

SIENNA RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

September 30, 2024

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended September 30, 2024 and 2023 have not been reviewed by the Company's external auditor.

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

ASSETS	September 30, <u>2024</u>	December 31, <u>2023</u>
Current assets		
Cash and cash equivalents – Note 3	\$ 363,588	\$ 1,336,173
Receivables – Note 4	22,526	5,192
Prepaid expenses	37,817	40,786
Total current assets	423,931	1,382,151
Non-current assets		
Security deposits – Note 5	32,368	32,368
Exploration and evaluation assets – Note 5	1,880,320	2,074,312
Total assets	\$ 2,336,619	\$ 3,488,831
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities – Notes 6 and 9	\$ 49,898	\$ 142,385
SHAREHOLDERS' EQUITY		
Share capital – Note 7	27,036,903	26,966,903
Reserves – Note 7	4,956,430	4,899,366
Accumulated deficit	(29,706,612)	(28,519,823)
Total shareholders' equity	2,286,721	3,346,446
Total liabilities and shareholders' equity	\$ 2,336,619	\$ 3,488,831

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 12)

APPROVED BY THE DIRECTORS:

<u>“Dennis Aalderink”</u> Dennis Aalderink	Director	<u>“Jason Gigliotti”</u> Jason Gigliotti	Director
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SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Operating expenses				
Consulting	\$ -	\$ 690	\$ -	\$ 690
Corporate branding	36,936	25,679	93,595	34,012
Investor relations	11,250	-	32,621	-
Management fees – Note 9	43,500	43,500	159,250	140,500
Office and miscellaneous	15,112	13,097	55,809	47,662
Professional fees – Note 9	9,310	15,566	48,036	46,718
Resource expenses	4,143	210	4,475	210
Shareholder information	6,803	6,481	16,168	17,035
Share-based payments – Notes 7 and 9	108,484	105,863	477,064	395,867
Transfer agent and filing fees	4,990	8,004	16,522	18,216
Travel	8,486	5,107	24,318	17,254
	(249,014)	(224,197)	(927,858)	(718,164)
Interest income	5,317	23,334	24,071	57,225
Write-down of exploration and evaluation assets – Note 5	(283,002)	-	(283,002)	-
	(277,685)	23,334	(258,931)	57,225
Loss and comprehensive loss for the period	\$ (526,699)	\$ (200,863)	\$ (1,186,789)	\$ (660,939)
Loss per share – basic and diluted – Note 8	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding – basic and diluted – Note 8	197,113,316	187,415,490	196,972,805	171,917,016

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Nine months ended September 30,	
	2024	2023
Operating Activities		
Loss for the period	\$ (1,186,789)	\$ (660,939)
Adjustments for non-cash items:		
Share-based payments	477,064	395,867
Write-down of exploration and evaluation assets	283,002	-
Changes in non-cash working capital items:		
Receivables	(17,334)	6,452
Prepaid expenses	2,969	(38,122)
Accounts payable and accrued liabilities	10,472	(154,050)
Cash and cash equivalents used in operating activities	(430,616)	(450,792)
Investing Activities		
Exploration and evaluation assets	(148,219)	(473,593)
Cash and cash equivalents used in investing activities	(148,219)	(473,593)
Financing Activities		
Proceeds from issuance of share capital	-	2,907,500
Share issue costs	-	(176,627)
Cash payout for RSUs vested	(393,750)	-
Cash and cash equivalents provided by (used in) financing activities	(393,750)	2,730,873
Change in cash and cash equivalents during the period	(972,585)	1,806,488
Cash and cash equivalents, beginning of the period	1,336,173	68,076
Cash and cash equivalents, end of the period	\$ 363,588	\$ 1,874,564

Supplemental Disclosure with Respect to Cash Flows (Note 11)

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

Share Capital

	Number of shares	Amount	Reserves	Accumulated deficit	Total
Balance, December 31, 2022	126,113,316	\$ 23,868,993	\$ 4,309,673	\$ (27,225,780)	\$ 952,886
Shares issued for private placement	58,150,000	2,907,500	-	-	2,907,500
Share issue costs	-	(176,627)	-	-	(176,627)
Broker warrants issued for private placement	-	(102,166)	102,166	-	-
Share-based payments	-	-	395,867	-	395,867
Shares issued for exploration and evaluation assets	10,000,000	400,000	-	-	400,000
Loss for the period	-	-	-	(660,939)	(660,939)
Balance, September 30, 2023	194,263,316	26,897,700	4,807,706	(27,886,719)	3,818,687
Share purchase warrants exercised	300,000	15,000	-	-	15,000
Stock options exercised	800,000	40,000	-	-	40,000
Share-based payments	-	-	105,863	-	105,863
Transfer of reserves on options exercised	-	14,203	(14,203)	-	-
Loss for the period	-	-	-	(633,104)	(633,104)
Balance, December 31, 2023	195,363,316	26,966,903	4,899,366	(28,519,823)	3,346,446
Shares/payments issued for restricted share units	1,750,000	70,000	(420,000)	-	(350,000)
Share-based payments	-	-	477,064	-	477,064
Loss for the period	-	-	-	(1,186,789)	(1,186,789)
Balance, September 30, 2024	197,113,316	\$ 27,036,903	\$ 4,956,430	\$ (29,706,612)	\$ 2,286,721

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

SIENNA RESOURCES INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

September 30, 2024 – Page 1

1. NATURE AND CONTINUANCE OF OPERATIONS

Sienna Resources Inc. (the “Company”) was incorporated on March 11, 1983, under the British Columbia Company Act. The Company is an exploration stage public company and is listed on the TSX Venture Exchange (“Exchange”). The Company’s principal business activities include acquiring and exploring exploration and evaluation assets. At September 30, 2024, the Company had exploration and evaluation assets located in Canada and the U.S.A.

The Company’s head office and principal business address is Suite 2905, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. The Company’s registered and records office is located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed consolidated interim 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. At September 30, 2024, the Company had not yet achieved profitable operations, incurred a loss of \$1,186,789 during the nine months ended September 30, 2024 and had an accumulated deficit of \$29,706,612 since its inception. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company may require additional financing in order to conduct the planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed consolidated interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these condensed consolidated interim financial statements.

The ongoing effects of the COVID-19 pandemic and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS34”) as issued by the International Accounting Standards Board (“IASB”). They do not include all information required for full annual financial statements, and should be read in conjunction with the Company’s most recently issued audited financial statements for the year ended December 31, 2023, which includes information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s material accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed consolidated interim financial statements.

2. BASIS OF PREPARATION (continued)

a) Statement of Compliance (continued)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 26, 2024.

b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

c) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company as of September 30, 2024 are as follows:

Name of subsidiary	Principal activity	Place of Incorporation	Ownership Interest September 30, 2024	Ownership Interest December 31, 2023
Sienna Resources Sweden AB	Holding company	Sweden	100%	100%
Sienna Resources (US) Inc.	Holding company	USA	100%	100%

3. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies and include the following components:

	September 30, <u>2024</u>	December 31, <u>2023</u>
Cash at bank in Canadian dollars	\$ 21,693	\$ 193,906
Cash at bank in Sweden krona	7,395	7,767
Cash equivalents in Canadian dollars	334,500	1,134,500
	<u>\$ 363,588</u>	<u>\$ 1,336,173</u>

4. RECEIVABLES

The Company's receivables comprise of accrued GIC interest receivable due from a Canadian financial institution, goods and services tax ("GST") and value-added tax ("VAT") receivable due from government taxation authorities.

	September 30, <u>2024</u>	December 31, <u>2023</u>
Accrued GIC interest receivable	\$ 15,947	\$ -
GST recoverable	6,139	4,752
VAT recoverable	440	440
Total receivables	<u>\$ 22,526</u>	<u>\$ 5,192</u>

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Company's receivables are all considered current and are not past due or impaired. The Company does not possess any collateral related to these assets.

5. EXPLORATION AND EVALUATION ASSETS

	ON Marathon North Palladium – Platinum Property	ON Case Lake West Cesium & Spodumene Pegmatite Project	SK Stonethrow Gold Project	SK Uranium Projects	Nevada Blue Clay Lithium Project	Nevada Clayton Valley Deep Basin Lithium Brine Project	Nevada Elko Lithium Project	Nevada Silver Peak South Lithium Project	Total
Balance, December 31 2022	\$ 221,995	\$ -	\$ -	\$ -	\$ 744,378	\$ 121,153	\$ -	\$ 10,000	\$ 1,097,526
Acquisition costs	-	-	-	-	-	-	503,472	250,000	753,472
Deferred exploration expenditures									
Assay	-	-	-	-	-	-	1,641	-	1,641
Claim maintenance fees	-	-	-	-	36,757	14,513	19,574	21,182	92,026
Drilling	-	-	-	-	-	-	318,752	-	318,752
Geological consulting	270	-	-	-	-	-	17,878	-	18,148
Travel and miscellaneous	862	-	-	-	3,126	-	10,066	1,820	15,874
Write-down of exploration and evaluation assets	(223,127)	-	-	-	-	-	-	-	(223,127)
Balance, December 31, 2023	-	-	-	-	784,261	135,666	871,383	283,002	2,074,312
Acquisition costs	-	7,500	7,699	20,379	-	-	-	-	35,578
Deferred exploration expenditures									
Claim maintenance fees	-	-	-	-	11,854	16,913	24,665	-	53,432
Write-down of exploration and evaluation assets	-	-	-	-	-	-	-	(283,002)	(283,002)
Balance, September 30, 2024	<u>\$ -</u>	<u>\$ 7,500</u>	<u>\$ 7,699</u>	<u>\$ 20,379</u>	<u>\$ 796,115</u>	<u>\$ 152,579</u>	<u>\$ 896,048</u>	<u>\$ -</u>	<u>\$ 1,880,320</u>

5. EXPLORATION AND EVALUATION ASSETS (continued)

Title to Mineral Property Interests

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

Case Lake West Cesium and Spodumene Pegmatite Project, Ontario

During the nine months ended September 30, 2024, The Company acquired a 100% interest in certain mineral claims (the “Case Lake West Cesium and Spodumene Pegmatite Project”) in the Larder Lake Mining division of Ontario for staking costs of \$7,500.

Stonesthrow Gold Project, Saskatchewan

During the nine months ended September 30, 2024, the Company acquired a 100% interest in certain mineral claims, the Stonesthrow Gold Project, in Saskatchewan for staking costs of \$7,699.

Uranium Projects, Saskatchewan

During the nine months ended September 30, 2024, the Company acquired a 100% interest in certain mineral claims, the Dragon Uranium Project, the Uranium Town Project and the Atomic Uranium Project, in the Athabasca Basin of Saskatchewan for staking costs of \$5,616, \$2,515 and \$12,248, respectively.

Blue Clay Lithium Project, Nevada, U.S.A.

On September 30, 2021, the Company entered into an option agreement (the “Blue Clay Agreement”) with an arm’s length party (the “Seller”), whereby the Seller granted an option to the Company to acquire a 100% interest in certain mineral claims (the “Blue Clay Lithium Project”) located in the Esmeralda County in the Clayton Valley of Nevada, USA. In consideration, the Company is required to the following:

- Pay \$30,000 and issue 2,000,000 common shares (paid & issued at a value of \$220,000) to the Seller within five days of Exchange approval (received on October 18, 2021);
- Pay \$30,000 and issue 1,000,000 common shares (paid & issued at a value of \$80,000) to the Seller prior to the date that is six months from the date of Exchange approval; and
- Issue 1,000,000 common shares (issued at a value of \$60,000) to the Seller prior to the date that is twelve months from the date of Exchange approval.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Blue Clay Lithium Project, Nevada, U.S.A. (continued)

The Seller will retain a 1.5% NSR Royalty on this property. The Company will have the right to purchase 0.75% of the NSR Royalty for \$500,000 at any time up to the commencement of production.

During the year ended December 31, 2022, the Company acquired a 100% interest in certain mineral claims for staking costs of \$17,141 to expand the size of its Blue Clay Lithium Project. The Company provided two security deposits for a total of \$18,286 in relation to the Blue Clay Lithium Project.

Clayton Valley Deep Basin Lithium Brine Project, Nevada, U.S.A.

In May 2016, the Company acquired a 100% interest in certain mineral claims of the Clayton Valley Deep Basin Lithium Brine Project in Nevada, U.S.A., for staking costs of \$23,609.

Elko Lithium Project, Nevada, U.S.A.

On August 16, 2023, the Company entered into an option agreement (the “Elko Agreement”) with an arm’s length party (the “Optionor”), whereby the Optionor granted an option to the Company to acquire a 100% interest in certain mineral claims (the “Elko Lithium Project”) located in Elko County, Nevada, USA. In consideration, the Company is required to the following:

- Pay \$92,000 and issue 10,000,000 common shares (paid & issued at a value of \$400,000) to the Optionor within five days of all applicable approvals;
- Issue 3,000,000 common shares to the Optionor within 10 days of drilling a hole that returns drilling results evidencing at least 1,000 ppm Li anywhere in the hole; and
- Issue 3,000,000 common shares to the Optionor within 10 days of receiving a technical report (in compliance with NI 43-101) by an acceptable and accredited third party evidencing a minimum of 1,000,000 LLC with a 300 ppm Li cutoff.

During the year ended December 31, 2023, the Company acquired a 100% interest in certain mineral claims for staking costs of \$11,472 to expand the size of its Elko Lithium Project. The Company provided one security deposit for \$14,082 in relation to the Elko Lithium Project.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Silver Peak South Lithium Project, Nevada, U.S.A.

On December 14, 2022, the Company entered into an option agreement (the “Silver Peak Agreement”) with an arm’s length party (the “Optionor”), whereby the Optionor granted an option to the Company to acquire a 100% interest in certain mineral claims (the “Silver Peak South Lithium Project”) located in Clayton Valley of Nevada, USA. In consideration, the Company was required to the following:

- Pay \$10,000 (paid) to the Optionor within five days of all applicable approvals;
- Pay \$100,000 (paid) to the Optionor prior to the date that is six months after the date of signing the Silver Peak Agreement; and
- Pay \$150,000 (paid) to the Optionor prior to the date that is twelve months after the date of signing the Silver Peak Agreement.

During the nine months ended September 30, 2024, the Company decided to drop the Silver Perak South Lithium Project. Accordingly, the Company fully wrote off prior carrying costs of \$283,002.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statements of financial position consist of the following:

	September 30, <u>2024</u>	December 31, <u>2023</u>
Trade payables	\$ 34,284	\$ 105,871
Accrued liabilities	15,614	36,514
Total accounts payable and accrued liabilities	<u>\$ 49,898</u>	<u>\$ 142,385</u>

7. SHARE CAPITAL AND RESERVES

Authorized: An unlimited number of common shares, without par value
100,000,000 Class A preferred shares, par value \$10
100,000,000 Class B preferred shares, par value \$50

(a) Private placements

Nine months ended September 30, 2024:

During the nine months ended September 30, 2024, the Company did not close any private placements.

Nine months ended September 30, 2023:

In March 2023, the Company closed a non-brokered private placement consisting of 58,150,000 units at a price of \$0.05 per unit for gross proceeds of \$2,907,500. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of \$0.08 per share for a five-year term. In connection with this private placement, the Company paid cash finder's fee of \$151,430, finance fee of \$2,500, filing and legal fees of \$22,697, and issued 2,994,600 broker warrants exercisable at \$0.08 per share for a two-year term. The broker warrants were valued at \$102,166 using the Black-Scholes pricing model with the following assumptions: dividend yield 0%, expected volatility 121.3%, risk-free interest rate 4.22% and an expected life of two years.

(b) Share purchase warrants

The following is a summary of changes in share purchase warrants from December 31, 2022 to September 30, 2024:

	<u>Number</u>	<u>Weighted Average Exercise Price</u>
Balance, December 31, 2022	47,548,088	\$0.14
Issued	61,144,600	\$0.08
Exercised	(300,000)	\$0.05
Expired	(13,110,800)	\$0.30
Balance, December 31, 2023	<u>95,281,888</u>	\$0.08
Expired	(2,908,000)	\$0.05
Balance, September 30, 2024	<u><u>92,373,888</u></u>	\$0.08

7. SHARE CAPITAL AND RESERVES (continued)

(b) Share purchase warrants (continued)

At September 30, 2024, the Company had 92,373,888 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
31,229,288	\$0.08	August 14, 2025
2,646,000	\$0.08	February 27, 2025
348,600	\$0.08	March 27, 2025
47,870,000	\$0.08	February 27, 2028
<u>10,280,000</u>	\$0.08	March 27, 2028
<u>92,373,888</u>		

(c) Share-based payments

The Company has an Omnibus Incentive Plan (the “Plan”) effective December 2022, which superseded a previous stock option plan. The Plan provides the grant of stock options, restricted share units (“RSUs”), deferred share units (“DSUs”), and performance share units (“PSUs”). The Plan is a rolling plan for stock options and a fixed plan for RSUs, DSUs, and PSUs such that the aggregate number of common shares that: (i) may be issued upon the exercise or settlement of stock options granted under the Plan, shall not exceed 10% of the Company’s issued and outstanding common shares from time to time, and (ii) may be issued in respect of RSUs, DSUs, and PSUs granted under the Plan, shall not exceed 12,511,332.

Stock options

In accordance with the Plan, the exercise price of each option granted shall not be less than the Discounted Market Price (as that term is defined in the policies of the Exchange). Options may be granted for a maximum term of ten years and vesting periods are determined by the board of directors.

The following is a summary of changes in share purchase options from December 31, 2022 to September 30, 2024:

	<u>Number</u>	<u>Weighted Average Exercise Price</u>
Outstanding and exercisable, December 31, 2022	-	
Granted	5,900,000	\$0.05
Exercised	(800,000)	\$0.05
Outstanding and exercisable, December 31, 2023	<u>5,100,000</u>	\$0.05
Granted	15,000,000	\$0.05
Expired	(5,100,000)	\$0.05
Outstanding and exercisable, September 30, 2024	<u>15,000,000</u>	\$0.05

7. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments (continued)

As of September 30, 2024, 15,000,000 share purchase options were outstanding entitling the holders thereof the right to purchase one common share of the Company for each option held at an exercise price of \$0.05 until June 20, 2025.

During the nine months ended September 30, 2024, the Company granted 15,000,000 stock options with an exercise price of \$0.05 and an expiry date of June 20, 2025 (nine months ended September 30, 2023: 5,900,000 stock options with an exercise price of \$0.05 and an expiry date of January 20, 2024 were granted). The weighted average fair value of the options issued during the nine months ended September 30, 2024 was estimated at \$0.02 per option (nine months ended September 30, 2023: \$0.02) at the grant date using the Black-Scholes option pricing model with the following assumptions:

	<u>Nine months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2023</u>
Weighted average expected dividend yield	0.0%	0.0%
Weighted average expected volatility*	166.2%	132.1%
Weighted average risk-free interest rate	3.92%	3.78%
Weighted average expected term	1 year	1 year

* Expected volatility has been based on historical volatility of the Company's publicly traded shares.

RSUs

In accordance with the Plan, the Company may grant RSUs to eligible participants that do not perform investor relations activities. The number of RSUs awarded and underlying vesting terms are determined by the board of directors in its discretion. No RSUs may vest before the date that is one year following the grant date.

As soon as practicable after each vesting date of a RSU, the Company shall, at the sole discretion of the board of directors, either: (a) issue to the participant from treasury the number of common shares equal to the number of RSUs that have vested; or (b) make a cash payment in an amount equal to the Market Price (as defined in the Plan) on the next trading day after the vesting date of the RSUs, net of applicable withholdings.

The following is a summary of changes in RSUs from December 31, 2022 to September 30, 2024:

	<u>Number</u>
Outstanding, December 31, 2022	-
Granted	<u>10,500,000</u>
Outstanding, December 31, 2023	10,500,000
Granted	10,760,000
Vested	<u>(10,500,000)</u>
Outstanding, September 30, 2024	<u><u>10,760,000</u></u>

7. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments (continued)

Nine months ended September 30, 2024:

On June 20, 2024, the Company granted 10,760,000 RSUs to its officers, directors and consultants, whereby 100% of the RSUs vested in one year from date of grant.

The RSUs are valued at the fair market value of the Company's stocks on the date of grant. Accordingly, 10,760,000 RSUs were granted at a value of \$0.04 for a value of \$430,400, which are being recognized as share-based payments over the vesting periods.

Nine months ended September 30, 2023:

On January 20, 2023, the Company granted 10,500,000 RSUs to its officers, directors and consultants, whereby 100% of the RSUs vested in one year from date of grant.

The RSUs are valued at the fair market value of the Company's stocks on the date of grant. Accordingly, 10,500,000 RSUs were granted at a value of \$0.04 for a value of \$420,000, which were being recognized as share-based payments over the vesting periods.

Total expenses arising from share-based payment transactions recognized during the nine months ended September 30, 2024 were \$477,064 (nine months ended September 30, 2023: \$395,867), of which \$143,290 (nine months ended September 30, 2023: \$291,123) was attributable to vesting of RSUs granted during the period with the remaining portion of share-based payment expense being attributable to the vesting of stock options, as described above.

8. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Nine months ended September 30,	
	<u>2024</u>	<u>2023</u>
Net Loss	\$ (1,186,789)	\$ (660,939)
Weighted average number of common shares for the purpose of basic and diluted loss per share	196,972,805	171,917,016

Basic loss per share is computed by dividing loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 7) were anti-dilutive for the nine months ended September 30, 2024 and 2023.

Basic and diluted loss per share for the nine months ended September 30, 2024 was \$(0.01) (nine months ended September 30, 2023: \$(0.00)).

9. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the actions of the Company and its subsidiaries as a whole. Their remuneration includes the following:

	Nine months ended September 30,	
	<u>2024</u>	<u>2023</u>
Management fees	\$ 159,250	\$ 140,500
Professional fees	42,000	37,000
Share-based payments *	<u>313,484</u>	<u>272,274</u>
	<u>\$ 514,734</u>	<u>\$ 449,774</u>

* Share-based payments are the fair value of options and RSUs granted to key management personnel as at the grant date.

Related party balances

At September 30, 2024, accounts payable and accrued liabilities include \$4,907 (December 31, 2023: \$24,967) payable to one director of the Company, and one public company with certain directors in common for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

10. SEGMENTAL REPORTING

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets are distributed by geographic location as follows:

	September 30, <u>2024</u>	December 31, <u>2023</u>
Canada	\$ 35,578	\$ -
U.S.A.	1,844,742	2,074,312
	<u>\$ 1,880,320</u>	<u>\$ 2,074,312</u>

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transactions were excluded from the statements of cash flows:

Nine months ended September 30, 2024:

- As at September 30, 2024, the Company accrued exploration and evaluation assets of \$6,357 in accounts payable and accrued liabilities.

Nine months ended September 30, 2023:

- The Company issued 10,000,000 common shares to the Optionor valued at \$400,000 pursuant to the Elko Agreement.

12. SUBSEQUENT EVENTS

Subsequent to September 30, 2024, the following occurred:

- The Company closed a non-brokered private placement consisting of 5,555,555 flow-through shares at a price of \$0.045 per share for gross proceeds of \$250,000. In connection with this private placement, the Company paid cash finder's fee of \$15,000 and filing fees of \$2,490.