

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)

Condensed Interim Financial Statements

For the three and six months ended October 31, 2023 and 2022

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three and Six Months Ended October 31, 2023 and 2022

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Arya Resources Ltd. (formerly Rebel Capital 2.0 Corp.) for the three and six months ended October 31, 2023 and 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of Company's management.

The Company's independent auditors, MNP LLP, have not performed a review of these unaudited condensed interim financial statements.

December 27, 2023

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	October 31, 2023	April 30, 2023
		\$	\$
ASSETS			
Current			
Cash		408,808	631,778
Goods and sales tax receivable		17,529	7,666
Prepaid expenses and deposits		12,538	9,873
		438,875	649,317
Exploration and evaluation assets	6	64,300	48,800
Total assets		503,175	698,117
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9	95,174	147,333
Flow-through liability	7	61,782	66,000
Total liabilities		156,956	213,333
EQUITY			
Share capital	8(b)	1,670,839	1,655,339
Reserves		368,377	368,377
Deficit		(1,692,997)	(1,538,932)
Total equity		346,219	484,784
Total liabilities and equity		503,175	698,117

Nature of operations (Note 1)
Subsequent events (Note 12)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Rasool Mohammed"
Director

/s/ "Andreas Jacob"
Director

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

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

		Three months ended		Six months ended	
	Note	2023	October 31, 2022	2023	October 31, 2022
		\$	\$	\$	\$
Operating expenses					
Director fees	9	1,500	-	4,800	-
Exploration costs	6	15,050	-	15,979	-
Filing fees		250	-	250	-
General and administrative	9	7,484	-	13,858	3
Management fees	9	38,286	-	75,429	3,000
Professional fees	9	35,179	-	47,967	10,090
		97,749	-	158,283	13,093
Other income					
Amortization of flow-through liability	7	4,218	-	4,218	-
Net loss and comprehensive loss		(93,531)	-	(154,065)	(13,093)
Net loss per share:					
Basic and diluted		(0.00)	N/A ⁽¹⁾	(0.01)	N/A ⁽¹⁾
Weighted average number of common shares:					
Basic and diluted		25,509,999	N/A ⁽¹⁾	25,509,456	N/A ⁽¹⁾

(1) The comparative periods relate to the carve-out business of Wedge Lake which was not an incorporated entity and therefore the loss per share information for the periods prior to the reverse takeover transaction on December 16, 2022 (Note 1) is not applicable as the carve-out business of Wedge Lake had no outstanding shares.

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

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six months ended	
	2023	October 31, 2022
	\$	\$
Operating activities:		
Net loss for the period	(154,065)	(13,093)
Item not affecting cash:		
Amortization of flow-through liability	(4,218)	-
Net change in non-cash working capital items:		
Goods and sales tax receivable	(9,863)	-
Prepaid expenses and deposits	(2,665)	-
Accounts payable and accrued liabilities	(52,159)	(30,778)
Cash used in operating activities	(222,970)	(43,871)
Financing activity:		
Investment by parent through the Arrangement date	-	37,985
Cash provided by financing activity	-	37,985
Change in cash	(222,970)	(5,886)
Cash, beginning of period	631,778	449,400
Cash, end of period	408,808	443,514
Supplemental cash flow information:		
Issuance of shares on property option payment	15,500	-

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

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Condensed Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Net parent investment (Note 1)	Reserves	Deficit	Total equity
	#	\$	\$	\$	\$	\$
Balance, April 30, 2022	-	-	394,265	-	-	394,265
Investment by parent in the period	-	-	37,985	-	-	37,985
Net loss for the period	-	-	(13,093)	-	-	(13,093)
Balance, October 31, 2022	-	-	419,157	-	-	419,157
Recognition of Arrangement (Note 5)	15,100,000	705,007	(419,157)	-	(285,008)	842
Consideration shares issued in the Arrangement (Note 5)	4,079,999	375,360	-	-	-	375,360
Shares issued in non flow-through unit financing	4,080,000	377,172	-	132,828	-	510,000
Shares issued in flow-through unit financing	2,000,000	184,000	-	-	-	184,000
Issuance of shares on property option payment (Note 6(a))	150,000	13,800	-	-	-	13,800
Share-based payments	-	-	-	235,549	-	235,549
Net loss for the period	-	-	-	-	(1,253,924)	(1,253,924)
Balance, April 30, 2023	25,409,999	1,655,339	-	368,377	(1,538,932)	484,784
Issuance of shares on property option payment (Note 6(c))	100,000	15,500	-	-	-	15,500
Net loss for the period	-	-	-	-	(154,065)	(154,065)
Balance, October 31, 2023	25,509,999	1,670,839	-	368,377	(1,692,997)	346,219

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

1. NATURE OF OPERATIONS

Arya Resources Ltd. (formerly Rebel Capital 2.0 Corp.) (the "Company" or "Arya") was incorporated under the laws of the Province of British Columbia on October 19, 2017. The Company is an exploration stage company focused on the acquisition, exploration and development of mineral property interests in Saskatchewan, Canada. The Company's registered and records office is 301-850 West Georgia Street, Vancouver, British Columbia, V6C 3J1. The Company's common shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol RBZ-P.

On December 16, 2022 (the "Arrangement date"), Arya and the carve-out entity of Wedge Lake (the "Carve-out Entity") finalized a reverse takeover transaction whereby the former owners of the Carve-out Entity received 15,100,000 common shares of Arya for their 100% interest in the Carve-out Entity (the "Arrangement"). The Carve-out Entity represents the operational efforts towards the Wedge Lake Gold Property in accordance with an existing option agreement with North-Sask Ventures Ltd. (Note 6(a)). The 15,100,000 common shares received by the former owners of the Carve-out Entity comprised 79% of the issued and outstanding common shares of Arya on the date of the Arrangement, and the management of the Carve-out Entity continued as management of Arya. The Arrangement constitutes a "qualifying transaction" under securities law. Pursuant to the Arrangement, Arya became the owner of the Carve-out Entity, but the change in control of Arya by the former owners of the Carve-out Entity (and related reverse takeover accounting guidance under International Financial Reporting Standards - see Note 5) resulted in the Carve-out Entity continuing as the ongoing reporting entity (combining Arya results into the Carve-out Entity from the Arrangement date), with comparative financial information only of the Carve-out Entity. The equity component of the Carve-out Entity includes advances from the parent and net losses incurred and is referred to as "net parent investment". On recognition of the Arrangement the net parent investment was allocated to share capital and deficit, as applicable (Note 5).

2. BASIS OF PREPARATION

a) Statement of compliance

These unaudited condensed interim financial statements for the three and six months ended October 31, 2023 and 2022 (the "financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended April 30, 2023 and 2022 (the "Annual Financial Statements").

These financial statements were approved by the Board of Directors and authorized for issue on **December XX, 2023**.

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS, for each type of asset, liability, income and expense as set out in the significant accounting policies below.

c) Functional and presentational currency

These financial statements are presented in Canadian dollars. The functional currency is the currency of the primary economic environment in which an entity operates.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in preparing the financial statements are the same as those followed in preparing the Annual Financial Statements. For a complete summary of significant accounting policies, please refer to the Company's Annual Financial Statements.

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Notes to the Condensed Interim Financial Statements
For the three and six months ended October 31, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS requires management to exercise significant judgments in applying the Company's accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require material adjustments to the Company's financial statements. Revisions to accounting estimates are accounted for prospectively.

The critical accounting judgements and key sources of estimation uncertainty followed in preparing the financial statements are the same as those followed in preparing the Annual Financial Statements. For a complete summary of critical accounting judgements and key sources of estimation uncertainty, please refer to the Company's Annual Financial Statements.

5. REVERSE TAKEOVER TRANSACTION

On the Arrangement date, Arya was not considered a business under IFRS 3, as Arya did not have inputs and substantive processes that could collectively contribute to the creation of outputs. As a result, the Arrangement was considered to be within the scope of IFRS 2 *Share-Based Payments* and for accounting purposes (considering the change of control - Note 1), the Arrangement was accounted for as a reverse takeover transaction ("RTO"), with the Carve-out Entity identified as the accounting acquirer, and Arya identified as the accounting acquiree. These financial statements are issued under the legal parent, Arya Resources Ltd., but are considered to be a continuation of the financial results of the Carve-out Entity.

At the date of the Arrangement, the RTO was recorded as follows:

	\$
Fair value of consideration shares issued	375,360
Net identifiable liabilities assumed	
Cash	1,901
Accounts payable and accrued liabilities	(131,373)
Promissory notes payable	(35,600)
	<u>(165,072)</u>
Fair value of consideration and net liabilities assumed	540,432
Other transactions costs	144,223
Listing expense	<u>684,655</u>

The consideration shares comprise of 4,079,999 common shares (the "Consideration Shares") maintained by the original shareholders of the Company as consideration for its public listing with a fair value of \$375,360 (Note 8(c)).

As part of the Arrangement, \$400,000 was to be transferred to Arya net of the promissory notes of \$35,600 previously outstanding. Of the remaining amount, \$112,000 was retained by the former shareholders of the Carve-out Entity to cover transaction costs, in addition to \$32,223 legal, accounting, and filing fees incurred by the Company related to the RTO. These amounts comprise the other transaction costs noted above and have been included in the listing expense in the statements of loss and comprehensive loss in the Annual Financial Statements.

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Notes to the Condensed Interim Financial Statements
For the three and six months ended October 31, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets is as follows:

	\$
Balance, April 30, 2022	15,000
Cash option payments	20,000
Option payment in shares	13,800
Balance, April 30, 2023	48,800
Option payment in shares	15,500
Balance, October 31, 2023	64,300

A summary of the Company's cumulative exploration costs is as follows:

	\$
Cumulative exploration costs, April 30, 2022 and October 31, 2022 ⁽¹⁾	153,489
Permitting	3,608
Claims staking	39,625
Haultain Lake payment	40,000
Cumulative exploration costs, April 30, 2023	236,722
Claims staking	929
Drilling	15,050
Cumulative exploration costs, October 31, 2023	252,701

(1) During the six months ended October 31, 2022, the Company did not incur any exploration costs.

a) Wedge Lake Gold Property

As a result of the Arrangement described in Note 1, the Company has the option (the "Option") to acquire a 100% interest in the Wedge Lake Gold Property (the "Property") from the optionor. Under the terms of the Option the Company is committed to the following:

Cash payments to the optionor

- \$5,000 on November 10, 2020 (paid);
- \$10,000 within 10 business days of December 16, 2022 (paid);
- \$10,000 on or before December 16, 2023 (paid);
- \$10,000 on or before December 16, 2024 (paid);
- \$20,000 on or before December 16, 2025;
- \$20,000 on or before December 16, 2026; and
- \$30,000 on or before December 16, 2027.

Share consideration to the optionor

- 150,000 common shares within 10 business days of December 16, 2022 (issued);
- 100,000 common shares on or before December 16, 2023 (issued on December 16, 2023);
- 100,000 common shares on or before December 16, 2024
- 150,000 common shares on or before December 16, 2025
- 200,000 common shares on or before December 16, 2026; and
- 300,000 common shares on or before December 16, 2027.

Expenditures on the Property

- \$100,000 on or before November 10, 2021 (met);
- an additional \$100,000 on or before December 16, 2024;
- an additional \$200,000 on or before December 16, 2025;
- an additional \$300,000 on or before December 16, 2026; and
- an additional \$300,000 on or before December 16, 2027.

6. EXPLORATION AND EVALUATION ASSETS (continued)

The optionor will retain a 2.5% net smelter returns royalty ("NSR"), of which 1.0% can be purchased by the Company at any time up until certain milestones are met for \$1,000,000.

Additionally, the Company will prepare a report under National Instruments 43-101 *Standard of Disclosure for Mineral Projects* (the "Wedge Lake Report") whereby the Company is subject to the following contingent issuances of common shares:

- if the Wedge Lake Report confirms the existence of inferred mineral resource estimate grading at least 4 grams/ton of gold ("Au") for at least 80,000 contained ounces of Au on the Property, the Company will issue the optionor 250,000 common shares.
- if the Wedge Lake Report confirms the existence of indicated mineral resource estimate grading at least 4 grams/ton Au, aggregating at least 80,000 ounces of Au on the Property, the Company will issue the optionor an additional 250,000 common shares.
- if the Wedge Lake Report confirms the existence of combined inferred mineral resources, indicated mineral resources and measured mineral resources estimate grading at least 4 grams/ton Au aggregating an initial 500,000 ounces of Au on the Property, the Company will issue the optionor an additional 200,000 common shares.

Furthermore, should the Company commission a pre-feasibility study with respect to the Property, the Company will issue the optionor an additional 200,000 common shares.

b) Haultain Lake Property

On February 15, 2023, the Company entered into a definitive agreement to acquire the Haultain Lake Property option with 1271332 B.C. Ltd., a related party to the Company. Pursuant to the agreement, the Company can acquire 100% interest in the Haultain Lake property by payment of a cash consideration to the vendor for \$40,000. On February 27, 2023, the Company paid 1271332 B.C. Ltd. \$40,000 in accordance with the agreement. However, the Company no longer planned to further explore the Haultain Lake property. The \$40,000 payment has been included in exploration costs in the statements of loss and comprehensive loss of the Annual Financial Statements.

c) Dunlop Deposit

On February 28, 2023, the Company entered into a definitive agreement to acquire the previously drilled Dunlop Copper Nickel Deposit (the "Dunlop Deposit") located 25 kilometers north of La Ronge, Saskatchewan Canada. Pursuant to the agreement, the Company can earn a 100% interest in the Dunlop Deposit claims by:

Cash payments to the optionor

- \$25,000 upon completion of a report under National Instruments 43-101, *Standard of Disclosure for Mineral Projects* (the "Dunlop Deposit Report"); and
- \$25,000 upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

Share consideration to the optionor

- 100,000 common shares upon TSX-V approval (issued, see Note 8(c));
- 500,000 common shares upon completion of the Dunlop Deposit Report; and
- 1,000,000 common shares upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

Expenditures on the property

- \$75,000 on or before December 19, 2023 (met on December 13, 2023);
- \$50,000 on or before April 25, 2024; and
- \$125,000 on or before April 25, 2025.

The optionor will retain a 3.0% NSR on the Dunlop Deposit claims of which 2.5% of the NSR may be purchased for a cash payment of \$2,000,000 by the Company. On August 28, 2023, the Company amended the agreement to acquire the Dunlop Deposit to extend the required date for expenditures on the property of \$75,000 from August 28, 2023 to December 19, 2023.

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Notes to the Condensed Interim Financial Statements
For the three and six months ended October 31, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

7. FLOW-THROUGH LIABILITY

On December 16, 2022, the Company issued 2,000,000 flow-through shares pursuant to closing its \$0.125 flow-through share financing for gross proceeds of \$250,000 (Note 8(c)). In connection with the raise, the Company recorded a flow-through liability of \$66,000 representing the difference between fair value of the common shares and the flow-through share price at the date of issuance. As a result, the Company must complete flow-through spending of \$250,000 by December 31, 2023.

During the three and six months ended October 31, 2023, the Company had spent \$15,050 and \$15,979, respectively (2022 - \$nil and \$nil, respectively) in qualifying expenditures related to the flow-through liability. As a result, during the three and six months ended October 31, 2023, the Company recognized amortization expense in connection with the flow-through liability of \$4,218 and \$4,218, respectively (2022 - \$nil and \$nil, respectively).

A summary of the Company's flow-through liability and remaining eligible expenditure obligation movement is as follows:

	Flow-through funding and eligible expenditures	Flow-through liability
	\$	\$
Balance, April 30, 2022	-	-
Flow-through funds raised	250,000	66,000
Balance, April 30, 2023	250,000	66,000
Eligible expenditures	(15,979)	(4,218)
Balance, October 31, 2023	234,021	61,782

8. SHARE CAPITAL AND RESERVES

a) Authorized

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

b) Issued share capital

As at October 31, 2023, 25,509,999 common shares were issued and outstanding (April 30, 2023 - 25,409,999).

c) Share issuances

During the six months ended October 31, 2023, the Company had the following share transaction:

- On May 1, 2023, the Company received TSX-V approval on the Dunlop Deposit (Note 6(c)) and issued 100,000 common shares with a fair value of \$0.155 for gross proceeds of \$15,500 to the Dunlop Deposit optionor.

During the year ended April 30, 2023, the Company had the following share transactions:

On December 16, 2022, the Company had the following share transactions:

- Pursuant to the Arrangement the Company maintained 4,079,999 Consideration shares. The fair value of the Consideration shares was determined to be \$0.092 per share based on the non flow-through unit financing completed concurrently with the Arrangement (see below). Additionally, the Company issued 15,100,000 common shares, recognized at the historical cost base of the net parent investment in the Carve-out Entity, adjusted for any assets or liabilities assumed by the former owner of Wedge Lake at the date of the Arrangement resulting in \$705,007 and \$285,008 being allocated to share capital and deficit, respectively.
- The Company issued 4,080,000 non flow-through units pursuant to closing its \$0.125 non flow-through unit financing for gross proceeds of \$510,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of \$0.20 at any time until December 16, 2024. The fair value attributed to the warrants was \$132,828.

ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)
Notes to the Condensed Interim Financial Statements
For the three and six months ended October 31, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

- The Company issued 2,000,000 flow-through shares pursuant to closing its \$0.125 flow-through share financing for gross proceeds of \$250,000. In connection with the raise the Company recorded a flow-through liability of \$66,000 representing the difference between the fair value of a common share and the price of a flow-through share at the date of issuance. The fair value per common share was determined to be \$0.092 based on the non flow-through unit financing closed concurrently.
- The Company issued 150,000 common shares with a fair value of \$0.092 per share for gross proceeds of \$13,800 in connection with the Wedge Lake Option agreement (see Note 6(a)). The fair value was determined based on the non flow-through unit financing completed concurrently on the date of issuance to the Wedge Lake optionor.

During the three months ended July 31, 2022, the Company had an investment by parent of \$37,985 (the Company had no shares issued and outstanding prior to the Arrangement).

d) Share purchase warrants

As at October 31, 2023, the Company had 4,080,000 warrants outstanding and exercisable (April 30, 2023 - 4,080,000). The warrants are exercisable at \$0.20 at any time until December 16, 2024. The remaining contractual life of the warrants outstanding is 1.13 years.

A summary of the Company's inputs used in the Black-Scholes option pricing model to determine the fair value of the share purchase warrants granted on December 16, 2023 is as follows:

Share price	\$0.092
Exercise price	\$0.200
Expected life (years)	2.00
Expected volatility	100.00%
Risk-free rate	3.66%
Dividend yield	0.00%

e) Escrow

Pursuant to the terms of the TSX-V, the Company's shares prior to the RTO, and a portion of shares issued pursuant to the Arrangement, are subject to certain escrow requirements. These shares are released semi-annually through December 2025. During the three and six months ended October 31, 2023, 1,741,694 and 1,741,694 shares were released from escrow, respectively (2022 - nil and nil). As at October 31, 2023, the Company had 7,198,477 common shares held in escrow (April 30, 2023 - 8,940,171).

f) Stock options

On March 24, 2023, the Company granted 1,500,000 stock options to officers and directors of the Company. The stock options have an exercise price of \$0.30, vest immediately and expire on March 24, 2028, with a total fair value of \$235,549.

A summary of the Company's inputs used in the Black-Scholes option pricing model to determine the fair value of the stock options granted on March 24, 2023 is as follows:

Share price	\$0.220
Exercise price	\$0.300
Expected life (years)	5.00
Expected volatility	100.00%
Risk-free rate	2.86%
Dividend yield	0.00%

As at October 31, 2023, the Company had 1,500,000 stock options outstanding and exercisable (April 30, 2023 - 1,500,000). The remaining contractual life of the stock options outstanding is 4.40 years.

9. RELATED PARTY TRANSACTIONS

Key management personnel, are those having the authority and responsibility for planning, directing, and controlling the Company.

A summary of the Company's related party transactions with its key management personnel is as follows:

	Three months ended October 31,		Six months ended October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Director fees	1,500	-	4,800	-
General and administrative	300	-	300	-
Management fees	38,286	-	75,429	3,000
Professional fees	12,679	-	17,967	-
	52,765	-	98,496	3,000

As at October 31, 2023, the Company had \$39,542 (April 30, 2023 - \$66,470) due to related parties included in accounts payable and accrued liabilities balance. Interest is not charged on outstanding balances and there are no specific terms of payment.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at October 31, 2023, the Company's financial instruments consist of cash and accounts payable and accrued liabilities, all of which are measured at amortized cost.

The carrying value of cash and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet an obligation under contract. Credit risk exposure arises with respect to the Company's cash. The risk exposure for cash is limited because the Company places its deposits in institutions of high credit worthiness within Canada.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common stock or debt as required. As at October 31, 2023, the Company had sufficient cash on hand to discharge its financial liabilities as they become due.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or issue debt instruments. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Property in which the Company currently has an interest is in the exploration stage and is not positive cash-flow generating; as such, the Company has relied on the equity markets to fund its activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

11. SUBSEQUENT EVENTS

On December 16, 2023, the Company issued 100,000 common shares in connection with the Option (Note 6(a)). The fair value was determined to be \$0.155 based on the common share issuance on May 1, 2023 to the Dunlop Deposit optionor.

On December 13, 2023, the Company completed expenditures on the Dunlop Deposit of \$75,000.

During December 2023, the Company completed cumulative flow-through spending of \$250,000 and the flow-through liability was amortized to \$nil.