

**RE: CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED) FOR THE THREE MONTHS ENDED OCTOBER 31, 2023**

First quarter financial statements for the three months ended October 31, 2023 and 2022 have not been reviewed by the auditors of Fidelity Minerals Corp.

Fidelity Minerals Corp.

“Anthony Balic”

Anthony Balic

Chief Financial Officer



Fidelity Minerals Corp.

Condensed Consolidated Interim Financial Statements
For the three months ended October 31, 2023 and 2022
(Unaudited - expressed in Canadian dollars, except where indicated)

Fidelity Minerals Corp.
Condensed Consolidated Interim Statements of Financial Position

(Amounts expressed in Canadian dollars, except where indicated)

	Note	October 31, 2023	July 31, 2023
Assets			
Current assets			
Cash		\$ 1,888	\$ 1,582
Other receivables		3,519	6,257
Prepaid expenses		-	12,055
		5,407	19,894
Exploration and evaluation properties	5	6,351,408	6,305,084
Total assets		\$ 6,356,815	\$ 6,324,978
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		\$ 892,297	\$ 793,451
Advances from related party	6	400,045	363,805
		1,292,342	1,157,256
Shareholders' equity			
Share capital	7	14,212,544	14,212,544
Reserves and contingent shares	7	6,455,691	6,455,691
Cumulative translation adjustment		22,176	22,176
Deficit		(15,730,938)	(15,627,689)
Total shareholders' equity attributable to owners of the Company		4,959,473	5,062,722
Non-controlling interest	5	105,000	105,000
Total shareholders' equity		5,064,473	5,167,722
Total liabilities and shareholders' equity		\$ 6,356,815	\$ 6,324,978

Nature of operations and going concern (note 1)

Approved by the Board of Directors

 "Ian Graham"

Director

 "Dean Pekeski"

Director

The accompanying notes are an integral part of these consolidated financial statements.

Fidelity Minerals Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Amounts expressed in Canadian dollars, except where indicated)

	Note	Three months ended October 31,	
		2023	2022
General and administration expenses			
Administrative fees		\$ (24,983)	\$ (8,467)
Consulting fee		(70,250)	(102,675)
Foreign exchange		1,642	(158)
Investor communications		(6,000)	(5,000)
Legal and professional fee		(20,451)	(3,182)
Gain on settlement of accounts payable		16,793	-
Loss for the period		(103,249)	(119,482)
Loss per share			
Basic and diluted		\$ (0.00)	\$ (0.00)
Weighted average shares outstanding			
Basic and diluted		88,795,209	85,704,884

Fidelity Minerals Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Amounts expressed in Canadian dollars, except where indicated)

	Notes	Shares	Share capital	Contingent Shares	Foreign currency Translation reserves	Reserves	Deficit	Non-controlling Interest	Total equity
Balance as at July 31, 2022		88,795,209	\$ 14,212,544	\$ 154,000	\$ 22,176	\$ 6,301,691	\$ (15,627,689)	\$ 105,000	\$ 5,167,722
Net loss for the year		-	-	-	-	-	(103,249)	-	(103,249)
Balance as at October 31, 2023		88,795,209	\$ 14,212,544	\$ 154,000	\$ 22,176	\$ 6,301,691	\$ (15,730,938)	\$ 105,000	\$ 5,064,473

	Notes	Shares	Share capital	Contingent Shares	Foreign currency Translation reserves	Reserves	Deficit	Total equity
Balance as at July 31, 2022		84,964,217	\$ 13,817,731	\$ 154,000	\$ (13,871)	\$ 5,909,405	\$ (13,780,067)	\$ 6,087,198
Warrants exercised	8	830,992	79,813	-	-	(21,643)	-	58,170
Net loss for the year		-	-	-	-	-	(119,482)	(119,482)
Balance as at October 31, 2022		85,795,209	\$ 13,904,006	\$ 154,000	\$ (13,871)	\$ 5,881,300	\$ (13,899,549)	\$ 6,025,886

The accompanying notes are an integral part of these consolidated financial statements.

Fidelity Minerals Corp.
Condensed Consolidated Interim Statement of Cash Flows
(Amounts expressed in Canadian dollars, except where indicated)

	Note	For three months ended October 31,	
		2023	2022
Cash used in operating activities			
Net loss for the period		\$ (103,249)	\$ (119,482)
Items not affecting cash			
Gain on settlement of accounts payable		(16,793)	-
Change in non-cash working capital			
Decrease in other receivables		2,738	3,710
Decrease (increase) in prepaid expenses		12,055	12,514
Increase (decrease) in accounts payable and accrued liabilities		115,639	(2,717)
Net cash used in operating activities		10,390	(105,975)
Cash flows from financing activities			
Proceeds from exercise of warrants	7	-	58,170
Proceeds received from loan payable		36,240	-
Net cash provided by financing activities		36,240	58,170
Cash flows used in investing activities			
Mineral property expenditures	5	(46,324)	(151,141)
Proceeds received on sale of Cerro Dorado		-	-
Net cash used in investing activities		(46,324)	(151,141)
Increase (decrease) in cash		306	(198,946)
Cash - beginning of year		1,582	272,697
Cash - end of period		\$ 1,888	\$ 73,751

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

1 Nature of operations and going concern

Fidelity Minerals Corp. was incorporated under the Business Corporations Act of the Province of Ontario, Canada, on March 7, 2003. The Company continued to British Columbia on June 7, 2018 and changed its name to Fidelity Minerals Corp. ("the Company") on January 24, 2019.

The head office of the Company is located at Suite 1201 – 1166 Alberni St., Vancouver, BC, V6E 3Z3 Canada and the registered office of the Company is located at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 1H2.

The Company is in the process of exploring its resource properties and has not determined whether these properties contain mineral reserves which are economically recoverable. The recoverability of amounts shown for exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from the property or proceeds from its disposition.

Going concern

At October 31, 2023, the Company had working capital deficit of \$1,286,935 and had not yet achieved profitable operations. In addition the Company had accumulated losses of \$15,730,938 since its inception and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned work program on its mineral properties, meet its on-going levels of corporate overhead and commitments, keep its properties in good standing and discharge its liabilities as they come due. These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. In the past, the Company has been successful in obtaining financing, although there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in these consolidated financial statements.

Recent global issues, including the ongoing COVID-19 pandemic and global geopolitical conflict have adversely affected workplaces, economies, supply chains, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of these issues and their effects on the Company's business or results of operations this time.

2 Basis of presentation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted and these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended July 31, 2023.

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its unaudited condensed consolidated interim financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended July 31, 2023.

The Board of Directors approved these condensed consolidated interim financial statements on December 28, 2023.

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

3 Estimates, risks and uncertainties

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its consolidated financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Significant judgments in applying accounting policies

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognized in the Company's consolidated financial statements are as follows:

(i) Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploratory drilling and evaluation costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

(ii) Functional currency

The functional currency for each of the Company's subsidiaries, is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Key sources of Estimation Uncertainty

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually 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. Actual results could materially differ from these estimates. The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

(i) Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

(ii) Deferred taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Forecasted cash flows from operations are based on life of mine projections internally developed and reviewed by management. 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. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Company reassesses unrecognized income tax assets.

(iii) Decommissioning and restoration provision

The Company assesses its reclamation provisions at each reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate amount payable. These factors include estimates of the extent, cost, and timing of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rate, and changes in discount rates. These uncertainties may result in future expenditures differing from the amounts currently provided.

4 Financial instruments

The Company's financial instruments consist of cash, other receivables, Cerro Dorado proceeds receivable, accounts payable and accrued liabilities, loan payable and promissory notes and advances. The fair value of these financial instruments approximates the carrying value due to the short maturity or current market rate associated with these instruments.

Financial instruments disclosure requires a statement of the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of fair value are:

- Level 1 Unadjusted quoted prices in active markets for identical assets and liabilities
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and;
- Level 3 Inputs that are not based on observable market data

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and other receivables. The Company's cash is held through large Canadian financial institutions and other receivables are primarily related to tax credits receivable from the government of Canada.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as described in Note 11. The accounts payable and loans are due within the current operating period. The Company is exposed to liquidity risk.

Market Risk

The Company's market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices.

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Notes to Condensed Consolidated Interim Financial Statements

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Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is not exposed to significant interest rate risk. A 1% change in market interest rates would result in no significant change in value of cash and other financial instruments.

Foreign Exchange Risk

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of those fluctuations on the Company's foreign currency denominated monetary assets and liabilities. The Company currently operates in Canada and Peru. Certain costs and expenses are incurred in US dollars and Peruvian sol. The Company attempts to mitigate currency risk through the preparation of short and long term expenditure budgets in the foreign currencies and planning for the conversion of Canadian dollars into foreign currencies whenever exchange rates are favourable.

The Company's financial assets and liabilities as at October 31, 2023 are denominated in United States Dollars, Canadian Dollars, and Peruvian Soles, and are set out in the following table:

	Canadian Dollars	US Dollars	AUD Dollars	Soles	Total
Financial assets					
Cash	\$ 1,089	\$ 799	\$ -	\$ -	\$ 1,888
Other receivables	3,519	-	-	-	3,519
	4,608	799	-	-	5,407
Financial liabilities					
Accounts payables and accrued liabilities	(685,444)	(122,888)	(83,965)	-	(892,297)
Advances from related parties	(400,045)	-	-	-	(400,045)
Net financial (liabilities) assets	\$ (1,080,881)	\$ (122,089)	\$ (83,965)	\$ -	\$ (1,286,935)

The Company's financial assets and liabilities as at July 31, 2023 are denominated in United States Dollars, Canadian Dollars, Australian Dollars and Peruvian Soles, and are set out in the following table:

	Canadian Dollars	US Dollars	AUD Dollars	Soles	Total
Financial assets					
Cash	\$ 758	\$ 824	\$ -	\$ -	\$ 1,582
Other receivables	6,257	-	-	-	6,257
	7,015	824	-	-	7,839
Financial liabilities					
Accounts payables and accrued liabilities	(593,253)	(122,888)	(77,310)	-	(793,451)
Advances from related parties	(363,805)	-	-	-	(363,805)
Net financial (liabilities) assets	\$ (950,043)	\$ (122,064)	\$ (77,310)	\$ -	\$ (1,149,417)

The Company's reported results will be affected by changes in the US dollar to Canadian dollar and Canadian dollar to Peruvian Sol and Canadian dollar to Australian dollar exchange rates. As of October 31, 2023, a 10% appreciation of the Canadian dollar relative to the US dollar would have decreased net financial liabilities by approximately \$12,209 (July 31, 2023 - \$12,206). A 10% appreciation of the US Dollar relative to the Canadian dollar would have had the equal but opposite effect. A 10% appreciation of the Peruvian Sol relative to the CAD dollar would have increased net financial liability by approximately \$nil (July 31, 2023 - \$nil) and a 10% depreciation of the Peruvian

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

Sol would have had an equal but opposite effect. A 10% appreciation of the Australian dollar relative to the Canadian dollar would have increased net financial liability by approximately \$8,396 (July 31, 2023 - \$7,731) and a 10% depreciation of the Australian dollar would have had an equal but opposite effect. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk.

5 Exploration and evaluation properties

	Las Huaquillas	Porphyritic Copper project	Cerro El Bronce and Las Brujas Projects	Greensands	Total
Balance at July 31, 2022	\$ 5,329,774	\$ 229,275	\$ 560,147	\$ -	\$ 6,119,196
Impairment	-	(229,275)	(565,007)	-	(794,282)
Sampling and assays	-	-	-	-	-
Concession acquisition	9,681	-	4,860	4,553	19,094
Community, camp and supplies	255,922	-	-	-	255,922
Geological and engineering	206,634	-	-	-	206,634
License, dues and fees	10,334	-	-	-	10,334
Acquisition of Greensands	-	-	-	420,000	420,000
Impacts of foreign exchange	68,186	-	-	-	68,186
Balance at July 31, 2023	\$ 5,880,531	\$ -	\$ -	\$ 424,553	\$ 6,305,084
Community, camp and supplies	46,324	-	-	-	46,324
Balance at October 31, 2023	\$ 5,926,855	\$ -	\$ -	\$ 424,553	\$ 6,351,408

a) Las Huaquillas

The Las Huaquillas project is a precious and base metal project in northern Peru that is 44.5% held by the Company. The concessions are located to the immediate south of the border with Ecuador.

On July 8, 2021, the Company's Peruvian subsidiary Minera LBJ SAC signed a binding agreement with Alexander Ernesto Vidaurre Otayza and Lida Avelina Pimentel Jibaja, who own the other 55.5% of the Las Huaquillas project, to acquire an additional 5.5% of Rial Minera SAC ("Rial"). Upon closing of the transaction, the Company will hold a 50% interest in Rial (and thereby the Las Huaquillas project).

Per the terms of the agreement, the Company can acquire an additional 5.5% ownership of the Project by completing the following;

- Total cash consideration of USD \$500,000 payable in two instalments. The first instalment of USD \$300,000 to be paid upon signing the agreement. (Paid). An additional USD \$200,000 to be paid three months after signing (Paid).
- The Company will fund up to USD \$3,000,000 in underground sampling and exploration drilling to underwrite the publication of a new NI 43-101 technical report aimed at declaring inferred resources and to be completed within 18 months following receipt of drilling permit approvals.

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

b) Porphyritic Copper project

The Porphyritic Copper Project comprises three contiguous concessions 100% held by the Company located in La Libertad, Northern Peru. Further Milestone Payments of \$500,000 and \$250,000 are payable if, within 5 years, a NI 43-101 compliant resource of >500,000T of contained copper is published by Fidelity Minerals (Milestone 1), and/or a transaction exceeding \$5,000,000 is consummated (Milestone 2), respectively.

During the year ended July 31, 2023, as there were no planned exploration for the foreseeable future on these projects the Company recorded an impairment of \$229,275.

c) Cerro El Bronce and Las Brujas Projects

The Las Brujas project consists of four concessions 100% held by the Company located in the Cajamarca province of Peru.

The Cerro El Bronce project consists of 2 concessions 100% held by the Company located in the Ancash province of Peru.

- In the event the Company sells the concessions to an unrelated third party in the future, the vendors will receive 10% of the cash profits generated from the sale. The determination of cash profits essentially consists of the sale proceeds minus total expenditures made by the Company on the project up to the time of the sale, including transaction costs and taxes and duties related to the sale transaction.

- In the event the Company makes a decision to mine at the Las Brujas project, the Company will establish a 75:25 unincorporated JV with the vendors, where the majority interest in the JV is owned by the Company. In the event that the Las Brujas project is sold, any right by the Vendors to participate in a JV will expire.

During the year ended July 31, 2023, as there were no planned exploration for the foreseeable future on these projects the Company recorded an impairment of \$565,007.

d) Greensands Australia

During the year ended July 31, 2023, the Company purchased a seventy-five percent (75%) interest in Greensands Australia Pty Ltd ("GAL"), which owns an exploration licence covering the Florina Greensand Project in the Northern Territory, Australia. The other 25 per cent (25%) is being acquired by Lions Bay Capital Inc. ("LBI", "Lions Bay"), which is a related party due to common executive and directors.

Under the terms of the agreement with GAL, the Company will:

- 1) Issue 3,000,000 ordinary common shares ; (Issued, valued at \$315,000)
- 2) Agree to fund its seventy-five per cent share of Stage 1 costs estimated to be AUD \$250,000 (the Company's share AUD \$187,500);
- 3) Agree to fund its seventy-five per share of Stage 2 costs estimated to be AUD \$1,000,000 including a scoping study (the Company's share estimated to be AUD \$750,000);
- 4) Upon completion of the scoping study, issue an additional 3,000,000 ordinary common shares of the Company
- 5) Should the scoping study show a pre-tax IRR of over 19 per cent then the vendors will be entitled to a bonus payment of AUD \$1,000,000 to be satisfied by cash and shares (with a minimum fifty per cent cash) (Fidelity's share estimated to be AUD \$750,000). Any shares issued would be issued at a floor price of \$0.06.
- 6) GAL must pay a royalty of the lesser of AUD \$4 per tonne or 5% of the net sale price of products sold on the first 250,000 tonnes of production from the project (the "Royalty"). The Royalty will be reduced to AUD \$2 per tonne after the initial 250,000 tonnes. The Royalty cannot exceed 5% of the sales price of the product. Otherwise, the Royalty shall be paid on industry standard terms and conditions, to be documented within a formal Royalty Agreement.

The operations of GAL did not meet the definition of a business under IFRS 3, consequently the acquisition of the 75% interest in GAL is accounted for as the acquisition of assets. The only asset acquired was the exploration license.

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

Consideration consisted of the following:

3,000,000 common shares issued recorded at a share price of \$0.105	\$	315,000
Non-controlling interest on acquisition		105,000
Exploration and evaluation properties	\$	420,000

Management has determined that the fair value on the date of acquisition of the probability adjusted requirements to issue an additional 3,000,000 common shares of the Company on completion of the scoping study and other contingent consideration is de minimis.

6 Promissory notes and advances

	Promissory notes and advances
Balance July 31, 2022	\$ -
Advances	363,805
Balance July 31, 2023	\$ 363,805
Advances	36,240
Balance October 31, 2023	\$ 400,045

As at October 31, 2023, the Company has \$400,045 (July 31, 2023 - \$363,805) in advances from LBI, which is a related party due to common CFO and directors. The advances are unsecured, non-interest bearing with no repayment terms.

7 Share capital

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Fiscal 2024

No share capital activity

Fiscal 2023

- During the year ended July 31, 2023, the Company issued 830,992 common shares as a result of warrant exercises for gross proceeds of \$58,170.
- During the year ended July 31, 2023, the Company issued 3,000,000 common shares valued at \$315,000 as part of the Greensands Australia acquisition (Note 5).

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

	October 31, 2023		July 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding - beginning of year	2,625,000	\$ 0.40	29,717,895	\$ 0.14
Expired	-	-	(26,261,903)	0.12
Exercised	-	-	(830,992)	0.07
Outstanding – as at end of the year	2,625,000	\$ 0.40	2,625,000	\$ 0.40

Number of warrants	Exercise price per warrant	Expiry date
2,625,000	\$0.40	February 8, 2024
2,625,000		

As at October 31, 2023, the weighted average exercise price of the warrants outstanding was \$0.40 (July 31, 2023 - \$0.40) with a weighted average remaining contractual life of 0.27 years (July 31, 2023 – 0.53 years).

8 Share based compensation

The Company adopted a stock option plan (the “Stock Option Plan”) under which it can grant options to directors, officers, employees, and consultants for up to 10% of the issued and outstanding common shares.

On April 12, 2023, the Company granted an aggregate of 5,050,000 incentive stock options (the "Options") to certain directors, officers and consultants of the Company pursuant to the Company's previously approved Stock Option Plan. The Options are exercisable at a price of \$0.11 per share for a period of 5 years. The fair value of \$434,545 for these stock option was determined using the Black-Scholes option pricing model using the following assumptions: expected life of 5 years, volatility of 150%, annual rate of dividends of 0.00% and risk free rate of 3.04%.

The following is a summary of the stock options outstanding as at October 31, 2023 and July 31, 2023:

	October 31, 2023		July 31, 2023	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding - beginning of year	13,600,000	\$ 0.10	8,550,000	\$ 0.10
Granted	-	-	5,050,000	0.11
Outstanding - end of year	13,600,000	\$ 0.10	13,600,000	\$ 0.10

Fidelity Minerals Corp.

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(Amounts expressed in Canadian dollars, except where indicated)

Number of stock options outstanding	Number of stock options outstanding and vested	Exercise price per stock option	Expiry date
1,275,000	1,275,000	\$0.075	January 24, 2025
1,650,000	1,650,000	\$0.075	July 6, 2025
900,000	900,000	\$0.105	August 12, 2025
250,000	250,000	\$0.15	March 9, 2026
4,225,000	4,225,000	\$0.11	March 10, 2027
250,000	250,000	\$0.11	March 28, 2027
5,050,000	4,675,000	\$0.11	April 12, 2028
13,600,000	13,225,000	\$0.10	

As at October 31, 2023, the weighted average exercise price of the stock options outstanding was \$0.10 (July 31, 2023 - \$0.10) with the weighted average remaining contractual life of 3.24 years (July 31, 2023 – 3.49 years).

9 Related party transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors or companies with common directors of the Company.

The remuneration of the Company's directors and other key management personnel during the years ended October 31, 2023 and 2022 are as follows:

	October 31, 2023	October 31, 2022
Consulting fees	\$ 67,500	\$ 83,700

As at October 31, 2023 the Company had amounts payable of \$527,564 (July 31, 2023 - \$469,564) to these parties. These amounts are unsecured and non-interest bearing.

As at October 31, 2023, the Company has \$400,045 (July 31, 2023 - \$363,805) in advances from LBI, which is a related party due to common CFO and directors. The advances are unsecured, non-interest bearing with no repayment terms.

10 Segment disclosures

The Company operates in two geographical and two operating segments. The operating segments are managed separately based on the nature of operations. Exploration and development relates to the recently acquired exploration projects in Peru. Other selected financial information by geographical segment is as follows:

The Company operates in two operating segments in two countries, with corporate in Canada and exploration in Peru and Australia. The Company's assets by country are:

	As at October 31, 2023				As at July 31, 2023		
	Canada	Australia	Peru	Total	Australia	Peru	Total
Assets							
Exploration and evaluation properties	\$ -	\$ 424,553	\$ 5,926,855	\$ 6,351,408	\$ 424,553	\$ 5,880,531	\$ 6,305,084

Fidelity Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended October 31, 2023 and 2022

(Amounts expressed in Canadian dollars, except where indicated)

11 Capital management

The Company's objectives for capital management are to safeguard its ability to support the Company's normal operating requirement on an ongoing basis, continue the development and exploration of its mineral properties and support any expansionary plans.

The Company and its subsidiary are not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

The Company manages its capital structure and makes adjustments in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

12 Commitments

On January 17, 2017, the Company completed the acquisition of Cerro Dorado S.A.C. ("Cerro Dorado"), a Peruvian Company. As part of the acquisition the Company has the following contingent consideration:

1. Issue 133,333 common shares of the Company upon the sale of 1,000 oz gold-contained ore or dore from either the mine or the plant.
2. Issue 133,333 common shares of the Company upon the sale of an additional 2,000 oz of gold-contained ore or dore (3,000 oz total) from either the mine or the plant.

The Company has completed the sale of Cerro Dorado (Note 6), although as per the agreement retains the obligation to issue the contingent shares upon the above criteria.

On May 22, 2019, the Company completed the acquisition of a 100% interest in the Porphyritic Copper project located in the district of La Libertad, Northern Peru, by issuing 800,000 in common shares, and by making a payment of US\$7,000 in cash. Further Milestone Payments of \$500,000 and \$250,000 are payable if, within 5 years, a NI 43-101 compliant resource of >500,000T of contained copper is published by Fidelity Minerals (Milestone 1), and/or a transaction exceeding \$5,000,000 is consummated (Milestone 2), respectively. Management has determined that Milestone 1 and 2 are unlikely and therefore allocated a 0% probability of achieving them. During the year ended July 31, 2023, the Company abandoned the claims and project and therefore there is no further contingent payment related to this project.