



CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six-Month Period Ended October 31, 2023

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

- Notice of No Auditor Review of Condensed Interim Financial Statements
- Condensed Interim Statements of Financial Position
- Condensed Interim Statements of Comprehensive Loss
- Condensed Interim Statements of Changes in Equity
- Condensed Interim Statements of Cash Flows
- Condensed Notes to the Interim Financial Statements

FORT ST. JAMES NICKEL CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim statements for the period ended October 31, 2023

NOTICE TO READER

The accompanying condensed interim financial statements for Fort St. James Nickel Corp. (the “Company”) have been prepared by management in accordance with International Financial Reporting Standards consistently applied. The most significant of these accounting principles have been set out in Note 3 to the attached financial statement. These condensed interim statements have been presented on the accrual basis of accounting. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the condensed interim financial statements, management is satisfied that these condensed interim financial statements have been fairly presented.

Auditor involvement

The Company’s auditors have not performed a review of the unaudited condensed interim financial statements for the six-month period ended October 31, 2023.

/s/ Barry Brown

Barry Brown
Chief Executive Officer

FORT ST. JAMES NICKEL CORP.
Condensed Interim Statement of Financial Position
(Expressed in Canadian Dollar)
(Unaudited)

	Note	October 31, 2023 \$	April 30, 2023 \$
ASSETS			
CURRENT			
Cash		92	322
GST Receivable		5,700	10,713
Grant Receivable		18,000	-
		23,792	11,035
		1	1
		23,793	11,036
LIABILITIES			
CURRENT			
Accounts Payable and Accrued Liabilities		1,266,748	1,112,593
Loans Payable	5	161,095	207,306
		1,427,843	1,319,899
SHAREHOLDERS' EQUITY			
Share Capital	6	14,157,882	14,039,632
Share Purchase Warrant Reserve		353,796	353,796
Contributed		432,043	432,043
Deficit		(16,347,771)	(16,134,334)
		(1,404,050)	(1,308,863)
		23,793	11,036

Nature of Operations and Ability to Continue as a Going Concern (Note 1)

Approved by the Board of Directors:

“Barry Brown”

Barry Brown, Director

“Scott Kent”

Scott Kent, Director

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

FORT ST. JAMES NICKEL CORP.
Condensed Interim Statement of Changes in Equity
(Expressed in Canadian Dollar)
(Unaudited)

	Note	Number of Common Shares	Share Capital	Stock Option Reserve	Share Purchase Warrant Reserve	Contributed Surplus	Deficit	Total Shareholders' Deficiency
Balance, April 30, 2022		22,748,262	13,980,682	266,145	359,485	432,043	(15,709,395)	(671,040)
Shares Issued for Cash	6(c)	1,500,000	60,000	-	-	-	-	60,000
Share Issuance Costs		-	(1,050)	-	-	-	-	(1,050)
Fair Value of Agents' Warrants Expired	6(f)	-	-	-	(5,689)	-	5,689	-
Net Comprehensive Loss for the Period		-	-	-	-	-	(383,258)	(383,258)
Balance, October 31, 2022		22,248,262	13,980,682	266,145	353,796	432,043	(16,086,964)	(995,348)
Balance, April 30, 2023		24,248,262	14,039,632	-	353,796	432,043	(16,134,334)	(1,308,863)
Shares Issued for Cash	6(c)	2,000,000	120,000	-	-	-	-	120,000
Share Issuance Costs		-	(1,750)	-	-	-	-	(1,750)
Net Comprehensive Loss for the Period		-	-	-	-	-	(213,437)	(213,437)
Balance, October 31, 2023		26,248,262	14,157,882	-	353,796	432,043	(16,347,771)	(1,404,050)

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

FORT ST. JAMES NICKEL CORP.
Condensed Interim Statement of Comprehensive Loss
(Expressed in Canadian Dollar)
(Unaudited)

	Note	Three Months Ended		Six Months Ended	
		2023	October 31, 2022	2023	October 31, 2022
		\$	\$	\$	\$
EXPENSES					
Advertising and Marketing		4,500	45,000	19,500	90,000
Exploration and Evaluation Assets Expenditures	4	26,902	205,545	62,950	209,484
Interest on Loans		2,694	1,849	5,788	1,849
Office and Administration		24,081	40,584	121,602	81,169
Professional Fees		4,000	5,000	8,000	9,000
Rent		7,500	10,500	21,000	21,000
Transfer Agent and Filing Fees		3,158	3,907	4,597	5,756
LOSS BEFORE OTHER ITEMS		(72,835)	(312,385)	(243,437)	(418,258)
OTHER ITEMS					
Grant Funding Received		-	-	30,000	35,000
NET COMPREHENSIVE LOSS FOR THE PERIOD		(72,835)	(312,385)	(213,437)	(383,258)
BASIC AND DILUTED LOSS PER SHARE					
		(0.00)	(0.01)	(0.01)	(0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING					
		24,688,479	22,748,265	24,468,371	22,976,523

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

FORT ST. JAMES NICKEL CORP.

Condensed Interim Statement of Cash Flows

(Expressed in Canadian Dollar)

(Unaudited)

	For the Six Months Ended	
	2023	October 31, 2022
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss for the Period	(213,437)	(383,258)
Change in Non-Cash Operating Working Capital Accounts:		
GST Receivable	5,013	2,022
Other Receivables	(18,000)	(21,000)
Accounts Payable and Accrued Liabilities	154,155	252,885
Loan Interest Payable	(50,711)	1,849
	<u>(122,980)</u>	<u>(147,502)</u>
FINANCING ACTIVITIES		
Shares Issued for Cash	120,000	60,000
Share Issue Costs	(1,750)	(1,050)
Loan Proceeds	4,500	109,850
Repayment of Loan Payable	-	(21,819)
	<u>122,750</u>	<u>146,981</u>
(DECREASE) INCREASE IN CASH	(230)	(521)
CASH, BEGINNING OF PERIOD	<u>322</u>	<u>743</u>
CASH, END OF PERIOD	<u>92</u>	<u>222</u>
Additional information:		
Fair Value of Expired Warrants Credited to Deficit	<u>-</u>	<u>5,689</u>

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

FORT ST. JAMES NICKEL CORP.
Notes to the Condensed Interim Financial Statements
For the Six Months Ended October 31, 2023
(Expressed in Canadian Dollar)
(Unaudited)

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Fort St. James Nickel Corp. (the “Company”) was incorporated under the Canada Business Corporation Act on March 22, 1988. The Company is listed on the TSX Venture Exchange, having the symbol FTJ.V and its primary business is the acquisition of exploration and evaluation of mineral properties in North America.

The address of the Company’s registered office is 888 Dunsmuir Street, Suite 888, Vancouver, BC, V6C 3K4. The address of the Company’s principal place of business is 888 Dunsmuir Street, Suite 888, Vancouver, BC, V6C 3K4.

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. The Company has not generated revenues from operations. The Company is considered to be in the exploration stage as it has not placed any of its mineral properties into production. The underlying value of the Company’s mineral properties is dependent upon the existence and economic recovery of such reserves in the future and the ability of the Company to raise financing to complete future exploration.

While these financial statements have been prepared on the assumption that the Company is a going concern and will be able to realize its assets and meet its obligations in the normal course of operations, there are conditions and events that cast doubt on the validity of that assumption. As at October 31, 2023, the Company has a net working capital deficit of \$1,404,051, has an accumulated deficit of \$16,347,771, and has incurred a loss of \$213,437. The Company’s ability to continue as a going concern is dependent on management’s ability to raise required funding through future equity issuances, asset sales or a combination thereof. There is no assurance that such financing will be sufficient to sustain operations in the foreseeable future.

The current cash resources are not adequate to pay the Company’s accounts payable and to meet its minimum commitments at the date of these financial statements, including planned corporate and administrative expenses, and other project implementation costs, accordingly, there is significant doubt about the Company’s ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

a) Statement of Compliance

These condensed interim financial statements of the Company for the six months ending October 31, 2023 have been prepared in accordance with International Financial Reporting Standard 34, *Interim Financial Reporting* (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended April 30, 2023.

The condensed interim financial statements of the Company as at October 31, 2023 were approved and authorized for issue by the Board of Directors on December 27, 2023.

b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. These condensed interim financial statements do not include all the information required for full annual financial statements. The condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended April 30, 2023. The accounting policies,

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methods of computation and presentation applied in these financial statements are consistent with those of the previous financial year.

3. NEW ACCOUNTING STANDARDS

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective as of October 31, 2023. The Company is assessing the impact of these new standards but does not expect them to have a significant effect on the consolidated financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

4. EXPLORATION AND EVALUATION ASSETS

Cumulative acquisition and exploration costs incurred and expensed by the Company to date on its mineral properties are summarized below.

	Kilometer 26 \$	Porcupine \$	Nespisiguit \$	General \$	Total \$
April 30, 2022	2,029,031	484,356	301,018	-	2,814,405
Acquisition Costs	-	115,000	-	-	115,000
Exploration Costs	345	1,161	12,633	80,345	94,484
Balance, October 31, 2022	2,029,376	600,517	313,651	80,345	3,023,889
April 30, 2023	2,029,376	602,673	344,180	80,345	3,056,574
Acquisition Costs	-	-	-	-	-
Exploration Costs	-	7,741	55,132	77	62,950
Balance, October 31, 2023	2,029,376	610,414	399,312	80,422	3,119,524

Management has determined that due to uncertainty on future recoverability of its mineral exploration and evaluation assets, acquisition and exploration costs are expensed as incurred.

a) Kilometer Property, British Columbia, Canada

The Company owns a 100% interest in the Kilometer 26 Project, a group of mineral claims located approximately 50 kilometers northwest of Fort St. James in central British Columbia. On September 28, 2009 the Company entered into a three year Option Agreement with Eastfield Resources Ltd. (“Eastfield”) to acquire a 60% interest in the claims. On September 9, 2011 the Company entered into an agreement with Eastfield to acquire a 100% interest in the Property and to terminate the Option Agreement in consideration for the issuance of 2,000,000 common shares. The fair value of the property was determined to be \$775,000. On December 1, 2011 the Company issued the 2,000,000 common shares.

The entire claim area occurs within a gentle to undulating landscape all of which occurs on government land. The predominant target of interest on the Kilometer 26 property is ophiolite hosted disseminated nickel. Motherlode style (ophiolite gold) mineralization constitutes a secondary objective.

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b) Porcupine Property, New Brunswick, Canada

In August 2017, the Company signed an option agreement with Great Atlantic Resources Corp. (“GR”) to acquire GR’s Porcupine property located in the province of New Brunswick. Under the terms of the option agreement, the Company is required to make the following cash and share payments to earn a 100% interest in the property:

- Pay \$15,000 in cash (paid) and issue 500,000 common shares (issued) within five days of the TSX Venture approval of the transaction (the “Approval Date”);
- Pay \$20,000 in cash (paid) and issue \$75,000 in common shares on or before October 6, 2018. The Company issued 234,375 common shares with a fair value of \$43,359 on February 12, 2019.
- Pay \$20,000 in cash (paid) and issue \$75,000 in common shares on or before October 31, 2022. The Company issued 500,000 common shares with a fair value of \$50,000 on October 17, 2019;
- Pay \$20,000 in cash (paid) and issue \$75,000 in common shares on or before October 31, 2022. The Company issued 375,000 common shares with a fair value of \$93,750 on February 5, 2021.
- Pay \$75,000 in cash (paid) and issue \$200,000 in common shares on or before October 31, 2022.

The Company is also required to spend \$1,000,000 in exploration expenditures on the property over a four-year period with a minimum of \$150,000 each year.

c) Nespisiguit, New Brunswick, Canada

In May 2021, the Company announced it has entered into a letter of intent agreement with a private company to acquire 100% interest in the Nespisiguit Base Metal – Precious Metal Property located within the Bathurst Mining Camp of northern New Brunswick. The agreement grants the Company the exclusive right to receive the results of the core assay from the 2020 drill program and to conduct due diligence on certain areas of the Nespisiguit Property. A definitive agreement is expected to be negotiated upon review of the results and due diligence.

The term of the original letter of intent has been extended and will expire on December 30, 2023. As of the Auditor’s report date, a definitive agreement has not yet been signed; however, the Company has spent exploration expenditures on this project including diamond drilling (six holes totaling 1,131 meters) during 2021 and prospecting and rock geochemical sampling; soil geochemical sampling; and magnetometer geophysical surveys during 2021-2023.

During the six-month period ended October 31, 2023, the Company incurred acquisition and exploration expenditures totaling \$nil (2022 - \$345) with respect to its Kilometer 26 Property, \$7,741 (2022 - \$116,161) on the Porcupine Property, \$55,132 (2022 - \$12,633) on the Nespisiguit Property and \$77 (2022 - \$80,345) in general.

5. LOANS PAYABLE

	October 31, 2023	April 30, 2023
	\$	\$
Loan Payable	161,095	207,306
	161,095	207,306

During 2020 and 2021, the Company received a total of \$215,000 in loans, all unsecured, non-interest bearing and with no terms of repayment. During the year ended April 30, 2022, the Company paid down loans by \$103,181.

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During the year ended April 30, 2023, the Company received \$139,850 in new unsecured loans and paid \$51,819 towards 2022 loans payable. The Company accrued \$7,456 in interest expense on certain loans at a rate of 10% per annum.

During the period ended October 31, 2023, the Company received \$23,000 in additional loans, repaid \$65,719 and accrued \$5,788 in loan interest expense calculated at rates of 10% and 21% per annum.

As at October 31, 2023, the Company had total loans payable of \$161,095 including \$3,964 in interest payable.

6. SHARE CAPITAL

a) Authorized

The Company's authorized capital consists of:

- an unlimited number of common shares without par value; and
- an unlimited number of preferred shares without par value, issuable in series and having special rights and restrictions

As at October 31, 2023, there were 26,248,262 (April 30, 2023 – 24,248,262) common shares issued and outstanding.

b) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's balance sheet include "Contributed Surplus", "Warrant Reserve", "Share-based Payment Reserve", and "Accumulated Deficit".

- 'Contributed Surplus' recognizes amounts contributed to the Company shareholders either by way of direct contribution of cash or assets to the Company or delivery of assets to the Company having a fair value in excess of consideration paid by the Company.
- 'Warrant Reserve' is used to recognize the fair value of share warrants prior to exercise or expiry.
- 'Share-based Payment Reserve' is used to recognize the fair value of stock option grants prior to exercise, expiry or cancellation and the fair value of other share-based consideration paid at the date of payment.
- 'Accumulated Deficit' is used to record the Company's change in deficit from net losses from period to period.

c) Issued

Period ended October 31, 2023

In October 2023, the Company issued 2,000,000 units at \$0.06 for gross proceeds of \$120,000. Each unit consists of one common share and one share purchase warrants. Each share purchase warrant entitles the holder to purchase one additional share of the Company at a price of \$0.08 per warrant share for a period of five years from the date of issuance.

Period ended October 31, 2022

In October 2022, the Company issued 1,500,000 units at \$0.04 for gross proceeds of \$60,000. Each unit consists of one common share and one share purchase warrants. Each share purchase warrant entitles the holder to purchase one additional share of the Company at a price of \$0.05 per warrant share for a period of five years from the date of issuance.

d) Stock Option Plan Details

The Company has a stock option plan under which directors, officers and employees of the Company are eligible to receive stock options. The aggregate number of shares to be issued upon the exercise of all

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options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options. The maximum number of common shares optioned to any one optionee shall not exceed 5% of outstanding common shares of the Company. Options granted under the plan generally have a term of five years but may not exceed five years and typically vest on the grant or at terms to be determined by the directors at the time of grant. The exercise price of each option shall be determined by the directors at the time of grant but shall not be less than the price permitted by the policies of the TSX-V stock exchange on which the Company's common shares are listed.

As at October 31, 2023, the Company had no outstanding stock options.

As at October 31, 2022, 650,000 options, with an average exercise price of \$0.50 per share and an average remaining life of 0.43 years, were vested.

Expiry Date	Exercise Price	April 30, 2022	Granted	Exercised	Expired/Cancelled	October 31, 2022
April 5, 2023	\$0.50	650,000		-	-	650,000
		650,000		-	-	650,000

e) Share Purchase Warrants

As at October 31, 2023, 2,000,000 share purchase warrants, with an average exercise price of \$0.08 per share were outstanding.

Expiry Date	Exercise Price	April 30, 2023	Granted	Exercised	Expired/Cancelled	October 31, 2023
October 4, 2028	\$0.08	-	2,000,000	-	-	2,000,000
		-	-	-	-	2,000,000

As at October 31, 2022, 5,000,000 share purchase warrants, with an average exercise price of \$0.10 per share.

Expiry Date	Exercise Price	April 30, 2022	Granted	Exercised	Expired/Cancelled	October 31, 2022
July 07, 2022	\$0.30	1,502,221	-	-	(1,502,221)	-
July 07, 2022	\$0.30	200,000	-	-	(200,000)	-
October 28, 2024	\$0.12	3,500,000	-	-	-	3,500,000
October 03, 2027	\$0.05	-	1,500,000	-	-	1,500,000
		5,202,221	1,500,000	-	(1,702,221)	5,000,000

f) Agents' Warrants

As at October 31, 2023, there were no outstanding agents' warrants.

As at October 31, 2022, there were no outstanding agents' warrants.

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Expiry Date	Exercise Price	April 30, 2022	Granted	Exercised	Expired/ Cancelled	October 31, 2022
July 07, 2022	\$0.30	-	40,000	-	(40,000)	-
		-	40,000	-	(40,000)	-

7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management includes directors (executive and non-executive) and senior management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”). There were no amounts paid nor payable for CEO or CFO services for the period ended October 31, 2023 (2022 - \$Nil).

8. SEGMENTED INFORMATION

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities. All mineral properties are located in Canada.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The fair value of the Company’s accounts payable and accrued liabilities and amounts due to related parties approximate their carrying value, which is the amount recorded on the statements of financial position. The Company’s cash under the fair value hierarchy is recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to its liquid financial assets including cash. Management believes that its credit risk is not significant.

b) Liquidity Risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2023, the Company had a cash balance of \$92 to settle current liabilities of \$1,427,843. All of the Company’s financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Management expects to fund those liabilities through equity financing and loans from related parties over the coming year.

c) 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 Company’s amounts due to related parties are non-interest bearing, and as such, the Company is not exposed to significant interest rate risk.

d) Commodity Price Risk

The Company is subject to price risk from fluctuations in the market prices of commodities as it relates to the possible underlying values of its commodity based mineral properties and the corresponding ability to raise funds for future operations. Management closely monitors commodity prices to determine the appropriate course of actions to be taken in its investing and financing activities. As the Company has not yet developed commercial mineral interests, it is not exposed to significant commodity price risk.

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10. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration, and development of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company manages its share capital as capital, which as at October 31, 2023 was \$14,157,882 (April 30, 2023 – \$14,039,632). Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

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 ended October 31, 2023.