



NEXUS GOLD CORP.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022**

Expressed in Canadian Dollars

Head office and registered and records office address:

802-750 West Pender Street
Vancouver BC, V6C 2T8

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT OCTOBER 31, 2023 AND JANUARY 31, 2023

Expressed in Canadian Dollars

	October 31, 2023	January 31, 2023
	\$	\$
ASSETS		
Current		
Cash	11,248	30,115
Commodity tax recoverable	6,933	194,649
Marketable securities (note 6)	40,000	45,000
Prepays	46,518	33,022
Total current assets	104,699	302,786
Right of use asset (note 10)	20,387	40,775
Leasehold improvement (note 7)	3,002	6,003
Exploration and evaluation assets (note 5)	1,446,233	1,545,137
TOTAL ASSETS	1,574,321	1,894,701
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 8)	644,062	467,779
Due to Nexus Metals Corp. (note 12)	693,626	712,066
Loans payable (note 9)	690,000	660,000
Office lease liability (note 10)	26,016	32,270
Total current liabilities	2,053,704	1,872,115
Office lease liability, long term (note 10)	-	17,559
TOTAL LIABILITIES	2,053,704	1,889,674
EQUITY		
Share capital (note 11)	28,043,757	27,563,856
Share-based payment reserve (note 11)	3,200,287	3,200,287
Deficit	(31,723,427)	(30,759,116)
TOTAL EQUITY	(479,383)	5,027
TOTAL LIABILITIES AND EQUITY	1,574,321	1,894,701

Nature and continuance of operations (note 1)
Subsequent events (note 16)

On behalf of the Board: “Alex Klenman” Director “Warren Robb” Director

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

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
THREE AND NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022

Expressed in Canadian Dollars

	Three months ended		Nine months ended	
	October 31,		October 31,	
	2023	2022	2023	2022
EXPENSES	\$	\$	\$	\$
Advertising	1,225	758	2,800	1,762
Amortization	1,001	1,001	3,002	2,001
Consulting fees	20,643	52,142	259,829	211,811
Corporate development and advising	10,000	45,500	108,667	27,000
Filing fees	7,140	30,190	36,023	27,189
Foreign exchange loss (gain)	(57,923)	235,926	4,367	(227,066)
Geological consulting	11,250	25,559	48,875	19,610
Insurance	3,448	4,422	11,285	9,255
Interest expense (note 8)	11,553	21,703	35,712	3,636
Management and directors' fees (note 10)	5,000	22,500	37,500	45,000
Market research and analysis	2,500	7,500	17,500	70,208
Marketing	-	32,764	-	248,861
Media	-	12,499	-	125,000
Office and administration (note 10)	30,788	6,943	84,730	99,053
Professional fees	48,966	63,894	167,823	154,667
Rent (note 8)	7,136	5,796	22,341	10,876
Loss for the period before other items	(102,727)	(569,097)	(840,454)	(828,863)
OTHER ITEMS				
Loss on impairment of exploration and evaluation asset (note 5)	-	-	(129,598)	-
Unrealized loss on marketable securities (note 6)	(16,667)	-	(41,667)	-
Other income	-	-	47,408	-
Net loss and comprehensive loss for the period	(119,394)	(569,097)	(964,311)	(828,863)
Basic and diluted loss per common share	(0.00)	(0.02)	(0.02)	(0.03)
Weighted average number of common shares outstanding	41,873,323	31,773,323	38,796,400	31,773,323

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

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022

Expressed in Canadian Dollars

	Number of shares	Share capital	Share-based payment reserve	Deficit	Total equity
		\$	\$	\$	\$
Balance, January 31, 2022 (restated)	31,773,323	31,974,563	3,200,287	(28,408,074)	6,766,776
Loss for the period	-	-	-	(1,397,960)	(1,397,960)
Balance, October 31, 2022 (restated)	31,773,323	31,974,563	3,200,287	(29,806,034)	5,368,816
Balance, January 31, 2023	31,873,323	27,563,856	3,200,287	(30,759,116)	5,027
Shares issued for cash	10,000,000	500,000	-	-	500,000
Share issuance costs	-	(20,099)	-	-	(20,099)
Loss for the period	-	-	-	(964,311)	(964,311)
Balance, October 31, 2023	41,873,323	28,043,757	3,200,287	(31,723,427)	(479,383)

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

NEXUS GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022

Expressed in Canadian Dollars

Nine months ended October 31,	2023	2022
	\$	\$
CASH USED IN OPERATING ACTIVITIES		
Loss for the period	(964,311)	(1,397,960)
Adjustments for non-cash items:		
Accrued interest on loans payable	10,435	-
Amortization	3,001	3,002
Loss on impairment of exploration and evaluation asset	129,598	-
Right of use asset amortization	20,388	20,387
Unrealized loss on marketable securities	41,667	-
Changes in working capital items:		
Commodity tax recoverable	187,716	(73,264)
Prepays	(13,496)	532,874
Marketable securities	(36,667)	-
Accounts payable and accrued liabilities	165,848	683,775
Due to Nexus Metals Corp.	(18,440)	-
Office lease liability	(23,813)	(21,071)
Net cash used in operating activities	(498,074)	(252,257)
FINANCING ACTIVITIES		
Proceeds from issuance of shares	500,000	-
Share issuance costs	(20,099)	-
Cash from a loan agreement	30,000	295,000
Net cash provided by financing activities	509,901	295,000
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(30,694)	(38,875)
Net cash used in investing activities	(30,694)	(38,875)
Change in cash for the period	(18,867)	3,868
Cash, beginning of the period	30,115	139,349
Cash, end of the period	11,248	143,217

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

NEXUS GOLD CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
Expressed in Canadian Dollars

1. NATURE AND CONTINUANCE OF OPERATIONS

Nexus Gold Corp. (the “Company”) incorporated under the Business Corporations Act of British Columbia on May 7, 2009, is a public company listed on the TSX Venture Exchange (the “TSXV”) and trades under the symbol NXS. The Company also trades under the ticker symbol “NXXGF” in the United States. The address of the Company’s corporate office and its principal place of business is 802 - 750 West Pender Street, Vancouver, BC.

On October 12, 2022, the Company completed the spin-out the Company's existing Canadian projects. The plan of arrangement involves the spin-out of Nexus Metals Corp. (“Nexus Metals”), a newly established subsidiary of the Company, and its Canadian resource projects to shareholders (the “Plan of Arrangement”). As a result of the completion of the Plan of Arrangement, the Company transferred all of its rights to the Canadian projects to Nexus Metals. A total of 45,390,460 shares of Nexus Metals have been distributed on a pro rata basis to shareholders of the Company. The Company shareholders received approximately one Nexus Metals share for every seven common shares of the Company (note 4).

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company does not generate revenues or cash flow from operations to fund its activities and relies on financing raised from the issuance of shares and the support of creditors and related parties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of operating revenue and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets do not reflect current or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable ore reserves. The recovery of the amounts comprising exploration and evaluation assets are dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. The Company estimates that additional financing will be required to continue operations over the next 12 months.

NEXUS GOLD CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
Expressed in Canadian Dollars

1. NATURE AND CONTINUANCE OF OPERATIONS (continued)

These factors form a material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting of International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”).

These consolidated financial statements were approved by the Board of Directors of the Company on December 18, 2023.

Basis of presentation

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

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and of its subsidiaries.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries,

- CSR (British Columbia) (inactive),
- Nexus Gold Corp Burkina (Burkina Faso), and
- Cyclone North Resources Inc. (inactive).

All significant inter-company balances and transactions have been eliminated upon consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS 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 the reported revenues and expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, valuation of share-based compensation and other equity-based payments, the recoverability and measurement of income taxes, and decommissioning restoration provision.

Key estimates made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are as follows:

Economic recoverability and probability of future economic benefits 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, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Decommissioning restoration provision

The Company's provision for decommissioning and restoration provision represents management's best estimate of the present value of the future cash outflows required to settle the liability. The provision reflects estimates of future costs, inflation, and assumptions of risks associated with the future cash outflows, and the applicable risk-adjusted discount rate for the discounting future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company. Changes to the restoration and decommissioning costs are recorded with a corresponding change to the carrying amount of the related mining property. Adjustments to the carrying amounts of the related mineral property can result in a change to future depletion expenses.

Income taxes

In assessing the probability of realizing deferred tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgments (continued)

Going concern

The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty is subject to significant judgment.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment and transferred to mining assets and amortized over the estimated useful life of the property following commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

The costs include the cash or other consideration and the assigned value of shares issued, if any, on the acquisition of exploration and evaluation assets. Costs related to properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The Company does not accrue estimated future costs of maintaining its exploration and evaluation assets in good standing.

Capitalized costs as reported on the statements of financial position represent costs incurred to date and may not reflect actual, present, or future values. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the exploration and evaluation property interests.

Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Write-downs due to impairment in value are charged to profit or loss. General exploration costs not related to specific properties and general administrative expenses are charged to profit or loss in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restoration and environmental obligations

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

The Company's estimates of restoration 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 the related asset with a corresponding entry to the restoration 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 amount and timing of the Company's estimates of reclamation costs, are charged to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

Impairment of assets

The carrying amount of the Company's assets (which include exploration and evaluation interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash generating unit to which the asset belongs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share purchase warrants, and stock options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as share-based payment reserve.

The Company may from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company separates the flow-through common share into: i) a flow-through common share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) share capital. When the resource property expenditures are incurred, the Company derecognizes the liability and recognizes as other income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based compensation

The Company grants share purchase options 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 Company uses the fair value-based method of accounting for stock options granted to directors and for compensatory warrants. Under this method, the fair value of the stock options and compensatory warrants are determined using the Black-Scholes option pricing model. The fair value of stock options is recognized to expense over the vesting period, and the fair value of compensatory warrants is recognized as share issuance costs, with the offsetting credit to reserves.

Consideration paid for the shares on the exercise of share purchase options is credited to share capital.

Share issue costs

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be 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.

Basic and diluted loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, this calculation proved to be anti-dilutive.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The Company classifies its financial assets into one of the following categories as follows: Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company has classified its cash as a financial asset measured at fair value through profit and loss. Such assets are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its accounts payables and due to related parties as financial liabilities measured at amortized cost. Such liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Derivatives are carried at fair value and are reported as assets when they have a positive fair value and as liabilities when they have a negative fair value. Changes in the fair values of derivative financial instruments are reported in the consolidated statements of loss and comprehensive loss.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. A significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

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.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the consolidated statement of comprehensive loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of comprehensive loss.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Company's non-derivative liabilities consist of amounts payable and due to related parties. Derivative liabilities are classified as fair value through profit or loss. The Company has no derivative assets or liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company and its subsidiaries is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in International Accounting Standard (“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 period, 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.

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.

Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its Canadian exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date. The equity portion is measured at the market value and the residual is allocated as a liability. The liability is recorded at the fair value of the obligation to renounce the expenditures that the issuer has incurred. This is effectively the “premium” the investor attributes to a flow-through share versus an ordinary share. When the expenditures are renounced, the Company records a deferred tax liability and deferred tax expense (renounced expenditures multiplied by the effective corporate tax rate).

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Company assesses whether a contract is, or contains, a lease, at the inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Accounting standards issued but not yet effective

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's consolidated financial statements.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and 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).

NEXUS GOLD CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
Expressed in Canadian Dollars

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Fair values (continued)

The fair value of cash is determined using level 1 of the fair value hierarchy. The carrying values of accounts payable, and due to related parties approximate their fair values due to the expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instrument risk exposure and risk management (continued)

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

Some of the Company's accounts payable are subject to interest on unpaid balances.

ii. Foreign currency risk

The Company's functional currency is the Canadian dollar; however, exploration costs and property option payments are transacted in US dollars and West African CFA franc. A one percent change in foreign exchange rates will result in an immaterial change to profit or loss.

iii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

4. PLAN OF ARRANGEMENT

On October 12, 2022, the Company completed the spin-out of the Company's Canadian projects to Nexus Metals pursuant to the Plan of Arrangement in exchange for 45,390,460 common shares of Nexus Metals, which have been distributed on an approximate one-for-seven basis to the shareholders of the Company (note 1).

The fair value of the net assets transferred to Nexus Metals pursuant to the Plan of Arrangement was \$4,560,707 related to the Company's carrying value of the Canadian projects (note 5) which has been recorded as a distribution to the shareholders presented as a reduction in share capital.

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5. EXPLORATION AND EVALUATION ASSETS

During the nine months ended October 31, 2023, the Company incurred the following exploration and evaluation costs related to the properties.

	Bouboulou Burkina Faso	Rakounga Burkina Faso	Dakuli II Burkina Faso	Manzour Dayere Burkina Faso	Nianguela Burkina Faso	Fofora Burkina Faso	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Balance, January 31, 2023	1	1	1,412,996	129,598	2,541	-	1,545,137
Deferred exploration costs:							
Administration	-	649	1,605	-	-	20,280	22,534
Assay	-	-	66	-	-	-	66
General field	-	470	7,624	-	-	-	8,094
Geological	-	-	-	-	-	-	-
Travel and accommodation	-	-	-	-	-	-	-
Total exploration costs	-	1,119	9,295	-	-	20,280	30,694
Impairment	-	-	-	(129,598)	-	-	(129,598)
Balance, October 31, 2023	1	1,120	1,422,291	-	2,541	20,280	1,446,233

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5. EXPLORATION AND EVALUATION ASSETS (continued)

During the year ended January 31, 2023, the Company incurred the following exploration and evaluation costs related to the properties.

	Bouboulou Burkina Faso	Rakounga Burkina Faso	Dakuli II Burkina Faso	Manzour Dayere Burkina Faso	Nianguela Burkina Faso	McKenzie ON, Canada	New Pilot Project BC, Canada	Gummy Bear NL, Canada	Dorset Property, NL and Labrador	Black Ridge and Bauline NL, Canada	Cyclone Project	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, January 31, 2022 (restated)	1	387,393	1,374,102	112,281	2,541	2,289,989	516,837	509,846	259,582	589,037	421,000	6,462,609
Deferred exploration costs:												
Administration	-	17,561	29,642	14,421	-	19,151	-	-	-	-	-	80,775
Assay	-	-	-	-	-	51,962	-	6,899	-	2,162	-	61,023
General field	-	357	675	-	-	3,289	-	760	-	720	64,916	70,717
Geological	-	2,250	2,325	-	-	30,822	11,250	13,330	-	18,950	7,250	86,177
Travel and accommodation	-	2,541	6,252	2,896	-	2,537	-	-	-	-	-	14,226
Total exploration costs	-	22,709	38,894	17,317	-	107,761	11,250	20,989	-	21,832	72,166	312,918
Option payments received	-	-	-	-	-	-	-	-	(259,582)	-	-	(259,582)
Impairment	-	(410,101)	-	-	-	-	-	-	-	-	-	(410,101)
Plan of arrangement (note 4)	-	-	-	-	-	(2,397,750)	(528,087)	(530,835)	-	(610,869)	(493,166)	(4,560,707)
Balance, January 31, 2023	1	1	1,412,996	129,598	2,541	-	-	-	-	-	-	1,545,137

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Properties in West Africa

Bouboulou Property, Burkina Faso, West Africa

During the year ended January 31, 2017, the Company entered into an option agreement to acquire a 100% interest in the Bouboulou Exploration Permit located in Burkina Faso, West Africa. The agreement was amended in February 2020.

According to the amended agreement, the Company has an option to acquire up to 75% interest in the property, in consideration for cash payments of US\$500,000 and the issuance of 90,000 common shares of the Company, over a period of three years as follows:

- i) pay US\$10,000 (paid) and issue 5,000 shares (issued at a value of \$2,500);
- ii) pay US\$35,000 (paid) and issue 10,000 shares (issued at a value of \$7,000);
- iii) pay US\$125,000 (paid) and issue 25,000 shares on or before April 5, 2019 (issued at a value of \$30,000);
- iv) issue 25,000 shares on or before May 31, 2020 as amended;
- v) pay US\$150,000 on or before June 30, 2020 as amended;
- vi) issue 25,000 shares on or before August 31, 2020 as amended;
- vii) pay US\$180,000 on or before November 30, 2020 as amended.

Following the acquisition of a 75% interest in the property, the Company will have the option to acquire the remaining 25% interest in the Property through a cash payment of US\$1,000,000 with a 1% NSR remaining with the Optionor.

During the year ended January 31, 2021, the Company did not make the payments required by the option agreement to keep it in good standing and accordingly the carrying value of the property was written down to \$1.

Rakounga Gold Property, Burkina Faso, West Africa

On July 11, 2017, the Company entered into a letter of intent with Belemyida SA (the "Optionor"), pursuant to which the Company will acquire the right to earn up to 100% interest in the Rakounga Gold Property located in Burkina Faso, West Africa. The agreement was amended in August 2019.

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Rakounga Gold Property, Burkina Faso, West Africa (continued)

According to the terms of the amended agreement, the Company will have an option to acquire a 90% interest in the property, in consideration for the following cash payments and the issuance of common shares of the Company as follows:

- i) pay US\$15,000 (paid) and issue 250 shares (issued at a value of \$4,625) upon signing of a definitive agreement;
- ii) pay US\$15,000 (paid) and issue 5,000 shares on or before August 31, 2018 (issued at a value of \$15,250);
- iii) pay US \$25,000 (paid) and issue 25,000 shares on or before December 13, 2019, as amended (issued at a value of \$25,000);
- iv) pay US\$70,000 (paid) on or before April 30, 2020, as amended;
- v) issue 25,000 shares (issued) on or before August 30, 2020;
- vi) issue 25,000 shares (issued) on or before August 30, 2021, as amended;
- vii) pay US\$125,000 on or before November 30, 2021 (paid), as amended and
- viii) pay US\$150,000 on or before November 30, 2024, as amended.

Following the acquisition of a 90% interest in the property, the Company will have the option to acquire the remaining 10% interest in the property through a cash payment of US\$1,000,000 with a 1% NSR remaining with the Optionor.

Rakounga Gold Property, Burkina Faso, West Africa - Option Out agreement

On December 2, 2019, as amended on March 20, 2020, the Company entered into an agreement to grant 90% of the interest in Rakounga property to an unrelated party (“Optionee”) in consideration for completing a financing or going public transaction before December 13, 2020, and making the following payments:

- i) paying \$30,000 on December 2, 2019(received);
- ii) paying \$70,000 on or before April 30, 2020 (received);
- iii) paying \$150,000 on or before December 2, 2021 (\$50,000 received);
- iv) paying \$250,000 on or before December 2, 2022 (not received);
- v) paying \$500,000 on or before December 2, 2023

incurring the following exploration expenditures:

- i) \$100,000 on or before December 2, 2021;
- ii) an additional \$150,000 on or before December 2, 2022;
- iii) an additional \$500,000 on or before December 2, 2023 and
- iv) an additional \$500,000 on or before December 2, 2024.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Rakounga Gold Property, Burkina Faso, West Africa (continued)

At any time, following exercise of the option, and until November 30, 2025, subject to the terms of the underlying option agreement, the Optionee will have the right to acquire the remaining 10% interest in the Property in consideration for a one-time cash payment of \$1,000,000.

During the year ended January 31, 2020, management had considered whether the costs capitalized for Rakounga property was recoverable based on the review of future option payments to be made and option payments to be received from the optionee. Based on the results of this assessment, it was determined that as of January 31, 2020 the capitalized costs are not recoverable and as such the related capitalized exploration and evaluation costs were written-down to \$1.

During the years ended January 31, 2021 and 2022, the Company incurred and capitalized additional exploration and evaluation costs which were deemed recoverable due an established history of payments received from the optionee. The Company was not able to recover any further costs from the optionee and as of January 31, 2023, the Company determined that the capitalized costs are not recoverable and such the related capitalized exploration and evaluation costs were written down to \$1, resulting in a write-off of exploration and evaluation assets of \$410,101.

Dakuli II Property, Burkina Faso, West Africa

In 2019, the Company applied to the Ministry of Mines in Burkina Faso to stake Dakuli II claims. During the year ended January 31, 2020, the Company received approval from the Ministry of Mines in Burkina Faso and started exploration work on the property.

Manzour Dayere, Burkina Faso, West Africa

During the year ended January 31, 2020, the Company paid \$4,510 in staking fees to stake Manzour Dayere claims. The Company started exploration work on the property in fiscal 2020.

During the nine months ended October 31, 2023, the Company did not make the payments required by the option agreement to keep it in good standing and the property was relinquished. The carrying value of the property was fully written down accordingly.

Nianguela, Burkina Faso, West Africa

During the year ended January 31, 2022, the Company paid \$2,541 in staking fees to stake Nianguela claims. The Company has not yet started to explore the property.

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Forfora, Burkina Faso, West Africa (continued)

On June 7, 2023, the Company signed an option agreement to acquire a 90% interest in the 6,200-hectare (62 square km) Fofora gold project exploration permit located 450 kilometres to the southwest of Ouagadougou, Burkina Faso, West Africa, in consideration for the following cash payments and the issuance of common shares of the Company as follows:

- i) pay \$15,000 and issue 50,000 shares on the closing date;
- ii) pay \$35,000 and issue 100,000 shares on or before the 18-month anniversary of the closing date;
- iii) pay \$100,000 and issue 150,000 shares on or before the 36-month anniversary of the closing date; and
- iv) pay \$150,000 and issue 200,000 shares on or before the 54-month anniversary of the closing date.

Following the exercise of the option, the Company shall have the right to acquire the remaining 10% interest in the property for a period of one year following the exercise of the option, in consideration for a one-time cash payment of \$2,000,000.

Properties in Canada

The Company spun out the Canadian properties to Nexus Metals (note 4).

6. MARKETABLE SECURITIES

During the year ended January 31, 2023, the Company received 333,333 shares of Leocor Gold Inc. valued at \$63,333 in relation to the Dorset Option Out agreement. As at January 31, 2023, the fair market value was \$45,000.

At October 31, 2023, the shares had a fair value of \$20,000 resulting in an unrealized loss of \$25,000 for the nine months ended October 31, 2023.

During the nine months ended October 31, 2023, the Company received additional 333,333 shares of Leocor Gold Inc. valued at \$36,667.

At October 31, 2023, the shares had a fair value of \$20,000 resulting in an unrealized loss of \$16,667 for the nine months ended October 31, 2023.

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7. LEASEHOLD IMPROVEMENTS

At the time of entering into an office lease for the Company's offices, during the year ended January 31, 2020, the Company incurred leasehold improvement expenses of \$20,010. The leasehold improvements are amortized on a straight-line basis over the term of the lease of five years. Leasehold improvements as at October 31, 2023 and January 31, 2023 are as follows:

	Cost	Accumulated Amortization	Net book value
	\$	\$	\$
Leasehold improvements, January 31, 2023	20,010	(14,007)	6,003
Amortization	-	(3,001)	(3,001)
Leasehold improvements, October 31, 2023	20,010	(17,008)	3,002

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consist of:

	October 31, 2023	January 31, 2023
	\$	\$
Trade payables	543,035	388,834
Accrued liabilities	41,250	50,000
Accrued interest on loan payable (note 8)	59,777	28,945
	<u>644,062</u>	<u>467,779</u>

During the year ended January 31, 2023, the Company settled payables in the amount of \$50,000 (2022 - \$26,250) by issuing 100,000 common shares (2022 - 50,000 common shares) resulting in a loss on settle of debt of \$100,000 (2022 - \$Nil) (note 11). There was no additional debt settlement during the nine months ended October 31, 2023.

9. LOAN PAYABLE

As of October 31, 2023, the Company had \$690,000 (January 31, 2023 - \$660,000) in loan bearing interest at 6% per annum, unsecured and is due on demand and no later than April 28, 2024. During the nine months ended October 31, 2023, the Company recorded interest expense of \$20,397 (2022 - \$Nil).

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10. RIGHT OF USE ASSET AND LEASE OBLIGATION

Right-of-Use asset represents the Company's right to lease the office space. It is amortized over the term of the lease. During the nine months ended October 31, 2023, \$13,592 was recorded in rent expense for amortization of this asset (2022 - \$6,796) and \$2,170 in interest expense (2022 - \$1,904).

Office lease liability represents the Company's obligation to pay office rent during the term of the office lease contract. The Company measures the lease liability at the present value of the lease payments that are not paid at October 31, 2023. The lease payments are discounted using a 10% interest rate which is the Company's estimated incremental borrowing rate.

The following schedule provides details of the lease liability at October 31, 2023:

Minimum lease payments:	\$
Next 12 months	27,112
Beyond 12 months	-
Total future minimum lease payments	27,112
Less: Imputed interest	(1,096)
Total lease liability	26,016
Less: Current portion	(26,016)
Long-term portion of future minimum lease payments	-

11. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE

Share Capital

During the nine months ended October 31, 2023:

During the nine months ended October 31, 2023, the Company closed the first tranche of its non-brokered \$1-million private placement, issued 10,000,000 shares at a price of \$0.05 per share for aggregate proceeds of \$500,000.

During the year ended January 31, 2023:

- i) In July 2022, the Company issued 100,000 shares valued at \$150,000 to settle accounts payable of \$50,000 resulting in a loss of \$100,000 (note 8).
- ii) In October 2022, the Company completed the spin-out of its Canadian projects to Nexus Metals pursuant to the Plan of Arrangement resulting in a decrease of share capital of \$4,560,707 (notes 4 and 5).

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11. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

Options

Share-based Compensation Plan:

The Company has a Stock Option Plan ("the Plan) under which it is authorized to grant options to directors, officers, consultants or employees of the Company. The number of options granted under the Plan is limited to 10% of the number issued and outstanding common shares of the Company at the date of grant. The minimum exercise price is set at \$0.50. The exercise price of options granted under the Plan may not be less than the market value of the Company's common shares on the date of grant. Options granted under the Plan have a maximum life of ten years and vest on the date of grant or over periods determined by management. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3-month period.

At October 31, 2023, the Company had the following share purchase options outstanding:

Number of options	Exercise price	Expiry date	Weighted Average Contractual Life Remaining, years
	\$		
20,000	1.30	February 28, 2024	0.33
20,000	1.30		0.33

A summary of changes in share purchase options during the period is as follows:

	Number of Options	Weighted average exercise price
		\$
Outstanding and exercisable, January 31, 2022	1,246,190	1.20
Expired	(115,000)	0.50
Cancelled	(1,101,190)	1.50
Outstanding and exercisable, January 31, 2023	30,000	1.80
Expired	(10,000)	2.85
Outstanding and exercisable, October 31, 2023	20,000	1.30

The fair value of the compensatory share purchase options issued during the year ended January 31, 2022 was measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price. There were no additional share purchase options issued during the year ended January 31, 2023 or the nine months ended October 31, 2023.

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11. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

Options (continued)

The weighted average inputs used in the measurement of fair value at grant date of the share purchase options are:

	October 31, 2023	January 31, 2023
Risk free interest rate	N/A	N/A
Expected life of options	N/A	N/A
Annualized volatility	N/A	N/A
Dividend yield	N/A	N/A
Exercise price	N/A	N/A
Share price at measurement date	N/A	N/A

Warrants

A summary of changes in warrants during the period is as follows:

	Number of Warrants	Weighted average exercise price
		\$
Balance, January 31, 2022	17,098,208	0.80
Expired	(3,139,310)	1.20
Balance, January 31, 2023	13,958,898	0.70
Granted	10,400,000	0.12
Expired	(2,521,824)	0.40
Balance, October 31, 2023	21,837,074	0.43

During the nine months ended October 31, 2023, the Company granted 10,400,000 warrants at \$0.12 until November 29, 2024.

During the year ended January 31, 2022, the Company extended the expiration date and reduced the exercise price to the terms of an aggregate of 1,253,248 warrants issued by the Company. More particularly, the Company amended the terms of 864,991 warrants set to expire on February 26, 2021. Of this series, all are held by non-insiders and exercisable at \$1.80 (the "February Warrants"). The date of expiration of the February Warrants has been extended to February 26, 2022 and the exercise price has been reduced to \$1.00 per warrant. Further, the Company amended the terms of 286,756 warrants held by non-insiders set to expire on March 19, 2021 and exercisable at \$1.80 and 101,500 warrants held by non-insiders set to expire on March 19, 2021 and exercisable at \$2.00 (the "March Warrants"). The date of expiration of the March Warrants has been extended to March 19, 2022 and the exercise price has been reduced to \$1.00 per warrant.

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11. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

Warrants (continued)

During the year ended January 31, 2022, 536,957 shares were issued on exercise of warrants at \$0.75 per warrant.

During the year ended January 31, 2022, the Company issued 659,264 warrants exercisable at \$0.70 until March 25, 2024, 1,874,000 warrants exercisable at \$0.70 until May 31, 2024, 1,637,945 warrants exercisable at \$0.70 until June 28, 2024, and 1,600,000 warrants exercisable at \$0.70 until December 1, 2024.

As at October 31, 2023, the Company has the following warrants outstanding:

Number of warrants	Exercise price	Expiry date	Weighted Average Contractual Life Remaining, years
	\$		
2,001,484	0.70	December 23, 2023	0.14
63,636	0.55	December 23, 2023	0.14
310,500	0.70	December 31, 2023	0.17
659,264	0.70	March 25, 2024	0.41
1,874,000	0.70	May 31, 2024	0.58
1,637,945	0.70	June 28, 2024	0.66
235,294	1.20	August 20, 2024	0.81
1,060,000	0.70	December 1, 2024	1.09
1,215,341	0.70	December 23, 2024	1.15
24,120	0.70	December 31, 2024	1.17
1,922,000	0.70	January 31, 2025	1.25
433,490	0.70	March 23, 2025	1.39
10,400,000	0.12	November 24, 2029	1.08
21,837,074	0.43		0.91

The fair value of the compensatory share purchase is measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price.

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11. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (continued)

Warrants (continued)

The weighted average inputs used in the measurement of fair value at grant date of the share purchase warrants are:

	October 31, 2023	January 31, 2023
Risk free interest rate	N/A	N/A
Expected life of warrants	N/A	N/A
Annualized volatility	N/A	N/A
Dividend yield	N/A	N/A
Exercise price	N/A	N/A
Share price at measurement date	N/A	N/A

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Directors. Compensation and transactions are recorded at the exchange amount which are the amounts agreed to by key management and entities over which key management have control or significant influence as follows:

	Nine months ended October 31,	
	2023	2022
	\$	\$
Management fee	103,500	45,000
Exploration and evaluation assets, capitalized	-	51,042
Consulting	125,000	
Geological consulting	33,750	-
Total	262,250	96,042

As at October 31, 2023, the Company owed \$Nil (January 31, 2023 - \$Nil) to companies controlled by directors and officers.

As at October 31, 2023, the Company owed \$693,626 (January 31, 2023 - \$712,066) to Nexus Metals Corp., a company with certain directors and officers in common.

13. SEGMENTED INFORMATION

The Company has one operating segment being the exploration of exploration and evaluation of mineral properties. The Company's exploration and evaluation assets are located in Burkina Faso.

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14. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, and exploration of exploration and evaluation assets. 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 to sustain future development of the business. Management considers the Company's capital structure to primarily consist of the components of shareholders' equity.

The properties in which the Company currently has an interest 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 reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine months ended October 31, 2023. The Company is not subject to externally imposed capital requirements.

15. RESTATEMENT OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended January 31, 2022 have been restated as a result of the incomplete information received from Burkina Faso during the year ended January 31, 2022. Management of the Company was not aware of several missing transactions from Burkina Faso. The changes resulted in the following revisions:

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15. RESTATEMENT OF THE FINANCIAL STATEMENTS (continued)

	As previously reported	Changes	As restated
	\$	\$	\$
Statement of Financial Position			
As at January 31, 2022			
Exploration and evaluation assets	6,242,201	220,408	6,462,609
Deficit	(28,628,482)	220,408	(28,408,074)

	As previously reported	Changes	As restated
	\$	\$	\$
Statement of Loss and Comprehensive Loss			
As at January 31, 2022			
Foreign exchange loss	268,133	(244,496)	23,637
Office and administration	103,169	24,088	127,257
Net loss	(3,702,716)	220,408	(3,482,308)

There were no changes to the overall change in cash position for the year ended January 31, 2022.

16. SUBSEQUENT EVENTS

On November 22, 2023, the Company announced that the Company and Belgravia Hartford Capital Inc. have entered into a debt settlement agreement (the revised agreement). Under the revised agreement, the Company will issue a total of 3.6 million common shares at a deemed price of five cents per common share in satisfaction of outstanding indebtedness owing to Belgravia Hartford totaling \$180,000. The outstanding indebtedness comprises principal amounts which were previously advanced to Nexus Gold for working capital purposes, along with accrued interest. The common shares issuable pursuant to the revised agreement will be subject to restrictions on resale for a period of four months and one day, in accordance with applicable securities laws. Completion of the debt settlement remains subject to the approval of the TSX Venture Exchange.