



CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEARS ENDED APRIL 30, 2024 AND 2023

TSXV: URZ
OTCQB: NVDEF

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of URZ3 Energy Corp. (formerly Nevada Exploration Inc.)

Opinion

We have audited the consolidated financial statements of URZ3 Energy Corp. (formerly Nevada Exploration Inc.) (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$1,139,298 during the year ended April 30, 2024 and that further funds will be required to fund activities for the upcoming year. As stated in Note 1, these events or conditions, along with other matters that are set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended April 30, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Joseph Man.

RSM Canada LLP

Chartered Professional Accountants
August 23, 2024
Edmonton, Alberta

URZ3 ENERGY CORP. (FORMERLY NEVADA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	April 30, 2024	April 30, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 307,736	\$ 10,523
Other receivables (Note 3)	9,210	7,924
Prepaid expenses (Note 4)	21,390	28,591
Total current assets	338,336	47,038
Non-current assets		
Equipment and intangible assets (Note 6)	-	96,729
Deposits and bonds (Note 8)	87,103	86,179
Total non-current assets	87,103	182,908
Total assets	\$ 425,439	\$ 229,946
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 5 and 9)	\$ 286,357	\$ 634,046
Short-term loan payable (Note 5)	-	258,464
Total liabilities	286,357	892,510
Equity		
Capital stock (Note 10)	40,577,845	36,460,330
Reserves (Note 10)	2,214,185	4,865,510
Deficit	(42,652,948)	(41,988,404)
Total equity	139,082	(662,564)
Total liabilities and equity	\$ 425,439	\$ 229,946

Nature of operations, continuance of operations and going concern (Note 1)

Subsequent events (Notes 7 and 16)

Approved and authorized on behalf of the Board on: August 23, 2024

"Darcy Higgs" Director *"John Larson"* Director

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

URZ3 ENERGY CORP. (FORMERLY NEVADA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Year ended April 30, 2024	Year ended April 30, 2023
EXPENSES		
Amortization (Note 6)	\$ 48,218	\$ 68,205
Equipment and vehicles	2,087	13,681
Exploration and evaluation expenditures (Note 7)	345,141	1,304,563
Filing fees	81,754	81,855
Foreign exchange	6,250	13,805
Interest and bank charges	15,359	11,768
Investor relations	-	24,685
Office expenses and other	81,437	110,024
Professional fees and consultants (Note 5)	424,869	452,234
Rent	102,843	129,351
Salaries (Note 5)	1,090	210,327
Software	12,918	103,172
Share-based payments (Note 5 and 10)	5,071	186,816
Travel	12,426	22,671
Total operating expenses	(1,139,463)	(2,733,157)
OTHER INCOME (EXPENSE)		
Consulting Income	-	35,035
Interest income	440	137
Proceeds received from royalties (Note 11)	-	665,683
Loss on disposal of equipment (Note 6)	(275)	-
Loss on sale of short-term investments	-	(6,400)
Impairment of prepaid (Note 4)	-	(1,072,581)
Total other items	165	(378,126)
Net loss for the year	(1,139,298)	(3,111,283)
OTHER COMPREHENSIVE INCOME (LOSS)		
Item that may be reclassified to profit or loss:		
Currency translation adjustment	(245)	64,911
Total comprehensive loss for the year	\$ (1,139,543)	\$ (3,046,372)
Basic and diluted loss per common share	\$ (0.07)	\$ (0.46)
Weighted average number of common shares		
Outstanding	16,524,431	6,760,810

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

URZ3 ENERGY CORP. (FORMERLY NEVADA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Capital Stock		Reserves					Total Equity
	Shares (Note 10)	Amount (Note 10)	Options (Note 10)	Warrants (Note 10)	Currency Translation	Total Reserves	Deficit	
Balance, May 1, 2022	6,744,865	\$ 35,327,467	\$ 2,192,936	\$ 4,200,429	\$ 2,181	\$ 6,395,546	\$ (39,576,021)	\$ 2,146,992
Warrants expired	-	1,058,053	-	(1,058,053)	-	(1,058,053)	-	-
Share-based payments	-	-	186,816	-	-	186,816	-	186,816
Options exercised	20,000	74,810	(24,810)	-	-	(24,810)	-	50,000
Options expired/forfeited	-	-	(698,900)	-	-	(698,900)	698,900	-
Currency translation adjustment	-	-	-	-	64,911	64,911	-	64,911
Net loss for the year	-	-	-	-	-	-	(3,111,283)	(3,111,283)
Balance, April 30, 2023	6,764,865	\$ 36,460,330	\$ 1,656,042	\$ 3,142,376	\$ 67,092	\$ 4,865,510	\$ (41,988,404)	\$ (662,564)
Balance, May 1, 2023	6,764,865	\$ 36,460,330	\$ 1,656,042	\$ 3,142,376	\$ 67,092	\$ 4,865,510	\$ (41,988,404)	\$ (662,564)
Private placements	18,500,000	2,035,000	-	-	-	-	-	2,035,000
Adjustment for share consolidation rounding	12	-	-	-	-	-	-	-
Relative fair value of unit warrants issued	-	(960,980)	-	960,980	-	960,980	-	-
Warrants expired	-	3,142,377	-	(3,142,377)	-	(3,142,377)	-	-
Share issuance costs	-	(98,882)	-	-	-	-	-	(98,882)
Share-based payments	-	-	5,071	-	-	5,071	-	5,071
Options exercised	-	-	-	-	-	-	-	-
Options expired/forfeited	-	-	(474,754)	-	-	(474,754)	474,754	-
Currency translation adjustment	-	-	-	-	(245)	(245)	-	(245)
Net loss for the year	-	-	-	-	-	-	(1,139,298)	(1,139,298)
Balance, April 30, 2024	25,264,877	\$ 40,577,845	\$ 1,186,359	\$ 960,979	\$ 66,847	\$ 2,214,185	\$ (42,652,948)	\$ 139,082

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

URZ3 ENERGY CORP. (FORMERLY NEVADA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended April 30, 2024	Year ended April 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	\$ (1,139,298)	\$ (3,111,283)
Items not affecting cash:		
Amortization	48,218	68,205
Share-based payments	5,071	186,816
Loss on sale of short-term investments	-	6,400
Loss on disposal of equipment	275	-
Accrued loan interest	-	8,464
Impairment of prepaid	-	1,072,581
Changes in non-cash working capital items:		
Other receivable	(1,286)	6,474
Prepaid expenses	7,201	692,118
Accounts payable and accrued liabilities	(347,689)	211,965
Net cash used in operating activities	(1,427,508)	(858,260)
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposits and bonds	-	(6,789)
Proceeds from sale of short-term investments	-	18,600
Proceeds on sale of equipment	47,772	-
Net cash provided by investing activities	47,772	11,811
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement	2,035,000	-
Share issuance costs	(98,882)	-
Proceeds from the exercise of options	-	50,000
Short-term loan proceeds	100,000	250,000
Short-term loan repayment	(358,464)	-
Net cash provided by financing activities	1,677,654	300,000
Effect of foreign exchange	(705)	55,601
Change in cash and cash equivalents for the year	297,213	(490,848)
Cash and cash equivalents, beginning of year	10,523	501,371
Cash and cash equivalents, end of year	\$ 307,736	\$ 10,523

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

URZ3 ENERGY CORP. (FORMERLY NEVADA EXPLORATION INC.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the years ended April 30, 2024 and 2023

1. NATURE OF OPERATIONS, CONTINUANCE OF OPERATIONS AND GOING CONCERN

URZ3 Energy Corp. (formerly Nevada Exploration Inc.) (the “Company” or “URZ”) was incorporated on April 6, 2006 under the Canada Business Corporations Act and is in the business of acquiring and exploring mineral properties.

The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “URZ” and on the OTCQB marketplace under the trading symbol “NVDEF”. The Company’s head office is located at Suite 1480 - 885 West Georgia Street, Vancouver, BC V6C 3E8. The Company’s registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, BC V7Y 1B3.

These consolidated financial statements are authorized for issue on behalf of the Board of Directors on August 23, 2024.

Continuance of operations and going concern

These consolidated financial statements have been prepared on a going-concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business. These consolidated financial statements do not reflect the adjustments to carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. The Company has not produced revenues from its exploration activities and does not have a regular source of cash flow, incurred losses for the year of \$1,139,298 (2023 – \$3,111,283), and has an accumulated deficit of \$42,652,948 (2023 - \$41,988,404). The Company will periodically have to raise funds to continue operations and, although it has been successful thus far in doing so, there is no assurance it will be able to do so in the future. The Company estimates that it will need additional capital to operate for the upcoming year. These material uncertainties cast significant doubt on the Company’s ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements, unregistered claims and noncompliance with regulatory and environmental requirements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (IFRICs).

The significant accounting policies below have been applied consistently to all years. These years are based on IFRS effective as of April 30, 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Statement of compliance (cont'd...)

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary Pediment Gold LLC. The financial statements of the Company's subsidiary have been consolidated from the date that control commenced. All inter-company balances and transactions, and income and expenses have been eliminated upon consolidation.

The consolidated financial statements include the financial statements of URZ3 Energy Corp. and its subsidiary listed in the following table:

Name of Subsidiary	Country of Incorporation	Functional Currency	Ownership Interest	Principal Activity
Pediment Gold LLC	USA	US dollar	100%	Exploration company

Use of judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

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

- i) the estimated useful lives of equipment and intangible assets and the related amortization;
- ii) impairment of equipment;
- iii) valuation of share-based payments and warrants;
- iv) estimated amounts for environmental rehabilitation provisions; and
- v) going concern.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of the Company's wholly owned subsidiary Pediment Gold LLC is the US dollar.

Share issuance costs

Professional fees, consulting fees and other costs that are directly attributable to financing transactions are charged to capital stock when the related shares are issued. If the financing is not completed share issue costs are charged to profit or loss.

Cash and cash equivalents

Cash and cash equivalents consist of cash held with banks and highly liquid short-term investments in high interest saving accounts which can be withdrawn at any time, which, in the opinion of management, is subject to an insignificant risk of changes in value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Equipment and intangible assets

Equipment and intangible assets are recorded at historical cost less accumulated amortization and impairment charges. Equipment and intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Exploration equipment	5 years
Vehicles	5 years
Software	3 years

The cost of replacing a piece of equipment is recognized in the carrying amount of the equipment if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of the equipment are recognized in profit or loss as incurred.

Intangible assets acquired separately are measured on initial recognition at cost. Expenditures during the research phase are expensed as incurred. Expenditures during the development phase are capitalized if the Company can demonstrate each of the following criteria: (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (ii) its intention to complete the intangible asset and use or sell it; (iii) its ability to use or sell the intangible asset; (iv) how the intangible asset will generate probable future economic benefits; (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development; otherwise, they are expensed as incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Resource properties – exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition cost of mineral properties, property option payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Impairment

At the end of each reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Impairment is determined for an individual asset unless the asset does not generate cash inflows that are independent of those generated from other assets or group of assets, in which case, the individual assets are grouped together into cash generating units ("CGU's") for impairment purposes. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit and loss for the period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Impairment (cont'd...)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred taxes are recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that do not affect either accounting or taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize that excess.

Provision for environmental rehabilitation

The Company recognizes the fair value of a liability for the provision for environmental rehabilitation in the year in which it is incurred when a reliable estimate of fair value can be made.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the consolidated statement of comprehensive loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability. As at April 30, 2024 and 2023, the Company has not recorded any provision for environmental rehabilitation.

Warrants

Proceeds from unit placements are allocated between shares and warrants issued according to their relative fair value. The relative fair value of the share component is credited to capital stock and the relative fair value of the warrant component is credited to warrants reserve. Upon exercise of warrants, consideration paid by the warrant holder together with the amount previously recognized in warrants reserve is recorded as an increase to capital stock. Upon expiration of warrants, the amount applicable to warrants expired is recorded as an increase to capital stock.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Share-based payments (cont'd...)

The fair value of employee stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be reliably measured, they are measured at the fair value of the share-based payment consideration. Consideration paid for the shares on the exercise of stock options together with the fair value of the stock options previously recognized is credited to capital stock. When vested options are not exercised by the expiry date, the amount previously recognized in share-based payment is transferred to deficit. The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

Basic and diluted loss per common share

Basic loss per share is calculated by dividing the loss for the period by the weighted average number of common shares outstanding during the period.

Diluted loss per share is determined by adjusting the loss attributable to common shareholders by the weighted average number of common shares outstanding for the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. As at April 30, 2024 and 2023, all warrants and options outstanding are anti-dilutive.

Receivables

Receivables are recorded at face value less any provisions for uncollectible amounts considered necessary.

Revenue recognition

Interest income and costs are recognized as they accrue in the statement of operations, using the effective interest rate.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At period end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate, and non-monetary assets and liabilities, at the historical rates. Exchange differences arising on the settlement of monetary items or on translating monetary items at different rates from those at which they are translated on initial recognition during the period or in previous consolidated financial statements are recognized in profit or loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of Pediment Gold LLC are expressed in Canadian dollars using the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case exchange rates at the dates of the transactions are used. Exchange differences are recognized in other comprehensive income and reported as currency translation reserve in equity.

Foreign exchange gains and losses arising from a monetary item receivable or payable to a foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future and which in substance is considered to form a part of the net investment in the foreign operation, are recognized in foreign currency translation in the currency translation reserve.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Financial instruments

The following table summarizes the Company's classification and measurement of financial assets and financial liabilities:

Financial Assets:	Classification Under IFRS 9
Cash and cash equivalents	Amortized cost
Deposits and bonds	Amortized cost
Financial Liabilities:	
Accounts payable and accrued liabilities	Amortized cost
Short-term loan payable	Amortized cost

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

- a) Fair value through profit or loss – financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in the statement of income (loss).
- b) Amortized cost – financial assets are classified at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) the objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flow represents solely payments of principal and interest.
- c) Fair value through other comprehensive income – A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities

The Company classifies all financial liabilities at amortized cost, except for financial liabilities at fair value through profit or loss or financial liabilities that have been designated fair value through profit or loss on initial recognition.

Initial recognition

A financial asset or financial liability classified as amortized cost is initially recognized by the Company at its fair value less transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs on financial assets or liabilities designated as fair value through profit or loss are expensed.

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Financial instruments (cont'd...)

Subsequent measurement

The Company will subsequently measure a financial instrument based on its classification. Financial assets and financial liabilities classified as subsequently measured at amortized cost will be measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. The amortization of the effective interest is recognized in profit or loss. Financial assets at fair value through other comprehensive income will have subsequently measured changes in fair value recognized in other comprehensive income. Gains and losses of financial assets and financial liabilities classified as subsequently measured at fair value through profit or loss are recognized in net profit and loss.

Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial assets expire, or the Company has transferred its contractual rights to receive cash flows from the financial asset or assumes an obligation to pay the cash flows in full without material delay to a third party and has transferred substantially all of the risks and rewards of the asset, or has neither transferred or retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when it is extinguished, that is when the obligation is discharged, cancelled, or expires. A financial liability is extinguished when the debtor discharges the liability by paying in cash other financial assets, goods or services, or is legally released from the liability.

Impairment of a financial asset

The Company assesses at the end of each reporting period whether there is any objective evidence of impairment of a financial asset or group of financial assets.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses. As at April 30, 2024 and 2023, no provisions were recorded.

Leases

IFRS requires the recognition of lease contracts, with exceptions for certain short-term leases and leases of low-value assets, on a lessee's statement of financial position as a 'right-of-use asset' and a lease liability reflecting future lease payments. In addition, the lease payments are required to be presented on the statement of cash flow within operating and financing activities for the interest and principal portions, respectively.

The Company has elected to apply the available exemptions for short-term leases and leases of low-value assets. Leases whose initial term is 12 months or less are charged directly to profit or loss.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

New Pronouncements

IAS 1 – Presentation of Financial Statements

The IASB has issued an amendment to IAS 1 Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to management’s intentions or expectations of exercising the right to defer settlement of the liability. Management would classify debt as non-current only when the Company complies with all the conditions at the reporting date. The amendments further clarify that settlement of a liability refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments are effective for annual periods beginning on or after January 1, 2024 and are to be applied retrospectively, with early adoption permitted. The extent of the impact of adoption of this standard has not yet been determined.

3. OTHER RECEIVABLES

The other receivables for the Company are as follows:

	April 30, 2024	April 30, 2023
GST receivable	\$ 9,210	\$ 7,924

4. PREPAID EXPENSES

The prepaid expenses for the Company are as follows:

	April 30, 2024	April 30, 2023
Security deposit for rental of premises	\$ 7,458	\$ 28,591
Prepaid drilling services ⁽¹⁾	-	-
Other prepaid services	13,932	-
	\$ 21,390	\$ 28,591

⁽¹⁾ Prepaid drilling services relates to a deposit paid for a strategic drilling partnership to provide core drilling services at the South Grass Valley Property. At April 30, 2023, it was determined that Drill NV does not have the capacity to conduct further drilling and the amounts paid were not recoverable, therefore, the Company recorded an impairment of \$1,072,581.

5. RELATED PARTY TRANSACTIONS

During the year ended April 30, 2024, the Company:

- i) paid or accrued \$90,000 in consulting fees to a corporation of which the Chief Financial Officer is an employee.
- ii) paid or accrued \$90,000 in consulting fees to a director and a consultant related to a director.
- iii) recorded share-based payments of \$5,071 related to the fair value of stock options vesting through the period to officers, directors, and a company controlled by a director.

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5. RELATED PARTY TRANSACTIONS (cont'd...)

- iv) received a \$100,000 short-term loan from a consultant related to a director. The loan has a term of six months, is unsecured, and accrues interest at a rate of 12% per annum. At April 30, 2024, the Company repaid the loan including total interest of \$2,959 related to the loan.
- v) Austin American Corporation is a company with a common director (see Note 7).
- vi) The Company paid \$40,000 to a company for exploration expenses (see Note 7, Athabasca Basin) which is controlled by an individual who became an officer of the Company subsequent to the year end.

During the year ended April 30, 2023, the Company:

- i) paid or accrued \$90,000 in consulting fees to a corporation of which the Chief Financial Officer is an employee.
- ii) paid or accrued \$120,000 in consulting fees to a director and a consultant related to a director.
- iii) recorded share-based payments of \$119,169 related to the fair value of stock options vesting through the period to officers, directors, and a company controlled by a director.
- iv) received a total of \$250,000 in loans at varying dates from a consultant related to a director. Each loan has a term of six months, is unsecured, and accrues interest at a rate of 12% per annum. At April 30, 2023, the Company accrued \$8,464 in interest related to the loans. The loans including interest were repaid during the year ended April 30, 2024.
- v) Austin American Corporation is a company with a common director (see Note 7).

The amounts included in accounts payable and accrued liabilities which are due to related parties are as follows:

	April 30, 2024	April 30, 2023
Due to corporation of which the Chief Financial Officer is an employee	\$ 7,875	\$ 70,875
Due to key management and former management	102,900	219,652
Due to officers, directors, and a consultant related to a director	46,250	118,000
	<u>\$ 157,025</u>	<u>\$ 408,527</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's President and Chief Executive Officer and Chief Financial Officer. Salaries and share-based payments to key management is as follows:

	Year Ended April 30, 2024	Year Ended April 30, 2023
Consulting fees and salaries	\$ 240,000	\$ 252,413
Share-based payments	-	34,538
	<u>\$ 240,000</u>	<u>\$ 286,951</u>

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6. EQUIPMENT AND INTANGIBLE ASSETS

	Vehicles	Exploration Equipment	Software	Total
Cost				
Balance – April 30, 2022	\$ 62,269	\$ 241,160	\$ 60,000	\$ 363,429
Effect of translation	6,004	14,818	-	20,822
Balance – April 30, 2023	\$ 68,273	\$ 255,978	\$ 60,000	\$ 384,251
Disposals	(69,117)	(240,730)	(60,000)	(369,847)
Effect of translation	844	1,005	-	1,849
Balance – April 30, 2024	\$ -	\$ 16,253	\$ -	\$ 16,253
Accumulated amortization				
Balance – April 30, 2022	\$ 62,269	\$ 118,437	\$ 24,000	\$ 204,706
Amortization	-	48,205	20,000	68,205
Effect of translation	6,004	8,607	-	14,611
Balance – April 30, 2023	\$ 68,273	\$ 175,249	\$ 44,000	\$ 287,522
Amortization	-	32,218	16,000	48,218
Disposals	(69,117)	(192,466)	(60,000)	(321,583)
Effect of translation	844	1,252	-	2,096
Balance – April 30, 2024	\$ -	\$ 16,253	\$ -	\$ 16,253
Carrying amounts				
As at April 30, 2023	\$ -	\$ 80,729	\$ 16,000	\$ 96,729
As at April 30, 2024	\$ -	\$ -	\$ -	\$ -

During the year ended April 30, 2024, the Company sold some exploration equipment and a vehicle, resulting in a gain of \$30,880. Additionally, during the year ended April 30, 2024, the Company vacated its Sparks, Nevada warehouse facility, and as a result, realized a loss on disposal of certain exploration equipment which was no longer in use of \$31,155.

7. RESOURCE PROPERTIES

Resource properties expenditures for the year ended	2024	2023
April 30,		
South Grass Valley	\$ 173,649	\$ 989,917
North Grass Valley	-	98,507
Kelly Creek	97,876	935
Awakening	11,056	112,368
Other	22,560	102,836
Athabasca Basin	40,000	-
	\$ 345,141	\$ 1,304,563

South Grass Valley (SGV)

As at April 30, 2024, the Company's South Grass Valley Project consists of unpatented mining claims held directly by the Company.

North Grass Valley Project (NGV)

As at April 30, 2024, the Company's North Grass Valley Project (formerly referred to as "Grass Valley") consists of unpatented mining claims held directly by the Company. On August 16, 2023, the Company decided to relinquish the North Grass Valley Project claims.

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7. RESOURCE PROPERTIES (cont'd...)**Kelly Creek (KC)**

The Company has combined its former Hot Pot Project into its Kelly Creek Project, the combination of which is now together referred to as the Kelly Creek Project.

As of April 30, 2024, the Company's Kelly Creek Project consists of:

- unpatented mining claims held directly by the Company;
- unpatented mining claims leased by the Company from Genesis Gold Corporation ("Genesis") (Genesis subsequently sold their royalty to Metalla America Ltd. ("Metalla")) through a Mining Lease and Option to Purchase Agreement (the "Genesis Agreement"); and
- private land leased by the Company under a Mining Lease Agreement (the "Hot Pot Lease").

The Company entered into the Genesis Agreement on October 1, 2009 and as amended on December 29, 2014, August 25, 2015 and July 25, 2019, to acquire a 100% interest in the Genesis' Hot Pot claims. Under the Genesis Agreement, the Company is the Operator and has the option to purchase 100% of the Genesis claims for 100,000 common shares (issued) and USD\$1,500,000, subject to a 1.5% Net Smelter Return Royalty ("Royalty"), and the following advance royalty payments :

1 st anniversary (October 1, 2010)	\$ 5,000 USD	(paid)
2 nd anniversary (October 1, 2011)	\$ 10,000 USD	(paid)
3 rd anniversary (October 1, 2012)	\$ 10,000 USD	(paid)
4 th anniversary (October 1, 2013)	\$ 10,000 USD	(paid)
5 th to 8 th anniversary (October 1, 2014 to October 1, 2017)	\$ 10,000 USD	i) & ii)
9 th anniversary (October 1, 2018)	\$ 50,000 USD	(paid)
10 th anniversary (October 1, 2019)	Nil	iii)
11 th to 13 th anniversaries (October 1, 2020 – October 1, 2022)	\$ 20,000 USD	iii) (paid by Austin as detailed below)
14 th anniversary (October 1, 2023)	\$ 15,000 USD	iv) (paid)
15 th and subsequent anniversaries (October 1 st annually)	\$ 50,000 USD	(as adjusted for inflation)

- During the year ended April 30, 2015, the Company issued 80,000 Common shares, plus agreed to pay \$10,000 USD to satisfy the October 1, 2014 payment (paid).
- On August 25, 2015, the Company and Genesis agreed to amend the terms of the Genesis Agreement to reduce the annual payments due on October 1, 2015 (paid); October 1, 2016 (paid); and October 1, 2017 (paid), from \$50,000 USD to \$10,000 USD, subject to each party's rights under the Genesis Agreement.
- On July 25, 2019, the Company and Genesis agreed to amend the terms of the Genesis Agreement to reduce the annual payment due on October 1, 2019 from \$50,000 USD to \$Nil. Additionally, the annual payments due October 1, 2020 to October 1, 2022 have been reduced from \$50,000 USD to \$20,000 USD, whereby the Company may elect to deliver up to half of this payment in common shares of the Company. The payments due October 1, 2020, October 1, 2021 and October 1, 2022 were paid by Austin.
- During the year ended April 30, 2024, the Company and Metalla agreed to an amendment of the Genesis Agreement to reduce the annual payment due on October 1, 2023 from \$50,000 USD to \$15,000 USD (paid).

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7. RESOURCE PROPERTIES (cont'd...)**Kelly Creek (KC) (cont'd...)**

The Company entered into the Hot Pot Lease on September 16, 2004, for an initial term of 10 years, as amended on May 29, 2009, September 2, 2011, February 25, 2016, February 16, 2017, June 8, 2020, and June 6, 2024 (Note 16). Any mineral production on the project is subject to a 3% Net Smelter Return Royalty (the "NSR") to the property owner, subject to the Company's right to reduce the Royalty from 3% to 2% for \$2,000,000 USD. Under the February 25, 2016, amendment, the term of the Hot Pot Lease was extended to 20 years, until September 16, 2024 and under the June 8, 2020, amendment, the term was extended to 25 years. Under the February 16, 2017, amendment, additional lands were added to the Hot Pot Lease, subject to the following payments:

Amendment Date (February 16, 2017)	\$	5,000 USD	(paid)
September 16, 2017	\$	25,000 USD	(paid)
October 8, 2018	\$	30,000 USD	(paid)
September 16, 2019	\$	30,000 USD	(paid)
September 16, 2020	\$	30,000 USD	(paid by Austin as detailed below)
September 16, 2021	\$	30,000 USD	(paid by Austin as detailed below)
September 16, 2022	\$	30,000 USD	(paid by Austin as detailed below)
September 16, 2023	\$	30,000 USD	(paid by Austin as detailed below)
September 16, 2024	\$	20,000 USD	(as amended subsequent to year end)
September 16, 2025	\$	20,000 USD	(as amended subsequent to year end)
September 16, 2026	\$	25,000 USD	(as amended subsequent to year end)
Subsequent Anniversaries (September 16 th annually)	\$	30,000 USD	

On July 8, 2020, as amended March 3, 2021, and May 3, 2023, the Company entered into an Exploration and Option to Enter Joint Venture Agreement (the "Agreement") with Austin American Corporation ("Austin"), for an earn in and joint venture agreement on its district-scale Kelly Creek Project (the "Project") within the Kelly Creek Basin in north-central Nevada. Pursuant to the original agreement, Austin has the right to earn a 51% interest in the joint venture by spending \$5,000,000 by June 1, 2024, with the election to earn an additional 19% by incurring additional yearly expenditures in the amount of \$1,500,000 on or before each of June 1, 2025, June 1, 2026, and June 1, 2027, and by completing a pre-feasibility study on or before June 1, 2028. At the Company's election, which must be made within 120 days of the approval by the joint venture of a feasibility study, Austin will be obligated to provide the Company's portion of any debt financing or arrange for third party financing of the Company's portion of any debt financing required to construct a mine on the project described in a feasibility study in consideration for the transfer by the Company to Austin of a 5-per-cent interest in the joint venture. If a party is diluted to a 10% interest in the joint venture, its interest will be converted to a 10% net profits interest.

Pursuant to the March 3, 2021, amended agreement, Austin has the right to earn a 51% interest by spending \$4,750,000 by June 1, 2025, with the election to earn an additional 19% to a total of 70% by incurring additional yearly expenditures in the amount of \$1,500,000 on or before each of June 1, 2026, June 1, 2027, and June 1, 2028, and by completing a pre-feasibility study on or before June 1, 2029.

Pursuant to the May 3, 2023, amended agreement, Austin has the right to earn a 51% interest by spending \$2,500,000 by June 30, 2025, with the election to earn an additional 19% to a total of 70% by incurring additional expenditures of \$2,500,000 at any time. The Company no longer has the option to require Austin to provide its portion of any debt financing required to construct a mine.

Austin must continue to pay the underlying property lease payments and BLM and county fees to keep the properties in good standing during the term of the agreement.

During the year ended April 30, 2024, Austin terminated certain leases and claim holdings within the Kelly Creek project, representing approximately 60% of the original claim holdings.

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7. RESOURCE PROPERTIES (cont'd...)**Kelly Creek (KC) (cont'd...)**

Subsequent to the year end, on June 3, 2024, Austin and the Company renegotiated the terms of the Option to Joint Venture Agreement on the Kelly Creek Project by extending the date required to earn a 51% interest by two years. Under the terms of the amended agreement, Austin must spend a cumulative total of \$2,500,000 by June 30, 2027, which total includes the amount already incurred on the project by the Company, which is US\$923,757 (approximately 1,270,000). To earn an additional 19% (for a total of 70% interest for Austin) the Company must spend another \$2,500,000 with no time limit and pay the underlying property lease payments and BLM and county fees to keep the properties in good standing.

Subsequent to the year end, on June 6, 2024, the Company amended the terms of the Hot Pot Lease by reducing the 2024 and 2025 payments from USD\$30,000 to USD\$20,000 and reducing the 2026 payment from USD\$30,000 to USD\$25,000.

See Note 16.

Awakening

As at April 30, 2024, the Company's Awakening Project consists of unpatented mining claims held directly by the Company. See Note 16.

Athabasca Basin

In April 2024, the Company acquired 35,467 hectares of mineral claims in the southeastern margin of the Athabasca Basin, in one continuous block. In return for 100% ownership of the claims, the Company paid total consideration of \$40,000, with no further financial commitment.

8. DEPOSITS AND BONDS

	April 30, 2024	April 30, 2023
Security deposits ⁽¹⁾	\$ 11,500	\$ 11,500
Reclamation bond deposits ⁽²⁾	75,603	74,679
	<u>\$ 87,103</u>	<u>\$ 86,179</u>

⁽¹⁾ Security deposits consisted of \$11,500 guaranteed investment certificate ("GIC") and bearing interest at prime less 2% to a minimum of 0%. The GIC was used to secure the credit limit on a credit card.

⁽²⁾ Reclamation bond deposits are required by the U.S. Bureau of Land Management ("BLM") to ensure that any reclamation and clean-up work required on the Company's properties will be completed to the satisfaction of the BLM.

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9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are as follows:

	April 30, 2024	April 30, 2023
Trade payables	\$ 91,332	\$ 191,735
Due to related parties (Note 5)	157,025	408,527
Accrued liabilities	38,000	33,784
Total	\$ 286,357	\$ 634,046

10. CAPITAL STOCK

a) Authorized share capital:

As at April 30, 2024, the authorized share capital of the Company was:

Unlimited number of common shares without par value;
Unlimited number of preferred shares without par value; and
All issued shares are fully paid.

b) Issued share capital:

During the year ended April 30, 2024, the Company:

- Completed a private placement on March 19, 2024, 5,500,000 units at a price of \$0.11, for total gross proceeds of \$605,000. Each unit consists of one common share and one non-transferable share purchase warrant entitling the holder to purchase one additional common share at an exercise price of \$0.20 per share for 36 months. If, after four months plus one day from the closing date, the closing price (or closing bid price on days when there are no trades) of the Company's common shares is greater than \$0.40 per share for 10 consecutive trading days, the Company may accelerate the expiry date of the warrants to the 30th day after the date on which it gives notice to the warrant holders of such acceleration, with such notice being the issuance of a news release by the Company announcing the acceleration of the expiry date. The securities issued at closing of the private placement were subject to a four month plus one day hold period, which expired on July 20, 2024.
- In connection with the March 19, 2024 private placement, the Company paid finder's fees totaling \$12,449.
- Completed a private placement on August 16, 2023 of 13,000,000 units at a price of \$0.11 for total gross proceeds of \$1,430,000. Each unit consists of one common share and one non-transferable share purchase warrant entitling the holder to purchase one additional common share at an exercise price of \$0.20 per share for 36 months. If, after four months plus one day from the closing date, the closing price (or closing bid price on days when there are no trades) of the Company's common shares is greater than \$0.40 per share for 10 consecutive trading days, the Company may accelerate the expiry date of the warrants to the 30th day after the date on which it gives notice to the warrant holders of such acceleration, with such notice being the issuance of a news release by the Company announcing the acceleration of the expiry date. The securities issued at closing of the private placement were subject to a four month plus one day hold period, which expired on December 17, 2023.

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10. CAPITAL STOCK

b) Issued share capital (cont'd...)

- In connection with the private placement closed on August 16, 2023, the Company paid finders' fees totaling, \$20,405 in cash and 185,500 finder's warrants. The finders' warrants have an exercise price of \$0.20 per common share for 36 months and were subject to a four month plus one day hold period, which expired on December 17, 2023. If, after four months plus one day from the closing date, the closing price (or closing bid price on days when there are no trades) of the Company's common shares is greater than \$0.40 per share for 10 consecutive trading days, the Company may accelerate the expiry date of the warrants to the 30th day after the date on which it gives notice to the warrant holders of such acceleration, with such notice being the issuance of a news release by the Company announcing the acceleration of the expiry date. The finders' warrants granted were estimated to have a fair value of \$26,850 and were accounted for as a share issuance cost.

During the year ended April 30, 2023, the Company:

- Issued 20,000 common shares upon the exercise of stock options. The price of the shares on the date of exercise was \$1.25.
- Completed a consolidation of its common shares on the basis of one (1) post consolidation common share for every twenty-five (25) pre-consolidation shares, effective February 15, 2023. All common shares, units, warrants, stock options, and per share amounts have been restated to reflect the share consolidation and per share amounts have been restated to reflect the share consolidation.

c) Options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price, minimum price or a discounted price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years.

In the absence of a reliable measurement of the services received from the consultants, the following stock option grants have been measured at the fair value of the stock options granted.

During the year ended April 30, 2024, 144,400 stock options were expired/forfeited.

During the year ended April 30, 2023:

- 20,000 stock options were exercised.
- 140,740 stock options were forfeited.

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10. CAPITAL STOCK (cont'd...)

c) Options (cont'd...)

A continuity of share purchase options for the year ended April 30, 2024 is as follows:

Expiry date	Exercise price	April 30, 2023	Granted	Exercised	Expired/ Forfeited/	April 30, 2024	Exercisable
August 3, 2026	11.75	37,000	-	-	(10,000)	27,000	27,000
March 11, 2027	2.50	60,000	-	-	(60,000)	-	-
November 27, 2027	10.00	14,000	-	-	-	14,000	14,000
October 1, 2028	6.50	51,000	-	-	(18,000)	33,000	33,000
October 26, 2028	8.75	6,000	-	-	-	6,000	6,000
February 21, 2029	7.50	10,000	-	-	-	10,000	10,000
May 30, 2029	5.75	2,000	-	-	-	2,000	2,000
October 31, 2029	4.50	8,000	-	-	-	8,000	8,000
October 20, 2030	4.63	37,000	-	-	(12,000)	25,000	25,000
December 23, 2030	3.25	10,000	-	-	-	10,000	10,000
March 31, 2031	4.50	78,680	-	-	(26,400)	52,280	52,280
December 9, 2031	2.50	42,000	-	-	(18,000)	24,000	24,000
Total		355,680	-	-	(144,400)	211,280	211,280
Weighted average exercise price		\$ 5.32	\$ -	\$ -	\$ 4.18	\$ 6.11	\$ 6.11

The weighted average remaining time to expiry for all outstanding options as of April 30, 2024 is 5.49 years (2023 – 6.15 years).

A continuity of share purchase options for the year ended April 30, 2023 is as follows:

Expiry date	Exercise price	April 30, 2022	Granted	Exercised	Expired/ Forfeited/	April 30, 2023	Exercisable
August 3, 2026	11.75	50,000	-	-	(13,000)	37,000	37,000
March 11, 2027	2.50	80,000	-	(20,000)	-	60,000	60,000
November 27, 2027	10.00	14,000	-	-	-	14,000	14,000
October 1, 2028	6.50	85,000	-	-	(34,000)	51,000	51,000
October 26, 2028	8.75	6,000	-	-	-	6,000	6,000
February 21, 2029	7.50	10,000	-	-	-	10,000	10,000
May 30, 2029	5.75	2,000	-	-	-	2,000	2,000
October 31, 2029	4.50	8,000	-	-	-	8,000	8,000
October 20, 2030	4.63	61,000	-	-	(24,000)	37,000	37,000
December 23, 2030	3.25	10,000	-	-	-	10,000	10,000
March 31, 2031	4.50	138,420	-	-	(59,740)	78,680	55,120
June 7, 2031	4.50	10,000	-	-	(10,000)	-	-
December 9, 2031	2.50	42,000	-	-	-	42,000	28,000
Total		516,420	-	(20,000)	(140,740)	355,680	318,120
Weighted average exercise price		\$ 5.31	\$ -	\$ 2.50	\$ 5.67	\$ 5.32	\$ 5.51

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10. CAPITAL STOCK (cont'd...)

d) Warrants

During the year ended April 30, 2024:

- 2,645,289 warrants expired without exercise;
- 18,685,500 warrants were issued in connection with the private placement (Note 10(b)).

During the year ended April 30, 2023, 411,666 warrants expired without exercise.

A continuity of share purchase warrants for the year ended April 30, 2024 is as follows:

Expiry date	Exercise Price	April 30, 2023	Issued	Exercised	Expired	April 30, 2024	Exercisable
June 23, 2023	4.50	1,106,821	-	-	(1,106,821)	-	-
December 16, 2023	3.25	76,929	-	-	(76,929)	-	-
December 16, 2023	5.00	1,461,539	-	-	(1,461,539)	-	-
August 16, 2026	0.20	-	13,185,500	-	-	13,185,500	13,185,500
March 19, 2027	0.20	-	5,500,000	-	-	5,500,000	5,500,000
Total		2,645,289	18,685,500	-	(2,645,289)	18,685,500	18,685,500
Weighted average exercise price		\$ 4.74	\$ 0.20	\$ -	\$ 4.74	\$ 0.20	\$ 0.20

A continuity of share purchase warrants for the year ended April 30, 2023 is as follows:

Expiry date	Exercise Price	April 30, 2022	Issued	Exercised	Expired	April 30, 2023	Exercisable
July 13, 2022	11.25	52,640	-	-	(52,640)	-	-
October 9, 2022	12.50	155,053	-	-	(155,053)	-	-
June 4, 2022	12.50	116,833	-	-	(116,833)	-	-
July 1, 2022	12.50	37,140	-	-	(37,140)	-	-
January 7, 2023	12.50	50,000	-	-	(50,000)	-	-
June 23, 2023	4.50	1,106,821	-	-	-	1,106,821	1,106,821
December 16, 2023	3.25	76,929	-	-	-	76,929	76,929
December 16, 2023	5.00	1,461,539	-	-	-	1,461,539	1,461,539
Total		3,056,955	-	-	(411,666)	2,645,289	2,645,289
Weighted average exercise price		\$ 5.76	\$ -	\$ -	\$ 12.34	\$ 4.74	\$ 4.74

The following weighted average inputs and assumptions were used for the Black-Scholes valuation of the warrants granted.

	April 30, 2024	April 30, 2023
Share price	\$0.16	\$ -
Risk-free interest rate	4.36%	-
Expected life of warrants	3 years	-
Annualized volatility based on historical volatility	168.08%	-
Dividend rate	0.00%	-
Fair value per warrant	\$0.14	-

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11. ROYALTIES

On September 1, 2022, Pediment Gold LLC (“Pediment”), a wholly owned subsidiary of the Company signed Royalty Agreements (collectively the “Royalty Agreements”) with Bronco Creek Exploration Inc, a wholly owned subsidiary of EMX Royalty Corporation (“EMX”).

Under the terms of the Royalty Agreements:

- i. Pediment will sell a 2% net smelter return royalty (“NSR”) covering its current portfolio of Nevada gold projects (the “Royalty”) to EMX for a purchase price of \$500,000 USD. The Kelly Creek NSR is effective if Austin does not exercise its option to earn in and joint venture the property and is subject to any third party right of first refusal that may exist.
- ii. Pediment has the right to buy back half of EMX’s 2% NSR by purchasing a 0.5% NSR interest for \$1,000,000 USD any time prior to the 7th anniversary of the Agreement and then, if the first NSR interest is purchased, purchasing the second 0.5% NSR interest any time prior to production for \$1,500,000 USD.
- iii. In the case that Pediment options, farms out, or sells a project subject to the Royalty to a third party, Pediment shall be required to pay EMX annual advance royalties as follows: \$20,000 USD on the first anniversary, \$30,000 USD on the second anniversary, \$40,000 USD on the third anniversary, and \$50,000 USD on the fourth and subsequent anniversaries.
- iv. Subject to complying with notice provisions in the Royalty Agreements, Pediment may abandon claims and such abandonment will not require payment of advance royalties.

12. SEGMENTED INFORMATION

The Company operates in one industry segment, being the acquisition, exploration, and development of resource properties. Geographic information is as follows:

	April 30, 2024	April 30, 2023
Current assets:		
United States	\$ 30,878	\$ 31,673
Canada	307,458	15,365
	<u>\$ 338,336</u>	<u>\$ 47,038</u>
Non-current assets:		
United States		
Equipment and intangible assets	\$ -	\$ 80,729
Deposits and bonds	75,603	74,679
Canada		
Deposits and bonds	11,500	11,500
Equipment and intangible assets	-	16,000
	<u>\$ 87,103</u>	<u>\$ 182,908</u>

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12. SEGMENTED INFORMATION (cont'd...)

	Year Ended April 30, 2024	Year Ended April 30, 2023
Income:		
United States		
Interest income	\$ -	\$ 12
Consulting income	-	35,035
Royalty income	-	665,683
Canada		
Interest income	440	-
Expenses:		
United States		
Exploration and evaluation expenditures	(305,141)	(1,304,563)
Other expenses	(216,953)	(1,592,105)
Canada		
Exploration and evaluation expenditures	(40,000)	
Other expenses	(577,644)	(915,345)
Net loss	\$ (1,139,298)	\$ (3,111,283)

13. FINANCIAL RISK MANAGEMENT**Fair value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Short term investments are measured at level 1 of the fair value hierarchy. . The carrying value of cash and cash equivalents, deposits and bonds, , accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. The fair value of the short-term loan payable is calculated at amortized cost by applying market interest rates at the inception of the financial instrument and the carrying value approximates its fair value

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and deposits and bonds. Management believes that the credit risk concentration with respect to cash and cash equivalents, deposits and bonds is remote as it maintains accounts with highly rated financial institutions.

13. FINANCIAL RISK MANAGEMENT

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 manages liquidity risk through the management of its capital structure and financial leverage. It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions out of the normal course of business.

As at April 30, 2024, the Company had a cash and cash equivalent balance of \$307,736 (2023 - \$10,523) to settle current liabilities of \$286,357 (2023 - \$892,510). As disclosed in Note 1, the Company will need to raise additional funds to meet its obligations as they come due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

(a) Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and cash equivalents and deposits and bonds are not considered significant.

(b) Foreign currency risk

The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates. A significant portion of the Company's expenses is denominated in US dollars. Consequently, certain assets, liabilities and operating expenses are exposed to currency fluctuations. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. Net assets denominated in foreign currency and the Canadian dollar equivalents as at April 30, 2024 are as follows:

	USD	CDN
Current assets	\$ 22,463	\$ 30,878
Non-current assets	55,000	75,603
Current liabilities	(35,510)	(48,812)
	\$ 41,953	\$ 57,669

Based on the above net exposures as at April 30, 2024, and assuming all other variables remain constant, a 10% change in the value of the US dollar against the Canadian dollar would result in an increase/decrease of \$5,767 in comprehensive loss.

14. CAPITAL MANAGEMENT

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares and share purchase warrants, as well as incentive stock options. In the management of capital, the Company includes the components of equity as well as cash and cash equivalents.

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14. CAPITAL MANAGEMENT (cont'd...)

The Company prepares annual estimates of exploration expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest any excess cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. The Company currently has insufficient capital to fund its exploration programs and is reliant on completing equity financings to fund further exploration (Note 1). The Company is not subject to any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the year ended April 30, 2024.

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2024	2023
Loss before income taxes	\$ (1,139,298)	\$ (3,111,283)
Expected income tax recovery at average statutory rate of 27.00% for 2024 (2023 – 27.00%)	\$ (307,610)	\$ (840,046)
Share-based payment and other non-deductible expenses	2,174	50,839
Share issuance cost incurred	(26,698)	-
Difference in statutory rates and other	31,943	129,971
Effect of foreign exchange differences	(64,809)	(312,764)
Tax benefits not recognized	365,000	972,000
Total income taxes	\$ -	\$ -

The deferred income tax balance is comprised of the following temporary differences:

	2024	2023
Deferred tax assets:		
Non-capital loss carry-forwards	\$ 5,709,000	\$ 5,447,000
Share issue costs and other	54,000	61,000
Resource properties	3,764,000	3,654,000
Deferred tax assets not recognized	(9,527,000)	(9,162,000)
Net deferred tax assets	\$ -	\$ -

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15. INCOME TAXES (cont'd...)

The Company has available for deduction against future taxable income non-capital losses of approximately \$11,382,000 and US net operating losses of approximately \$12,554,000 (expressed in Canadian dollars) expiring as follows:

	CDN	US
2025	\$ 2,000	\$ -
2026	203,000	-
2027	858,000	-
2028	569,000	-
2029	549,000	-
2030	81,000	-
2031	357,000	752,000
2032	591,000	389,000
2033	391,000	500,000
2034	331,000	3,975,000
2035	224,000	1,959,000
2036	658,000	1,000
2037	472,000	642,000
2038	770,000	770,000
2039	777,000	792,000
2040	945,000	648,000
2041	919,000	528,000
2042	1,100,000	579,000
2043	868,000	874,000
2044	717,000	145,000
	<u>\$ 11,382,000</u>	<u>\$ 12,554,000</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable income will be available against which the Company can utilize the benefits.

16. SUBSEQUENT EVENTS

Subsequent to year end, the Company granted 1,950,000 options with an exercise price of \$0.125 and are exercisable for a period of five years from the grant date. The options vest 1/3 upon grant, 1/3 after 12 months, and 1/3 after 24 months.

On June 3, 2024, Austin and the Company renegotiated the terms of the Option to Joint Venture Agreement on the Kelly Creek Project by extending the date required to earn a 51% interest by two years. Under the terms of the amended agreement, Austin must spend a cumulative total of \$2,500,000 million by June 30, 2027, which total includes the amount already incurred on the project by Austin, which is US\$923,757 (\$1,270,000). To earn an additional 19% (for a total of 70% interest for Austin) Austin must spend another \$2,500,000 with no time limit and pay the underlying property lease payments and BLM and county fees to keep the properties in good standing.

On June 6, 2024, the Company amended the terms of the Hot Pot Lease by reducing the 2024 and 2025 payments from US\$30,000 to US\$20,000 and reducing the 2026 payment from US\$30,000 to US\$25,000 (Note 7).

Subsequent to year end, the Company will be rationalizing its property portfolio by relinquishing non-core holdings and focusing its geological efforts and financial resources on its core Nevada property assets, such as South Grass Valley and Kelly Creek, as well as other opportunities in the resource sector.