



NORTHERNSHIELD
RESOURCES INC.

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements

(unaudited and expressed in Canadian Dollars)

For the three and nine-month periods ended September 30, 2024, and 2023

[Note: an auditor has not reviewed these unaudited interim financial statements]



Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

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NORTHERN SHIELD RESOURCES INC.
(An Exploration Stage Company)
Condensed Interim Statements of Financial Position
as at September 30, 2024 and December 31, 2023
(unaudited and expressed in Canadian Dollars)

	As at	September 30, 2024 (unaudited)	December 31, 2023 (unaudited)
CURRENT ASSETS			
Cash	\$	111,249	\$ 175,532
Amounts receivable		16,289	81,245
Prepaid expenses		72,746	99,869
		200,284	356,646
Investment in shares		833	833
Exploration and evaluation assets (Note 3)		2,401,848	5,620,534
Property and equipment (Note 4)		34,666	40,517
	\$	2,637,631	\$ 6,018,530
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	\$	384,741	\$ 714,447
Deferred flow-through premium liability (Note 5)		52,756	102,176
		437,497	816,623
SHAREHOLDERS' EQUITY			
Share capital (Note 6)		33,633,460	33,629,460
Reserves		4,741,175	4,741,175
Deficit		(36,174,501)	(33,168,728)
		2,200,134	5,201,907
	\$	2,637,631	\$ 6,018,530

Nature of operations and going concern (Note 1)

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

APPROVED BY THE BOARD

/s/ Ian C. Bliss

Director

/s/ Russell M. Richards

Director



NORTHERN SHIELD RESOURCES INC.
(An Exploration Stage Company)
Condensed Interim Statements of Comprehensive Profit/(Loss)
for the three and nine-month periods ended September 30, 2024 and 2023
(unaudited and expressed in Canadian Dollars)

	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(3 months) (Unaudited)	(3 months) (Unaudited)	(9 months) (Unaudited)	(9 months) (Unaudited)
Expenses				
Property investigation	\$ 3,900	\$ -	\$ 3,900	\$ -
Property write-downs (Note 3)	-	-	3,408,170	-
General and administrative (Note 8)	99,047	373,577	403,444	678,021
Loss before other income (expenses)	102,947	373,577	3,815,514	678,021
Other income (expenses)				
Government assistance (Note 10)	5,367	-	673,816	-
Recognition of flow-through share premium liability (Note 5)	35,802	11,660	49,420	49,330
Interest income	-	-	86,505	-
NET LOSS AND COMPREHENSIVE LOSS	\$ 61,778	\$ 361,917	\$ 3,005,773	\$ 628,691
Weighted average common shares outstanding	83,361,917	78,495,308	83,297,058	73,068,878
Basic and diluted loss per share (Note 7)	\$ 0.00	\$ 0.00	\$ 0.04	\$ 0.01

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



NORTHERN SHIELD RESOURCES INC.
(An Exploration Stage Company)
Condensed Interim Statements of Changes in Equity
for the nine-month periods ended September 30, 2024 and 2023
(unaudited and expressed in Canadian dollars)

	Share Capital		Reserves		Deficit	Total
	Number of Shares	Amount	Share-based Payments	Warrants		
Balance at January 1, 2023	68,347,475	\$32,820,663	\$ 4,463,423	\$ 99,415	\$(32,177,496)	\$ 5,206,005
Shares issued for property option	1,600,000	81,000	-	-	-	81,000
Shares issued for cash	7,950,000	467,500	-	-	-	467,500
Shares issued by flow-through share placemen	4,236,616	317,380	-	-	-	317,380
Flow-through premium liability	-	(102,069)	-	-	-	(102,069)
Share issue costs	-	(7,598)	-	1,848	-	(5,750)
Expiry of warrants	-	30,903	-	(30,903)	-	-
Share-based compensation	-	-	204,100	-	-	204,100
Loss for the period	-	-	-	-	(628,691)	(628,691)
Balance at September 30, 2023	82,134,091	33,607,779	4,667,523	70,360	(32,806,187)	5,539,475
Shares issued for property option	130,000	5,200	-	-	-	5,200
Shares issued by flow-through placement	1,000,000	50,000	-	-	-	50,000
Flow-through premium liability	-	(10,000)	-	-	-	(10,000)
Share issue costs	-	(23,519)	-	3,292	-	(20,227)
Loss for the period	-	-	-	-	(362,541)	(362,541)
Balance at December 31, 2023	83,264,091	33,629,460	4,667,523	73,652	(33,168,728)	5,201,907
Shares issued for property option	100,000	4,000	-	-	-	4,000
Loss for the period	-	-	-	-	(3,005,773)	(3,005,773)
Balance at September 30, 2024	83,364,091	\$33,633,460	\$ 4,667,523	\$ 73,652	\$(36,174,501)	\$ 2,200,134

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



NORTHERN SHIELD RESOURCES INC.
(An Exploration Stage Company)
Condensed Interim Statements of Cash Flows
for the nine-month periods ended September 30, 2024 and 2023
(unaudited and expressed in Canadian Dollars)

	September 30, 2024	September 30, 2023
	(9 months)	(9 months)
	(Unaudited)	(Unaudited)
NET INFLOW (OUTFLOW) OF CASH AND CASH EQUIVALENTS RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Net profit/(loss)	\$ (3,005,773)	\$ (628,691)
Items not affecting cash		
Amortization - administrative	2,581	3,225
Recognition of flow-through premium	(49,420)	52,739
Property write-down	3,408,170	-
Changes in non-cash operating working capital items:		
Amounts receivable	64,956	-
Subscription receivable	-	(22,711)
Prepaid expenses	27,123	(15,886)
Accounts payable and accrued liabilities	(215,714)	56,765
	235,823	(350,459)
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditures on mineral properties	(320,137)	(159,033)
Government assistance	20,031	-
	(300,106)	(159,033)
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of share capital, net of issuance costs	-	577,061
	-	577,061
NET CASH AND CASH EQUIVALENTS INFLOW	(64,283)	67,569
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	175,532	216,977
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 111,249	\$ 284,546

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



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(*unaudited and expressed in Canadian Dollars*)

1. NATURE OF OPERATIONS AND GOING CONCERN

Northern Shield Resources Inc. (the "Company" or "Northern Shield"), an exploration and evaluation stage company, incorporated under the *Canada Business Corporations Act*, is a natural resource company engaged in the business of identifying, acquiring, and exploring mineral properties located primarily in Eastern Canada.

The Company's head office is situated at 150 Elgin St, 10th Floor, Ottawa, Ontario. The Company's shares trade on the TSX Venture Exchange under the symbol NRN.

The Company has not yet determined whether any of their properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties is dependent upon the existence of reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete the development of the properties, and ultimately upon future profitable production or proceeds from disposition of the mineral properties.

As Northern Shield does not have an interest in revenue-producing properties, the Company has no operating income or earnings and, as such, its net loss may not be a meaningful indicator of its performance or potential. Exploration activities and the Company's expenses are financed by the periodic issuance of common shares and other equity securities.

There are many external factors that can adversely affect general workforces, economies, and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

Going concern

These consolidated financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. At September 30, 2024, the Company had accumulated losses of \$36,174,501. For the nine-month period then ended incurred a loss of \$3,005,773 and had positive operating cash flows of \$235,823.



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These consolidated financial statements ("Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The Board of Directors authorized these Financial Statements for issue on November 22, 2024.

Basis of Preparation

These Financial Statements have been prepared on a historical cost basis except for financial instruments measured at fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned Canadian subsidiary Seabourne Resources Inc. All intercompany balances and transactions are eliminated upon consolidation.

Use of Judgments and Estimates

In preparing these interim financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2023.

Significant Accounting Policies

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 2 of the financial statements for the year ended December 31, 2023. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2023.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS

The following table summarizes the exploration expenditures incurred on each of the Company's mineral properties:

	QC <u>Idefix</u>	NS <u>Shot Rock</u>	NL <u>Root&Cellar</u>	NL <u>Merasheen</u>	NL <u>Zuleika</u>	<u>Total</u>
Percent Ownership	100%	88.6%	100%	100%	0%	
At January 1, 2023	\$ 2,431	\$ 3,385,247	\$ 1,737,231	\$ 226,607	\$ 26,000	\$ 5,377,516
Expenditures						
Acquisition	3,496	-	87,230	1,200	-	91,926
Exploration	14,104	15,843	374,952	-	-	404,899
Total Expenditures	17,600	15,843	462,182	1,200	-	496,825
Property write-down	-	-	-	(227,807)	(26,000)	(253,807)
At December 31, 2023	\$ 20,031	\$ 3,401,090	\$ 2,199,413	\$ -	\$ -	\$ 5,620,534
Expenditures						
Acquisition	-	-	84,924	-	-	84,924
Exploration	-	10,980	117,511	-	-	128,491
Total Expenditures	-	10,980	202,435	-	-	213,415
Government assistance	(20,031)	-	-	-	-	(20,031)
Expensed current exploration	-	(3,900)	-	-	-	(3,900)
Property write-down	-	(3,408,170)	-	-	-	(3,408,170)
At September 30, 2024	\$ -	\$ -	\$ 2,401,848	\$ -	\$ -	\$ 2,401,848

The Company currently holds a 100% interest in the Idefix property.

Shot Rock

During the year ended December 31, 2017, the Company entered into a property exploration option agreement with a prospector that gave the Company the right to acquire up to an 80% interest in the Shot Rock property in Nova Scotia. As at December 31, 2022, the Company had earned its 80% interest by making total cash payments of \$100,000, issuing the prospector 230,000 common shares and incurring \$2,000,000 in exploration expenditures.

As at September 30, 2024, the Company held an 88.6% (December 31, 2023 – 88.6%) interest in the property as the Company incurred a further \$10,980 in exploration expenditures during the nine-month period ended September 30, 2024 (2023 fiscal year - \$15,843) and its interest rose as the prospector did not contribute to exploration.

The prospector will retain a 1% net smelter returns royalty ("NSR") of which half (0.5%) can be bought back by the Company for \$1,000,000.

During the nine-month period ended September 30, 2024, the Company decided not to pursue any further exploration on the property and wrote off costs totaling \$3,408,170.



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Root & Cellar

During the year ended December 31, 2019, the Company entered into a property exploration option agreement with a prospector that gives the Company the right to acquire up to an 100% interest in the Root & Cellar property in Newfoundland.

During the nine-month period ended September 30, 2024, the Company finished satisfying the requirements of the agreement and now holds a 100% interest in the property. The prospector retains a 2.5% NSR of which 1.0% may be bought back by the Company for \$1,500,000.

Merasheen

During the year ended December 31, 2020, the Company acquired two licences through staking and, through an option agreement, acquired the right to earn a 100% interest in an adjacent licence, known collectively as the Merasheen property in Newfoundland.

During the year ended December 31, 2023, the Company wrote-off costs totaling \$227,807 as the option agreement was terminated and the licenses expired. The Company issued 30,000 common shares in connection with the termination.

Zuleika

During the year ended December 31, 2022, the Company entered into a property exploration option agreement with a prospector that gives the Company the right to acquire up to an 100% interest in the Zuleika property in Newfoundland.

During the year ended December 31, 2023, the Company wrote-off costs totaling \$26,000 as the option agreement was terminated.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

4. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Field Equipment	Furniture/ Fixtures	Office Equipment	Computer Software	Total
Cost					
January 1, 2023	\$ 223,438	\$ 27,941	\$ 143,038	\$ 45,658	\$ 440,075
Additions/(Disposals)	-	-	-	-	-
December 31, 2023	223,438	27,941	143,038	45,658	440,075
Additions/(Disposals)	-	-	-	-	-
September 30, 2024	\$ 223,438	\$ 27,941	\$ 143,038	\$ 45,658	\$ 440,075
Accumulated Amortization					
January 1, 2023	\$ (195,288)	\$ (27,941)	\$ (121,899)	\$ (45,024)	\$ (390,152)
Amortization	(5,222)	-	(3,922)	(262)	(9,406)
December 31, 2023	(200,510)	(27,941)	(125,821)	(45,286)	(399,558)
Amortization	(3,270)	-	(2,457)	(124)	(5,851)
September 30, 2024	\$ (203,780)	\$ (27,941)	\$ (128,278)	\$ (45,410)	\$ (405,409)
Carrying Values					
December 31, 2023	\$ 22,928	\$ -	\$ 17,217	\$ 372	\$ 40,517
September 30, 2024	\$ 19,658	\$ -	\$ 14,760	\$ 248	\$ 34,666

Exploration-related asset amortization of \$3,270 was allocated to mineral properties during the nine-month period ended September 30, 2024 (2023 - \$4,015).

5. DEFERRED FLOW-THROUGH PREMIUM LIABILITY

This amount represents the deferred flow-through premium liability recognized on flow-through share issuances that will be recorded as other income as the flow-through funds raised are expended on exploration.

The following is a continuity of the flow-through premium liability:

Balance at January 1, 2023	\$ 110,652
Additions to flow-through premium liability	112,069
Settlement of liability through qualified expenditures	(120,545)
Balance at December 31, 2023	102,176
Settlement of liability through qualified expenditures	(49,420)
Balance at September 30, 2024	\$ 52,756

As at September 30, 2024, the Company is obligated to spend approximately \$234,000 (December 31, 2023 – \$362,000) on qualifying expenditures related to its flow-through shares issuances.



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

6. SHARE CAPITAL

Authorized and Issued

An unlimited number of voting common shares are authorized for issue and, subject to priority rights of other share classes, are entitled to receive dividends when and if declared by the Board of Directors. There were 83,364,091 voting common shares issued and outstanding at September 30, 2024 (86,264,091 at December 31, 2023).

An unlimited number of preferred shares are authorized for issue in series. There were no preferred shares issued at September 30, 2024 (none at December 31, 2023).

Property Options

During the nine-month period ended September 30, 2024, 100,000 shares were issued as consideration for maintaining certain property options. The shares were valued at \$4,000.

During the nine-month period ended September 30, 2023, 1,600,000 shares were issued as consideration for maintaining certain property options. The shares were valued at \$81,000.

Private Placements

During nine-month period ended September 30, 2023, the company issued 1,250,000 units at \$0.05 per unit for gross proceeds of \$62,500. Each unit consisted of one common share and one common share purchase warrant.

The Company also issued 1,500,000 units at \$0.05 per unit for gross proceeds of \$75,000. Each unit consisted of one common share and one common share purchase warrant.

The Company also issued 3,800,000 units at \$0.05 per unit for gross proceeds of \$190,000. Each unit consisted of one common share and one common share purchase warrant.

The Company also issued 400,000 units at \$0.10 per unit for gross proceeds of \$40,000. Each unit consisted of one common share and one common share purchase warrant.

The Company also issued 1,000,000 units at \$0.10 per unit for gross proceeds of \$100,000. Each unit consisted of one common share and one common share purchase warrant.

Flow-Through Private Placements

During the nine-month period ended September 30, 2023, the Company issued 384,616 flow-through share units at \$0.065 per unit for gross proceeds of \$25,000. Each unit consisted of one flow-through common share and one-half common share purchase warrant. The difference between the issue price of the shares and market value on date of issuance of \$5,769 was recorded as deferred flow-through share premium liability.



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

6. SHARE CAPITAL (continued)

The Company also issued 3,152,000 flow-through share units at \$0.065 per unit for gross proceeds of \$204,880. Each unit consisted of one flow-through common share and one-half common share purchase warrant. The difference between the issue price of the shares and market value on date of issuance of \$78,800 was recorded as deferred flow-through share premium liability.

The Company also issued 700,000 flow-through share units at \$0.065 per unit for gross proceeds of \$87,500. Each unit consisted of one flow-through common share and one-half common share purchase warrant. The difference between the issue price of the shares and market value on date of issuance of \$17,500 was recorded as deferred flow-through share premium liability.

Share Issue Costs

The Company incurred no share issue costs during the nine-month period ended September 30, 2024.

During the nine-month period ended September 30, 2023, a total of \$7,598 of share issue expenses were incurred. This amount included the issuance of 70,000 finders warrants with a value of \$1,400 estimated using the Black-Scholes option pricing model, with an estimated volatility of 85%, dividend rate of 0% and risk-free rate of 3.7% and expected life of 2 years, and a further 14,000 finders warrants with a value of \$448 estimated using the Black-Scholes option pricing model, with an estimated volatility of 93%, dividend rate of 0% and risk-free rate of 4.5% and expected life of 2 years.

Warrants

The following continuity summarizes the Company's outstanding warrants over the period covered by these Financial Statements:

	<u>Quantity</u>	<u>Weighted Average Exercise Price</u>
Balance, January 1, 2023	7,651,722	\$ 0.15
Issued	10,867,698	0.12
Expired	(695,583)	0.50
Balance, December 31, 2023	17,823,837	0.12
No activity	-	-
Balance, September 30, 2024	17,823,837	\$ 0.12



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

6. SHARE CAPITAL (continued)

Additional information regarding warrants outstanding as at September 30, 2024:

<u>Issue Date</u>	<u>Exercise Price</u>	<u>Quantity</u>	<u>Expiry Date</u>
November 24, 2022	\$ 0.125	2,856,139	November 24, 2024
November 24, 2022	\$ 0.10	4,100,000	November 24, 2024
March 25, 2023	\$ 0.10	1,320,000	March 25, 2025
April 6, 2023	\$ 0.10	1,500,000	April 6, 2025
April 6, 2023	\$ 0.125	192,308	April 6, 2025
July 19, 2023	\$ 0.10	3,800,000	July 19, 2025
August 3, 2023	\$ 0.125	1,791,390	August 3, 2025
September 12, 2023	\$ 0.20	1,400,000	September 12, 2025
September 12, 2023	\$ 0.22	364,000	September 12, 2025
December 29, 2023	\$ 0.10	500,000	December 29, 2025
		17,823,837	

Stock options

The Company has established a Stock Option Plan (the "Plan") to develop the interest and incentive of eligible employees, directors and consultants in the Company's growth and development. The aggregate number of share options which may be issued and outstanding at any time under this plan shall not exceed 10% of the total number of issued and outstanding shares of the Company unless the Company receives the permission of the TSX-V and its shareholders. As at September 30, 2024, 8,336,409 common share options were authorized to be issued and outstanding under the Plan (December 31, 2023 – 8,326,409). Stock options are granted with an exercise price equal to the underlying common stock's fair value at the time of grant. Once vested, options may be exercised during a period not exceeding five years from the date of grant, subject to earlier termination if the option holder ceases to be a director, officer, employee, or consultant of the Company.

The following summarizes the Company's outstanding option obligations over the period covered by these Financial Statements:

	<u>Quantity</u>	<u>Weighted Average Exercise Price</u>
Balance, January 1, 2023	810,000	\$ 0.50
Issued	6,280,000	0.12
Expired	(100,000)	0.50
Balance, December 31, 2023	6,990,000	0.16
Expired	(680,000)	0.50
Balance, September 30, 2024	6,310,000	\$ 0.12

At September 30, 2024, the remaining pool of options available for grant was 2,026,409 (December 31, 2023 – 1,336,409).



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

6. SHARE CAPITAL (continued)

Additional information regarding options outstanding as at September 30, 2024:

<u>Issue Date</u>	<u>Exercise Price</u>	<u>Quantity</u>	<u>Expiry Date</u>	<u>Exercisable</u>
January 15, 2020	\$ 0.50	30,000	January 15, 2025	30,000
August 8, 2023	\$ 0.12	6,280,000	August 8, 2028	6,280,000
		<u>6,310,000</u>		<u>6,310,000</u>

Share-based compensation

The Black-Scholes option pricing model, used by the Company to calculate option values, was developed to estimate the fair value of freely tradable, fully transferable options without vesting restrictions, which significantly differ from the Company's option awards.

These models require subjective assumptions, including future stock price volatility and expected time until exercise, which affect calculated values, summarized in the table below.

<u>Assumptions</u>	<u>2024</u>	<u>2023</u>
Lifetime	N/A	5 years
Interest Rate	N/A	4.0
Annual Volatility	N/A	102%
Dividends	N/A	none

During the nine-month period ended September 30, 2024, the Company incurred no share-based compensation expense (2024 - nil).

7. LOSS PER SHARE

Basic loss per common share is calculated using the weighted average number of common shares outstanding during the year. As the Company has recorded a loss in each of the periods presented, the following table presents the securities excluded from the loss per share computation for the nine-month periods ended September 30:

	<u>2024</u>	<u>2023</u>
Stock options	6,310,000	6,990,000
Stock purchase warrants	17,823,837	17,108,447
	<u>23,133,837</u>	<u>24,098,447</u>



Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

8. NATURE OF EXPENSES

General and administrative expenses comprised the following during the nine-month periods ended September 30:

	2024	2023
Remuneration and consulting fees (Note 9)	\$ 190,927	\$ 202,959
Office expenses	30,680	25,301
Travel expenses	9,991	10,749
Marketing expenses	25,140	88,323
Professional fees (Note 9)	88,801	91,250
Public company expenses	34,017	29,904
Insurance expenses	21,307	22,429
Amortization (Note 4)	2,581	3,006
	403,444	473,921
Share-based compensation	-	204,100
	403,444	678,021

9. RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

The following table presents the compensation earned by key members of management during the nine-month periods ended September 30, noted below:

	2024	2023
Salaries	\$ 173,219	\$ 180,156
Benefits	5,973	4,956
Share-based compensation	-	61,750
	\$ 171,192	\$ 246,862

The following table presents the professional fees incurred during the nine-month periods ended September 30 and any amounts owed to at the end of each period, a law firm at which the Company's corporate secretary is a partner.

	2024	2023
Professional fees incurred	21,717	47,693
Amounts owed	-	32,614

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

10. GOVERNMENT ASSISTANCE

During the nine-month period ended September 30, 2024, the Company received \$693,847 (2023 – nil) of government resource tax credit, \$20,031 of which was applied against capitalized exploration expenditures (Note 3).

11. SEGMENT INFORMATION

The Company has one operating segment involved in the exploration of resource properties. All the Company's exploration activities were in Canada.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Market risk

Market risk is the risk that changes in market prices, such as equity prices, interest rates and foreign exchange rates will affect the Company's income (loss) or the value of its financial instruments.

Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

Foreign exchange risk

The Company is not exposed to significant foreign exchange risk due to the low volume of foreign currency transactions.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's unbilled receivables.

a) Concentration of credit risk

Counterparties expose the Company to credit-related losses in the event of non-performance. By dealing with only creditworthy counterparties, the Company's credit exposure is minimized. There were no amounts due to the Company from non-governmental counterparties at September 30, 2024.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2024, and 2023
(unaudited and expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Credit risk exposure

The carrying amounts of the cash, and amounts receivable represent the maximum exposure to credit risk. The maximum exposure to credit risk at September 30, 2024, was \$127,538 (December 31, 2023 - \$256,777). The cash is held by the Company's banks, two of the large Canadian chartered banks. Since the inception of the Company, no losses have been suffered in relation to cash held in the bank.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had a cash balance of \$111,249. To date, the Company has incurred significant operating losses. The Company's ability to continue as a going concern is dependent on its ability to generate sufficient capital through either revenues or through further financings. The Company is exposed to liquidity risk.

Fair values

- a) The fair value of amounts receivable, accounts payable and accrued liabilities and lease liability is approximately equal to their carrying value due to their short terms to maturity.
- b) Fair value hierarchy

Financial instruments recorded at fair value on the Consolidated Statement of Financial Position are classified using 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 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on 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).

Notes to the Condensed Interim Consolidated Financial Statements

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12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The fair value of the investment in shares is determined based on recent market transactions for similar instruments issued by that company. Cash and the investment in shares are level 1 instruments.

13. CAPITAL MANAGEMENT

The Company aims to maintain a strong capital base to maintain investor, creditor and market confidence, to fund future exploration and maintain the ability to continue as a going concern. Capital is defined as the Company's shareholders' equity. The Company does not have any long-term debt and the Company does not intend to assume any until any given development project warrants it. The Board of Directors does not establish quantitative capital criteria for management; but rather promotes the use of periodic equity financing events as the primary method of funding administrative operations and exploration and development. Other methods open to management to fund exploration include extending joint venture or earn-in opportunities to other parties relating to specific properties.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

14. SUBSEQUENT EVENTS

Subsequent to the nine-month period ended September 30, 2024, the Company extended the exercise periods of a total of 6,605,385 common share purchase warrants which had been issued pursuant to a private placement which closed on November 24, 2022, by twelve months. Of the warrants, 4,100,000 are exercisable at \$0.10 and 2,505,385 are exercisable at \$0.125. The warrants now have an expiry date of November 24, 2025.