

**AVARON MINING CORP.**  
**(Formerly Benz Capital Corp.)**

**Condensed Interim Financial Statements**

For the three and six months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

**NOTICE OF NO AUDITOR REVIEW**

The accompanying unaudited condensed interim financial statements of Avaron Mining Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these unaudited condensed interim financial statements.

# Avaron Mining Corp. (formerly Benz Capital Corp.)

## Statements of Comprehensive Loss

(Unaudited – Expressed in Canadian Dollars)

	Note	Three months ended September 30,		Six months ended September 30,	
		2023	2022	2023	2022
<b>Operating Costs</b>					
Transaction evaluation costs	6	\$ 10,428	\$ 16,696	\$ 27,024	\$ 24,256
Listing and filing		12,748	4,426	38,086	7,641
Management and consulting		73,350	-	73,350	-
Marketing and travel		27,837	-	27,837	-
Office and miscellaneous		7,473	3,608	10,759	3,614
Professional fees		5,031	9,069	36,710	11,569
Share-based payments	7	50,476	-	56,075	-
<b>Net loss and comprehensive loss</b>		<b>(187,343)</b>	<b>(33,799)</b>	<b>(269,841)</b>	<b>(47,080)</b>
<b>Loss per share - basic and diluted</b>		<b>\$ (0.01)</b>	<b>\$ -</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of shares outstanding - basic and diluted</b>		<b>13,726,497</b>	<b>9,144,000</b>	<b>11,623,056</b>	<b>9,144,000</b>

See accompanying notes to the condensed interim financial statements

# Avaron Mining Corp. (formerly Benz Capital Corp.)

## Statements of Financial Position

(Unaudited – Expressed in Canadian Dollars)

	Note	September 30, 2023	March 31, 2023
<b>ASSETS</b>			
Current Assets			
Cash		\$ 575,938	\$ 375,379
Amounts receivable		5,150	-
Prepaid expenses		95,303	14,434
		676,391	389,813
Exploration and evaluation assets	6	483,070	-
<b>Total Assets</b>		<b>\$ 1,159,461</b>	<b>\$ 389,813</b>
<b>LIABILITIES</b>			
Current Liabilities			
Trade and other payables	8	\$ 63,671	\$ 76,282
<b>EQUITY</b>			
Share capital	7	1,035,256	619,102
Equity reserves	7	704,610	68,664
Deficit		(644,076)	(374,235)
<b>Total Equity</b>		<b>1,095,790</b>	<b>313,531</b>
<b>Total Liabilities and Equity</b>		<b>\$ 1,159,461</b>	<b>\$ 389,813</b>

Nature and Continuance of Operations (Note 1)

### Approved on behalf of the Board

"Miloje Vicentijevic"  
Miloje Vicentijevic, President, CEO and Director

"Carlos Escribano"  
Carlos Escribano, CFO and Director

See accompanying notes to the condensed interim financial statements

# Avaron Mining Corp. (formerly Benz Capital Corp.)

## Statements of Cash Flows

(Unaudited – Expressed in Canadian Dollars)

	Note	September 30, 2023	September 30, 2022
<b>Cash Flow from Operating Activities</b>			
Net loss for the year		\$ (269,841)	\$ (47,080)
Adjustments for non-cash items:			
Share based payments	7	56,075	-
Changes in non-cash working capital:			
Amounts receivable		(5,150)	57,750
Prepaid expenses		(80,869)	(1,365)
Trade and other payables		(12,611)	(5,875)
Net cash flows used in operating activities		(312,396)	3,430
<b>Cash Flow from Investing Activities</b>			
Additions to exploration and evaluation assets	6	(36,945)	-
Net cash flows used in investing activities		(36,945)	
<b>Cash Flow from Financing Activities</b>			
Net proceeds from common shares issued	7	549,900	-
Net cash flows provided by financing activities		549,900	-
<b>Net change in cash</b>		200,559	3,430
<b>Cash, Beginning of Period</b>		375,379	497,078
<b>Cash, End of Period</b>		\$ 575,938	\$ 500,508

See accompanying notes to the condensed interim financial statements

# Avaron Mining Corp. (formerly Benz Capital Corp.)

## Statement of Changes in Equity

(Unaudited – Expressed in Canadian Dollars)

	Note	Common Shares		Equity		Total
		Number	Amount	Reserves	Deficit	
<b>Balance, March 31, 2022</b>		<b>9,144,000</b>	<b>\$ 619,102</b>	<b>\$ 38,644</b>	<b>\$ (127,884)</b>	<b>\$ 529,862</b>
Share based payments	7	-	-	30,020	-	30,020
Net loss		-	-	-	(246,351)	(246,351)
<b>Balance, March 31, 2023</b>		<b>9,144,000</b>	<b>\$ 619,102</b>	<b>\$ 68,664</b>	<b>\$ (374,235)</b>	<b>\$ 313,531</b>
Shares issued:						
Private placement	7	4,582,497	416,154	133,746	-	549,900
Warrants issued for Exploration and Evaluation Asset	6	-	-	446,125	-	446,125
Share based payments	7	-	-	56,075	-	56,075
Net loss		-	-	-	(269,841)	(269,841)
<b>Balance, September 30, 2023</b>		<b>13,726,497</b>	<b>\$ 1,035,256</b>	<b>\$ 704,610</b>	<b>\$ (644,076)</b>	<b>\$ 1,095,790</b>

See accompanying notes to the condensed interim financial statements

# Avaron Mining Corp. (formerly Benz Capital Corp.)

Notes to the Financial Statements

September 30, 2023

---

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Avaron Mining Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 8, 2021. The Company was a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange (the "Exchange") Policy 2.4 until completion of its Qualifying Transaction on June 23, 2023. The Company has not commenced commercial operations and has no significant assets. On October 4, 2021, the Company completed an initial public offering and is now listed on the TSX Venture Exchange under the symbol "AVR". The Company's registered office is located at 3847 Vance Road, Cultus Lake, BC, Canada, V2R 5A6. Effective July 25, 2023, the Company changed its name from Benz Capital Corp. to Avaron Mining Corp.

While it was a CPC, the Company's principal business was the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject to, in certain cases, shareholder approval and acceptance by the Exchange. The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month from its proceeds may be used for general administrative expenses.

As at September 30, 2023, the Company has no business operations, has not generated any revenues, and has incurred losses of \$644,076 since inception. On June 23, 2023, the Company successfully completed a Qualifying Transaction by acquiring the sole and exclusive right to purchase an undivided 100% interest in and to certain mineral mining leases in south-central Serbia known collectively as the Tolisnica and Stanca Property (see Note 6). The Company is required to raise new financing through the sale of shares or issuance of debt to continue with its operations and to develop its mineral property. Although management intends to secure additional financing, there is no assurance that management will be successful in its efforts to secure additional financing, or that it will ever develop a self-supporting business. These factors together may raise significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

## 2. BASIS OF PRESENTATION

These condensed consolidated interim financial statements (the "Financial Statements") of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" following acceptable accounting policies under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). As a result, these Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2023.

The Financial Statements were approved by the Board of Directors on November 29, 2023.

### *Significant accounting judgments and estimates*

Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

### Critical Judgments

#### ***Going Concern***

The preparation of these Financial Statements requires management to make judgments regarding the going concern assumption for the Company as discussed in Note 1.

#### ***Valuation of Share-based Payments***

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

#### **Key Sources of Estimation Uncertainty**

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting these Financial Statements include:

#### ***Deferred Tax Assets & Liabilities***

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful completion of a Qualifying Transactions and future profitable operations. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected. The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities.

#### ***Share-based Payments***

Management is required to make certain estimates when determining the fair value of stock option awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as share-based compensation in the statement of comprehensive loss.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Cash**

Cash and cash equivalents includes deposits held with banks that are available on demand.

#### **Financial Instruments**

Financial assets and financial liabilities are classified into three categories: Amortized Cost, Fair Value through Other Comprehensive Income ("FVOCI") and Fair Value through Profit and Loss ("FVPL"). The classification of financial assets is determined by their context in the Company's business model and by the characteristics of the financial asset's contractual cash flows.

Financial assets and financial liabilities are measured at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification.

The Company's cash, amounts receivable and trade and other payables are measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. The financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company has no financial instruments measured at FVPL or FVOCI.

Impairment of financial assets is determined by measuring the assets' expected credit loss ("ECL"). Amounts are due within one year or less; therefore, these financial assets are not considered to have a significant financing component and a lifetime ECL is measured at the date of initial recognition of the amounts receivable.

#### **Exploration and Evaluation Assets**

Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures are capitalized except for those expenditures incurred on properties prior to obtaining legal rights to explore the specific area which are recognized in profit or loss as incurred. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to development assets within property, plant and equipment.

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is recognized in profit or loss. An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

#### **Loss per Share**

Basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. For this purpose, the "treasury stock method" is used which assumes proceeds upon the exercise of share options and warrants are used to purchase common shares at the average market price during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Basic and diluted loss per share are the same for the periods presented.

### **Income Taxes**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

### **Share Capital**

The Company's common shares, and any future offerings of share warrants and options are classified as equity instruments. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

### **Share-based Payments**

The Company applies the fair value method of accounting for stock option awards using the Black-Scholes Option Pricing Model. Under this method, the Company recognizes compensation expense for employee stock option awards, based on the grant date fair value, for each vesting installment, over the vesting period of the options. Each installment is valued separately, based on assumptions determined from historical data, and recognized as compensation expense over each installment's individual tranche vesting period. Forfeiture estimates are recognized in the period they are estimated and are revised for actual forfeitures and changes in forfeiture estimates in subsequent periods.

In situations where stock option awards are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

### **Related party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

#### **Accounting Standards Issued But Not Yet Adopted**

The new accounting standards and amendments to existing standards that have been issued and that the Company will be required to adopt in future years are either not applicable or are not expected to have a significant impact on the Company's financial statements.

#### **4. CAPITAL MANAGEMENT**

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets. The Company does not have any externally imposed capital requirements.

#### **5. FINANCIAL INSTRUMENTS AND RISK**

The Company's financial instruments consist of cash, amounts receivable, and trade and other payables. The fair value of the financial instruments approximates their carrying values, unless otherwise noted. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*a) Credit risk*

The Company's credit risk is mainly attributable to its liquid financial assets: cash. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Companies maximum exposure to credit risk is \$575,938, which is the carrying value of the Company's cash at September 30, 2023.

*b) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a cash loss is limited as the Company's liabilities are non-interest bearing. As at September 30, 2023, the Company is not exposed to any significant interest rate risk.

*c) Liquidity risk*

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2023, the Company had a cash balance of \$575,938 to settle current liabilities of \$63,671. Additional funding will be required to meet longer-term business objectives.

# Avaron Mining Corp. (formerly Benz Capital Corp.)

Notes to the Financial Statements

September 30, 2023

---

## 6. QUALIFYING TRANSACTION

On June 23, 2023, the Company completed the Qualifying Transaction, as defined by Policy 2.4 of the Exchange, consisting of an option to acquire a 100% interest of Copper Co d.o.o. (the "Vendor") in certain mineral claims known as the Tolisnica and Stanca Project, located near city of Kraljevo, Republic of Serbia (the "Property").

In consideration of the grant of the option to acquire the Property, the Company will pay a total of \$125,000 to the Vendor in cash payments per the schedule listed below and made a one-time issuance of warrants to the Vendor to purchase 4,300,000 common shares of the Company at an exercise price of \$0.125 per share for a period of 5 years until June 29, 2028.

The cash payments will be made as follows:

- (a) \$25,000 within 5 days of the date on which the Exchange approves the Purchase Agreement (the "Effective Date") (paid); and
- (b) an additional \$100,000 on the 18-month anniversary of the Effective Date.

Following the exercise of the option to purchase the Property, the Company will also make certain milestone payments to the Vendor per the schedule listed below:

- (a) pay the Vendor \$200,000 in cash within 5 business days of the earlier of: (i) the commencement of a scoping study on the Property; or (ii) the 5th anniversary of the Effective Date; and
- (b) grant the Vendor a 0.5% net smelter returns royalty within 5 business days of the commencement of commercial production on the Property.

Final acceptance of the Qualifying Transaction by the Exchange was received effective June 29, 2023. At this date the Company was classified as a Tier 2 mining issuer pursuant to Exchange policies and was no longer considered a Capital Pool Company.

## 7. SHARE CAPITAL

### Authorized:

Unlimited common shares, without par value

### Issued:

On October 4, 2021, the Company completed an initial public offering ("IPO") and issued 3,444,000 common shares at \$0.10 per share for gross proceeds of \$344,400. The sole agent received a cash commission equal to 10% (\$34,440) of the gross proceeds of the IPO, and the Company incurred professional and administration fees of \$62,174 in connection with the Offering. In addition, the Company granted to the agent non-transferable options with a fair value of \$23,684 to acquire up to an aggregate of 344,400 common shares (the "Agent's Options"). Each Agent's Option is exercisable to acquire one common share at an exercise price of \$0.10 per share for a period of 2 years following the date of completing a Qualifying Transaction.

On November 2, 2021, the Company issued 1,000,000 common shares at \$0.10 per share for gross proceeds of \$100,000 pursuant to a non-brokered private placement (the "Offering"). All of the common shares issued pursuant to the Offering were subject to a four-month hold period which expired on March 2, 2022.

# Avaron Mining Corp. (formerly Benz Capital Corp.)

Notes to the Financial Statements

September 30, 2023

---

Concurrently with completion of the Qualifying Transaction, the Company closed a non-brokered private placement (the "Concurrent Financing") of units (the "Units") and issued 4,582,497 common shares at a price of \$0.12 per common share and 2,291,248 common share purchase warrants (the "Warrants"), for gross proceeds of \$549,900 (the "Offering"). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a "Warrant Share") at a price of \$0.15 per Warrant Share for a period of 24 months following the closing.

If during the term of the Warrants, but after the initial four month hold period has expired, the Company's common shares trade at or above a weighted average trading price of \$0.25 per share for 15 consecutive trading days, the Company may accelerate the expiry time of the Warrants by giving written notice to Warrant holders that the Warrants will expire 30 days from the date of providing such notice.

All securities issued pursuant to the Concurrent Financing are subject to a four-month hold period from the date of issue. The Company did not pay any agent's commissions or finder's fees in connection with the Concurrent Financing.

## Escrow Shares:

The Company had 3,500,000 common shares subject to an escrow agreement in accordance with the TSX Venture Exchange Policy 2.4. On June 29, 2023, 25% (875,000 shares) were released upon the issuance of notice of final acceptance of a Qualifying Transaction by the Exchange. The remainder of the shares will be released in three equal tranches of 25% every six months thereafter for a period of 18 months.

## Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, nontransferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to ten years from the date of grant.

The Board of Directors determines the exercise price per common shares, the number of options granted to individual directors, officers, employees and consultants and all other terms and conditions of the options. The Option Plan is subject to regulatory approval.

On June 25, 2021, the Company granted stock options to a technical consultant of the Company exercisable to acquire up to an aggregate of 140,000 common shares. The options are exercisable to acquire one common share at an exercise price of \$0.10 per share for a period of 3 years from the date of issuance. The stock options vest at 25% every 6 months commencing on the date of grant.

On October 6, 2021, the Company granted an aggregate of 674,000 stock options to certain of its directors, officers and consultants, at an exercise price of \$0.10 per share for a period of 3 years from the date of issuance. The options will vest on the date the Company completes a Qualifying Transaction.

On July 20, 2023, the Company granted an aggregate of 555,000 stock options to certain of its directors, officers and consultants, at an exercise price of \$0.10 per share for a period of 5 years from the date of issuance. The options fully vested on the date of grant.

# Avaron Mining Corp. (formerly Benz Capital Corp.)

Notes to the Financial Statements

September 30, 2023

Stock options outstanding at September 30, 2023 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Life (yrs)
140,000	140,000	\$ 0.10	June 25, 2024	0.74
674,000	674,000	0.10	October 5, 2024	1.02
555,000	555,000	0.10	July 19, 2028	4.81
<b>1,369,000</b>	<b>1,369,000</b>	<b>\$ 0.10</b>		<b>2.52</b>

During the six months ended September 30, 2023, the Company recorded share-based payments of \$56,075 (2022 - \$nil). The fair value of stock options granted was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	September 30, 2023	September 30, 2022
Weighted average assumptions:		
Risk-free interest rate	4.3%	-
Expected dividend yield	NA	-
Expected option life (years)	5	-
Expected stock price volatility	146.8%	-

A summary of changes in stock options is presented below:

	Number of Options	Weighted Average Exercise Price
<b>Balance, March 31, 2022 and 2023</b>	814,000	\$ 0.10
Stock options granted	555,000	0.10
<b>Balance, September 30, 2023</b>	<b>1,369,000</b>	<b>\$ 0.10</b>
<b>Exercisable, September 30, 2023</b>	<b>1,369,000</b>	<b>\$ 0.10</b>

## Agents Options:

Pursuant to the IPO on October 4, 2021, the Company granted to the agent non-transferable options with a fair value of \$23,684 to acquire up to an aggregate of 344,400 common shares. Each Agent's Option is exercisable to acquire one common share at an exercise price of \$0.10 per share for a period of 2 years following the date of completing a Qualifying Transaction. The fair value of Agent's Options issued was estimated using the Black-Scholes Option Pricing Model with the following assumptions: risk-free rate of 0.9%, option life of 4 years, stock price volatility of 100% and qualifying transaction completion date of September 30, 2023.

# Avaron Mining Corp. (formerly Benz Capital Corp.)

Notes to the Financial Statements

September 30, 2023

---

## 8. RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

### a) Key Management Compensation

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for the six months ended September 30, 2023 and 2022 was as follows:

	6 Months Ended September 30,	
	2023	2022
Management and consulting fees to officers and directors	\$ 73,350	\$ -
Share-based payments to officers and directors	55,097	-
	<u>\$ 128,447</u>	<u>\$ -</u>

### b) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts are payable to related parties, and are included in trade and other payables:

	At September 30,	
	2023	2022
Management and consulting fees	\$ 60,679	\$ -