



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE AND NINE MONTHS**

**ENDED AUGUST 31, 2023 AND 2022**

**(Unaudited, Expressed in Canadian Dollars)**

## 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 consolidated condensed financial statements of the Company have been prepared by management and approved by the Board of Directors of the Company.

The Company's independent auditor has not performed a review of these interim condensed consolidated 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.

October 27, 2023

**WALKER RIVER RESOURCES CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

AS AT	Note	August 31, 2023	November 30, 2022
<b>ASSETS</b>			
Current			
Cash		\$ 414,996	\$ 690,620
Receivables		34,306	36,646
Prepaid expenses		12,960	9,775
		462,262	737,041
Non-current assets			
Loan receivable		697	1,486
Reclamation bond	3	54,696	54,604
Equipment	4	35,124	45,321
Exploration and evaluation assets	5,10	8,304,277	8,056,037
<b>Total assets</b>		<b>\$ 8,857,056</b>	<b>\$ 8,894,489</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current			
Accounts payable and accrued liabilities	6	\$ 475,182	\$ 439,904
Due to related parties	10	37,475	43,968
<b>Total liabilities</b>		512,657	483,872
<b>EQUITY</b>			
Share capital	7	16,586,774	16,005,430
Reserves	7	2,661,892	2,688,465
Deficit		(10,904,267)	(10,283,278)
<b>Total equity</b>		8,344,399	8,410,617
<b>Total liabilities and shareholders' equity</b>		<b>\$ 8,857,056</b>	<b>\$ 8,894,489</b>

Nature and continuance of operations (Note 1)

Authorized for issuance on behalf of the board on October 27, 2023:

“Michel David” Director  
“Eric Falardeau” Director

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

**WALKER RIVER RESOURCES CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2023 AND 2022**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

	<i>Note</i>	Three months ended August 31,		Nine months ended August 31,	
		2023	2022	2023	2022
<b>Operating expenses:</b>					
Administration		\$ 21,700	\$ 15,625	\$ 57,433	\$ 45,669
Advertising and promotion	10	18,967	21,008	40,590	34,656
Audit and accounting		-	-	6,966	3,793
Consulting	10	(9,343)	123,000	259,208	371,503
Legal		-	-	2,675	-
Management fees	10	56,500	52,000	145,000	142,000
Office and miscellaneous		8,934	10,335	25,004	37,928
Transfer agent and filing fees		5,838	8,421	18,796	18,952
Rent		5,724	5,370	15,040	19,201
Travel		22,422	15,559	50,277	41,033
Write-off of exploration and evaluation asset	5	-	176,364	-	176,364
		<b>(130,742)</b>	<b>(427,682)</b>	<b>(620,989)</b>	<b>(891,099)</b>
<b>Net loss and comprehensive loss</b>		<b>\$ (130,742)</b>	<b>\$ (427,682)</b>	<b>\$ (620,989)</b>	<b>\$ (891,099)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.03)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>		<b>39,708,384</b>	<b>33,296,697</b>	<b>37,915,913</b>	<b>33,248,267</b>

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

**WALKER RIVER RESOURCES CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

	Number of shares	Amount	Subscriptions Received	Reserves	Deficit	Total
<b>Balance, November 30, 2021</b>	<b>33,149,254</b>	<b>\$ 13,439,364</b>	<b>\$ -</b>	<b>\$ 3,718,632</b>	<b>\$ (8,529,125)</b>	<b>\$ 8,628,871</b>
Shares issued on exercise of warrants	1,177,608	2,018,949	-	(1,605,695)	-	413,254
Fair value adjustment for options previously exercised	-	24,438	-	(24,438)	-	-
Subscription to shares	-	-	25,000	-	-	25,000
Comprehensive loss	-	-	-	-	(891,099)	(891,099)
<b>Balance, August 31, 2022</b>	<b>34,326,862</b>	<b>\$ 15,482,751</b>	<b>\$ 25,000</b>	<b>\$ 2,088,499</b>	<b>\$ (9,420,224)</b>	<b>\$ 8,176,026</b>
<b>Balance, November 30, 2022</b>	<b>36,826,862</b>	<b>\$ 16,005,430</b>	<b>\$ -</b>	<b>\$ 2,688,465</b>	<b>\$ (10,283,278)</b>	<b>\$ 8,410,617</b>
Units issued for cash	3,125,000	500,000	-	-	-	500,000
Share issuance costs	-	(20,762)	-	5,533	-	(15,229)
Shares issued on exercise of warrants	100,000	30,000	-	-	-	30,000
Shares issued on exercise of options	200,000	72,106	-	(32,106)	-	40,000
Comprehensive loss	-	-	-	-	(620,989)	(620,989)
<b>Balance, August 31, 2023</b>	<b>40,251,862</b>	<b>\$ 16,586,774</b>	<b>\$ -</b>	<b>\$ 2,661,892</b>	<b>\$ (10,904,267)</b>	<b>\$ 8,344,399</b>

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

**WALKER RIVER RESOURCES CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED AUGUST 31, 2023 AND 2022**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (620,989)	\$ (891,099)
Items not affecting cash:		
Foreign exchange adjustment	(677)	(35)
Write-off of exploration and evaluation asset	-	176,364
Changes in non-cash working capital balances:		
Receivables	2,340	(5,674)
Prepaid expenses	(3,185)	-
Accounts payable and accrued liabilities	35,860	(212,116)
Due to related parties	10,707	(17,935)
<b>Cash used in operating activities</b>	<b>(575,944)</b>	<b>(950,495)</b>
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	(238,043)	(290,558)
Loan	792	-
<b>Cash used in investing activities</b>	<b>(237,251)</b>	<b>(290,558)</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of units (net of issuance costs)	467,571	-
Proceeds from warrant exercise	30,000	413,254
Proceeds from option exercise	40,000	-
Shares subscribed	-	25,000
<b>Cash provided by financing activities</b>	<b>537,571</b>	<b>438,254</b>
<b>DECREASE IN CASH</b>	<b>(275,624)</b>	<b>(802,799)</b>
<b>CASH, BEGINNING</b>	<b>690,620</b>	<b>1,455,336</b>
<b>CASH, ENDING</b>	<b>\$ 414,996</b>	<b>\$ 652,537</b>

**SUPPLEMENTAL CASH FLOW INFORMATION  
AND NON-CASH TRANSACTION**

Units issued on conversion of related party debt	\$ 17,200	\$ -
Exploration and evaluation assets included in accounts payable to related parties	\$ -	\$ 29,500
Depreciation capitalized	\$ 10,197	\$ 14,568

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**WALKER RIVER RESOURCES CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2023 AND 2022**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
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**1. NATURE OF OPERATIONS**

Walker River Resources Corp. (the “Company”) was incorporated pursuant to the Business Corporations Act (*British Columbia*) on December 16, 2010. The principal business of the Company is the identification, evaluation, and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company’s shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol WRR.

The address of the Company’s registered records office and its principal place of business is 820 – 1130 West Pender Street, Vancouver, British Columbia, V6E 4A4 Canada. The Company has a November 30 fiscal year-end.

**2. BASIS OF PREPARATION**

a) Statement of compliance

The condensed interim consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting (“IAS34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Consolidated Financial Statements of the Company for the year ended November 30, 2022.

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary Walker River Resources LLC, incorporated in the state of Nevada.

b) Going concern

These condensed consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. To date, the Company has incurred losses and is unable to generate cash from operations. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

c) Functional currency

The functional and presentation currency of the Company and its subsidiary is the Canadian dollar.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) Measurement basis

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**WALKER RIVER RESOURCES CORP.**  
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b) Significant accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, 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:

- i. the carrying value and the recoverability of the exploration and evaluation assets included in the condensed interim consolidated statements of financial position;
- ii. the provision for the income tax expense which is included in profit or loss and the measurement of deferred income tax liabilities included in the condensed interim consolidated statements of financial position; and
- iii. the inputs used in accounting for share-based payments in profit or loss.

Critical accounting judgments

- i. the determination of categories of financial assets and financial liabilities identified as financial instruments, which involves judgments or assessments made by management;
- ii. the determination of whether it is likely that future economic benefits associated with the exploration and evaluation expenditures capitalized will flow to the Company, which may be based on assumptions about future events or circumstances; and
- iii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

c) Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issue costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

d) Equipment

Equipment is recorded at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset into operation and an initial estimate of any rehabilitation obligation. Depreciation of the equipment is calculated using the declining balance method at a rate of 30% per year.

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Equipment is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive loss.

e) Exploration and evaluation assets

All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as exploration and evaluation assets. General exploration costs not related to specific mineral properties are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present:

- the rights to explore have expired or are near to expiry with no expectation of renewal,
- no further substantive expenditures are planned or budgeted,
- exploration and evaluation work are discontinued in an area for which commercially viable quantities have not been discovered,
- an indication that the carrying amount is unlikely to be recovered in full be development or sale.

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation assets may not necessarily reflect present or future values.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

The recorded costs of exploration and evaluation assets are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded on a cash basis.

f) Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

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An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against the asset impaired. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*Non-financial assets*

Exploration and evaluation assets are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of the value in use and fair value less costs to sell. 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 discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate and 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 in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

As at August 31, 2023, the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties. However, the US federal Bureau of Land Management (BLM) required the company to post a bond of US\$23,070 (CDN\$31,216) on its Lapon Gold Project to cover future decommissioning costs and a bond of US\$17,353 (CDN\$23,480) on its Rattlesnake Project to cover future decommissioning costs.

h) Share-based payments

The Company has an equity-settled share-based compensation plan. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date, using the Black-Scholes Option Pricing Model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to contributed surplus.

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Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss 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.

j) Income taxes

Income tax on profit or loss comprises current and deferred tax. 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 is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial position date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k) Amounts receivable

Amounts receivable include amounts due from Revenue Canada and Revenue Quebec for sales input tax credits.

l) 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 more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of common shares issued in private placements was 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 attached warrants. Any fair value attributed to warrants is recorded to reserves.

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m) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Following table shows the classification of the Company’s financial instruments:

<b>Financial assets/liabilities</b>	<b>Classification</b>
Cash	FVTPL
Receivables	Amortized cost
Loan receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of comprehensive loss in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial

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asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

**4. EQUIPMENT**

	<b>Vehicles</b>	<b>Equipment</b>	<b>Total</b>
<b>Cost</b>			
<b>Balance at November 30, 2021,</b>			
<b>2022 and August 31, 2023</b>	<b>\$ 100,472</b>	<b>\$ 48,147</b>	<b>\$ 148,619</b>
<b>Accumulated Depreciation</b>			
	<b>Vehicle</b>	<b>Equipment</b>	<b>Total</b>
Balance at November 30, 2021	\$ 53,835	\$ 30,039	\$ 83,874
Depreciation	13,991	5,433	19,424
Balance at November 30, 2022	67,826	35,472	103,298
Depreciation	7,345	2,852	10,197
<b>Balance at August 31, 2023</b>	<b>\$ 75,171</b>	<b>\$ 38,324</b>	<b>\$ 113,495</b>
<b>Net Carrying Amounts</b>			
	<b>Vehicle</b>	<b>Equipment</b>	<b>Total</b>
Balance, November 30, 2022	\$ 32,646	\$ 12,675	\$ 45,321
<b>Balance, August 31, 2023</b>	<b>\$ 25,301</b>	<b>\$ 9,823</b>	<b>\$ 35,124</b>

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**5. EXPLORATION AND EVALUATION ASSETS**

Total costs incurred on exploration and evaluation assets are summarized as follows:

<b>Period ended August 31, 2023</b>	<b>Lapon Gold Project</b>	<b>Garfield Project</b>	<b>Total</b>
Acquisition costs:			
Balance, beginning	\$ 3,866,660	\$ –	\$ 3,866,660
Additions	45,167	–	45,167
	3,911,827	–	3,911,827
Deferred exploration expenditures:			
Balance, beginning	4,189,377	–	4,189,377
Geologist fees and assays	192,876	–	192,876
Equipment depreciation	10,197	–	10,197
	4,392,450	–	4,392,450
<b>Balance, end of the period</b>	<b>\$ 8,304,277</b>	<b>\$ –</b>	<b>\$ 8,304,277</b>

<b>Year ended November 30, 2022</b>	<b>Lapon Gold Project</b>	<b>Garfield Project</b>	<b>Total</b>
Acquisition costs:			
Balance, beginning	\$ 3,828,847	\$ 156,866	\$ 3,985,713
Additions	37,813	–	37,813
Write-off property	–	(156,866)	(156,866)
	3,866,660	–	3,866,660
Deferred exploration expenditures:			
Balance, beginning	3,608,893	19,498	3,628,391
Geologist fees and assays	561,060	–	561,060
Equipment depreciation	19,424	–	19,424
Write-off property	–	(19,498)	(19,498)
	4,189,377	–	4,189,377
<b>Balance, end of the year</b>	<b>\$ 8,056,037</b>	<b>\$ –</b>	<b>\$ 8,056,037</b>

Lapon Gold Project, Nevada

The Company owns 100% of the Lapon Gold Project, which consists of three areas, Lapon Canyon Project, Rattlesnake Project, and Pikes Peak Project, and is comprised of 147 claims. The previous owner of the Lapon Canyon portion of the Lapon Gold Project retains a 1% Net Smelter Return (“NSR”). The Company has an option to buy the NSR for \$300,000.

Garfield Flats Project, Nevada

On July 11, 2018, the Company entered into a definitive agreement (the “Garfield Agreement”) with Nevada Canyon Gold Corp. (“Nevada Canyon”) to acquire all rights and interests in and to an Exploration Lease with Option to Purchase Agreement on the Garfield Flats Project (the “Option Agreement”) for a one-time cash payment of \$55,000. On June 7, 2022, the Company decided not to renew its annual lease on the Garfield Flats Property. As a result, the Company wrote off the balance of the Garfield Flats Property.

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**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>August 31, 2023</b>	<b>November 30, 2022</b>
Accounts payable	\$ 235,182	\$ 262,404
Accrued liabilities	240,000	177,500
	<u>\$ 475,182</u>	<u>\$ 439,904</u>

**7. SHARE CAPITAL**

On July 25, 2022, the Company consolidated its capital by combining six existing common shares into one new common share. As a result, all shares, options, warrants and per share amounts were retroactively adjusted.

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Issued

*During the nine months ended August 31, 2023*

- (i) On February 9, 2023, the Company issued 100,000 shares on exercise of 100,000 warrants at \$0.30 per share for total proceeds of \$30,000.
- (ii) On February 9, 2023, the Company issued 200,000 shares on exercise of 200,000 options at \$0.20 per share for total proceeds of \$40,000. These shares were originally valued at \$32,106.
- (iii) On June 16, 2023, the Company issued 3,125,000 units (the “June Units”) through a non-brokered private placement at a price of \$0.16 per June Unit for total proceeds of \$500,000 (the “June Private Placement”). Each June Unit consists of one common share and one share purchase warrant, whereby each warrant can be exercised into an additional share at \$0.20 per share, expiring on June 16, 2025.

In connection with the June Private Placement, the Company paid \$9,436 in cash finders’ fees and \$5,793 in regulatory and transfer agent fees. In addition, the Company issued a total of 58,975 non-transferable finders’ warrants (the “Finders’ Warrants”) to acquire one common share at a price of \$0.20 per common share until June 16, 2025. The Finders’ Warrants were valued at \$5,533 using the Black-Scholes Option Pricing Model with the following assumptions:

Expected life of the Finders’ Warrants	2 years
Risk-Free Interest Rate	4.56 %
Expected Dividend Yield	Nil
Expected Stock Price Volatility	122.19%
Grant Date Fair Value	\$0.16

*During the year ended November 30, 2022:*

- (i) On April 6, 2022, the Company issued 316,666 shares on exercise of 316,666 warrants at \$Nil per share.

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- (ii) On April 15, 2022, the Company issued 860,942 shares on exercise of 860,942 warrants at \$0.48 per share for total proceeds of \$413,253.
- (iii) On September 28, 2022, the Company issued 2,500,000 units (the “Units”) through a non-brokered private placement at a price of \$0.25 per Unit for total proceeds of \$625,000. The fair value of the shares issued was \$525,000, with a residual amount of \$100,000 allocated to warrants. Each Unit consisted of one common share and one warrant, whereby each warrant can be exercised into an additional share at \$0.30 per share, expiring on September 28, 2024.

Stock options

The Company has a Stock Option Plan (the “Plan”) pursuant to which the Company’s board of directors may grant incentive stock options to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Company as of that date including options granted prior to the adoption of the Plan. Options granted may not exceed a term of ten years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

On November 28, 2022, the Company granted 3,100,000 incentive stock options to certain officers, directors and consultants of the Company to purchase up to a total of 3,100,000 common shares of the Company at a price of \$0.20 per common share for a period of five years. The fair value of the options was estimated to be \$497,646. The fair value of the options was determined using the Black-Scholes option pricing model and the following assumptions: estimated volatility of 111%, expected life of 5 years and risk-free interest rate of 3.18%.

A summary of the Company’s stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, November 30, 2021	1,958,333	\$ 0.70
Expired	(1,458,333)	\$ 0.72
Issued	3,100,000	\$ 0.20
<b>Balance, November 30, 2022</b>	<b>3,600,000</b>	<b>\$ 0.26</b>
Exercised	(200,000)	\$ 0.20
<b>Balance, August 31, 2023</b>	<b>3,400,000</b>	<b>\$ 0.26</b>

As at August 31, 2023, the following stock options were exercisable:

Number of Options	Exercise Price	Years remaining	Expiry Date
166,667	\$0.66	0.43	February 5, 2024
333,333	\$0.63	1.05	September 15, 2024
2,900,000	\$0.20	4.25	November 28, 2027
3,400,000	\$0.26	3.75	

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Warrants

A summary of the Company's share purchase warrants is as follows:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>
Balance, November 30, 2021	7,457,676	\$0.72
Exercised	(1,177,608)	\$0.35
Expired	(41,673)	\$0.48
Issued	2,500,000	\$0.30
<b>Balance, November 30, 2022</b>	<b>8,738,395</b>	<b>\$0.64</b>
Exercised	(100,000)	\$0.30
Issued	3,183,975	\$0.20
<b>Balance, August 31, 2023</b>	<b>11,822,370</b>	<b>\$0.53</b>

As at August 31, 2023, the following share purchase warrants were outstanding:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Years remaining</b>	<b>Expiry Date</b>
4,495,995 <sup>(1)</sup>	\$0.78	0.03	September 10, 2023
1,742,400 <sup>(1)</sup>	\$0.78	0.04	September 15, 2023
2,400,000	\$0.30	1.08	September 28, 2024
3,183,975 <sup>(2)</sup>	\$0.20	1.79	June 16, 2025
11,822,370	\$0.53	0.72	

(1) Subsequent to August 31, 2023, these warrants expired unexercised

(2) Of the 3,183,975 warrants, 58,975 represented Finders' Warrants.

Nature and Purpose of Reserves

*Stock option reserve*

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

*Warrant reserves*

The warrant reserve records items recognized as the value of warrants issued with respect to financings and not classified as liabilities until such time as the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

*Deficit*

Deficit is used to record the Company's change in deficit from earnings and losses from period to period.

**8. MANAGEMENT OF CAPITAL**

The Company considers its capital to consist of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt

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and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the nine-month period ended August 31, 2023. The Company is not subject to externally imposed capital requirements.

**9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

IFRS 13, *Fair-Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Fair value of financial instruments**

The Company's financial instruments include cash, other receivables, accounts payable and accrued liabilities, loan receivable and amounts due to or from related parties. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis as at August 31, 2023:

	Level 1	Level 2	Level 3	Total
Cash	\$ 414,996	–	–	\$ 414,996

**Financial risk management objectives and policies**

The Company's financial instruments include cash, accounts payable and due to a related party. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars, except for certain exploration and evaluation expenditures incurred during the period which are denominated in US dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The Company does not have any significant foreign currency denominated monetary liabilities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

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(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's primary exposure to credit risk is on its loan receivable which is due from a mineral exploration company that does not have cash flows from operations. Credit risk on this receivable is therefore assessed as high. The Company is also exposed to credit risk on its cash. To minimize the credit risk on cash the Company places the instrument with a major financial institution.

(iv) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

The Company's financial liabilities at August 31, 2023, mature as follows:

	<b>&lt;1 year</b>	<b>1-5 Years</b>	<b>Total</b>
Accounts payable and accrued liabilities	\$ 475,182	\$ –	\$ 475,182
Due to related parties	\$ 37,475	\$ –	\$ 37,475

(v) *Commodity Price Risk*

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

**10. RELATED PARTY TRANSACTIONS AND BALANCES**

a) *Related party transactions*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. During the nine-month periods ended August 31, 2023 and 2022, the following amounts were incurred or paid to officers, directors and/or their related companies:

	<b>August 31, 2023</b>	<b>August 31, 2022</b>
Advertising and promotion (i)	\$ 7,500	\$ 7,500
Consulting fees (ii)	45,000	45,000
Deferred exploration expense (iii)	81,000	146,107
Management fees (iv)	140,000	142,000
	<b>\$ 273,500</b>	<b>\$ 340,607</b>

- i) The Company paid or accrued \$7,500 (August 31, 2022: \$7,500) in advertising to a related company. Advertising includes investor relation and promotional activities.
- ii) The Company paid or accrued \$45,000 (August 31, 2022: \$45,000) in consulting fees to a director of the Company.
- iii) The Company incurred \$81,000 for deferred exploration expenses on the Lapon Gold Project to a related company. During the comparative period, the Company incurred \$146,107 for deferred exploration expenses on the Lapon Gold Project to related companies and directors of the Company.

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iv) The Company paid or accrued \$140,000 (August 31, 2022: \$142,000) in key management compensation to two of its directors and officers. Key management includes directors and key officers of the Company, including the President, CEO and CFO.

b) Related party balances

The following amounts were due to related parties as at August 31, 2023 and at November 30, 2022:

i) Amounts due to related parties include a balance due to a director and officer of the Company for management fee and reimbursable expenses of \$4,675 (November 30, 2022: \$13,318). This amount is unsecured, non-interest bearing, with no fixed terms of repayment.

ii) Amounts due to related parties include a balance due to a director and officer of the Company for management fees of \$32,800 (November 30, 2022: \$30,650). This amount is unsecured, non-interest bearing, with no fixed terms of repayment.

c) As part of the Private Placement the Company closed on June 16, 2023, one of the directors of the Company converted a total of \$17,200 accrued to him on account of management fees into 107,500 June Units (Note 7).

## **11. CONTINGENCY**

During the year ended November 30, 2021, the Company received a legal claim against the Company arising in the normal course of operations. Management is of the opinion that the outcome of any potential litigation will not have a material adverse impact on the Company's financial position or results of operations. Accordingly, the accounts payable and accrued liabilities do not include any provisions for the settlement of the claim.