**MISTANGO RIVER RESOURCES INC.**

**Condensed Interim Financial Statements**

For the three months ended March 31, 2024 and 2023

(Unaudited - *Expressed in Canadian Dollars)*

**Notice of No Auditor Review of Interim Financial Statements**

Under National Instrument 51-102, Part 4, subsubsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed interim financial statements of the company have been prepared by and are the responsibility of the company's management. The company's independent auditor has not performed an audit or review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants.

**Mistango River Resources Inc.**
**Condensed Interim Statements of Financial Position**
(Unaudited - Expressed in Canadian dollars)

| As at | Notes | **March 31, 2024** | December 31, 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current** | | | |
| Cash | | **$2,778,625** | $1,730,168 |
| Marketable securities | 5 | **1,042,293** | 1,926,400 |
| Amounts receivable | | **197,536** | 607,453 |
| Prepaid expenses and deposits | | **38,421** | 47,558 |
| Due from related parties | 6 | **173,323** | 165,523 |
| Total current assets | | **4,230,198** | 4,477,102 |
| Right-of-use asset | 10 | **43,653** | 57,778 |
| Equipment | | **19,229** | 20,241 |
| **TOTAL ASSETS** | | **$4,293,080** | $4,555,121 |
| **LIABILITIES** | | | |
| **Current** | | | |
| Accounts payable and accrued liabilities | | **$77,371** | $74,771 |
| Due to related party | 6 | **266** | - |
| Convertible note | 7 | **55,000** | 56,100 |
| Flow-through share liability | 8 | **110,669** | 140,359 |
| Lease obligation | 11 | **50,340** | 59,031 |
| Total current liabilities | | **293,646** | 330,261 |
| Lease obligation | 11 | **-** | 5,434 |
| **TOTAL LIABILITIES** | | **293,646** | 335,695 |
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | 9 | **30,588,631** | 30,588,631 |
| Reserves | 9 | **7,709,177** | 7,679,437 |
| Deficit | | **(34,298,356)** | (34,048,624) |
| Accumulated other comprehensive loss | | **(18)** | (18) |
| **TOTAL SHAREHOLDERS' EQUITY** | | **3,999,434** | 4,219,426 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | **$4,293,080** | $4,555,121 |

Nature of operations (Note 1)
Going concern (Note 2)
Commitments and contingencies (Note 15)
Subsequent event (Note 16)

Approved on behalf of the Board

*"Stephen Stewart"* Director    *"Alexander Stewart"* Director

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

**Mistango River Resources Inc.**

**Condensed Interim Statements of Loss and Comprehensive Loss**
(Unaudited - Expressed in Canadian dollars)

| As at | Notes | March 31, 2024 | March 31, 2023 |
|---|---|---|---|
| **EXPENSES** | | | |
| Exploration and evaluation expenditures | 12 | **$178,139** | $121,867 |
| Management and consulting | 6 | **109,792** | 87,545 |
| Share-based compensation | 6 | **29,740** | 1,732 |
| Professional fees | | **213** | 14,740 |
| Office, general and administrative (recovery) | | **284** | (2,578) |
| Transfer agent, filing fees and shareholder communications | | **5,999** | 5,364 |
| Amortization | | **15,137** | 14,599 |
| **TOTAL EXPENSES** | | **$339,304** | $243,269 |
| **Loss for the period** | | **$339,304** | 243,269 |
| Interest income | | **(23,890)** | (18,607) |
| Unrealized (gain)/loss on marketable securities | 5 | **(35,992)** | 64,497 |
| **Loss before tax** | | **279,422** | 289,159 |
| **Deferred income tax recovery** | | | |
| Flow-through share premium liability recovery | 8 | **(29,690)** | - |
| **NET LOSS FOR THE PERIOD** | | **249,732** | 289,159 |
| **Weighted average number of shares - basic and diluted** | | **179,792,642** | 153,967,359 |
| **Loss per share – basic and diluted** | | **$0.00** | $0.00 |

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

**Mistango River Resources Inc.**
**Condensed Interim Statements of Changes in Shareholders' Equity (Deficit)**
(Unaudited - Expressed in Canadian dollars)

| | Number of shares | Amount | Share-based Reserve | Retained Earnings (Deficit) | Accumulated Other Comprehensive Loss | Total Equity |
|---|---|---|---|---|---|---|
| **Balance at December 31, 2023** | 153,928,062 | $29,708,461 | $7,400,395 | $(33,406,612) | $(18) | $3,702,226 |
| Loss for the period | - | - | - | (289,159) | - | (289,159) |
| Share-based payments | - | - | 1,732 | - | - | 1,732 |
| **Balance at March 31, 2023** | 153,928,062 | 29,708,461 | 7,420,127 | (33,695,771) | (18) | 3,414,799 |
| | | | | | | |
| **Balance at December 31, 2023** | 178,231,839 | $30,589,316 | $7,678,752 | $(34,048,624) | $(18) | $4,219,426 |
| Loss for the period | - | - | - | (249,732) | - | (249,732) |
| Share-based payments | - | - | $ 29,740 | - | - | 29,740 |
| **Balance at March 31, 2024** | **178,231,839** | **$30,589,316** | **$7,708,492.0** | **$(34,273,356)** | **(18)** | **$3,999,434** |

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

**Mistango River Resources Inc.**
**Condensed Interim Statements of Cash Flows**
(Unaudited - Expressed in Canadian dollars)

| *For the three months ended* | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| **Operating activities** | | |
| Loss for the period | **$(249,732)** | $(289,159) |
| Items not involving cash | | |
| Amortization | **15,137** | 14,599 |
| Accrued interest expenses | **1,100** | 3,911 |
| Share-based payments | **29,740** | 1,732 |
| Flow-through share premium recovery | **(24,690)** | - |
| Unrealized (gain)/loss on marketable securities | **(35,992)** | 64,497 |
| Changes in non-cash working capital items | | |
| Due from related parties | **(7,534)** | (27,355) |
| Amounts receivable | **409,917** | 260,143 |
| Prepaid expenses | **9,137** | - |
| Accounts payable and accrued liabilities | **2,600** | (360,976) |
| Net cash provided by (used in) operating activities | **$144,683** | $(330,208) |
| **Financing activities** | | |
| Repayment of lease obligation | **(16,325)** | (15,360) |
| Net cash used in financing activities | **$(16,325)** | $ (15,360) |
| **Investing activities** | | |
| Investments in marketable securities | **920,099** | - |
| Net cash provided by investing activities | **$920,099** | $- |
| **Net increase (decrease) in cash** | **1,048,457** | (329,115) |
| **Cash, beginning of period** | **1,730,168** | 2,346,001 |
| **Cash, end of period** | **$2,778,625** | $2,016,886 |

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

## 1. NATURE OF OPERATIONS

Mistango River Resources Inc. ("Mistango" or the "Company") is a federally incorporated company. The Company's principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing. The Company's head office is located at 55 University Avenue, Suite 1805, Toronto. Ontario M5H 2H7.

These interim financial statements were authorized for issuance in accordance with a resolution by the Board of Directors on May 30, 2024.

## 2. GOING CONCERN

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts expended on mineral properties is dependent upon future profitable production or proceeds from the disposition of properties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing; all of which are uncertain.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, social licensing requirements, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company has raised funds in recent periods and will utilize these funds for its exploration programs and working capital requirements. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at March 31, 2024, the Company had working capital, excluding the flow-through share liability of $4,047,221 (December 31, 2023 - $4,287,200) and an accumulated deficit of $34,298,356 (December 31, 2023 - $34,048,624).

Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements. Such adjustments could be material.

## 3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

### a) Statement of compliance and basis of measurement

These unaudited condensed interim financial statements ("interim financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part I of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). These interim financial statements should be read in conjunction with the December 31, 2023 annual financial statements.

These interim financial statements follow the same accounting principles and methods of application as disclosed in the financial statements as at and for the year ended December 31, 2023. The interim financial statements may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS.

### b) Significant accounting judgments and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period reported.

Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. However, actual results could differ materially from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed interim financial statements for the three-month period ended March 31, 2024 are the same as those described in the Company's annual financial statements for the year ended December 31, 2023.

### c) Significant accounting policies

The Company's accounting policies applied to all periods presented in these Financial Statements are the same as those applied by the Company in its annual financial statements as at and for the year ended December 31, 2023, except as detailed in note 4.

## 4. FUTURE ACCOUNTING PRONOUNCEMENTS

At the date of authorization of these interim financial statements, the IASB has issued new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact to the Company. Management is currently evaluating the impact of these pronouncements on the Company's interim financial statements.

## 5. MARKETABLE SECURITIES

As at March 31, 2024, the Company held shares of an arms-length unaffiliated publicly traded entity with an aggregate investment cost of $935,905 and a fair value of $1,042,293 (December 31, 2023 - $1,710,464 and a fair value of $1,926,400), representing less than five percent ownership in the entity. Subsequent to March 31, 2024, the Company sold the marketable securities for approximate $990,000.

(Unaudited - Expressed in Canadian dollars)

## 6. RELATED PARTIES TRANSACTIONS AND BALANCES

Key management includes the Company's directors, officers, and employees with the authority and responsibility for either directly or indirectly planning, directing and controlling the activities of the Company. Compensation awarded to key management during the three months ended March 31, 2024 and 2023 include:

| | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| Management and consulting fees | **$102,917** | $63,165 |
| Geological consulting included in exploration and evaluation expenditures | **-** | 8,200 |
| Share-based compensation | **23,573** | 1,732 |
| | **$126,489** | $73,097 |

Standard Ore Corporation ("Standard Ore") is controlled by a director of the Company. Standard Ore provides corporate and administrative services to the Company. For the three months ended March 31, 2024, Standard Ore charged the Company $30,000 of management fees (2023 - $30,000), which is included in the amounts in the above chart. Standard Ore rents the Company's leased office space on a month-to-month basis, the income is credited against the lease expense, as at March 31, 2024, the total amount for the leased office was $16,325 (2023 – $15,360). Additionally, for the three months ended March 31, 2024, Standard Ore charged the Company $3,000 for truck rental services (2023 - $3,000).

As at March 31, 2024 and December 31, 2023, the Company had the following related party balances:

| | **March 31, 2024** | **December 31, 2023** |
|---|---|---|
| Due from Standard Ore Corporation | **$172,873** | $165,073 |
| Due to Baselode Energy Corp. | **(266)** | - |
| Due from Orecap Invest Corp. | **450** | 450 |
| | **$173,057** | $165,523 |

All of the amounts are unsecured, non-interest bearing with no fixed terms of repayment.

The Company received exploration and geological services from QC Copper and Gold Inc., a company with common management, totalling $Nil during the three months ended March 31, 2024 (2023 - $16,000).

2287957 Ontario Ltd. is a private company incorporated in Ontario and is controlled by a director of the Company. See also Note 9.

Orecap Invest Corp. ("Orecap") is a junior mineral exploration company listed on the TSX-Venture exchange, with common management and directors. As at March 31, 2024, Orecap owned approximately 14% of the common shares of the Company (December 31, 2023 – 14%).

A person related to a director of the Company provided services to the Company totalling $2,900 for the three months ended March 31, 2024 (2023 - $2,600).

During 2022, the Company completed an option agreement on Metal Energy Corp.'s ("Metal Energy") Manibridge Project. Metal Energy is a company with directors and officers in common with Mistango.

## 7. CONVERTIBLE NOTE

As at March 31, 2024, the Company was indebted in the amount of $55,000 (December 31, 2023 - $56,100) to 2287957 Ontario Limited (a company controlled by a director) in the form of a secured promissory note. The promissory note was advanced on October 21, 2019, is now due on demand, bears interest at the rate of 8% and is secured by a fixed and floating charge against all of the assets of the Company.

The note bears a conversion option to convert the principal of the loan to shares at a price of $0.03 per share. Interest expense for the three months ended March 31, 2024 totaled $1,100 (2023 - $1,100).

## 8. FLOW-THROUGH SHARE PREMIUM LIABILITY

The issuance of flow-through common shares requires the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company has indemnified the holders of such shares for any tax and other costs payable by them if the Company has not incurred the required exploration expenditures. As expenditures are incurred, the flow-through share premium liability is reversed. At March 31, 2024, the flow-through share liability was $110,669 (December 31, 2023- $140,359). During the three months ended March 31, 2024, the Company recognized a flow-through share premium recovery of $29,690 (2023 - $Nil) in the statement of loss.

## 9. SHARE CAPITAL

Mistango's authorized share capital consists of an unlimited number of Class A voting common shares, and an unlimited number of non-voting, redeemable Class B preferred shares, series A. This series is redeemable by the Company, in whole or in part, at the rate of $1,000 per series A share. The holders of the series A shares are not entitled to dividends.

***Issued share capital***

(a) On May 3, 2023, the Company completed a non-brokered private placement that raised $1,173,710. The financing was comprised of two types of units: flow-through units and hard dollar units. The Company issued 14,335,996 flow-through units at a price of $0.06 per unit, bringing in $860,160 in gross proceeds. Each flow-through unit included one flow-through common share and one-half of a common share purchase warrant. Additionally, the Company issued 6,967,777 hard dollar units at a price of $0.045 per unit, raising $313,550 in gross proceeds. Each hard dollar unit included one common share and one-half of a common share purchase warrant. Each whole warrant allowed the holder to purchase one additional share of the Company at $0.10 within 24 months from the date of issuance.

The Company paid an aggregate of $70,000 to arms-length finders and issued 1,263,546 finder's warrants. Each finder's warrant entitled the holder to purchase one common share at $0.10 within 24 months from the date of issuance.

The valuation of the warrants was estimated as follows:

(i) The valuation of the warrants issued in the flow-through units was estimated in the amount of $109,527 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 130% based on historical volatility, risk free interest rate of 3.63%, share price of $0.05 and an expected life of 2 years.

(ii) The valuation of the warrants issued in the hard dollar units was estimated in the amount of $53,230 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 130% based on historical volatility, risk free interest rate of 3.63%, share price of $0.05 and an expected life of 2 years.

(Unaudited - Expressed in Canadian dollars)

(iii) The valuation of the broker warrants was estimated in the amount of $24,374 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 130% based on historical volatility, risk free interest rate of 3.63%, share price of $0.05 and an expected life of 2 years.

(b) On May 24, 2023, the Company issued 3,000,000 common shares in connection with its Goldie Expansion Project (see Note 13). The shares were valued at $0.06 per share based on the quoted market price of the shares. In addition, the Company issued 1,500,000 warrants, and the valuation of the warrants was estimated in the amount of $50,664 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 130% based on historical volatility, risk free interest rate of 4.16%, share price of $0.06 and an expected life of 2 years.

**Stock Options**

Mistango has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees, and consultants of the Company. The maximum number of common share options that may be issued and outstanding under the Plan may not exceed 10% of the issued shares.

During the three months ended March 31, 2024, the Company recorded share-based compensation of $29,740 (2023 - $1,732).

Options outstanding to purchase common shares are as follows:

| *For the period ended* | **March 31, 2024** | | | **March 31, 2023** | | |
|---|---|---|---|---|---|---|
| | **Number of options** | **Weighted average exercise price** | **Weighted average life (years)** | **Number of options** | **Weighted average exercise price** | **Weighted average life (years)** |
| Outstanding, beginning of period | **9,850,000** | **$0.08** | **3.10** | 6,100,000 | $0.08 | 2.99 |
| Granted | **-** | **-** | **-** | - | - | - |
| Options outstanding, end of period | **9,850,000** | **$0.08** | **2.87** | 6,100,000 | $0.08 | 2.73 |
| Options exercisable, end of period | **5,800,000** | **$0.08** | **1.75** | 6,000,000 | $0.08 | 2.73 |

As at March 31, 2024, the following stock options were outstanding and exercisable.

| **Number of options outstanding** | **Number of options exercisable** | **Exercise Price** | **Expiry Date** |
|---|---|---|---|
| 3,100,000 | 3,100,000 | $0.07 | February 10, 2025 |
| 2,300,000 | 2,300,000 | 0.10 | December 20, 2026 |
| 400,000 | 400,000 | 0.08 | April 1, 2027 |
| 2,550,000 | - | 0.06 | August 3, 2028 |
| 750,000 | - | 0.05 | December 10, 2028 |
| 750,000 | - | 0.10 | December 10, 2028 |
| 9,850,000 | 5,800,000 | $0.08 | |

(Unaudited - Expressed in Canadian dollars)

**Warrants**

Refer to Share Capital Issued section for Warrants valuation and details.

A summary of the changes in the Company's warrants is set out below:

| *For the period ended* | March 31, 2024 | | | March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | **Number of warrants** | **Weighted average exercise price** | **Weighted average life (years)** | **Number of warrants** | **Weighted average exercise price** | **Weighted average life (years)** |
| Outstanding, beginning of year | **13,415,933** | **$0.10** | **1.34** | - | $- | - |
| Granted | **-** | **-** | **-** | - | - | - |
| Outstanding, end of the year | **13,415,933** | **$0.10** | **1.10** | - | $- | - |

As at March 31, 2024, the following warrants were outstanding and exercisable:

| Number of warrants outstanding | Exercise Price | Expiry Date |
|---|---|---|
| 11,915,933 | $0.10 | May 5, 2025 |
| 1,500,000 | 0.10 | May 24, 2025 |
| 13,415,933 | $0.10 | |

## 10. RIGHT-OF-USE ASSET

The Company recognized the right-of-use asset for its office space lease as at March 31, 2024 and December 31, 2023 as follows:

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| Balance – beginning of period | **$ 57,778** | $111,109 |
| Acquisition | **-** | -8 |
| Amortization | **(14,125)** | (53,331) |
| Balance – end of period | **$ 43,653** | $57,778 |

## 11. LEASE OBLIGATION

The following table presents the lease obligation for the Company as at March 31, 2024 and December 31, 2023 as follows:

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| Balance beginning of the period | **$64,465** | $116,581 |
| Additions | **-** | - |
| Interest expenses on lease obligation | **1,426** | 8,924 |
| Rent payments | **(15,551)** | (61,040) |
| Balance – end of period | **50,340** | 64,465 |
| Less current portion | **50,340** | 59,031 |
| Non-current portion – end of period | **$ -** | $5,434 |

(Unaudited - Expressed in Canadian dollars)

The following table presents the contractual undiscounted cash flows for lease obligation as at March 31, 2024.

| | | |
|---|---|---|
| Less than one year | $ | 50 340 |
| One year | | - |
| Total undiscounted lease obligation | $ | 50,340 |

When measuring the lease obligation, the Company discounted the remaining lease payments using the estimated incremental borrowing rate of 10% per annum.

## 12. MINERAL PROPERTIES AND EXPLORATION AND EVALUATION EXPENDITURES

The evaluation and exploration expenditures incurred during the three months ended March 31, 2024 and 2023, and since project inception, for each property is as follows:

| | **March 31, 2024** | **March 31, 2023** | **Accumulated From Property Inception** |
|---|---|---|---|
| Kirkland West - Eby/Baldwin, Ontario | **$5,121** | $16,416 | $2,183,896 |
| Goldie, Ontario* | **187,663** | 42,271 | 2,069,562 |
| Omega, Ontario | **(15,082)** | 14,250 | 6,668,768 |
| Sackville, Ontario | **437** | - | 1,388,273 |
| Ledden, Quebec | **-** | 48,930 | 1,208,867 |
| Manibridge, Manitoba | **-** | - | 1,500,000 |
| Other | **-** | - | 113,650 |
| Total | **$178,139** | $121,867 | $15,133,016 |

*Expenses in the current period are net of $200,000 received from the Ontario Junior Exploration Program.

**Kirkland West/Eby-Baldwin**

On March 26, 2020 the Company announced the acquisition of a 100% interest in the Teck-Kirkland Property from Hinterland Metals ("Hinterland").

The royalty schedule on the Hinterland claims was compiled for the Hinterland purchase agreement. Most of the claims have a 2% NSR, of which half can be purchased for a total of $6 million and the Company retains a right of first refusal on the remaining royalty. Only one claim (L6784) has an advanced royalty payment of $1,500 due on an annual basis.

**Omega**

The 100%-owned Omega property is located immediately north of the village of Larder Lake, Ontario in the township of McVittie. There are no royalties attached to any of the leases or patents.

**Sackville**

Mistango holds a 100% interest in the Sackville. The claims are located 100 km west of Thunder Bay in Adrian, Aldina, Sackville, and Marks townships. There are no royalties on any of the claims on the Sackville Property. Certain number of the Sackville claims lapsed during 2023.

**Option Agreement – Kirkland West/Eby-Baldwin and Omega**

The Company entered into an option agreement (the "Option Agreement") and a subscription agreement (the "Subscription Agreement") both dated April 21, 2021 with Kirkland Lake Gold and its subsidiaries (now Agnico Eagle Gold Mines Limited or "Agnico Eagle" following a merger). Pursuant to the Option Agreement, Agnico Eagle was granted the Option (as defined below), consisting of the right to earn-in to acquire up to a 75% interest in each of the Company's Omega and Eby-Baldwin Properties (the "Properties"). Pursuant to the Subscription Agreement, Agnico Eagle agreed to acquire 14,300,000 shares at $0.15 per share being equal to 9.9% of the issued and outstanding common shares of the Company for an investment of $2,145,000. The Company also granted Agnico Eagle a pre-emptive right to maintain its up to 9.9% equity interest in the Company, other than pursuant to dilutions as a result of securities of the Company issued (i) as compensation to officers, employees, directors or consultants; (ii) pursuant to the exercise of existing convertible securities of the Company; (iii) pursuant to the terms of pre-existing agreements; or (iv) as consideration for future mergers and acquisitions.

In addition, Agnico Eagle was granted a right of first refusal to participate with the Company on and rights of first offer with respect to any potential joint venture agreements, sale agreements or financing to be entered into between the Company and any third parties in respect to Omega and Kirkland West and/or future property interests acquired by the Company in Ontario or Quebec, for so long as the Company maintains an equity interest of at least 5.0% in the Company.

Pursuant to the Option Agreement, Agnico Eagle has been granted the option (the "Initial Option") to acquire up to an undivided 50% interest in the Properties through the funding of exploration expenditures in the amount of $10 million (the "Phase 1 Expenditures") during the initial 5-year term of the Option Agreement (the "Option Period"), with Agnico Eagle incurring a minimum $1 million of the expenditures prior to the one-year anniversary of the effective date of the Option Agreement and a further $1.5 million prior to the second anniversary date and $7.5 million before April 28, 2026. During the Option Period, the Company will continue to act as operator of the Properties. Upon satisfaction of its funding obligations in respect of the Phase 1 Expenditures, Agnico Eagle will have earned a 50% interest in the Properties, and the Company and Agnico Eagle will be deemed to have formed a 50:50 joint venture (the "Joint Venture") to carry on operations in respect of the Properties.

Upon formation of the Joint Venture, Agnico Eagle will have the further option (the "Final Option" and together with the Initial Option, the "Option") to acquire an additional 25% interest by incurring additional expenditures of $50 million within the first five-year period following formation of the Joint Venture (the "Second Option Period"). During the Second Option Period, Agnico Eagle will act as operator with respect to operations on the Properties.

In January 2024, Agnico Eagle and Mistango agreed to terminate the Option Agreement, with Mistango retaining 100% interest in the Properties. Agnico Eagle completed its funding obligations under the Option Agreement through the payment of $275,584 in lieu of completing exploration activities. The funds were received subsequent to December 31, 2023.

**Ledden Property, Quebec**

On August 17, 2022, the Company entered into an option agreement to acquire a 100% interest in the Ledden Copper-Gold Project ("Ledden") in the Chibougamau District of Quebec.

Mistango committed a total of $200,000 in cash or shares (at Mistango's option) and $1.2 million work of commitments on the property over the next three years to earn a 100% interest in Ledden. The $50,000 due upon the execution of the agreement was settled with the issuance of 1,136,364 shares. The vendors will retain a 2% NSR on Ledden, of which Mistango can repurchase half of this NSR for $2 million. There are additional milestone payments, in cash or shares at Mistango's choosing, that are only due upon prescribed milestones. All 'cash or share payments' listed within the agreement are selected at the discretion of Mistango. Should Mistango choose to make any cash payment in shares, Mistango shares would be valued based on a 15-day volume weight average price.

(Unaudited - Expressed in Canadian dollars)

| Timing | Cash or Share Payments | Work Commitments |
|---|---|---|
| Execution of agreement | $50,000* | - |
| 12 months | $50,000*** | $150,000** |
| 24 months | $50,000 | $250,000** |
| 36 months | $50,000 | $800,000 |
| Total | $200,000 | $1,200,000 |

*1,136,364 shares issued
** complete as at December 31, 2022
*** As of March 31, 2024, no payment was made. The Company has not received a notice of default from the optionor.

Future Milestone Considerations:

1. $100,000 in cash or shares to the Vendor after the completion of an NI 43-101 resource calculation on the property
2. $250,000 in cash or shares to the Vendor after the completion of a preliminary economic assessment on the property
3. $500,000 in cash or shares to the Vendor after the completion of a positive feasibility study on the property
4. $1,000,000 in cash or shares to the Vendor when commercial production starts on the property.
5. It is at Mistango's option whether to pay cash or shares for the Milestone Considerations.
6. These Milestone Considerations will apply only after Mistango has completed the Purchase Considerations and acquired title to the property.

**Goldie, Ontario**

On May 30, 2023, the Company closed an acquisition of the 100% owned Goldie Expansion Project (the "Interest"). The Project consists of several claim units that extend the Goldie Project along the Shebandowan Greenstone Trend.

The Company acquired the interest in the Goldie Expansion Project pursuant to a mining property acquisition agreement dated May 1, 2023 between the Company and arms length vendors. As consideration for the interest in the Goldie Expansion Project, the Company issued 3,000,000 common shares and 1,500,000 warrants with an exercise price of $0.10 for a period of two years. The Company also paid a $50,000 dollar cash payment on the closing of the acquisition. The Goldie Expansion is royalty-free except for two claims, which have a 1% NSR with a right to buy back 3/4 thereof.

**Manibridge Project, Manitoba**

On October 28, 2022, the Company and Metal Energy jointly entered into an option agreement and a call option agreement. Each such agreement pertains to a 15% interest in Metal Energy's Manibridge project, located in the province of Manitoba. Metal Energy granted Mistango an option to acquire a 15% interest in the Manibridge project in consideration for Mistango carrying out an aggregate of $1.5 million in exploration work on the project by not later than December 31, 2022. The Manibridge project's mining claims are subject to the following NSRs: (a) a two percent NSR on the Project held by Glencore of which the optionee has the right to buy back half (50% of the aforementioned two percent thereof), at a price of $1,000,000 prior to the expiry of one year after the start of commercial production; and (b) a one percent NSR on claims P1271F and P1262F and a two percent NSR on the other 17 claims of the project being acquired from CanAlaska. In December 2022, the Company closed is option agreement with Metal Energy to acquire 15% of the Manibridge Project.

The call option agreement provides Metal Energy the right to acquire the 15% interest in the Manibridge project from Mistango for $2.25 million at any time after February 28, 2023 but before April 30, 2024. The $2.25 million may be paid in cash or in common shares of Metal Energy at the sole option of Metal Energy. The exercise of the call option and the completion of the transfer of interest from Mistango to Metal Energy is subject to the prior approval of the TSX Venture Exchange.

## 13. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders. The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management in the period.

The Company is not subject to externally imposed capital requirements.

## 14. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Fair value of financial instruments***
The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at March 31, 2024, the Company's marketable securities are classified as Level 1 in the fair value hierarchy. The fair value of the Company's other financial instruments approximate their carrying amount given their short-term nature.

***Credit risk***
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Amounts receivable are due from the Government of Canada and Quebec, and the Company believes the risk of loss related to these is remote. The Company's exposure to credit risk is on its cash held in bank accounts and due from related parties. Cash is held with major banks in Canada. Management assesses credit risk of cash and due from related parties as remote.

***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 strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

***Currency and interest rate risk***
The Company is not exposed to any significant foreign exchange risk or interest rate risk.

***Market risk***
The Company's marketable securities are subject to fair value fluctuations. As at March 31, 2024, if the

(Unaudited - Expressed in Canadian dollars)

fair value of the marketable securities fluctuated by 10% all other factors held constant, net loss would have changed by approximately $100,000 (2023 - $193,000) based on the value of marketable securities held at March 31, 2024.

***Classification of financial instruments***

Financial assets and liabilities included in the statement of financial position are as follows:

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| **Financial assets at amortized costs:** | | |
| Cash | **$2,778,625** | $1,730,168 |
| Amounts receivable | **-** | 363,642 |
| Due from related parties | **173,323** | 165,523 |
| **Financial assets at fair value through profit and loss:** | | |
| Marketable securities | **1,042,293** | 1,926,400 |
| | **$3,994,241** | $4,185,733 |

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| **Financial liabilities at amortized costs:** | | |
| Accounts payable and accrued liabilities | **$77,372** | $74,771 |
| Due to related party | **266** | - |
| Convertible note | **55,000** | 56,100 |
| Lease liabilities current and non-current | **50,340** | 64,465 |
| | **$182,977** | $195,336 |

## 15. COMMITMENTS AND CONTINGENCIES

(a) The Company’s exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make, expenditures in the future to comply with such laws and regulations.

## 16. SUBSEQUENT EVENTS

In May 2024, Mistango amended its existing call option agreement with Metal Energy Corp. The original agreement, dated October 28, 2022, granted Metal Energy the option to reacquire a 15% interest in 19 mining claims within the Manibridge Project located in Manitoba. The amendment extends the deadline for Metal Energy to exercise this option to April 30, 2026. In consideration for this extension, Metal Energy issued 1,000,000 common shares to Mistango at a deemed price of $0.02 per share, totaling $20,000.