

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
OCTOBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated 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 have been prepared by management and approved by the Audit Committee.

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

AVANTE MINING CORP. (FORMERLY ARCPACIFIC RESOURCES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT OCTOBER 31, 2023 AND JANUARY 31, 2023
(EXPRESSED IN CANADIAN DOLLARS)

	October 31, 2023 (unaudited)	January 31, 2023 (audited)
ASSETS		
Current		
Cash	\$ 832,072	\$ 813,304
Amounts receivable	215,267	133,773
Prepaid expenses and deposits	107,000	8,667
	1,154,339	955,744
Right-of-use asset (Note 5)	17,493	33,236
Reclamation bond	6,000	6,000
Exploration and evaluation assets (Note 4)	1,475,585	455,753
Total assets	\$ 2,653,417	\$ 1,450,733
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 669,818	\$ 590,762
Flow-through premium liability (Note 8)	5,277	-
Lease liability (Note 5)	19,175	23,243
Current liabilities	694,270	614,005
Lease liability (Note 5)	-	11,720
Total liabilities	694,270	625,725
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	7,650,672	6,206,790
Subscription received (receivable)	(20,000)	788,800
Contributed surplus	2,679,923	1,584,349
Deficit	(8,351,448)	(7,754,931)
Total shareholders' equity	1,959,147	825,008
Total liabilities and shareholders' equity	\$ 2,653,417	\$ 1,450,733

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

SUBSEQUENT EVENTS (Note 11)

Authorized for issuance on behalf of the Board on December 20, 2023:

/s/ "Adrian Smith" Director

/s/ "Sang Goo Collin Kim" Director

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

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Three-month period ended, October 31		Nine-month period ended October 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Expenses				
Amortization expense	5,249	5,248	15,743	13,995
Consulting fees	34,510	54,011	94,923	61,011
Interest expense	596	2,263	2,212	4,531
Management fees (Note 7)	37,500	14,500	54,500	23,500
Marketing	16,586	9,311	59,461	50,783
Office and miscellaneous	4,103	8,230	13,706	19,843
Professional fees	33,636	53,260	79,500	109,059
Share-based payments (Note 8)	218,346	-	218,346	87,867
Transfer agent and filing fees	3,019	2,314	45,883	16,767
Travel and promotion	16,224	42,219	31,341	62,578
Loss before other items	(369,769)	(191,356)	(615,615)	(449,934)
Other items				
Flow-through liability reversal	10,991	-	19,098	-
Net loss and comprehensive loss	(358,778)	(191,356)	(596,517)	(449,934)
Loss per share (basic and diluted)	(0.01)	(0.03)	(0.02)	(0.07)
Weighted average number of common shares outstanding	28,639,279	7,023,117	27,305,946	6,629,396

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

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)

	Number of Shares	Amount	Common Shares Subscriptions received (receivable)	Contributed Surplus	Deficit	Total
Balance, January 31, 2022	6,302,317	5,650,765	-	1,621,987	(5,328,782)	1,943,970
Shares issued for exploration and evaluation assets	25,000	13,750	-	-	-	13,750
Private placement	510,000	207,305	-	47,695	-	255,000
Warrant exercises	259,467	304,225	-	(160,740)	-	143,485
Share-based payments	-	-	-	87,867	-	87,867
Net loss and comprehensive loss	-	-	-	-	(449,934)	(449,934)
Balance, October 31, 2022	7,096,784	6,176,045	-	1,596,809	(5,778,716)	1,994,138
Balance, January 31, 2023	7,146,779	6,206,790	788,800	1,584,349	(7,754,931)	825,008
Private placement (Note 8)	20,937,500	1,519,007	(808,800)	780,993	-	1,491,200
Share issuance costs	-	(216,875)	-	96,235	-	(120,640)
Flow-through premium	-	(24,375)	-	-	-	(24,375)
Shares issued for exploration and evaluation assets	1,555,000	166,125	-	-	-	166,125
Share-based compensation	-	-	-	218,346	-	218,346
Net loss and comprehensive loss	-	-	-	-	(596,517)	(596,517)
Balance, October 31, 2023	29,639,279	\$ 7,650,672	\$ (20,000)	\$ 2,679,923	\$ (8,351,448)	\$ 1,959,147

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

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)

	2023	2022
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the year	\$ (596,517)	\$ (449,934)
Items not involving cash		
Share-based payments	218,346	87,867
Depreciation	15,743	13,995
Interest	2,212	3,444
Flow-through liability reversal	(19,098)	-
Changes in non-cash working capital items		
Amounts receivable	(81,494)	(44,952)
Prepaid expenses and deposits	(98,333)	5,916
Accounts payable and accrued liabilities	79,056	111,338
Net cash used in operating activities	(480,085)	(272,326)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Investment in exploration and evaluation assets	96,125	(10,000)
Exploration expenditures	(945,707)	(247,884)
Net cash used in investing activities	(849,582)	(257,884)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(18,000)	(16,000)
Proceeds from private placements, net of share issuance cost	1,366,435	255,000
Proceeds from warrants exercised	-	143,485
Net cash provided by financing activities	1,348,435	382,485
Change in cash	18,768	(147,725)
Cash, beginning of period	813,304	268,108
Cash, end of period	\$ 832,072	\$ 120,383
SUPPLEMENTAL DISCLOSURE		
Finders' warrants issued	\$ 96,235	\$ -
Shares issued for exploration and evaluation assets	166,125	13,750

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

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
NOTES TO UNDAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED OCTOBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE AND CONTINUANCE OF OPERATIONS

Avante Mining Corp. (formerly ArcPacific Resources Corp.) (the “Company”) was incorporated pursuant to the British Columbia Business Corporations Act on February 1, 2011. On May 15, 2023, the Company changed its name to Avante Mining Corp. from ArcPacific Resources Corp. The Company’s shares are listed for trading on the TSX Venture Exchange under the symbol “AVA”. The address of the Company’s corporate office and its principal place of business is 1001 - 1166 Alberni Street, Vancouver, British Columbia, Canada V6E 3Z3.

The principal business of the Company is the identification, evaluation and acquisition of mineral properties in Canada. As at October 31, 2023, the Company owned a 100% interest in, or held options to acquire a 100% interest in the Voisey’s West Property (formerly known as TL Nickel Property), Rey Lake Property, Lucky Mike Mineral Property, the Blackdome Mineral Property and the Silver Lode Claims (collectively “the Properties”). During the period ended October 31, 2023, the Company continues to be active in the investigation of the viability of its Properties. The Company has not yet determined whether any of the Properties it owns may contain a mineral resource that may eventually be economically recoverable. The economic viability of the Properties will depend on the establishment of ore reserves, the confirmation of the Company’s interest in the mineral claims and the ability of the Company to obtain the necessary financing to complete its development and place it into commercial production.

These condensed interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future. The Company has incurred losses since its inception and has an accumulated deficit of \$8,351,448 (January 31, 2023 - \$7,754,931) as at October 31, 2023. The Company’s ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. These events and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern and such adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of compliance

The unaudited condensed interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended January 31, 2023.

The unaudited condensed interim financial statements were authorized for issue by the Board of Directors on December 20, 2023.

b) Functional currency

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

AVANTE MINING CORP. (FORMERLY, ARCPACIFIC RESOURCES CORP.)
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2. BASIS OF PRESENTATION (CONTINUED)

c) Basis of consolidation

The condensed interim consolidated financial statements for the period ended October 31, 2023, includes the accounts of the Company and its wholly-owned subsidiary, ACP Carbon Corp. All inter-company balances and transactions have been eliminated upon consolidation.

d) Measurement basis

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience, current and future economic conditions and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and may change if new information becomes available. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods if the revision affects both the current and future periods.

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

Critical accounting estimates

- i. the inputs used in accounting for share-based payments; and
- ii. the inputs used in determining the recoverable amount of assets that are considered impaired.

Critical accounting judgments

- i. the evaluation of the Company's ability to continue as a going concern;
- ii. the determination of the categories of financial assets and financial liabilities;
- iii. the assessment of indicators of impairment of exploration and evaluation assets and related determination and write-down of the assets, where applicable;
- iv. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets; and
- v. the recognition of provisions for decommissioning, restoration, rehabilitation and environmental obligation

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4. EXPLORATION AND EVALUATION ASSETS

Summary of exploration and evaluation assets for the periods ended October 31, 2023 and January 31, 2023:

	Lucky Mike	Rickard Gold	Rickard Adjacent	Three Crown Patents	Blackdome Property	Rey Lake Property	Voisey's West Property (formerly known as TL Nickel Property)	Total
Acquisition costs								
Balance January 31, 2022	108,123	159,275	20,000	400,035	67,000	-	-	754,433
Addition	-	-	-	-	-	23,750	40,000	63,750
Impairment	-	(159,275)	(20,000)	(400,035)	-	-	-	(579,310)
Balance January 31, 2023	108,123	-	-	-	67,000	23,750	40,000	238,873
Addition	-	-	-	-	44,500	14,125	177,500	236,125
Balance October 31, 2023	108,123	-	-	-	111,500	37,875	217,500	474,998
Exploration costs								
Balance, January 31, 2022	60,025	1,016,424	8,560	8,669	43,441	-	-	1,137,119
Travel	-	4,986	-	-	-	-	-	4,986
Drilling	-	6,507	-	-	-	-	-	6,507
Geological (Note 8)	90,032	109,942	-	-	16,450	-	-	216,424
Mineral claims	6,932	-	-	-	-	-	-	6,932
Impairment	-	(1,137,859)	(8,560)	(8,669)	-	-	-	(1,155,088)
Balance, January 31, 2023	156,989	-	-	-	59,891	-	-	216,880
Field work and supplies	286	-	-	-	-	-	11,898	12,184
Helicopter	-	-	-	-	-	-	294,737	294,737
Travel	360	-	-	-	-	-	113,524	113,884
Drilling	-	-	-	-	-	-	220,113	220,113
Geological	50,512	-	-	-	3,150	-	59,747	113,409
Geophysical	-	-	-	-	-	-	21,900	21,900
Mineral claims	-	-	-	-	-	-	850	850
Professional fees	-	-	-	-	-	-	6,630	6,630
Balance October 31, 2023	\$208,147	\$-	\$-	\$-	\$63,041	\$-	\$729,399	\$1,000,587
Total costs October 31, 2023	\$316,270	\$-	\$-	\$-	\$174,541	\$37,875	\$946,899	\$1,475,585
Total costs January 31, 2023	\$265,112	\$-	\$-	\$-	\$126,891	\$23,750	\$40,000	\$455,753

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(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Lucky Mike Mineral Project, British Columbia

The Company owns a 100% interest in certain mineral claims located in the Nicola Mining Division, British Columbia. The claims consist of 29 contiguous mineral claims.

The vendor retained a 2% net smelter returns royalty (the "NSR") in respect of the property. The Company has the option to purchase the NSR for \$1,000,000 at any time during a five-year period commencing from the date of commercial production.

Silver Lode Claims, British Columbia

On August 10, 2020, the Company acquired the "Silver Lode" claims (the "Claims") by means of staking in the Nicola Mining Division. The Claims adjoin the Company's Luck Mike claims.

Blackdome Mineral Property, British Columbia

On August 7, 2020, the Company entered into an agreement to acquire a 100% interest in the Blackdome mineral property (the "Blackdome Property"), pursuant to an option agreement (the "Blackdome Option Agreement") the Company entered into on July 17, 2020 with a third party (the "Blackdome Optionor").

Under the terms of the Blackdome Option Agreement, the Company has the option to acquire a 100% interest in the Property by making the following cash payments and share issuances:

Date	Cash Payment	Number of Common Shares	Minimum Exploration Expenditures
Within 14 days of the acceptance date of the TSX Venture Exchange ("Acceptance Date") (paid and issued)	\$ 20,000	20,000	\$ -
On or before August 7, 2021 (paid)	30,000	-	-
On or before December 7, 2021 (met)	-	-	50,000
On or before February 28, 2023 (paid and issued)	40,000	30,000	-
On or before August 7, 2023 (issued)	-	30,000	-
On or before February 28, 2024 (amended)	60,000	-	-
On or before August 7, 2024	-	40,000	150,000
Total	\$150,000	120,000	\$200,000

In accordance with the Blackdome Option Agreement, the Company will pay a 1.5% NSR to the Blackdome Optionor on commencement of commercial production. The Company will have the right, at any time prior to the commencement of commercial production, to purchase 1.0% of the 1.5% NSR for \$1,000,000.

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4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Rey Lake, British Columbia

On February 17, 2022, the Company entered into an agreement to acquire a 100% interest in the Rey Lake Property, pursuant to an option agreement.

Under the terms of the Rey Lake Property, the Company has the option to acquire a 100% interest in the property by making the following cash payments and share issuances:

Date	Cash Payment	Number of Common shares
Within 10 days of the acceptance date of the TSX Venture Exchange ("Acceptance Date") (paid and issued) (Note 9)	\$ 10,000	25,000
On or before February 17, 2023 (paid and issued) (Note 9)	10,000	25,000
On or before February 17, 2024	15,000	25,000
On or before February 17, 2025	15,000	25,000
On or before February 17, 2026	20,000	50,000
On or before February 17, 2027	30,000	50,000
Total	\$100,000	200,000

In accordance with the terms of the Rey Lake agreement, the Optionor will retain a 2% NSR in respect of the property.

Voisey's West Property (formerly known as TL Nickel Property), Newfoundland and Labrador

On November 20, 2022, the Company entered into an agreement to acquire a 100% interest in the Voisey's West Property (formerly known as TL Nickel Property), pursuant to an option agreement. The Property consists of 14 cells located near the town of Nain, Newfoundland and Labrador.

Under the terms of this Property, the Company has the option to acquire a 100% interest in the property by making the following cash payments and share issuances:

Date	Cash Payment	Number of Common shares
Upon receipt of approval from the TSX Venture Exchange (paid and issued) (Note 9)	\$ 25,000	50,000
On or before November 20, 2023 (paid and issued subsequent to the period ended October 31, 2023) (Note 11)	50,000	75,000
On or before November 20, 2024	100,000	150,000
Total	\$175,000	275,000

In accordance with the terms of the Voisey's West Property (formerly known as TL Nickel Property) agreement, the optionor will retain a 2% NSR in respect of the property.

On April 5, 2023, the Company expanded the Voisey's West Property (formerly known as TL Nickel Property) and entered into a purchase agreement dated March 29, 2023 and acquired an undivided 100% interest, subject to 2% NSR, in and to 96 minerals claims within 2,400 hectares located 60 kilometres west of the Town of Nain in Newfoundland and Labrador, Canada. The Company will earn a 100% interest (subject to 2% NSR) in the Property by the issuance of 1,500,000 common shares (Issued) to the Vendor and payment of cash consideration of \$20,000 (Paid) within 5 days of receipt of approval from the TSX Venture Exchange. The Company has the right to buy back half of the NSR equal to 1.0% for \$1,000,000 at any time and the right of first refusal on the remaining 1.0% NSR.

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5. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Company has a lease contract for its facility used in the Company's operations. The lease term of the facility is 30 months. The Company applied a discount rate of 12%. Set below are the carrying amounts of the lease liability recognized and the movements during the period:

	Right-of-use Asset	Lease Liability
As at January 31, 2022	\$ -	\$ -
Additions	52,478	(52,478)
Depreciation	(19,242)	-
Interest	-	(4,485)
Lease payments	-	22,000
As at January 31, 2023	\$ 33,236	\$ (34,963)
Depreciation	(15,743)	-
Interest	-	(2,212)
Lease payments	-	18,000
As at October 31, 2023	\$ 17,493	\$ (19,175)
Non-current lease liability		\$ -
Current lease liability		(19,175)
Total lease liability		\$ (19,175)

The following table shows the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at October 31, 2023:

January 31, 2024	\$ 6,000
January 31, 2025	14,000
Total	\$ 20,000

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2023	January 31, 2023
Accounts payable (Note 7)	\$ 629,818	\$ 543,512
Accrued liabilities	40,000	47,250
	\$ 669,818	\$ 590,762

7. RELATED PARTY TRANSACTIONS AND BALANCES AND KEY MANAGEMENT COMPENSATION

Key management includes former and current directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer. The remuneration of key management personnel during the periods ended October 31, 2023 and 2022 is summarized below:

	October 31, 2023	October 31, 2022
Management fees to the CEO of the Company	\$ 25,000	\$ -
Management fees to the CFO of the Company	4,500	4,500
Management and consulting fees to Directors of the Company	22,000	19,000
Share-based payments (Note 8)	147,705	52,178
Total	\$ 199,205	\$ 75,678

As at October 31, 2023, the Company owed \$62,744 (January 31, 2023 - \$77,914) recorded in accounts payable and accrued liabilities for payments made by the CEO on behalf of the Company and for services provided by the Company's former CEO and the CFO (Note 6). The amounts owing is current and former officers, directors, and key management personnel are unsecured, non-interest bearing and due on demand.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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8. SHARE CAPITAL

Authorized:

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

Issued and outstanding:

On December 15, 2022, the Company completed its share consolidation to consolidate all of the Company's issued and outstanding common shares on the basis of every ten (10) old common shares being consolidated into one (1) new common share. All share and per-share disclosures in these consolidated financial statements are presented on a post-consolidation basis.

As at October 31, 2023, the issued share capital is comprised of 29,639,279 (January 31, 2023 – 7,146,784) common shares.

For the period ended October 31, 2023, the Company had the following share capital transactions:

On February 1, 2023, the Company issued 17,000,000 Units for gross proceeds of \$1,700,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share in the capital of the Company at a price of \$0.20 per share for a period of 36 months from the date of issuance. The fair value of private placement warrants was estimated to be \$728,586 using the relative fair-value method and Black-Scholes Option Pricing model with the following assumptions: term of 3 years; expected volatility of 137%; risk-free rate of 3.19%; and expected dividends of zero.

In connection with the private placement, the Company paid finders' fees of \$60,640 and issued 454,400 broker warrants ("Broker Warrants"). Each Broker Warrant is exercisable to acquire one additional common share at a price of \$0.10 for a period of three years from the date of issuance. The fair value of the Broker Warrants was estimated to be \$60,052 using the Black-Scholes Option Pricing Model with the following assumptions: term of 3 years; expected volatility of 137%; risk-free rate of 3.19%; and expected dividends of zero.

On February 17, 2023, the Company issued 25,000 common shares pursuant to the Rey Lake option agreement (Note 4).

On May 24, 2023, the Company issued 937,500 flow-through ("FT") units for gross proceeds of \$150,000. Of the total proceeds of \$150,000, \$9,375 was allocated to a flow-through premium liability. Each unit consists of one flow-through common share in the capital of the Company and one-half of one transferable common share purchase warrant. Each warrant entitles the holder to purchase one non-flow through share in the capital of the Company at a price of \$0.20 per share for a period of 24 months from the date of issuance. The fair value of private placement warrants was estimated to be \$52,407 using the relative fair-value method and Black-Scholes Option Pricing model with the following assumptions: term of 2 years; expected volatility of 114%; risk-free rate of 4.08%; and expected dividends of zero.

In connection with the private placement, the Company paid finders' fees of \$7,500 and issued 93,750 broker warrants ("Broker Warrants"). Each Broker Warrant is exercisable to acquire one additional common share at a price of \$0.16 for a period of two years from the date of issuance. The fair value of the Broker Warrants was estimated to be \$8,217 using the Black-Scholes Option Pricing Model with the following assumptions: term of 2 years; expected volatility of 114%; risk-free rate of 4.08%; and expected dividends of zero.

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8. SHARE CAPITAL (CONTINUED)

On May 30, 2023, the Company issued 30,000 common shares pursuant to the Blackdome Mineral property agreement (Note 4).

On September 1, 2023, the Company issued 3,000,000 flow-through common shares of the Company (the "FT Shares") at a price of \$0.15 for gross proceeds of \$450,000. Of the total proceeds of \$450,000, \$15,000 was allocated to a flow-through premium liability. In connection with the Private Placement, the Company paid finder fees of \$45,000 cash and issued 300,000 non-transferable finder's warrants ("Finder's Warrants") to an eligible arm's length party. Each Finder's Warrant is exercisable to acquire one additional common share in the capital of the Company, at an exercise price of \$0.15 per common share for a period of two years from closing. The fair value of the Broker Warrants was estimated to be \$27,966 using the Black-Scholes Option Pricing Model with the following assumptions: term of 2 years; expected volatility of 128%; risk-free rate of 4.46%; and expected dividends of zero.

For the period ended October 31, 2022, the Company had the following share capital transactions:

On August 15, 2022, the Company completed a private placement and issued 510,000 Units ("Units") at a price of \$0.50 per Unit. Each Unit consists of one common share and one-half share purchase warrant. Each Warrant entitles the holder to purchase one capital share at an exercise price of \$0.70 for a period of two years. The fair value of private placement warrants was estimated to be \$47,695 using the relative fair-value method and Black-Scholes Option Pricing Model with the following assumptions: term of 2 years; expected volatility of 111%; risk-free rate of 3.16%; and expected dividends of zero.

On February 24, 2022, the Company issued 25,000 common shares with a fair value of \$13,750 for the acquisition the Rey Lake Property (Note 4).

During the period ended October 31, 2022, the Company issued 259,467 common shares pursuant to various warrant exercises for gross proceeds of \$143,485. The Company reclassified \$160,740 from contributed surplus to share capital to account for the fair value of the warrants.

Stock options

The Company grants incentive stock options as permitted pursuant to the Company's Stock Option Plan (the "Plan") approved by the directors on May 28, 2012 which complies with the rules and policies of the TSX Venture Exchange. Under the Plan, the aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Company at the time of the granting of options. Options granted may not exceed a term of 10 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

On March 15, 2022, the Company granted 150,000 stock options at a fair value of \$71,152 to certain directors, officers and consultants of the Company. The options are exercisable immediately to purchase one common share of the Company at \$0.50 per share and expire on March 15, 2027. The fair value of the options granted was determined using the Black-Scholes Option Pricing Model with the following assumptions: stock price at grant date of \$0.55, risk-free rate of 1.96%, term of 5 years, expected volatility of 128% and no expected dividends.

On September 6, 2023, the Company granted 1,700,000 stock options at a fair value of \$218,346. The options are exercisable immediately to purchase one common share of the Company at \$0.12 per share and expire on September 6, 2033. The fair value of the options granted was determined using the Black-Scholes Option Pricing Model with the following assumptions: stock price at grant date of \$0.13, risk-free rate of 3.65%, term of 10 years, expected volatility of 154% and no expected dividends.

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8. SHARE CAPITAL (CONTINUED)

As at October 31, 2023, the Company has 391,300 stock options outstanding with weighted average exercise price of \$1.00 and weighted average remaining life of 1.66 years.

Stock options (continued)

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

	Number of Options	Weighted Average Exercise Price (\$)
Outstanding and exercisable, January 31, 2022	276,300	1.00
Issued	150,000	0.50
Expired	(5,000)	(1.00)
Outstanding and exercisable, January 31, 2023	421,300	0.82
Granted	1,700,000	0.12
Expired	(30,000)	(1.00)
Outstanding and exercisable, October 31, 2023	2,091,300	0.25

The following table summarizes stock options outstanding and exercisable as at October 31, 2023:

Outstanding and exercisable	Exercise Price \$	Weighted average remaining life	Expiry date
230,000	1.00	0.41	January 12, 2024
11,300	0.75	0.02	November 9, 2023
150,000	0.50	1.49	March 15, 2027
1,700,000	0.12	9.85	September 6, 2023
391,300		8.28	

Warrants

A summary of the Company's warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Outstanding and exercisable, January 31, 2022	1,499,167	1.00
Exercised	514,467	1.10
Expired	(782,200)	(0.60)
Cancelled	(259,467)	(0.55)
Outstanding and exercisable, January 31, 2023	971,967	0.95
Issued	18,316,900	0.20
Expired	(516,967)	(1.00)
Outstanding and exercisable, October 31, 2023	18,771,900	0.19

On March 15, 2022, the Company amended 1,053,667 warrants to an exercise price of \$0.553. The original warrant price ranged between \$1.00 to \$1.50. For each warrant exercised by May 28, 2022, the Company issued an additional warrant exercisable at \$1.50 for one year. In May 2022, 259,467 warrants were exercised at \$0.553 for gross proceeds of \$143,485 and the Company issued an additional 259,467 warrants.

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8. SHARE CAPITAL (CONTINUED)

Warrants (continued)

The following table summarizes share purchase warrants outstanding and exercisable as at October 31, 2023:

Outstanding and exercisable	Exercise Price \$	Weighted Average Remaining Life	Expiry date
120,000	0.70	0.40	December 23, 2023
80,000	1.00	0.40	December 23, 2023
255,000	0.70	1.04	August 15, 2024
468,750	0.20	1.82	May 24, 2025
93,750	0.16	1.82	May 24, 2025
300,000	0.15	1.84	September 1, 2025
17,000,000	0.20	2.51	February 1, 2026
454,400	0.10	2.51	February 1, 2026
18,771,900		2.42	

9. MANAGEMENT OF CAPITAL

The Company defines capital as debt and all accounts in equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

As at October 31, 2023, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company will continue to rely on capital markets to support continued growth. The Company is not subject to any externally imposed capital requirement. There were no changes to the Company's approach to risk management during the year.

10. FINANCIAL INSTRUMENT AND FINANCIAL RISK

The Company's financial instruments include cash and accounts payable. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Fair value of financial instruments

IFRS 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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10. FINANCIAL INSTRUMENT AND FINANCIAL RISK (CONTINUED)

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

As at October 31, 2023

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash	832,072	-	-	832,072

As at January 31, 2023

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash	813,304	-	-	813,304

Financial risk management objectives and policies:

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

(i) *Currency risk*

Currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash, the Company places the instrument with a high credit quality financial institution.

(iv) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at October 31, 2023, the Company had cash of \$832,072 (January 31, 2023 - \$813,304) to settle current liabilities of \$694,270 (January 31, 2023 - \$614,005) which fall due for payment within 12 months.

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11. SUBSEQUENT EVENTS

- a) Subsequent to the period ended October 31, 2023, the Company entered into an option agreement dated November 7, 2023 (the "Option Agreement") with SSAF Collective, an arm's length optionor group to the Company (the "Optionor"), whereby the Optionor has granted the Company the right to acquire a 100% undivided legal and beneficial interest in nine mineral licenses consisting of 161 mineral claims located in central Newfoundland (the "Pipestone Project" or the "Property").

On November 23, 2023, the Company issued 500,000 common shares and paid \$30,000 to the Optionors. The Shares are subject to a statutory hold period of 4 months and one day from issuance in accordance with Canadian securities laws that will expire on March 24, 2024. Under the terms of the Option Agreement the Company has the right to acquire a 100% undivided legal and beneficial interest in nine mineral licenses consisting of 161 mineral claims located in central Newfoundland by making cash payments of \$380,000, issuing an aggregate of 4,000,000 Shares and incurring \$1,500,000 in expenditures over a period of four years.

- b) Subsequent to the period ended October 31, 2023, the Company issued 75,000 common shares and paid \$50,000 as option payments pursuant to the Voisey's West Property (formerly known as TL Nickel Property) agreement (Note 4).