

**BLACK MAMMOTH METALS CORPORATION**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**

**(Expressed in Canadian Dollars)**

**(Unaudited – Prepared by Management)**

## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**BLACK MAMMOTH METALS CORPORATION**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	As at September 30, 2023	As at December 31, 2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 46,237	\$ 124,698
Commodity tax recoverable	2,122	2,997
	<u>48,359</u>	<u>127,695</u>
Reclamation bond (Note 5)	15,100	15,139
Equipment (Note 6)	1,833	2,365
Exploration and Evaluation Assets (Note 7)	983,991	878,847
	<u>983,991</u>	<u>878,847</u>
<b>Total Assets</b>	<b>\$ 1,049,283</b>	<b>\$ 1,024,046</b>
<b>LIABILITIES</b>		
<b>Current Liability</b>		
Accounts payable and accrued liabilities	\$ 55,983	\$ 42,052
Loan payable (Note 14)	40,000	40,000
	<u>95,983</u>	<u>82,052</u>
Long-term payables (Note 13)	32,270	27,020
Due to related parties (Notes 9 and 13)	559,487	584,388
	<u>559,487</u>	<u>584,388</u>
<b>Total Liabilities</b>	<b>687,740</b>	<b>693,460</b>
<b>EQUITY</b>		
Share Capital (Note 8)	12,404,074	12,304,274
Reserves	2,008,813	1,970,937
Accumulated Deficit	(14,051,344)	(13,944,625)
	<u>361,543</u>	<u>330,586</u>
<b>Total Equity</b>	<b>361,543</b>	<b>330,586</b>
<b>Total Liabilities and Equity</b>	<b>\$ 1,049,283</b>	<b>\$ 1,024,046</b>

Nature of operations and going concern (Note 1)

Approved on behalf of the Board of Directors:

“Mark Abrams”

Director

“Dustin Henderson”

Director

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

**BLACK MAMMOTH METALS CORPORATION**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND**  
**COMPREHENSIVE LOSS**

(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	SEPTEMBER 30,		SEPTEMBER 30,	
	2023	2022	2023	2022
<b>Operating Expenses</b>				
Depreciation (Note 6)	\$ 178	\$ 253	\$ 532	\$ 760
Foreign exchange (gain)	1,181	(935)	(219)	(475)
Gain on forgiveness of accounts payable	-	-	-	(6,005)
Interest, penalties and bank charges	176	67	352	258
Management fees (Note 9)	2,000	1,500	20,000	8,000
Office administration and other	2,397	129	3,121	4,837
Professional fees	13,653	5,980	21,653	25,004
Share-based compensation (Notes 8 and 9)	8,824	18,177	37,876	31,218
Shareholder communications	1,803	240	3,478	2,172
Transfer agent and regulatory fees	4,445	590	17,283	16,969
Travel and entertainment	727	-	2,643	1,130
<b>Net Loss and Comprehensive Loss For the Period</b>	<b>\$ (35,384)</b>	<b>\$ (26,001)</b>	<b>\$ (106,719)</b>	<b>\$ (83,868)</b>
<b>Basic and Diluted Loss Per Share</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>
<b>Weighted Average Number of Shares Outstanding, Basic and Diluted</b>	<b>14,952,125</b>	<b>14,876,871</b>	<b>15,034,380</b>	<b>13,450,131</b>

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

**BLACK MAMMOTH METALS CORPORATION**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	SHARE CAPITAL		RESERVES			EQUITY
	SHARES	AMOUNT	EQUITY SETTLED SHARE-BASED PAYMENTS	WARRANTS	ACUMULATED DEFICIT	
Balance, December 31, 2021	11,376,871	\$ 11,958,024	\$ 1,117,898	\$ 803,643	\$ (13,803,899)	\$ 75,666
Private placement	3,500,000	350,000	-	-	-	350,000
Share issuance cost – cash	-	(3,750)	-	-	-	(3,750)
Share-based compensation	-	-	31,218	-	-	31,218
Net loss and comprehensive loss for the period	-	-	-	-	(83,868)	(83,868)
Balance, September 30, 2022	14,876,871	12,304,274	1,149,116	803,643	(13,887,767)	369,266
Share-based compensation	-	-	18,178	-	-	18,178
Net loss and comprehensive loss for the period	-	-	-	-	(56,858)	(56,858)
Balance, December 31, 2022	14,876,871	12,304,274	1,167,294	803,643	(13,944,625)	330,586
Private placement	1,000,000	100,000	-	-	-	100,000
Share issuance cost – cash	-	(200)	-	-	-	(200)
Share-based compensation	-	-	37,876	-	-	37,876
Net loss and comprehensive loss for the period	-	-	-	-	(106,719)	(106,719)
Balance, September 30, 2023	15,876,871	\$ 12,404,074	\$ 1,205,170	\$ 803,643	\$ (14,051,344)	\$ 361,543

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

**BLACK MAMMOTH METALS CORPORATION**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

<b>FOR THE NINE MONTHS ENDED SEPTEMBER 30,</b>	<b>2023</b>	<b>2022</b>
<b>Cash Flows (Used In) Provided By:</b>		
<b>Operating Activities</b>		
Net loss for the period	\$ (106,719)	\$ (83,868)
Adjustments for:		
Depreciation	532	760
Foreign exchange	258	(1,039)
Gain on forgiveness of accounts payable	-	(6,005)
Share-based compensation	37,876	31,218
Changes in non-cash working capital accounts:		
Commodity tax recoverable	875	2,628
Accounts payable and accrued liabilities	(67,548)	(4,530)
Due to related parties	(26,342)	(156,373)
Long-term payables	5,250	(8,621)
	<u>(155,818)</u>	<u>(225,830)</u>
<b>Investing Activities</b>		
Mineral property exploration	(46,443)	44,654
Reclamation bond	-	(478)
	<u>(46,443)</u>	<u>44,176</u>
<b>Financing Activities</b>		
Proceed from share issuance	100,000	350,000
Share issuance costs	(200)	(3,750)
Proceeds from loans payable	24,000	-
	<u>123,800</u>	<u>346,250</u>
<b>Change in Cash</b>	<b>(78,461)</b>	<b>164,596</b>
<b>Cash, Beginning of Period</b>	<b>124,698</b>	<b>5,274</b>
<b>Cash, End of Period</b>	<b>\$ 46,237</b>	<b>\$ 169,870</b>
<b>Supplemental Cash Flow Information</b>		
Due to related parties included in exploration and evaluation assets	\$ 384,234	\$ 312,033

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**BLACK MAMMOTH METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**1. NATURE OF OPERATIONS AND GOING CONCERN**

The Company was incorporated on August 17, 2004 in British Columbia, Canada and began active operations on that date.

The Company is a natural resource company engaged in the acquisition and exploration of resource properties in Idaho and Nevada. The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. Consequently, the Company considers itself to be an exploration stage company. The Company is listed on the TSX Venture Exchange, having a symbol BMM.V.

The address of the Company's corporate office and principal place of business is Suite 1710 – 1177 West Hastings Street, Vancouver, British Columbia, Canada.

The Company's condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company had a net loss of \$106,719 for the period ended September 30, 2023 and, as of that date, had an accumulated deficit of \$14,051,344.

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. Management intends to continue to raise additional funding in the form of equity financing from the sale of common stock to improve the working capital position, but there is no assurance that the Company will be successful in achieving this goal. These factors may cast significant doubt on the use of the going concern basis of accounting used in the preparation of these consolidated financial statements. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue in business, and these adjustments may be material.

**2. BASIS OF PRESENTATION**

a) Statement of Compliance

These condensed interim consolidated financial statements including comparatives have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 27, 2023.

**BLACK MAMMOTH METALS CORPORATION**  
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**2. BASIS OF PRESENTATION (Continued)**

b) Principles of Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as follows:

<i>Name of Subsidiary</i>	<i>Country of Incorporation</i>	<i>Ownership interest at September 30, 2023</i>	<i>Ownership interest at December 31, 2022</i>
La Quinta Nevada Inc.	United States	100%	100%
Black Mammoth Gold Corporation	United States	100%	100%
Antelope Creek Gold Corporation	United States	100%	100%

As at September 30, 2023, the principal activity of the Company's subsidiaries was that of holding companies. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity as to obtain benefits from its activities. Intercompany transactions and balances are eliminated on consolidation.

c) Basis of Measurement

The condensed interim consolidated financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's and its subsidiaries' functional currency.

**3. USE OF ESTIMATES AND JUDGMENTS**

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year that could result in a material adjustment of the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting judgments:

i) Impairment of exploration and evaluation assets

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

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**3. USE OF ESTIMATES AND JUDGMENTS** (Continued)

ii) Going Concern

The Company's assessment of its ability to raise sufficient funds to finance operations involves significant judgments. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates:

i) Economic recoverability and probability of future benefits of exploration and evaluation costs

The carrying value of exploration and evaluation assets and the likelihood of future economic recoverability of these carrying values is subject to significant management estimates. The application of the Company's accounting policy for and determination of recoverability of capitalized assets is based on assumptions about future events or circumstances. New information may change estimates and assumptions made. If information becomes available indicating that recovery of expenditures is unlikely, the amounts capitalized are impaired and recognized as a loss in the period that the new information becomes available. A change in estimate could result in the carrying amount of capitalized assets being materially different from their presented carrying costs.

ii) Recognition of deferred income tax assets

Management is required to assess the recoverability of deferred income tax assets, which arise from the differences between the carrying amount of assets and liabilities and their tax bases in accordance with IAS 12 Income Taxes, to the extent that it is probable future taxable profits will be available against which the temporary differences can be utilized.

**4. SIGNIFICANT ACCOUNTING POLICIES**

**Translation of Foreign Currencies**

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting year, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

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

**Financial Instruments**

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- ii) those to be measured at amortized cost.

The Company's financial assets and liabilities are recorded and measured as follows:

*Financial assets*

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost using the effective interest method. All other financial assets are measured at their fair values at the consolidated statement of financial position date, with any changes taken through profit and loss or other comprehensive income.

The Company has classified its financial assets as follows:

- Cash is measured at fair value with changes to fair value subsequent to initial recognition being recorded in profit or loss for the period in which they occur.
- Reclamation bond is measured at amortized cost using the effective interest rate method. Interest income, where material, is recorded in profit or loss.

*Impairment of financial assets*

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost.

*Financial liabilities*

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company's financial liabilities include accounts payable and accrued liabilities, loan payable, long-term payables and amounts due to related parties which are measured at amortized cost using the effective interest rate method. Interest expense, where material, is recorded in profit or loss.

The Company derecognizes a financial liability when the liability is extinguished by way of discharge, cancellation or expiry. There were no changes to the classification of financial instruments in the period ended September 30, 2023.

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

**Exploration and Evaluation Assets**

Upon acquiring the legal right to explore a property, costs related to the acquisition, exploration and evaluation are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. An exploration and evaluation asset is reviewed for impairment whenever events or circumstances indicate that its carrying value may not be recoverable.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

**Impairment of Non-Current Assets**

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and the asset's value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the year.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**Decommissioning and Restoration Provision**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the year incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

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

**Decommissioning and Restoration Provision** (Continued)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period.

At September 30, 2023, the Company had a \$Nil (December 31, 2022 - \$Nil) decommissioning and restoration provision.

**Equipment**

Equipment is recorded at cost and depreciated using the declining balance method at the following rates per annum.

Equipment	30% per annum
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Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, is regularly identified and written off. The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to an item of equipment are capitalized when it is probable that future economic benefits from the use the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

**Income Taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

**Share Issue Costs**

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs and are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

**Flow-through Shares**

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in profit or loss at the same time the qualifying expenditures are made.

**Earnings Per Share**

The Company presents basic and diluted earnings (loss) per share for its common shares. Basic earnings (loss) per share is calculated by dividing the income attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted earnings per share is calculated using the treasury stock method which considers the potential exercise of outstanding financial instruments with equity purchase or conversion features. Diluted earnings 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.

**Valuation of Equity Units Issued in Private Placements**

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

**Equity-based Compensation**

The Company grants stock options and warrants to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options and compensatory warrants are measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments 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.

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

**Government Assistance**

Government assistance from the Canada Emergency Business Account (“CEBA”) loans under federal COVID-19 response programs are recorded as a liability. Any forgivable portion of the assistance is not recorded as a gain until there is reasonable assurance that it will not be repayable.

**Future accounting standards**

The Company has performed an assessment of new IFRS pronouncements issued by the IASB that are not yet effective. An amendment to IAS 1, *Presentation of Financial Statements* replaces the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies. This amendment is effective January 1, 2023. The other pronouncements are either not relevant to the Company or the impact of adopting them on its financial statements would not be significant.

**5. RECLAMATION BOND**

The Company has provided a US \$27,770 reclamation bond to the Division of Minerals in the state of Nevada as security against future reclamation on the Company’s mineral properties since abandoned. During the year ended December 31, 2019, US \$16,945 of the bond was returned to the Company for the portion of the restoration that has received final regulatory approval.

As at September 30, 2023, the carrying value of the reclamation bond was \$15,100 (December 31, 2022 - \$15,139). The bond is classified as a long-term asset as it will not be recovered until the Division of Minerals approves restoration work that was completed during 2018.

**6. EQUIPMENT**

	<b>Equipment</b>
<b>Cost</b>	
Balance, December 31, 2021	\$ 16,551
Additions	-
Balance, December 31, 2022	16,551
Additions	-
Balance, September 30, 2023	<b>\$ 16,551</b>
<b>Accumulated depreciation</b>	
Balance, December 31, 2021	\$ 13,173
Additions	1,013
Balance, December 31, 2022	14,186
Additions	532
Balance, September 30, 2023	<b>\$ 14,718</b>
<b>Carrying amounts</b>	
Balance, December 31, 2022	\$ 2,365
Balance, September 30, 2023	<b>\$ 1,833</b>

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**7. EXPLORATION AND EVALUATION ASSETS**

	Blanco Creek, Central Idaho	Happy Cat Gold, Central Nevada	Total
Acquisition costs, December 31, 2021	\$ 111,368	\$ 92,712	\$ 204,080
Additions – cash	21,498	44,548	66,046
Acquisition costs, December 31, 2022	132,866	137,260	270,126
Additions – cash	9,461	36,982	46,443
Acquisition costs, September 30, 2023	<b>142,327</b>	<b>174,242</b>	<b>316,569</b>
Exploration costs, December 31, 2021	198,621	293,249	491,870
Incurred during the year:			
Assay	-	42,206	42,206
Consulting (Note 9)	4,500	56,005	60,505
Field work	104	-	104
Travel	4,697	9,339	14,036
Exploration costs, December 31, 2022	207,922	400,799	608,721
Incurred during the period:			
Consulting (Note 9)	6,829	51,872	58,701
Exploration costs, September 30, 2023	<b>214,751</b>	<b>452,671</b>	<b>667,422</b>
Total Exploration and Evaluation Assets, as at September 30, 2023	<b>\$ 357,078</b>	<b>\$ 626,913</b>	<b>\$ 983,991</b>

a) Blanco Creek Property, Central Idaho, USA

During the year ended December 31, 2017, the Company's subsidiary, Black Mammoth Gold Corporation ("Black Mammoth Gold"), entered into an assignment and assumption agreement (the "Agreement") with IDA Gold Corporation ("IDA") pursuant to which IDA has assigned, and Black Mammoth Gold has assumed, all of the rights and obligations of the lessee under a long-term lease of the Blanco Creek mineral property located in central Idaho. The lease is subject to an underlying two percent (2%) production royalty in favour of the landlord and a one percent (1%) production royalty in favour of IDA. The Company will be responsible for all costs of maintaining the property going forward.

Lease Terms (in United States Dollars "USD\$"):

The lease term is approximately 20 years (due date is October 14, 2036) and is renewable for up to an additional 40 years (60 years in total).

Advance Royalty Payment	Payable On or Before
\$6,000	Paid
\$8,000	Each June 1 thereafter (2017- 2022 paid, and 2023 subsequently paid) (1)

- (1) The Company has not been able to contact a claimant entitled to receive USD\$1,000 of this amount since 2020. Accordingly, USD\$3,000 is being held on the claimant's behalf until such time as the funds can be disbursed appropriately.

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**7. EXPLORATION AND EVALUATION ASSETS** (Continued)

a) Blanco Creek Property, Central Idaho, USA (Continued)

Provided all payments are current the Company may at any time during the life of the Agreement purchase the property for \$3,000,000 from the landlord. In the alternative, and provided that all payments are current, the Company may at any time during the life of the Agreement purchase each 1% of the Production Royalty in favour of the landlord for \$1,500,000. All royalty payments shall be credited against the purchase price for the Production Royalty and the Property, respectively, and any amount paid for the purchase of the Production Royalty shall be credited against the purchase price of the Property.

If the Company elects to purchase the property it will still be subject to the 1% production royalty in favour of IDA.

The Agreement is considered a related party transaction as the Company and IDA have two directors in common.

b) Happy Cat Gold Property, Central Nevada, USA

During the year ended December 31, 2020, the Company's subsidiary, Antelope Creek Gold Corporation ("Antelope Creek Gold"), entered into an assignment and assumption agreement (the "Agreement") with IDA Gold Corporation ("IDA") pursuant to which IDA has assigned, and Antelope Creek Gold has assumed all of the rights and obligations of the Happy Cat Gold Property located in central Nevada.

The Company will reimburse IDA for property related costs incurred totalling USD\$60,000 payable on or before April 30, 2024 (see Note 9).

The property is subject to a 2.75% NSR in favour of IDA.

The Agreement is considered a related party transaction as the Company and IDA have two directors in common.

**8. SHARE CAPITAL**

a) Authorized

Unlimited common shares without par value

b) Issued and Outstanding

During the period ended September 30, 2023, the Company:

- issued 1,000,000 units pursuant to a private placement financing, for gross proceeds of \$100,000. Each unit contained one common share and one common share purchase warrant, with each purchase warrant exercisable into one common share for a period of four years at an exercise price of \$0.15. In connection with the private placement, the Company paid finder's fees of \$200.

During the year ended December 31, 2022, the Company:

- issued 2,700,000 units pursuant to the first tranche of a private placement financing, for gross proceeds of \$270,000. Each unit contained one common share and one common share purchase warrant, with each purchase warrant exercisable into one common share for a period of two years at an exercise price of \$0.15. In connection with the private placement, the Company paid finder's fees of \$3,750.

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**8. SHARE CAPITAL** (Continued)

b) Issued and Outstanding (Continued)

- issued 800,000 units pursuant to the second tranche of a private placement financing, for gross proceeds of \$80,000. Each unit contained one common share and one common share purchase warrant, with each purchase warrant exercisable into one common share for a period of two years at an exercise price of \$0.15.

c) Stock Options

The Company has a stock option plan whereby it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company at prices to be determined and for a term not in excess of five years. Stock options granted to consultants conducting investor relations activities vest in accordance with TSX regulations. Unless otherwise stated, share purchase options vest when granted.

No stock options were granted during the period ended September 30, 2023.

During the year ended December 31, 2022, the Company granted 1,395,000 incentive stock options to directors, officers, consultants and technical advisors of the Company, exercisable at a price of \$0.21 and having an expiry date of April 25, 2027. The options have a fair value \$123,700, calculated using the Black-Scholes option pricing model using the following inputs (i) Volatility of 147.59%; (ii) Term of 5 years; (iii) Discount rate of 2.70%; (iv) Dividend rate of Nil; and (v) market stock price of \$0.10. The options vest 30% after year one, 30% after year two and 40% after year three. During the year ended December 31, 2022, the Company recorded \$49,396 of share-based compensation relating to the vesting period. During the period ended September 30, 2023, the Company recorded \$37,876 of share-based compensation relating to the vesting period.

As at September 30, 2023, the following options were outstanding for the purchase of common shares.

Expiry date	Exercise price	Number of options outstanding	Exercisable
April 25, 2027	\$0.21	1,395,000	418,500
		<b>1,395,000</b>	<b>418,500</b>

Summaries of changes in stock options are presented below:

	FOR THE PERIOD ENDED SEPTEMBER 30, 2023		FOR THE YEAR ENDED DECEMBER 31, 2022	
	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	1,395,000	\$ 0.21	-	\$ -
Granted	-	-	1,395,000	0.21
Balance, end of period	<b>1,395,000</b>	<b>\$ 0.21</b>	<b>1,395,000</b>	<b>\$ 0.21</b>

The weighted-average remaining contractual life of the options at September 30, 2023 was 3.57 years (December 31, 2022 - 4.32 years).

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**8. SHARE CAPITAL (Continued)**

c) Stock Options (Continued)

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted:

	<b>September 30, 2023</b>	December 31, 2022
Risk-free interest rate	-	2.70%
Exercise price	-	\$0.21
Expected life of options	-	5 years
Expected annualized volatility	-	147.59%
Expected dividend rate	-	-

Volatility is determined based on historical stock prices.

d) Share Purchase Warrants

As at September 30, 2023, following share purchase warrants were outstanding.

<b>Expiry date</b>	<b>Exercise price</b>	<b>Number of warrants outstanding</b>	<b>Exercisable</b>
April 19, 2024	\$0.15	2,700,000	2,700,000
April 29, 2024	\$0.15	800,000	800,000
August 18, 2027	\$0.15	1,000,000	1,000,000
		<b>4,500,000</b>	<b>4,500,000</b>

Summaries of changes in share purchase warrants are presented below:

	<b>FOR THE PERIOD ENDED SEPTEMBER 30, 2023</b>		<b>FOR THE YEAR ENDED DECEMBER 31, 2022</b>	
	<b>NUMBER</b>	<b>WEIGHTED AVERAGE EXERCISE PRICE</b>	<b>NUMBER</b>	<b>WEIGHTED AVERAGE EXERCISE PRICE</b>
Balance, beginning of period	<b>3,500,000</b>	<b>\$ 0.15</b>	-	\$ -
Granted	<b>1,000,000</b>	<b>0.15</b>	3,500,000	0.15
Balance, end of period	<b>4,500,000</b>	<b>\$ 0.15</b>	3,500,000	\$ 0.15

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**9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties. All amounts owing are non-interest bearing, with no specific repayment terms and are unsecured, unless otherwise specified.

a) Amounts owing to related parties:

- \$373,485 (December 31, 2022 - \$422,128) payable to an officer of the Company for consulting fees and expenses paid on behalf of the Company; and
- \$105,000 (December 31, 2022 - \$81,000) payable to an officer of the Company for advances to the Company. Commencing May 1, 2022, interest is being paid to the officer as compensation for borrowing costs incurred. During the period ended September 30, 2023, \$Nil (December 31, 2022 - \$2,830) was paid; and
- \$81,002 (USD\$60,000) (December 31, 2022 - \$81,260 (USD\$60,000)) payable to IDA Gold Corporation ("IDA") (see Note 7 b).

During the period ended September 30, 2023, the debt deferral agreement with the officer was amended whereby the amount payable to him of \$478,485 (December 31, 2022 - \$503,128) has been deferred until May 31, 2025. Concurrently, the extension agreement with IDA was amended whereby the amount payable to IDA has been deferred until May 31, 2025.

b) Transactions with related parties

During the periods ended September 30, 2023 and 2022 the following amounts were paid and/or accrued to officers and directors of the Company:

	For the nine months ended September 30,	
	<b>2023</b>	2022
<u>Key management compensation</u>		
Management fees – operating	\$ 20,000	\$ 8,000
Consulting fees – exploration and evaluation	\$ 25,000	\$ 37,000
Share-based compensation	<b>\$ 8,552</b>	<b>\$ -</b>

Fees totalling \$60,000 (2022 – \$Nil) per year are paid to the CEO of the Company pursuant to a management agreement that renews on an annual basis.

During the period ended September 30, 2023, an officer of the Company advanced \$24,000 (December 31, 2022 - \$81,000) to the Company which will be deferred until May 31, 2024. As of September 30, 2023, a total of \$105,000 remains outstanding.

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**10. CAPITAL MANAGEMENT**

When managing capital, the Company's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition and exploration of mineral 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 team to manage its capital.

The properties in which the Company currently has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management considers its approach to capital management to be appropriate given the relative size of the Company. There were no changes in the Company's approach to capital management during the year.

**11. FINANCIAL INSTRUMENTS**

Fair Value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The following table provides the fair value measures by level of valuation assumptions used:

	FAIR VALUE INPUT LEVEL	AS AT SEPTEMBER 30, 2023		AS AT DECEMBER 31, 2022	
		CARRYING AMOUNT	ESTIMATED FAIR VALUE	CARRYING AMOUNT	ESTIMATED FAIR VALUE
Financial Assets:					
Cash	1	\$ 46,237	\$ 46,237	\$ 124,698	\$ 124,698
Reclamation bond		\$ 15,100	\$ 15,100	\$ 15,139	\$ 15,139
Financial Liabilities:					
Accounts payable and accrued liabilities		\$ 55,983	\$ 55,983	\$ 42,052	\$ 42,052
Loan payable		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Long-term payables		\$ 32,270	\$ 32,270	\$ 27,020	\$ 27,020
Due to related parties		\$ 559,487	\$ 559,487	\$ 584,388	\$ 584,388

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**11. FINANCIAL INSTRUMENTS** (Continued)

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

a) Credit Risk

The Company's credit risk is primarily attributable to cash. Cash is held with one reputable Canadian chartered bank which is closely monitored by management. Management believes that the credit risk concentration with respect to cash is minimal.

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 September 30, 2023, the Company had current liabilities of \$95,983 (December 31, 2022 - \$82,052). All of the Company's liabilities are subject to normal trade terms. See Notes 9 and 13.

c) Market Risk

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not currently have any variable interest rate assets or liabilities. Interest rate risk is assessed as low.

ii) Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. To mitigate price risk, the Company closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

iii) Foreign Currency Risk

The Company's functional currency and the reporting currency is the Canadian dollar ("CDN\$"). Periodically the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

As at September 30, 2023, a 1% strengthening in the USD relative to the CDN\$ does not have a significant impact on net loss for the year. Any unrealized translation adjustments arising at year end are included in operating loss for the year.

**12. SEGMENTED INFORMATION**

The Company operates in one business segment, mineral exploration. Its resource properties are located in the United States.

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**13. DEBT DEFERRAL AGREEMENTS**

The Company has a debt deferral agreement with a creditor deferring payment of \$27,020 (December 31, 2022 - \$27,020) until June 30, 2025. This balance is non-interest bearing, with no specific terms of repayment and is unsecured.

During the period ended September 30, 2023, the debt deferral agreement with the officer was amended whereby the amount payable to him of \$478,485 (December 31, 2022 - \$503,128) has been deferred until May 31, 2025. Concurrently, the extension agreement with IDA was amended whereby the amount payable to IDA \$81,002 (USD\$60,000) (December 31, 2022 - \$81,260 (USD\$60,000)) has been deferred until May 31, 2025.

During the period ended September 30, 2023 an officer of the Company advanced \$24,000 to the Company which will be deferred until May 31, 2025.

**14. LOAN PAYABLE**

During the year ended December 31, 2020, the Company received a CEBA loan of \$40,000 to provide emergency support for its business due to the impact of COVID-19. In October 2022, the Company received notice from its bank that it did not meet the eligibility criteria for the CEBA loan; is not eligible to receive loan forgiveness of up to 25% (\$10,000); is in default under the loan agreement and is required to pay the outstanding balance in full by December 31, 2023. The loan will continue to be interest free until December 31, 2023. Accrual of interest on any unpaid balance will commence on January 1, 2024.