

AUQ GOLD MINING INC.

Condensed Interim Financial Statements

Six Months Period Ended

August 31, 2022

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company for the six months ended August 31, 2022, have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.

AUQ GOLD MINING INC.

Condensed Interim Statements of Financial Position

As at August 31, 2022 and February 28, 2022

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	August 31, 2022 \$	February 28, 2022 \$
Assets		
Current assets		
Cash	41	139
Amounts receivable	27,638	26,819
Total current assets	27,679	26,958
Non-current assets		
Exploration and evaluation assets (Note 4)	1,071,604	1,065,604
Total assets	1,099,283	1,092,562
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	353,465	273,571
Asset retirement obligation	13,041	13,041
Loans payable (Note 5)	31,436	31,436
Notes payable (Note 6)	226,658	226,658
Total current liabilities	624,600	544,706
Total liabilities	624,600	544,706
Shareholders' equity		
Share capital (Note 8)	19,108,954	19,104,454
Share-based payment reserve (Note 8)	2,515,968	2,514,468
Deficit	(21,150,239)	(21,071,066)
Total shareholders' equity	474,683	547,856
Total liabilities and shareholders' equity	1,099,283	1,092,562

Nature of business and continuing operations (Note 1)

Approved and authorized for issuance on behalf of the Board of Directors on October 31, 2022:

/s/ Glen Macdonald

Glen Macdonald, CEO

/s/ Ken Ralfs

Ken Ralfs, Director

See accompanying notes to the condensed interim financial statements

AUQ GOLD MINING INC.

Condensed Interim Statements of Operations and Comprehensive Loss

For the six months ended August 31, 2022 and 2021

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	For the three months ended August 31,		For the six months ended August 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Expenses				
Consulting fees (Note 7)	15,000	25,263	30,000	70,685
General and administrative	7,568	4,691	15,097	4,761
Professional fees	14,000	2,432	14,000	12,432
Transfer agent and filing fees	2,329	2,270	4,554	8,170
Total expenses	38,897	34,656	63,651	96,048
Loss before other income (expense)	(38,897)	(34,656)	(63,651)	(96,048)
Other income (expense)				
Interest expense	(7,895)	(10,735)	(15,522)	(13,568)
Total other income (expense)	(7,895)	(10,735)	(15,522)	(13,568)
Net loss and comprehensive loss for the period	(46,972)	(45,391)	(79,173)	(109,616)
Loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding	15,604,951	15,467,179	15,604,951	15,412,891

See accompanying notes to the condensed interim financial statements

AUQ GOLD MINING INC.

Condensed Interim Statements of Cash Flows
For the six months ended August 31, 2022 and 2021
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the six months ended August 31,	
	2022	2022
	\$	\$
Operating activities		
Net loss for the year	(79,173)	(109,616)
Changes in non-cash operating working capital:		
Amounts receivable	(819)	(844)
Advance receivable	-	125,000
Accounts payable and accrued liabilities	79,894	56,251
Net cash used in operating activities	(98)	70,791
Investing activities		
Net cash used in investing activities	-	-
Financing activities		
Net cash provided by financing activities	-	-
Change in cash	(98)	70,791
Cash, beginning of year	139	166,007
Cash, end of year	41	236,798
Non-cash investing and financing activities:		
Exploration and evaluation expenditures included in accounts payable and accrued liabilities	-	25,000
Units issued for acquisition of Eliza Gold Property	6,000	52,100

See accompanying notes to the condensed interim financial statements

AUQ GOLD MINING INC.

Condensed Interim Statements of Changes in Shareholders' Equity (Deficit)

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Share capital		Share subscriptions receivable \$	Share-based payment reserve \$	Deficit \$	Total shareholders' equity (deficit) \$
	Number of shares	Amount \$				
Balance, February 28, 2021	15,401,962	19,065,454	–	2,484,869	(20,608,941)	941,382
Shares issued for exploration and evaluation assets	150,000	39,000	–	13,100	–	52,100
Net income for the period	–	–	–	–	(109,616)	(109,616)
Balance, August 31, 2021	15,551,962	19,104,454	–	2,497,969	(20,718,557)	883,866
Balance, February 28, 2022	15,551,962	19,104,454	–	2,514,468	(21,071,066)	547,856
Shares issued for exploration and evaluation assets	150,000	4,500	–	1,500	–	6,000
Net loss for the period	–	–	–	–	(79,173)	(79,173)
Balance, August 31, 2022	15,701,962	19,108,954	–	2,515,968	(21,150,239)	474,683

See accompanying notes to the condensed interim financial statements

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

AUQ Gold Mining Inc. ("AUQ" or the "Company") was incorporated on April 23, 2005 under the Company Act of British Columbia. The Company changed its name from Royal Gold Mining Inc. on October 26, 2020. The Company's offices are located at Suite 701, 595 Howe Street, Vancouver, BC, Canada, V6C 2T5. The Company is engaged in the exploration of mineral properties in Canada. The Company's shares are traded on the TSX Venture Exchange ("TSXV") under the symbol "AUQ".

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. During the six months period ended August 31, 2022, the Company did not generate any revenues and incurred negative cash flow from operations. As at August 31, 2022 the Company has an accumulated deficit of \$21,150,239. The Company's ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast doubt on the ability of the Company to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PREPARATION**Statement of Compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements, and therefore should be read in conjunction with the Company's audited financial statements for the year ended February 28, 2022, prepared in accordance with IFRS as issued by the IASB.

These condensed interim consolidated financial statements were approved by the Board of Directors of the Company on October 31, 2022.

Basis of Measurement

The condensed interim consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)**Functional and Presentation Currency**

The functional currency of the Company is the Canadian dollar, which is also the presentation currency of the consolidated financial statements.

Use of Estimates and Judgements

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to 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:

Income taxes

The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense (recovery).

Significant judgements that management has made at the end of the reporting period are as follows:

Carrying value and the recoverability of exploration and evaluation assets

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies as those used in the Company's annual financial statements at February 28, 2022.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

Although the Company has taken steps to verify title to resource properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

	Kirkland Creek	Eliza Gold	Sainte Sabine	Partridge Gold	Total
	(\$)	(\$)	(\$)	(\$)	
Acquisition costs:					
Balance, February 28, 2021	75,001	157,054	149,000	275,240	656,295
Additions	25,000	68,599	-	-	93,599
Impairment	-	-	(149,000)	-	(149,000)
Balance, February 28, 2022	100,001	225,653	-	275,240	600,894
Additions		6,000	-	-	6,000
Balance, August 31, 2022	100,001	231,653	-	275,240	606,894
Exploration costs:					
Balance, February 28, 2021	102,549	-	145,315	-	247,864
Geological and field labor	4,460	-	-	-	4,460
Geophysical	-	-	-	357,701	357,701
Impairment	-	-	(145,315)	-	(145,315)
Balance, February 28, 2022 and August 31, 2022	107,009	-	-	357,701	464,710
Carrying amounts:					
Balance, February 28, 2022	207,010	225,653	-	632,941	1,065,604
Balance, August 31, 2022	207,010	231,653	-	632,941	1,071,604

Kirkland Creek Property Claims

The Company has negotiated the purchase of the Kirkland Creek Property, located 120 kilometers northwest of Whitehorse, Yukon, in the Ashihik Lake region. The property originally was comprised of 144 claims totaling approximately 7,300 acres. The Company paid the vendor 2,000,000 common shares for a 100% interest in the property. The vendor is the common law spouse of the Chief Executive Officer of the Company. The vendor will retain a 3% net smelter royalty ("NSR") on any mineral production from the property. Effective November 2010, an advance royalty of \$25,000 is payable annually, the Company has incurred \$275,000 cumulatively to February 29, 2020. The Company has the right to purchase up to 2% of the 3% NSR for \$1,000,000 per percentage point. On May 7, 2007, the Company announced that it had expanded the property by staking an additional 36 claims (1,830 acres) adjoining the original 144-claim block. The Company has allowed some of the claims it considers to be of lesser importance to lapse. The Kirkland Creek property now consists of 40 contiguous claims.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)Kirkland Creek Property Claims (continued)

During the year ended February 28, 2017, as a result of applying IFRS 6, the Company recorded a write down of this property of \$2,296,719 to a nominal amount of \$1 as a result of not meeting the criteria for expenditures on the property. Under IFRS 6, where substantial expenditures are neither budgeted nor planned there is an indicator of impairment. During the year ended February 28, 2019, the Company resumed exploration activities on the property.

Saint Sabine Property, Quebec

On September 17, 2019 (as amended on August 9, 2021), the Company entered into an option agreement whereby the Company has the right to earn a 100% ownership interest in 140 mining claims in the Beauce region of Quebec.

To earn this interest, the Company is to make cash payments totalling \$295,000, issue a total of 1,500,000 common shares, and incur exploration expenditures on the property aggregating \$2,200,000 as follows:

Cash consideration to be paid:

- \$20,000 to be paid on execution of the agreement (paid);
- a further \$10,000 within 30 days of regulatory approval (paid);
- a further \$25,000 within 75 days of regulatory approval (paid);
- a further \$45,000 on or before December 10, 2021;
- a further \$55,000 on or before June 10, 2022;
- a further \$65,000 on or before September 26, 2022; and
- a further \$75,000 on or before September 26, 2023.

Common shares to be issued:

- 200,000 shares within 75 days of regulatory approval (issued);
- a further 250,000 shares on or before September 15, 2021;
- a further 300,000 shares on or before September 26, 2021;
- a further 350,000 shares on or before September 26, 2022; and
- a further 400,000 shares on or before September 26, 2023.

Exploration expenditures to be incurred by the Company:

- \$100,000 on or before September 1, 2021;
- \$500,000 in aggregate on or before September 10, 2022;
- \$1,200,000 in aggregate on or before September 26, 2022; and
- \$2,200,000 in aggregate on or before September 26, 2023.

The optionor has retained a 2% net smelter royalty, of which two tranches of 0.5% may be purchased by the Company for \$500,000 each.

On August 9, 2021, the company issued an amendment on the payment date of cash consideration and issuance of share as follows:

- Cash payment of \$45,000 due on September 26, 2020 was extended to December 10, 2021; (default)
- Cash payment of \$55,000 due on September 26, 2021 was extended to June 10, 2022;
- Issuance of 250,000 common shares on September 26, 2020 was extended to September 15, 2021; (default)
- The \$500,000 in aggregate exploration expenditure on September 26, 2021 was extended to September 10, 2022.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)Saint Sabine Property, Quebec (continued)

As at February 28, 2022, the Company recognized an impairment of \$294,315 due to defaulting on the terms of the mineral property option agreement.

Partridge Gold Property, Quebec

On January 16, 2020, the Company entered into an agreement to acquire a 100% interest in 95 mineral claims located in Abitibi, Quebec in exchange for issuing 360,000 common shares to the vendor (issued on January 23, 2020).

On October 8, 2020, the Company entered into an agreement to purchase 97 mineral claims that are contiguous to the existing Partridge Property in exchange for a cash payment of \$20,000 and the issuance of 100,000 units. Each unit consisted of a common share and a share purchase warrant that entitles the holder to acquire an additional common share at \$0.50 for a period of one year.

The vendor has retained a 2% net smelter return ("NSR") royalty. The Company may purchase 50% of the NSR for \$1,000,000.

Eliza Gold Property, Quebec

On February 6, 2020, the Company entered into an option agreement whereby the Company has the right to earn a 100% interest in 8 mineral claims. To earn this interest, the Company is to pay \$20,000 within three days of TSX-V approval (paid). The Company is also to issue 150,000 units of the Company on each of the following dates: (1) within three days of TSX-V approval (issued); (2) March 13, 2021 (issued); (3) March 13, 2022 (issued); and (4) March 13, 2023. Each unit will be comprised of one common share and one share purchase warrant exercisable at \$0.60 per common share for a period of two years from the date of issuance. The optionor has retained a 2% net smelter royalty, of which two tranches of 0.5% may be purchased by the Company for \$500,000 each.

5. LOANS PAYABLE

- (a) As at August 31, 2022, the amount of \$18,936 (February 28, 2022 - \$18,936) is owed to a non-related party which bears interest at 20% per annum compounded monthly, is unsecured, and is due on demand. As at August 31, 2022, accrued interest of \$46,252 (February 28, 2022 - \$40,145) has been recorded in accounts payable and accrued liabilities.
- (b) As at August 31, 2022, the amount of \$10,000 (February 28, 2022 - \$10,000) is owed to a non-related party which bears interest at 20% per annum, is unsecured, and is due on demand. As at August 31, 2022, accrued interest of \$25,164 (February 28, 2022 - \$21,950) has been recorded in accounts payable and accrued liabilities.
- (c) As at August 31, 2022, the amount of \$2,500 (February 28, 2022 - \$2,500) was owed to companies controlled by the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

6. NOTES PAYABLE

On August 31, 2020, the Company issued notes payable to several debtors to settle certain liabilities totaling \$326,658. The notes are unsecured, bear interest at 5% per annum, and mature on December 31, 2022. During the year ended February 28, 2021, the Company repaid \$100,000 of the notes payable.

7. RELATED PARTY TRANSACTIONS

- (a) During the six months period ended August 31, 2022, the amount of \$30,000 (February 28, 2022 – \$28,750) was incurred to the Chief Executive Officer of the Company for consulting fees.
- (b) During the six months period ended August 31, 2022, the amount of \$nil (February 28, 2022 – \$2,000) was incurred to a director of the Company for consulting fees.
- (c) As at August 31, 2022, a total of \$15,000 (February 28, 2022 - \$nil) was included in accounts payable and accrued liabilities owing to the CEO of the Company for consulting fees.
- (d) As at August 31, 2022, the amount of \$2,500 (February 28, 2022 - \$2,500) was owed to companies controlled by the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.

8. SHARE CAPITAL***Authorized share capital***

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

Issued share capital**Share transaction for the six months period ended August 31, 2022:**

On June 27, 2022, the Company issued 150,000 units with a fair value of \$6,000 in connection with the Eliza Gold mineral property option agreement (refer to Note 4). Each unit consisted of one common share and one share purchase warrant exercisable at \$0.60 per common share until June 27, 2024. The common shares and share purchase warrants issued had a fair value of \$4,500 and \$1,500, respectively. The fair value of warrants was determined using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 3.14%; expected dividend of 0%; expected life of two years; and expected volatility of 141%.

Share transactions for the year ended February 28, 2022:

On July 23, 2021, the Company issued 150,000 units with a fair value of \$68,599 in connection with the Eliza Gold mineral property option agreement (refer to Note 4). Each unit consisted of one common share and one share purchase warrant exercisable at \$0.60 per common share until July 23, 2023. The common shares and share purchase warrants issued had a fair value of \$39,000 and \$29,599, respectively. The fair value of warrants was determined using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 0.42%; expected dividend of 0%; expected life of two years; and expected volatility of 197%.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

8.SHARE CAPITAL (continued)**Stock options**

The Company, in accordance with the policies of the TSXV, is authorized to grant options to directors, officers, and employees to acquire common shares. The essential elements of the 2015 Stock Option Plan ("Plan") provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the issued common shares of the Company from time to time. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the fair market value price of the shares on the date of grant of the options (defined as the last closing market price of the Company's shares on the last day shares are traded prior to the grant date). Stock options granted under the Plan vest immediately subject to vesting terms which may be imposed at the discretion of the Directors. There were no options issued or outstanding during the six months period ended August 31, 2022, or the year ended February 28, 2022.

Warrants

A continuity schedule of the Company's warrants is as follows:

	Number of warrants	Weighted average exercise price \$
Balance, February 28, 2021	4,623,719	0.22
Issued	150,000	0.60
Exercised	(4,473,719)	0.16
Balance, February 28, 2022	300,000	0.60
Issued	150,000	0.60
Expired	(150,000)	0.60
Balance, May 31, 2022	300,000	0.60

As at August 31, 2022, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
150,000	0.60	July 23, 2023
150,000	0.60	June 27, 2024
<u>300,000</u>		

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

9. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 is exposed to interest rate risk on its short-term investments as they are exposed to interest rate fluctuations on renewal. A 1% change in market interest rates would not have a material impact on the Company's net loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its amounts receivable. This risk for these receivables is considered minimal. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

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 prepares general operating budget to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company uses its best efforts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within twelve months.

Historically, the Company's main source of funding has been through revenue earned from its operating well interests and the issuance of equity securities for cash. The Company's access to financing in the public markets is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of assets and future cash flows will fluctuate as a result of changes in foreign currency exchange rates. However, the Company's functional currency is the Canadian dollar and the Company doesn't have any material assets or operations that are denominated in a foreign currency. Accordingly, the Company is not exposed to any material foreign exchange risk and has not hedged its limited exposure to currency fluctuations.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. The Company's exposure to commodity price risk is minimal at present since the Company has not yet identified a mineral resource.

AuQ Gold Mining Inc.

Notes to the Condensed Interim Financial Statements

Six Months Period Ended August 31, 2022

(Unaudited - Expressed in Canadian dollars)

10. FINANCIAL RISK MANAGEMENT (continued)

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the six months period ended August 31, 2022.

Classification of financial instruments

Financial assets included in the statement of financial position are cash. Financial liabilities included in the statement of financial position are accounts payable. The fair value of the Company's financial assets and liabilities approximates the carrying amount due to their short term to maturity, and the effect of changes in the Company's credit risk do not have a significant impact on the fair value due to the short term to maturity.

11. SEGMENTED INFORMATION

The Company operates in one segment being the acquisition, production, exploration and development of mineral resources properties in Canada.