for impacts of exploration on the land, the Company shall make a cash payment of \$1,500 (paid July 1, 2023) within 5 days of the execution of the agreement and issue 100,000 common shares (issued on June 26, 2023). The Company will also make an annual cash payment of \$20,000 and assume the cost of an annual community event not to exceed \$4,000. Beginning on the fourth anniversary, the Company will be subject to spend not less than \$100,000 on exploration expenditure on an annual basis.

**7. MINERAL PROPERTY INTERESTS (Continued)**

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(h) Kannika Claims Option, British Columbia, Canada

On October 23, 2023, the Company entered into an Assignment and Assumption Agreement to acquire an undivided 100% interest in five (5) mineral claims known as the Kannika Property. As consideration for the assignment of the Option Agreement to the Company, the Company will issue 1,500,000 common shares with a fair value of \$127,500 (issued on November 22, 2023) (note 8(b)). All shares issued will be subject to a four month hold period. Under the Option Agreement, the Company will reimburse the vendor \$1,500 and must incur not less than \$50,000 of exploration expenditures within 18 months of the date of the Option Agreement. To exercise the option, the Company will pay US\$250,000 to the vendor. The mineral claims will be subject to a 2% NSR to the underlying optionor. The Company shall have a right to purchase 1% of the NSR by paying the underlying optionor US\$1,000,000 at any time after commencement of commercial production. The Company has incurred transaction costs for legal and filing fees totalling \$10,699.

(i) Environmental

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material, and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company currently has an obligation on a property (note 6) related to the Crack Moly mineral property.

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral property interests, the potential for production on the property may be diminished or negated.

(j) Title to mineral property interests

Although the Company has taken steps to ensure the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures may not guarantee the Company's title. Property title may be subject to unregistered prior arrangements or transfers and title may be affected by undetected defects.

(k) Realization of assets

Realization of the Company's investment in mineral property interests is dependent upon the establishment of legal ownership, the attainment of successful production from the mineral property interests, or from the proceeds of disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately

**7. MINERAL PROPERTY INTERESTS (Continued)**

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(k) Realization of assets (Continued)

developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims are allowed to lapse.

**8. CAPITAL STOCK**

(a) Authorized

Unlimited number of common shares without par value.

Unlimited number of Class A cumulative shares with a par value of \$1 per share and with special rights and restrictions.

Unlimited number of Class B non-cumulative shares with a par value of \$5 per share and with special rights and restrictions.

(b) Shares issued

Units issued for cash

On November 24, 2022, the Company closed a non-brokered private placement of 1,600,000 non-flow through units at a price of \$0.10 per unit for proceeds of \$160,000. Each unit consists of one (1) common share and one (1) share purchase warrant with an exercise price of \$0.20 for a period of one year (which expired unexercised). Share issue costs totaled \$13,938 including finder's fee of \$6,300 and \$7,638 for legal, filing, and transfer agent fees.

On December 29, 2022, the Company closed a non-brokered private placement of 400,000 non-flow through units at a price of \$0.10 for proceeds of \$40,000. Each non-flow through unit consists of one (1) common share and one (1) non-transferable common share purchase warrant with an exercise price of \$0.20 for a period of one (1) year expiring on December 28, 2023 (which expired unexercised). Finder's fee of \$2,800 were paid on the transaction.

On December 13, 2023, the Company closed a non-brokered private placement of 1,150,000 non-flow through units at a price of \$0.08 per unit for proceeds of \$92,000. Each unit consists of one (1) common share and one (1) share purchase warrant with an exercise price of \$0.15 for a period of one year. Share issue costs include \$5,040 for broker fees, \$3,259 for legal, filing and transfer agent fees and 63,000 non-transferable broker warrants with a fair value of \$1,493 were issued in connection of the offering. The broker warrants

**8. CAPITAL STOCK (Continued)**

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(b) Shares issued (Continued)

Units issued for cash (Continued)

are exercisable for one (1) common share of the Company at a price of \$0.10 and expires in one (1) year.

On May 17, 2024, the Company closed a non-brokered private placement of 1,237,500 non-flow through units at a price of \$0.08 per unit for proceeds of \$99,000. Each unit consists of one (1) common share and one (1) share purchase warrant with an exercise price of \$0.15 for a period of one (1) year. Included within this, was \$50,000 originally recorded as a Loan Payable in the three (3) and six (6) months ended March 31, 2024. Share issue costs include \$222 for transfer agent fees and \$1,619 for filing fees.

Shares issued for mineral properties

On February 8, 2023, the Company issued 1,000,000 common shares for the Peerless Option Agreement transaction (Note 7(g)). 500,000 of the 1,000,000 common shares were issued for finders' fee. The fair value of the 1,000,000 common shares totaled \$140,000. Share issue costs of \$198 were incurred for transfer agent fees.

On June 26, 2023, the Company issued 100,000 common shares to the Bridge River Indian Band ("Xwísten") with a value of \$16,500. Share issue costs were incurred for transfer agent fees of \$179.

On August 2, 2023, the Company issued 500,000 common shares to BCT Holdings Ltd. for the Peerless Property with a value of \$55,000. Share issue costs were incurred for transfer agent fees of \$179.

On November 22, 2023, the Company issued 1,500,000 common shares for the Kannika Option Agreement transaction with a value of \$127,500 (note 7(h)). Share issue cost for transfer agent fee of \$205 was incurred.

On January 30, 2024, the Company issued 500,000 common shares to BCT Holdings Ltd. for the Peerless Property with a value of \$40,000 (note 7(g)). Share issue costs were incurred for transfer agent fees of \$179.

(c) Flow-through shares issued

On December 29, 2022, the Company closed a non-brokered private placement of 1,660,000 flow through units at a price of \$0.125 per unit for proceeds of \$207,500. Each flow through unit consists of one (1) flow through common share and one (1) non-transferable common share purchase warrant with an exercise price of \$0.25 for a period of two (2) years expiring on December 28, 2024. As a result of applying the residual value method (Note 3(d)), the proceeds from the private placement allocated \$174,300 to capital stock and \$33,200 to reserves. Share issue costs incurred include finder's fees of \$13,650 and transaction costs of \$7,636 for the above flow-through shares private placement.

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**8. CAPITAL STOCK (Continued)**

(c) Flow-through shares issued (Continued)

On December 13, 2023, the Company closed the first tranche of the private placement with 3,150,000 flow-through units. The flow-through unit consists of one (1) common share and one-half of one share (0.50) purchase warrant. Each warrant entitles the holder to purchase one (1) non-flow-through share at a price of \$0.20 for one (1) year. On December 21, 2023 and on December 28, 2023, the Company closed the remaining 875,000 flow-through units. Compensation paid for the flow-through units issued in this private placement consisted of \$21,875 in finders' fees (cash) and 204,750 non-transferrable broker warrants, which entitles the holder to purchase one (1) common share in the Company at a price of \$0.10 for one (1) year. The fair value of the broker warrants total \$4,887 and \$14,560 was also incurred for legal, filing and transfer agent fees.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditure but have not yet been spent. As at June 30, 2024, the cash balance of \$142,157 includes the segregated cash balance from flow-through financing of \$115,762.

**9. STOCK OPTIONS AND WARRANTS**

(a) Stock option plan

The Company adopted a stock option plan on April 20, 2012 (the "2012 Plan"). The 2012 Plan provides that the aggregate number of securities reserved for issuance, set aside, and made available for issuance, may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options including all options granted by the Company to date.

The option price under each option is subject to a minimum of \$0.10 per share and shall not be less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded and shall not be more than ten years after the grant date. Options granted to consultants engaged in investor relations activities shall vest in stages over a minimum period of twelve months with no more than 25% of the options vesting in any three-month period. All other options granted shall vest immediately.

(b) Stock options

A continuity schedule of the Company's outstanding stock options under the stock option plan is as follows:

	Number Outstanding	Weighted Average Exercise Price
Balance at September 30, 2022	1,460,000	\$0.313
Granted	1,000,000	\$0.160
Expired	(160,000)	(\$0.313)
Balance at September 30, 2023	2,300,000	\$0.246
Granted	450,000	\$0.100
<b>Balance at June 30, 2024</b>	<b>2,750,000</b>	<b>\$0.222</b>

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**9. STOCK OPTIONS AND WARRANTS (Continued)**

(b) Stock options (Continued)

As at June 30, 2024, the Company had the following stock options outstanding and exercisable:

Expiry Date	Exercise Price	Options Outstanding	Average Fair Value at Grant Date	Remaining Contractual Life	Options Exercisable
January 31, 2027	\$ 0.100	250,000	\$ 0.056	2.59	62,500
November 5, 2030	\$ 0.313	980,000	\$ 0.368	6.35	980,000
January 27, 2032	\$ 0.313	320,000	\$ 0.220	7.58	320,000
March 28, 2033	\$ 0.160	1,000,000	\$ 0.176	8.75	1,000,000
January 31, 2034	\$ 0.100	200,000	\$ 0.077	9.59	100,000
		<b>2,750,000</b>		<b>7.26</b>	<b>2,462,500</b>

As at September 30, 2023, the Company had the following stock options outstanding and exercisable:

Expiry Date	Exercise Price	Options Outstanding	Average Fair Value at Grant Date	Remaining Contractual Life	Options Exercisable
November 5, 2030	\$ 0.313	980,000	\$ 0.368	7.10	980,000
January 27, 2032	\$ 0.313	320,000	\$ 0.220	8.33	320,000
March 28, 2033	\$ 0.160	1,000,000	\$ 0.176	9.50	1,000,000
		2,300,000		8.32	2,300,000

On March 28, 2023, the Company granted 1,000,000 stock options to officers, directors, and consultants with an exercise price of \$0.16 for a period of 10 years. A share-based payment expense of \$176,800 was recorded in the statement of loss and comprehensive loss for the year ended September 30, 2023. Additionally, 160,000 stock options with an exercise price of \$0.313 expired during the year ended September 30, 2023, as the consultants no longer provide services to the Company.

On January 31, 2024, the Company granted 250,000 stock options to an investor's relations company with an exercise price of \$0.10 per share with expiry date of January 31, 2027. The options will vest over one year with 62,500 options vesting on April 30, 2024, 62,500 vesting on July 31, 2024, 62,500 vesting October 31, 2024 and 62,500 vesting on January 31, 2025. In addition, the Company granted 200,000 stock options to a consultant with an exercise price of \$0.10 per share with expiry of January 31, 2034. The 200,000 options will have a vesting period of one year over 4 equal tranches at January 31, 2024, May 31, 2024, September 30, 2024 and January 31, 2025. Share-based payment expense of \$5,010 and \$15,878 has been recorded for the three-month and six-month periods ended June 30, 2024.

(c) Warrants

On November 24, 2022, the Company issued 1,600,000 warrants in connection with a non-flow-through private placement. Each warrant is exercisable for one common share at \$0.20 per share with an expiry of one year from the date of issuance. The warrants expired unexercised.

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**9. STOCK OPTIONS AND WARRANTS (Continued)**

(c) Warrants (Continued)

On December 29, 2022, the Company issued 400,000 warrants in connection with a non-flow-through private placement and 1,660,000 warrants in connection with a flow-through private placement. The 400,000 warrants are exercisable for one common share at \$0.20 per share for a period of one year and expired unexercised. The 1,660,000 warrants are exercisable for one common share at \$0.25 per share for a period of 2 years.

On December 13, 2023, the Company issued 1,150,000 warrants in connection with a non-flow through private placement and 1,575,000 warrants in connection with a flow through private placement. In addition, 262,500 broker warrants were issued. The 1,150,000 warrants are exercisable for one common share at \$0.10, the 1,575,000 warrants are exercisable for one common share at \$0.20 and the 262,500 broker warrants are exercisable for one common share at \$0.10. All the warrants issued on December 13, 2023 will expire in one year.

On December 21, 2023, the Company issued 37,500 warrants with an exercise price of \$0.20 in connection with flow through units and 5,250 broker warrants with an exercise price of \$0.10. In addition, the Company issued 400,000 warrants in connection with flow through units with an exercise price of \$0.20. The warrants have an expiry date of one year from the date of issue.

On May 17, 2024, the Company issued 1,237,500 warrants with an exercise price of \$0.15 per share in connection with a non-flow through private placement.

During the year ended September 30, 2023, 1,196,000 warrants with an exercise price of \$0.125, 2,000,000 warrants with an exercise price of \$0.375 and 3,284,000 warrants with an exercise price of \$0.45 each all expired unexercised.

During the nine (9) months ended June 30, 2024, 2,000,000 warrants with an exercise price of \$0.20 expired unexercised.

A continuity schedule of the Company's outstanding warrants is as follows:

	<b>Number Outstanding</b>	<b>Weighted Average Exercise Price</b>
Balance at September 30, 2022	6,480,000	\$0.367
Issued – warrants for private placements	3,660,000	\$0.223
Expired	(6,480,000)	\$0.367
Balance at September 30, 2023	3,660,000	\$0.223
Issued – warrants for private placements	4,400,000	\$0.173
Issued – broker warrants for private placements	267,750	\$0.100
Expired	(2,000,000)	(\$0.200)
<b>Balance at June 30, 2024</b>	<b>6,327,750</b>	<b>\$0.190</b>

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**9. STOCK OPTIONS AND WARRANTS (Continued)**

(c) Warrants (Continued)

At June 30, 2024, the Company had the following warrants outstanding:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Warrants Outstanding</b>	<b>Remaining Contractual Life (yrs.)</b>
December 13, 2024	\$0.100	262,500	0.45
December 13, 2024	\$0.150	1,150,000	0.45
December 13, 2024	\$0.200	1,575,000	0.45
December 21, 2024	\$0.100	5,250	0.48
December 21, 2024	\$0.200	37,500	0.48
December 28, 2024	\$0.200	400,000	0.50
December 28, 2024	\$0.250	1,660,000	0.50
May 17, 2025	\$0.150	1,237,500	0.88
		<b>6,237,750</b>	<b>0.55</b>

The total fair value of the stock options and broker warrants was calculated using the Black-Scholes option pricing model with the following weighted average assumptions and inputs:

Risk-free interest rate	3.87%
Expected volatility	108%
Expected life	4 years
Expected dividend yield	-
Share price	\$ 0.08
Exercise price	\$ 0.10
Expected forfeitures	0.00%

Expected stock price volatility was derived from an average volatility based on historical movements in the closing prices of the Company's stock for a length of time equal to the expected life of the options.

Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0.00% in determining the expense recorded in the statement of loss and comprehensive loss.

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**10. RELATED PARTY TRANSACTIONS**

Related party transactions not otherwise disclosed in the financial statements are as follows:

(a) Key management compensation

The following include management compensations expensed in the statement of loss and comprehensive loss and geological consulting fees capitalized in the statement of financial position.

	3 months ended June 30, 2024		9 months ended June 30, 2024	
	Officer and Director	Company controlled by Officer	Officer and Director	Companies controlled by Officers
Management fees	\$ 24,000	\$ 6,000	\$ 72,000	\$ 21,125
Geological consulting fees	-	10,225	-	50,000
	\$ 24,000	\$ 16,225	\$ 72,000	\$ 71,125

	3 months ended June 30, 2023		9 months ended June 30, 2023	
	Officer and Director	Company controlled by Officer	Officer and Director	Companies controlled by Officers
Management fees	\$ 24,000	\$ 6,000	\$ 66,000	\$ 18,000
Consulting fees	-	2,000	-	2,000
Geological consulting fees	-	8,200	-	36,675
Share-based payments	-	-	75,140	-
	\$ 24,000	\$ 16,200	\$ 141,140	\$ 56,675

The Company has no termination benefits, post-employment benefits, nor other long-term employee benefits.

As at June 30, 2024 and 2023, key management compensation included in due to related parties is as follows:

	2024		2023	
	Officer and Director	Company controlled by Officer	Officer and Director	Companies controlled by Officers
Management fees	\$ -	\$ 6,000	\$ -	\$ 6,000
Geological consulting fees	-	7,115	-	4,250
	\$ -	\$ 13,115	\$ -	\$ 10,250

Amounts due to related parties are unsecured, due on demand and interest-free.

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**10. RELATED PARTY TRANSACTIONS (Continued)**

(b) Expenses paid by related parties

During the three and nine months ended June 30, 2024 and 2023, expenses paid by related parties are as follows:

	3 months ended June 30, 2024		9 months ended June 30, 2024	
	Officers and Directors	Companies controlled by Officers	Officers and Directors	Companies controlled by Officers
Geological expenses capitalized	\$ -	\$ 10,261	\$ 1,872	\$ 13,074
Prepaid expenses	-	12,547	-	12,547
Share issue costs	1,841	-	6,891	61
Expenses	600	1,512	9,902	2,262
	\$ 2,441	\$ 24,320	\$ 18,665	\$ 27,944

	3 months ended June 30, 2023		9 months ended June 30, 2023	
	Officer and Director	Companies controlled by Officers	Officers and Directors	Companies controlled by Officers
Geological expenses capitalized	\$ 1,500	\$ -	\$ 5,250	\$ 205
Share issue costs	-	-	3,768	-
Expenses	2,237	375	14,590	2,076
	\$ 3,737	\$ 375	\$ 23,608	\$ 2,281

As at June 30, 2024 and 2023, balances included in due to related parties for expense reimbursements are as follows:

	2024		2023	
	Officers and Directors	Companies controlled by Officers	Officers and Directors	Companies controlled by Officers
Geological expenses capitalized	\$ 20,360	\$ -	\$ -	\$ -
Expenses	80	375	470	1,466
	\$ 20,440	\$ 375	\$ 470	\$ 1,466

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**11. CAPITAL DISCLOSURE**

The Company does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock and loan arrangements.

Capital requirements are driven by the Company's exploration activities on its mineral property interests and administrative overhead. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company strictly monitors actual expenses to budget on all exploration projects and overhead to ensure costs are controlled, commitments are met, and exploration activities are completed.

The Company considers its capital under management to be its capital stock and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.

**12. OPERATING SEGMENTS**

The Company has one industry segment, the exploration and development of mineral property interests. During the period ended June 30, 2024, the Company operated in two geographic segments in Canada including British Columbia and Nunavut.

**13. SUBSEQUENT EVENTS**

Subsequent to June 30, 2024, the January 30, 2023 agreement for the Peerless Mineral Claims with BCT Holdings Corp. was amended with the cash payment originally due 18 months after the effective date has been deferred to 24 months after the effective date. All subsequent payments due had been deferred an additional six (6) months after the effective date. The final payment is now due 54 months after the effective date. In addition, 500,000 common shares due 18 months after the effective date has been issued on July 31, 2024 (note 7(g)).