SILVER HAMMER
MINING CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

(EXPRESSED IN CANADIAN DOLLARS)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Silver Hammer Mining Corp.

Opinion

We have audited the *consolidated* financial statements of Silver Hammer Mining Corp. *and its subsidiaries,* the Company) which comprise:

- the *consolidated* statements of financial position as at *September 30, 2024 and 2023;*
- the *consolidated* statements of loss and comprehensive loss for the years ended *September 30, 2024 and 2023*;
- the *consolidated* statements of changes in equity for the years ended *September 30, 2024 and 2023*;
- the *consolidated* statements of cash flows for the years ended *September 30, 2024 and 2023*; and
- the notes to the *consolidated* financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying *consolidated* financial statements present fairly, in all material respects, the *consolidated* financial position of the Company as at September 30, 2024 and 2023, and its *consolidated* financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the consolidated financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the *consolidated* financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

We draw attention to *Note 1* of the accompanying *consolidated* financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about 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 Financial Statements for the year ended September 30, 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditors' report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 4 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $8,127,835 as of September 30, 2024. As more fully described in Note 2 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of E&E Assets is a key audit matter are that there was judgment by management when assessing whether there were indicators of impairment for the E&E Assets, specifically related to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Our audit response to the key audit matter was as follows:

- Obtaining an understanding of the key controls associated with evaluating the E&E Assets for impairment;
- Evaluating management's assessment of impairment indicators;
- Evaluating the intent for the E&E Assets through discussion and communication with management;
- Reviewing the Company's recent expenditure activity;
- Assessing the Company's right to explore E&E Assets;
- Assessing the overall industry trends as a benchmark for evaluating the Company's stock performance;
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

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.

If, based on the work we have performed on this other information, 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 IFRS Accounting Standards as issued by the International Accounting Standards Board, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the *consolidated* financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 auditors' 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 auditors' report is Artem Valeev.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
January 28, 2025

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SILVER HAMMER MINING CORP.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Note(s)	September 30, 2024 $	September 30, 2023 $
ASSETS			
Current assets			
Cash		35,767	632,232
Amounts receivable		23,472	17,310
Prepaid expenses		13,777	145,472
Deferred acquisition costs	3	-	530,962
		73,016	**1,325,976**
Non-current assets			
Reclamation deposits	4	30,543	30,687
Property, plant and equipment		1,409	3,809
Exploration and evaluation assets	4	8,127,835	8,070,068
		8,159,787	**8,104,564**
TOTAL ASSETS		**8,232,803**	**9,430,540**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	885,280	524,094
TOTAL LIABILITIES		**885,280**	**524,094**
SHAREHOLDERS' EQUITY			
Share capital	5	12,405,539	12,405,539
Share subscription received	5	31,500	-
Reserves	5	2,252,634	2,267,302
Accumulated deficit		(7,342,150)	(5,766,395)
TOTAL SHAREHOLDERS' EQUITY		**7,347,523**	**8,906,446**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**8,232,803**	**9,430,540**

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These audited consolidated financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Alnesh Mohan Director **/s/ Lawrence Roulston Director**

See accompanying notes to these consolidated financial statements

(Expressed in Canadian Dollars)

		For the years ended	
	Note(s)	September 30, 2024 $	September 30, 2023 $
Expenses			
Consulting fees	6	246,539	361,416
Depreciation		2,400	1,000
Foreign exchange loss		3,181	14,792
General and administrative		49,807	168,419
Investor relations and promotion		285,764	599,244
Professional fees	6	300,081	260,605
Project evaluation costs	3	621,507	133,279
Regulatory and transfer agents		42,072	46,988
Share-based payments	5	-	362,895
Travel		24,404	11,761
Net loss		**(1,575,755)**	**(1,960,399)**
Other comprehensive income (loss)			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		(14,668)	(28,058)
Total comprehensive loss		**(1,590,423)**	**(1,988,457)**
Basic and diluted loss per share for the year attributable to common shareholders ($ per common share)		**(0.03)**	**(0.04)**
Weighted average number of common shares outstanding - basic and diluted		**54,191,412**	**49,383,716**

(Expressed in Canadian Dollars)

		Share capital			Reserves				
	Note(s)	Number of common shares	Amount $	Share subscription received $	Stock options reserve $	Warrants reserve $	Accumulated other comprehensive income (loss) $	Deficit $	Total $
Balance as of September 30, 2022		**46,713,662**	**11,281,349**	**-**	**1,009,315**	**316,621**	**196,529**	**(3,805,996)**	8,997,818
Shares issued for cash - private placement	5	7,296,500	1,459,300	-	-	364,825	-	-	**1,824,125**
Shares issued for cash - exercise of warrants	5	61,250	6,125	-	-	-	-	-	**6,125**
Share issue costs	5	-	(326,060)	-	-	-	-	-	**(326,060)**
Shares issued for finders' fees	5	120,000	24,000	-	-	6,000	-	-	**30,000**
Fair value of finders' warrants	5	-	(42,043)	-	-	42,043	-	-	**-**
Reclassification of grant-date fair value on exercise of warrants	5	-	2,868	-	-	(2,868)	-	-	**-**
Share-based payments	5	-	-	-	362,895	-	-	-	**362,895**
Loss and comprehensive loss for the year		-	-	-	-	-	(28,058)	(1,960,399)	**(1,988,457)**
Balance as of September 30, 2023		**54,191,412**	**12,405,539**	**-**	**1,372,210**	**726,621**	**168,471**	**(5,766,395)**	8,906,446
Share subscription received	5	-	-	31,500	-	-	-	-	**31,500**
Loss and comprehensive loss for the year		-	-	-	-	-	(14,668)	(1,575,755)	**(1,590,423)**
Balance as of September 30, 2024		**54,191,412**	**12,405,539**	**31,500**	**1,372,210**	**726,621**	**153,803**	**(7,342,150)**	7,347,523

See accompanying notes to these consolidated financial statements

(Expressed in Canadian Dollars)

		For the years ended	
		September 30, 2024	September 30, 2023
	Note(s)	$	$
Cash flow from (used in)			
OPERATING ACTIVITIES			
Net loss		(1,575,755)	(1,960,399)
Depreciation		2,400	1,000
Share-based payments	5	-	362,895
Net changes in non-cash working capital items:			
Amounts receivable		(6,162)	25,333
Prepaid expenses		131,695	101,574
Deposits		-	5,000
Accounts payable and accrued liabilities		855,708	39,387
Cash flow used in operating activities		**(592,114)**	**(1,425,210)**
INVESTING ACTIVITIES			
Exploration and evaluation assets additions	4	(35,851)	(732,592)
Purchase of property, plant and equipment		-	(4,809)
Transaction costs related to the Shafter Project	3	-	(166,903)
Cash flow used in investing activities		**(35,851)**	**(904,304)**
FINANCING ACTIVITIES			
Proceeds on exercise of warrants	5	-	6,125
Proceeds on issuance of common shares, net of cash share issue costs	5	-	1,528,065
Share subscription received	5	31,500	-
Cash flow provided by financing activities		**31,500**	**1,534,190**
Decrease in cash		**(596,465)**	**(795,324)**
Cash, beginning of year		**632,232**	**1,427,556**
Cash, end of year		**35,767**	**632,232**
Supplemental cash flow information			
Exploration and evaluation assets included in accounts payable and accrued liabilities		36,440	-
Change in accounts payable and accrued liabilities related to deferred acquisition costs	1	-	364,059
Fair value of finders' warrants	5	-	42,043
Payment of finder’s fees through issuance of finder’s units	5	-	6,000
Reclassification of grant-date fair value on exercise of warrants	5	-	2,868
Reclassification of the deferred acquisition costs to project evaluation costs		571,390	-
Cash paid for income taxes		-	-
Cash paid for interest		-	-

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Silver Hammer Mining Corp. (the "Company") was formed on May 2, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 400-1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6, Canada, Canada.

The Company's common shares are listed on the Canadian Securities Exchange under the symbol "HAMR".

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2024, the Company holds an interest in early-stage mineral exploration properties located in United States and the Company had not yet determined whether the Company's mineral property asset contains a deposit of minerals that is economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a working capital deficiency of $812,264 (September 30, 2023 – working capital of $801,882) and a deficit of $7,342,150 as of September 30, 2024 (September 30, 2023 – $5,766,395), which has been funded primarily by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements. While the Company has been successful in obtaining financing in the past, there is no assurance that such financing will continue to be available or be available on favorable terms in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION

Statement of compliance with International Financial Reporting Standards

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The policies set out below were consistently applied to all periods presented unless otherwise noted below.

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These accounting policies set out below have been applied consistently to all years presented in these financial statements.

These consolidated financial statements of the Company for the year ended September 30, 2024 were approved by the Board of Directors on January 28, 2025.

Basis of consolidation

These consolidated financial statements comprise the accounts of the Company and the following subsidiaries of the Company:

		Percentage owned	
	Country of incorporation	September 30, 2024	September 30, 2023
Silver Strand Exploration Corp. (1)	Canada	100%	100%
123456 US Inc.	United States	100%	100%
1304562 BC Ltd. (2)	Canada	100%	100%
1304562 Nevada Ltd.	United States	100%	100%

(1) Formerly known as Silver Hammer Mining Corp.
(2) This entity has been dormant since the date of incorporation.

<u>Subsidiaries</u>

A subsidiary is an entity over which the Company has power to govern the operating and financial policies in order to obtain benefits from its activities. The consolidated financial statements include all the assets, liabilities, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

Gains or losses on disposal are calculated as the difference between the sale proceeds (net of expenses) and the net assets attributable to the interest which has been sold. Where a disposal represents a separate major line of business or geographical area of operations, the net results attributable to the disposed entity are shown separately in the statement of loss and comprehensive loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Critical accounting estimates

The information about significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for based on management's judgement that the carrying amounts will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to commence and complete development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Share-based payment arrangements

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment is used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Critical accounting judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Functional currency

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of the Company is the Canadian dollar, as this is the currency of the primary economic environment in which the Company operates. The functional currency of the Company's subsidiaries is as follows:

	Functional currency
Silver Strand Exploration Corp.	Canadian Dollar (CA$ or $)
123456 US Inc.	US Dollar (US$)
1304562 BC Ltd.	Canadian Dollar ($)
1304562 Nevada Ltd.	US Dollar (US$)

Going concern

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Critical accounting judgments (continued)

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Material accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, highly liquid investments that are readily convertible into a known amount of cash and which are subject to insignificant risk of changes in value, net of bank overdrafts which are repayable on demand.

Foreign exchange

Translation of foreign transactions and balances into the functional currency

Foreign currency transactions are translated into the functional currency of the underlying entity using appropriate average rates of exchange. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange in effect at the end of each reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss.

Translation of the functional currency into the presentation currency

The results of foreign operations which have a different functional currency of the Company are translated to Canadian dollars at appropriate average rates of exchange during the year and are included in other comprehensive income (loss). The assets and liabilities of foreign operations are translated to Canadian dollars at rates of exchange in effect at the end of the period. Gains or losses arising on translation of foreign operation's assets and liabilities to Canadian dollars at period end are recognized in accumulated other comprehensive income (loss) as a foreign currency translation adjustment. When a foreign operation is sold, such exchange differences are recognized in profit or loss as part of the gain or loss on sale.

Share-based payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The Company recognizes share-based payments expense based on the estimated fair value of the options. A fair value measurement is made for each vesting installment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based payments and reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to share capital.

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 specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Material accounting policies (continued)

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Exploration and evaluation assets

Once the legal right to explore has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to acquisition costs. These direct expenditures include such costs as materials used, staking costs, drilling costs and payments made to contractors. Costs not directly attributable to exploration and evaluation expenditures, including general administration and overhead costs are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects for the Company, the exploration and evaluation expenditures, along with the acquisition costs, are deemed to be impaired and written off.

The Company assesses exploration and evaluation assets for impairment when the facts and circumstances suggest that the carrying amount of these assets may exceed their recoverable amount. The recoverable amount is the higher of the asset’s fair value less costs to sell and value in use.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as ‘Mines under construction’.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Material accounting policies (continued)

Impairment of non-financial assets

Non-financial assets, including exploration and evaluation assets, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the cash-generating unit, which is the lowest group of assets in which the asset belongs for which they are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in other comprehensive loss/income.

Loss per share

Basic loss per share is computed by dividing the net loss applicable to the common shares by the weighted average number of common shares outstanding for the period.

Diluted loss per share is computed by dividing the net loss applicable to the common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. When losses are incurred, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

Financial instruments

- **Financial assets**

  Classification and measurement

  The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

  The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest. If the business model is not to hold the debt instrument, it is classified as FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

  Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument by-instrument basis) to designate them as at FVTOCI.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Material accounting policies (continued)

Financial instruments (continued)

- **Financial assets (continued)**

  Financial assets at FVTPL – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges. As of September 30, 2024, and 2023, the Company has classified its cash as FVTPL.

  Financial assets at FVTOCI – Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. As of September 30, 2024, and 2023, the Company has no financial assets classified as FVOCI.

  Financial assets at amortized cost – Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date. As of September 30, 2024, and 2023, the Company has no financial assets classified as amortized cost.

  Impairment of financial assets at amortized cost
  The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

  Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

  Derecognition of financial assets
  Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Material accounting policies (continued)

Financial instruments (continued)

- **Financial liabilities**
  The Company classifies its financial liabilities into one of two categories as follows:

  Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

  Other financial liabilities – This category consists of liabilities carried at amortized cost using the effective interest method. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. As of September 30, 2024, and 2023, the Company has classified its accounts payable as other financial liabilities

Refer to Note 10 for further disclosures.

New accounting standards and pronouncements
Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB that are mandatory for accounting periods beginning on or after October 1, 2024. The Company does not expect that any new or amended standards or interpretations that are effective for annual periods beginning on or after October 1, 2024 will have a significant impact on the Company's results of operations or financial position.

- *Disclosure of Accounting Policies*
  In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

- *Definition of Accounting Estimates (Amendment to IAS 8)*
  In February 2021, the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors.

  There was no material impact upon adoption of the above accounting standards.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION (CONTINUED)

Material accounting policies (continued)

New accounting standards and pronouncements (continued)

- *Classification of Liabilities as Current or Non-Current*
  The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

- *IFRS 18 Presentation and Disclosure in the Financial Statements*
  In April 2024, the IASB issued a new IFRS accounting standard to improve the reporting of financial performance. IFRS 18 Presentation and Disclosure in the Financial Statements replaces IAS 1 Presentation of Financial Statements. The standards will become effective January 1, 2027, with early adoption permitted.

The Company is in the process of assessing the impact of these new standards on the Company's financial statements.

3. DEFERRED ACQUISITION COSTS

On September 27, 2023, the Company entered into a definitive share purchase agreement (the "Purchase Agreement") to acquire a 100% interest in the Shafter Silver Property (the "Shafter Project"), located in Presidio County in Southwest Texas, from Aurcana Silver Corporation ("Aurcana") (the "Proposed Transaction"). On May 3, 2024, the Company decided to terminate the Purchase Agreement.

The Company incurred transaction costs of $617,898 (the "Transaction Costs"), of which $86,936 was incurred during the year ended September 30, 2024 and $530,962 was incurred during the year ended September 30, 2023 and recorded as deferred acquisition costs on the statements of financial position. As a consequence of the termination, the Company expensed the Transaction Costs and deferred acquisition costs as project evaluation costs in the consolidated statements of loss and comprehensive loss during the year ended September 30, 2024.

In addition, during the year ended September 30, 2024, the Company incurred project evaluation costs of $3,609, which were expensed as incurred on the Shafter Project.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

The Company's evaluation and exploration assets are broken down as follows:

	Silver Strand Project $	Eliza Silver Project $	Silverton Silver Project $	TOTAL $
Balance as of September 30, 2023	4,850,307	1,732,861	1,486,900	**8,070,068**
Annual maintenance fees	9,522	29,110	2,993	**41,625**
Deferred exploration costs				
- Consulting	-	9,616	-	**9,616**
- Field office administration	-	24	-	**24**
- Geological	20,068	960	-	**21,028**
	20,068	**10,600**	**-**	**30,668**
Effect of movements in exchange rates	(10,810)	(2,485)	(1,231)	**(14,526)**
Balance as of September 30, 2024	**4,869,087**	**1,770,086**	**1,488,662**	**8,127,835**

	Silver Strand Project $	Eliza Silver Project $	Silverton Silver Project $	TOTAL $
Balance as of September 30, 2022	4,634,323	1,526,243	1,434,269	**7,594,835**
Staking fees	7,790	23,814	2,448	**34,052**
Deferred exploration costs				
- Assays and analysis	451	-	-	**451**
- Consulting	-	81,227	2,549	**83,776**
- Drilling	13,545	-	-	**13,545**
- Field	9,084	1,033	3,537	**13,654**
- Field office administration	8,988	-	-	**8,988**
- Geological	197,571	102,330	46,150	**346,051**
	229,639	**184,590**	**52,236**	**466,465**
Effect of movements in exchange rates	(21,445)	(1,786)	(2,053)	**(25,284)**
Balance as of September 30, 2023	**4,850,307**	**1,732,861**	**1,486,900**	**8,070,068**

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Silver Strand Project

Asset Purchase Agreement with Silver Strand Development LLC.

On January 21, 2021, the Company through its' wholly owned subsidiary, 123456 US Inc., entered into an asset purchase agreement with a third party, Silver Strand Development LLC. ("SSD") (the "SSD Agreement") to acquire a 100% interest in certain mineral claims (the "SSD Claims") located in the State of Idaho, USA.

To acquire 100% interest of the SSD Claims, the Company will have to:

- Pay US$10,000 to SSD for the transfer of the title to 123456 US Inc. of the SSD Claims (the "Transfer of Title") (paid);
- Pay US$25,000 to SSD within 5 business days of the SS Acquisition (paid – $31,171);
- Issue 200,000 common shares of the Company to SSD at the date of the SS Acquisition (issued with fair value of $50,000);
- Pay US$25,000 to SSD on the first anniversary following the completion of the SS Acquisition (paid – $32,371); and
- Issue 200,000 common shares of the Company to SSD on the first anniversary following the completion of the SS Acquisition (issued with fair value of $73,000).

Eliza Silver Project and Silverton Silver Project

The Company through its' wholly owned subsidiary, 1304562 B.C. Ltd., owns a 100% interest in the Eliza Silver Project and the Silverton Silver Mine.

During the year ended September 30, 2022, the Company entered into an asset purchase agreement with Treasure Hill Resources LLC ("TH Resources") to acquire certain patented mining claims and associated property rights in White Pine County, Nevada (the "California Patent") with an amount of $31,263 (US$25,000). TH Resources will retain a 1% NSR from the production of minerals from the California Patent.

During the year ended September 30, 2022, the Company made a reclamation deposit of US$22,600 as collateral for the Silverton Silver project in the event of future operations. As of September 30, 2024, the balance of the reclamation deposit was $30,543 (US$22,600) (September 30, 2023 – $30,687 (US$22,600)).

5. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Escrow shares

On March 4, 2021, the Company entered into an escrow agreement pursuant to National Policy 46-201 *Escrow for Initial Public Offerings*, whereby common shares will be held in escrow and are scheduled for release as follows:

- On the Listing Date: 270,000 common shares (released)
- On October 29, 2021: 405,001 common shares (released)
- On April 9, 2022: 405,001 common shares (released)
- On October 29, 2022: 405,000 common shares (released)
- On April 9, 2023: 405,000 common shares (released)
- On October 29, 2023: 404,999 common shares (released)
- On April 9, 2024: 404,999 common shares (released)

As of September 30, 2024, no common shares were held in escrow (September 30, 2023 – 809,998).

5. SHARE CAPITAL (CONTINUED)

Issued share capital

As of September 30, 2024, and 2023, the Company had 54,191,412 common shares issued and outstanding.

During the year ended September 30, 2024, the Company received $31,500 in share subscriptions.

During the year ended September 30, 2023

- On May 24, 2023, the Company completed a brokered private placement (the "2023 Financing") by issuing 7,296,500 units at $0.25 per unit for total gross proceeds of $1,824,125. Each unit is comprised of one common share of the Company and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.33 for a period of 24 months from the closing date of the 2023 Financing.

  For accounting purposes, the Company applied the residual method to allocate the proceeds to common shares and warrants and determined that $364,825 was allocated to the warrants.

  In connection with the 2023 Financing, the Company:
  - paid a cash commission of $118,050 to the agent;
  - issued 472,200 broker's warrants, each exercisable to acquire one common share at $0.25 for a period of 24 months from the closing date of the 2023 Financing; and
  - issued 120,000 units, which are subject to a 4-month hold, with fair value of $30,000 as corporate finance fee.

  The Company estimated the fair value of broker's warrants using the Black-Scholes options pricing model, assuming a risk-free interest rate of 4.18%, an expected life of 2 years, an expected volatility of 91% and an expected dividend yield of 0%, which totaled $42,043, and recorded these values as share issuance costs.

  For accounting purposes, the Company applied the residual method to allocate the fair value of the units issued for the corporate finance fee to common shares and warrants and determined that $6,000 was allocated to the warrants.

  In addition, the Company incurred $178,010 share issuance costs.

- 61,250 warrants were exercised for proceeds of $6,125. In addition, the Company reclassified the grant date fair value of the exercised warrants of $2,868 from warrants reserve to share capital.

Subsequent to September 30, 2024

- On October 1, 2024, the Company executed an agreement with the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") to settle outstanding payables amounting to $186,400 through the issuance of 3,389,092 common shares.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Issued share capital (continued)

Subsequent to September 30, 2024 (continued)

- On December 16, 2024, the Company completed a brokered private placement (the "2024 Financing") by issuing 3,072,700 units at $0.055 per unit for total gross proceeds of $168,998. Each unit is comprised of one common share of the Company and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.07 for a period of 36 months from the closing date of the 2024 Financing.

  In connection with the 2024 Financing, the Company:
  - paid finders' fees of $5,285 in cash; and
  - issued 96,089 finders' warrants, each exercisable to acquire one common share at $0.07 for a period of 36 months from the closing date of the 2024 Financing.

Warrants

The changes in warrants during the years ended September 30, 2024 and 2023 are as follows:

	September 30, 2024		September 30, 2023	
	Number outstanding	**Weighted average exercise price ($)**	**Number outstanding**	**Weighted average exercise price ($)**
Balance, opening	8,689,924	0.41	11,289,538	0.49
Issued	-	-	4,180,450	0.32
Exercised	-	-	(61,250)	0.10
Expired	(4,509,474)	0.49	(6,718,814)	0.50
Balance, closing	**4,180,450**	**0.32**	**8,689,924**	**0.41**

During the years ended September 30, 2024, and 2023, a total of 4,509,474 and 6,718,814 warrants expired unexercised, respectively.

The following summarizes information about warrants outstanding as of September 30, 2024:

Expiry date	Exercise price ($)	Warrants outstanding	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
May 24, 2025	0.25	472,200	42,043	0.65
May 24, 2025	0.33	3,708,250	370,825	0.65
		4,180,450	**412,868**	**0.65**
Weighted average exercise price ($)		**0.32**		

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Options

The Company has a share option plan (the "Plan") that allows it to grant options to its employees, officers, directors and consultants. A fixed maximum of 10% of the common shares issued may be granted. The exercise price of each option shall not be less than the closing market price for the common shares on the trading day prior to the date of the grant. Options may have a maximum term of ten years. Vesting conditions of options is at the discretion of the Board of Directors at the time the options are granted.

The changes in options during the years ended September 30, 2024 and 2023 are as follows:

	September 30, 2024		September 30, 2023	
	Number outstanding	Weighted average exercise price ($)	Number outstanding	Weighted average exercise price ($)
Balance, opening	3,685,000	0.42	2,400,000	0.62
Granted	-	-	1,935,000	0.24
Cancelled	(450,000)	0.54	(650,000)	0.62
Balance, closing	**3,235,000**	**0.40**	**3,685,000**	**0.42**

During the year ended September 30, 2024

- 450,000 options were cancelled.

During the year ended September 30, 2023

- The Company granted 750,000 options with an exercise price of $0.24 to its newly appointed President and CEO. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

- The Company granted 1,000,000 options with an exercise price of $0.24 to its directors, officers, employees and consultants. 100,000 options were granted to an IR consultant. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

- The Company granted 185,000 options with an exercise price of $0.24 to its Board advisor. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

- 650,000 options were cancelled.

The estimated grant date fair value of the options granted during the year ended September 30, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Number of options granted	1,935,000
Risk-free interest rate	3.56%
Expected annual volatility	92%
Expected life (in years)	5
Expected dividend yield	-
Grant date fair value per option ($)	0.19
Share price at grant date ($)	0.26

During the year ended September 30, 2024, the Company recognized share-based payments expense of $nil (September 30, 2023 – $362,895).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Options

The following summarizes information about stock options outstanding and exercisable as of September 30, 2024:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
June 16, 2026	0.62	1,300,000	1,300,000	474,805	1.71
August 9, 2026	0.65	100,000	100,000	40,196	1.86
February 15, 2028	0.24	1,650,000	1,650,000	321,181	3.38
March 15, 2028	0.24	185,000	185,000	22,248	3.46
		3,235,000	**3,235,000**	**858,430**	**2.67**
Weighted average exercise price ($)		**0.41**	**0.41**		

6. RELATED PARTY TRANSACTIONS

Related party transactions

The Company considers the executive officers and directors as the key management of the Company.

Total compensation of key company personnel for the years ended September 30, 2024, and 2023 are as follows:

	For the years ended	
	September 30, 2024 $	September 30, 2023 $
Peter Ball, CEO, President, Director (1)		
Consulting fees	200,000	175,000
Share-based payments	-	145,992
	200,000	**320,992**
Alnesh Mohan, CFO, Director, Corporate Secretary (2)		
Professional fees	132,580	127,260
Share-issuance costs	-	9,500
Project evaluation costs	12,500	9,013
Share-based payments	-	36,011
	145,080	**181,784**
Lawrence Roulston, Director		
Share-based payments	-	36,011
Joness Lang, Former Director		
Share-based payments	-	36,011
Ron Burk, Director, Technical Advisory		
Share-based payments	-	36,011

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS (CONTINUED)

	For the years ended	
	September 30, 2024	**September 30, 2023**
	$	**$**
Morgan Lekstrom, Former CEO, Former President (3)		
Consulting fees	-	37,500
Warwick Smith, Former Interim CEO, Former Interim President, Former Director (4)		
Consulting fees	-	37,500
Share-based payments	-	31,145
	-	**68,645**
TOTAL	**345,080**	**716,954**

(1) Fees paid to Ariston Capital Corp., a corporation controlled by the CEO, President and Director.
(2) Fees paid to Quantum Advisory Partners LLP, a partnership in which the CFO is an incorporated partner. Fees were paid for the provision of CFO, financial reporting and accounting support.
(3) Fees paid to All Mine Consulting, a corporation controlled by the former CEO and President.
(4) Fees paid to Harbourside Consulting, a corporation controlled by the former Interim CEO and Interim President.

Related party balances

The balances due to the Company's directors and officer, included in accounts payables and accrued liabilities, amounted to $196,442 as of September 30, 2024 (September 30, 2023: $45,547). Of this amount, $186,400 was settled through the issuance of 3,389,092 common shares subsequent to September 30, 2024 (Note 5). These amounts are unsecured, non-interest bearing, and payable on demand.

7. CONTINGENCIES

The Company is from time to time involved in various claims, legal proceedings and complaints arising in the ordinary course of business. Other than disclosed herein, the Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

During the year ended September 30, 2024, the Company received a court order regarding an amount owed to a law firm (the “Firm”). On May 13, 2024, a judgment was rendered against the Company for its failure to make payment for services rendered under the engagement letter. As a result, in addition to the amount owed to the Firm, the Company is responsible for paying attorney fees, court costs, and pre- and post-judgment interest. The total amount owed to the Firm, as of the date of the judgment, is US$234,326.

8. SEGMENTED INFORMATION

The Company operates in one reportable segment being the exploration and evaluation of mineral properties. The Company’s non-current assets mainly consist of the exploration and evaluation assets located in the United States.

(Expressed in Canadian Dollars)

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Financial instruments are classified into one of the following categories: FVTPL, amortized cost and FVTOCI.

Set out below are the Company's financial assets and liabilities by category:

	September 30, 2024 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	35,767	35,767	-	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(885,280)	-	(885,280)	-

	September 30, 2023 $	FVTPL $	Amortized costs $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	632,232	632,232	-	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(524,094)	-	(524,094)	-

The carrying values of cash, and accounts payable approximate their fair values due to the relatively short period to maturity of those financial instruments.

As at September 30, 2024, and 2023, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 1, 2 and 3 in the fair value hierarchy above.

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

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

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value (continued)

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk concentration with respect to these financial instruments is remote. Cash based in Canada are accessible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As of September 30, 2024, the Company had cash of $35,767 and accounts payable and accrued liabilities of $885,280. All accounts payable and accrued liabilities are current.

Market risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

- ***Interest rate risk***

  Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held at a Canadian chartered bank. Management believes that the credit risk concentration with respect to cash is remote as the cash is easily accessible.

  The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash. The Company is not exposed to significant interest rate risk relating to its cash.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial risk management (continued)

Market risk

- ***Foreign currency risk***
  The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in CA$. The Company has not entered into any foreign currency contracts to mitigate this risk.

  The Company's cash, deposits, and accounts payable and accrued liabilities are held in CA$ and US$; therefore, US$ accounts are subject to fluctuation against the CA$.

  The Company's financial instruments were denominated as follows as of September 30, 2024:

	CA$	**US$**
Cash	35,175	438
Amounts receivable	23,472	-
Reclamation deposits	-	22,600
Accounts payable and accrued liabilities	(509,163)	(278,299)
	(450,516)	**(255,261)**
Rate to convert to $1.00 CA$	1.00	1.35
Equivalent to CA$	**(450,516)**	**(344,980)**

  Based on the above net exposures as at September 30, 2024, and assuming that all other variables remain constant, a 10% change of the CA$ against the US$ would change profit or loss by approximately $35,000.

Commodity price risk
The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities. The Company is not exposed to significant other price risk.

(Expressed in Canadian Dollars)

11. INCOME TAXES

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

	September 30, 2024	September 30, 2023
	$	$
Loss for the year	**1,575,755**	**(1,960,399)**
Expected income tax (recovery)	(425,000)	(539,000)
Change in foreign exchange rates and other	-	9,000
Non-deductible expenses	(3,000)	-
Share issue cost	-	23,000
Change in unrecognized deductible temporary differences	428,000	(507,000)
Total income tax expense (recovery)	**-**	**-**

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	September 30, 2024	Expiry Range	September 30, 2023	Expiry Range
	$		$	
Temporary Differences				
Share issue costs	385,000	2044 to 2047	574,000	2044 to 2047
Non-capital losses available for future period	6,265,000	2027 to 2044	4,489,000	2027 to 2043

Tax attributes are subject to review and potential adjustment by tax authorities.