ANTEROS METALS INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023 AND FOR THE PERIOD FROM INCORPORATION ON FEBRUARY 24, 2022 TO SEPTEMBER 30, 2022

(Expressed in Canadian Dollars)

ANTEROS METALS INC.

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Independent Auditor's Report

To the Shareholders of Anteros Metals Inc.

Opinion

We have audited the financial statements of Anteros Metals Inc. (the "Company"), which comprise the statements of financial position as at September 30, 2023 and 2022, and the statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the year ended September 30, 2023 and for the period from incorporation on February 24, 2022 to September 30, 2022, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2023 and 2022, and its financial performance and its cash flows for the year ended September 30, 2023 and for the period from incorporation on February 24, 2022 to September 30, 2022 is in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

January 26, 2024

ANTEROS METALS INC.

STATEMENTS OF FINANCIAL POSITION
As at September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Note	As at September 30, 2023	As at September 30, 2022
		$	$
Assets:			
Current assets:			
Cash		**4,718**	133,920
Marketable securities	4	**210,000**	415,000
Income taxes recoverable		**12,282**	-
Goods and services tax recoverable		**7,443**	23,204
Total current assets		**234,443**	572,124
Non-current assets:			
Exploration and evaluation assets	5	**308,226**	283,035
Total non-current assets		**308,226**	283,035
Total assets		**542,669**	855,159
Liabilities:			
Current liabilities:			
Accounts payable	7	**63,664**	16,514
Income taxes payable	8	**-**	39,394
Accrued liabilities	7	**38,312**	6,056
Total current liabilities		**101,976**	61,964
Shareholders equity:			
Share capital	6	**565,415**	565,415
Share-based payments reserve	6	**9,876**	9,876
Retained earnings		**(134,598)**	217,904
Total shareholders equity		**440,693**	793,195
Total liabilities and shareholders equity		**542,669**	855,159

Nature of operations and going concern	**1**
Subsequent events	**12**

Approved for issue by the Board of Directors and signed on its behalf by:

/s/ “”
William Chad Kennedy, Director

/s/ “”
Christopher Morrison, Director

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

ANTEROS METALS INC.

STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
For the year ended September 30, 2023 and for the period from incorporation on February 24, 2022 to September 30, 2022
(Expressed in Canadian Dollars)

	Note	Year ended September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
		$	$
Expenses			
Advertising and promotion		**1,960**	9,143
Business license and filing fees		**28,430**	-
Interest and bank charges		**2,479**	799
Management fees	**7**	**28,640**	25,000
Office expenses and general administrative		**2,669**	13,703
Professional fees	**7**	**167,653**	60,550
Salaries and wages	**7**	**21,458**	51,592
Share-based compensation	**6, 7**	**-**	9,876
Travel expenses		**7,298**	2,504
Total expenses		**260,587**	173,167
Other Income			
Gain on disposal of exploration and evaluation assets		**-**	484,465
Gain on debt settlement	**6**	**-**	31,000
Unrealized loss on marketable securities	**4**	**(80,500)**	(85,000)
Realized loss on marketable securities	**4**	**(50,415)**	-
		(130,915)	430,465
Net income (loss) and comprehensive income (loss) for the year before income taxes		**(391,502)**	257,298
Income taxes recovery (expense)	**8**	**39,000**	(39,394)
Net income (loss) and comprehensive income (loss) for the year		**(352,502)**	217,904
Basic and diluted income (loss) per common share		**(0.02)**	0.02
Weighted average number of common shares outstanding		**14,800,000**	9,502,619

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

STATEMENTS OF CHANGES IN EQUITY
For the year ended September 30, 2023 and for the period from incorporation on February 24, 2022 to September 30, 2022
(Expressed in Canadian Dollars)

	Note	Number of shares	Share capital	Share-based payments reserve	Retained earnings	Total equity
			$	$	$	$
Balance as at February 24, 2022			**-**	**-**	**-**	**-**
Common shares issued for:						
Shares issued for cash	**6**	11,240,000	464,000	-	-	464,000
Shares issued for exploration and evaluation properties	**5, 6**	3,050,000	152,500	-	-	152,500
Shares issued for exploration services	**6**	230,000	11,500	-	-	11,500
Shares issued for services	**6**	280,000	14,000	-	-	14,000
Share issue costs	**6**	-	(76,585)		-	(76,585)
Share-based compensation	**6**	-	-	9,876	-	9,876
Net income for the period ended September 30, 2022		-	-	-	217,904	217,904
Balance as at September 30, 2022		**14,800,000**	**565,415**	**9,876**	**217,904**	**793,195**
Net loss for the year ended September 30, 2023		**-**	**-**		**(352,502)**	**(352,502)**
Balance as at September 30, 2023		**14,800,000**	**565,415**	**9,876**	**(134,598)**	**440,693**

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

STATEMENTS OF CASH FLOWS
For the year ended September 30, 2023 and for the period from incorporation on February 24, 2022 to September 30, 2022
(Expressed in Canadian Dollars)

	Note	Year Ended September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
		$	$
Operating Activities			
Net income (loss)		**(352,502)**	217,904
Items not affecting cash:			
Gain on disposal of exploration and evaluation assets		**-**	(484,465)
Gain on debt settlement		**-**	(31,000)
Share-based compensation		**-**	9,876
Realized loss on marketable securities		**50,415**	-
Unrealized loss on marketable securities		**80,500**	85,000
		(221,587)	(202,685)
Changes in non-cash working capital:			
Accounts payable and accrued liabilities		**79,406**	51,570
Goods and service tax		**15,761**	(23,204)
Income tax payable (recoverable)		**(51,676)**	39,394
Cash used in operating activities		**(178,096)**	(134,925)
Investing Activities			
Proceeds from sale of investments		**74,085**	-
Expenditures on exploration and evaluation assets		**(25,191)**	(118,570)
Cash provided by (used in) investing activities		**48,894**	(118,570)
Financing Activities			
Common shares		**-**	464,000
Share issue costs		**-**	(76,585)
Cash provided by financing activities		**-**	387,415
Net cash increase (decease) for year		**(129,202)**	133,920
Cash at beginning of year		**133,920**	-
Cash at end of year		**4,718**	133,920

Supplemental Cash flow information (Note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Anteros Metals Inc. (the "Company") was incorporated provincially under the Corporations Act of Newfoundland and Labrador on February 24, 2022. The Company's registered office and principal place of business is located Suite 200 - 16 Forest Road, St. John's Newfoundland and Labrador, A1X 2B9. On September 29, 2023 the Company obtained a receipt for its final long form prospectus with the securities regulatory authorities in Alberta, British Columbia, Newfound and Labrador and Ontario for its proposed initial public offering. As of the date of the financial statements no shares have been issued under the long form prospectus.

The Company holds resource interests including base metals properties. On the basis of information obtained to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as exploration and evaluation properties represent net costs to date, less amounts recovered or written off, and do not necessarily represent present or future values. The Company is in the process of being listed on the stock exchange.

The Company incurred a net loss of $352,502 for the year ended September 30, 2023 (September 30, 2022 net income of $217,904). The Company used cash of $178,096 in operating activities for the year ended September 30, 2023 (September 30, 2022 $134,925) and generated $48,894 from investing activities (September 30, 2022 incurred expenditures of $118,570 on investing activities). The Company had marketable securities valued at $210,000 and a cash balance of $4,718 (September 30, 2022 securities valued at $415,000 and cash balance of $133,920) as at September 30, 2023, which is not sufficient for future operating activities. The Company will need to raise additional equity or obtain loans or dispose of its assets in order to generate cash to pay for future operating activities. These conditions indicate a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to the adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern and such adjustments may be material.

2. BASIS OF PREPARATION

Statement of Compliance

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

Approval of the financial statements

These financial statements were authorized for issue by the Board of Directors on January 25, 2024.

2. BASIS OF PREPARATION (continued)

Basis of Measurement

The Company's financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities at fair value. The financial statements are presented in Canadian Dollars unless otherwise stated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Critical Judgements and Sources of Estimation Uncertainty

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies that have the most significant effect on the amounts recognized in the financial statements:

(a) The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

(b) Management is required to assess the functional currency of the Company. In concluding that the Canadian dollar is the functional currency of the Company, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates.

(c) Management is required to assess impairment in respect of intangible exploration and evaluation assets. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

(d) The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Company's estimate of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

(e) As disclosed in Note 1, management is required to assess whether the Company will continue as a going concern and whether it will be able to realize assets and discharge liabilities in the normal course of business.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) The cost estimates are updated periodically during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. As at September 30, 2023, there were no decommissioning liabilities.

<u>Cash and cash equivalents</u>

Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company is not exposed to significant credit or interest rate risk related to cash and cash equivalents. As at September 30, 2023 and 2022 the Company did not have any cash equivalents.

<u>Amounts receivable</u>

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Receivables are classified as financial assets initially measured at fair value and subsequently measured at amortized cost. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

<u>Accounts and accrued liabilities</u>

Payables are obligations to pay for materials or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Payables are classified as financial liabilities initially at fair value and subsequently measured at amortized cost using the effective interest method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Exploration and evaluation assets

The Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties and crediting all proceeds received against the cost of the related properties. Such costs include, but are not exclusive to, geological expenditures, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment.

An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm out of the property result in a revised estimate of the recoverable amount, but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, they are charged to the results of operations.

Impairment of assets

At each financial position reporting date, the carrying amounts of the Company’s assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset’s recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the price that would be received to sell an asset in an orderly transaction between market participants. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

Decommissioning provision

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral interest by or on behalf of the Company. Costs for restoration of site damage which is created on an ongoing basis during exploration and evaluation are provided for at their net present values and charged against profits in the period such exploration and evaluation occurs. Discount rates using a risk-free rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. As at September 30, 2023 and 2022 the Company does not have any decommissioning obligations.

Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading 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. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table summarizes the classification under IFRS 9 for each financial instrument:

Financial assets/liabilities	**Classification**
Cash	FVTPL
Marketable Securities	FVTPL
Accounts payable	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of income (loss) comprehensive income loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of income (loss) and comprehensive income (loss) in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

(iii) 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 Company measures the loss allowance for the financial asset 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 credit risk of on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (loss) and comprehensive income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Share capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

Equity Financing

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. Units typically comprise a certain number of common shares and share purchase warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the terms of the transaction. The Company has adopted the residual value method with respect to the allocation of proceeds received on sale of units to the underlying common shares and share purchase warrants issued as private placement units. The fair value of the common shares issued in private placements is determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached share purchase warrants.

Share-based payment transactions

The Company's share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees the fair value is measured at grant date and each tranche is recognized separately on a straight line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Current income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Loss per share

Basic loss per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the “if converted” method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income (loss) and comprehensive income (loss).

(Expressed in Canadian Dollars)

4. MARKETABLE SECURITIES

	Fair Value
	$
As at February 24, 2022	**-**
Marketable securities acquired	500,000
Change in fair value	(85,000)
As at September 30, 2022	**415,000**
Marketable securities sold	(124,500)
Change in fair value	(80,500)
As at September 30, 2023	**210,000**

On August 24, 2022 the Company entered into a mineral property acquisition agreement and received 1,000,000 marketable securities of the Purchaser, valued at $0.50 per share, with a fair value equal to gross proceeds of $500,000. The marketable securities were received in exchange for the rights to the B-Zone and Anna Lake Property claims (the "Property"), held by the Company (Note 5). During the period ended September 30, 2022 the Company recognized an unrealized loss on marketable securities of $85,000 and during the year ended September 30, 2023 the Company sold 300,000 shares for $74,085 and recognized a realized loss of $50,415 related to the sale of the securities and recognized an unrealized loss on marketable securities of $80,500.

The Company also entered into a Net Smelter Royalty ("NSR') Agreement with the Purchaser, where the Purchaser has agreed to pay the Company a NSR of 2% from the production of minerals from the property. The Purchaser of the Property has the right and option to purchase 1% of the royalty for a price equal to $1,000,000, payable in cash.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Hopedale Project	Knob Lake Project	Silver Joe Project	Strickland Project	B Zone Project	Anna Lake Project	Total Costs
	$	$	$	$	$	$	$
Balance at February 24, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Property acquisition and staking costs	18,750	-	136,040	1,365	1,495	-	157,650
Exploration expenditures	-	-	-	-	-	-	-
Consulting	-	-	-	-	11,920	-	11,920
GIS, mapping and surveying	93,480	11,500	11,500	-	7,000	-	123,480
Resource estimate and reports	1,304	8,496	-	600	1,440	680	12,520
Total additions	113,534	19,996	147,540	1,965	21,855	680	305,570
Disposition of exploration and evaluation assets	-	-	-	-	(21,855)	(680)	(22,535)
Balance at September 30, 2022	**113,534**	**19,996**	**147,540**	**1,965**	**-**	**-**	**283,035**
Administration and general	**780**	**-**	**-**	**-**	**-**	**-**	**780**
GIS, mapping and surveying	**12,147**	**-**	**1,000**	**-**	**-**	**-**	**13,147**
Exploration licenses and permits	**-**	**-**	**-**	**3,041**	**-**	**-**	**3,041**
Ground truthing and mineral sampling	**6,419**	**-**	**-**	**-**	**-**	**-**	**6,419**
Resource estimates and reports	**1,804**	**-**	**-**	**-**	**-**	**-**	**1,804**
Total additions	**21,150**	**-**	**1,000**	**3,041**	**-**	**-**	**25,191**
Balance at September 30, 2023	**134,684**	**19,996**	**148,540**	**5,006**	**-**	**-**	**308,226**

5. EXPLORATION AND EVALUATION ASSETS *(Continued)*

Hopedale Project

On March 9, 2022, the Company entered into a binding mining option agreement (the "Hopedale Option Agreement") with Hopedale Prospectors (the "Hopedale Prospectors"), a syndicate of individuals formed under the laws of the Province of Newfoundland and Labrador to acquire a 100% interest in a nickel copper exploration property (the "Hopedale Property") located the Hopedale area in the Province of Newfoundland and Labrador. The Hopedale Property is comprised of an aggregate of 106 mining claims covering an area of 2,650 hectares. Pursuant to the terms of the Hopedale Option Agreement, the Company had the option (the "Hopedale Option") to acquire a 100% interest in the Hopedale Property by issuing to the members of the Hopedale Prospectors an aggregate of 350,000 Common Shares (the "Hopedale Consideration Shares"). The Company exercised the Hopedale Option by issuing the Hopedale Consideration Shares on June 6, 2022 with a fair value of $17,500 (Note 6). The Company paid additional staking costs of $1,250.

Knob Lake Project

The Knob Lake Property was staked and is located in Newfoundland and Labrador, near the town Schefferville, Quebec and was acquired for $nil consideration. The Knob Lake Property consists of three contiguous mining claims covering an area of 75 hectares registered in the Province of Newfoundland and Labrador through the Department of Industry, Energy and Technology. As stated in the Knob Lake Report, mineral rights are not granted to the approximately 22 hectares (or 29%) of the total claim area of the license that exists over land belonging to the Province of Québec.

Silver Joe Project

On March 3, 2022, the Company entered into a binding mining option agreement (the "Silver Joe Option Agreement") with Silver Joe Prospectors (the "Silver Joe Prospectors"), a syndicate of individuals formed under the laws of the Province of Newfoundland and Labrador to acquire a 100% interest in a silver exploration property (the "Silver Joe Property") located the Gander area in the Province of Newfoundland and Labrador. The Silver Joe Property is comprised of an aggregate of 44 mining claims covering an area of 1,100 hectares. Pursuant to the terms of the Silver Joe Option Agreement, the Company had the option (the "Silver Joe Option") to acquire a 100% interest in the Silver Joe Property by issuing to the members of the Silver Joe Prospectors an aggregate of 2,700,000 Common Shares (the "Silver Joe Consideration Shares"). The Company exercised the Silver Joe Option by issuing the Silver Joe Consideration Shares on June 6, 2022 at a fair value of $135,000 (Note 6). The Company paid additional staking costs of $1,040.

Strickland Project

The Company has a 100% interest in a lead and zinc exploration property located in the Burgeo – La Poile area in the Province of Newfoundland and Labrador (the "Strickland Property"). The Strickland Property is comprised of an aggregate of 21 mining claims covering an area of 5.25 square kilometers and was acquired by the Company by staking in March 2022.

5. EXPLORATION AND EVALUATION ASSETS *(Continued)*

Anna Lake Project

The Anna Lake Uranium-Molybdenum-Rhenium project was staked and is located within the Central Mineral Belt of Labrador, approximately 150 kilometers north-northeast of Happy Valley-Goose Bay and 35 kilometers southwest of the coastal community of Postville.

B Zone Project

The B-Zone Uranium (± Vanadium-Silver-Copper) project was staked and is located 135 kilometers north of Happy Valley-Goose Bay in Labrador, within the Central Mineral Belt, a uranium district extending over 160 kilometers from the Labrador coast to the B-Zone / Moran Lake area.

During the period ended September 30, 2022, the Company disposed of the B-Zone Project with the Anna Lake Project in exchange for $500,000 marketable securities as described in Note 4.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(Continued)*

Summary of the property acquisitions during the period from incorporation on February 24, 2022 to September 30, 2023:

Project	**Vendor**	**Arm's Length**	**Total Consideration**	**Accounting**
Hopedale	Hopedale Prospectus Syndicate	Yes	350,000 Common Shares	The 350,000 Common Shares issued were valued at $0.05 per Common Share for a total of $17,500. The $0.05 per Common Share was based on the price per share of closest cash private placement completed prior to the share issuance, plus additional staking costs of $1,250. The $0.05 per share represents the fair value of a common share in the transaction as the fair value of the property could not be reliably determined.
Knob Lake	Property staked by two directors of the Company and transferred to the Company for no consideration	N/A	Nil	The claims were acquired for no consideration on February 24, 2022.
Silver Joe	Silver Joe Prospectus Syndicate	Yes	2,700,000 Common Shares	The 2,700,000 Common Shares issued were valued at $0.05 per Common Share for a total of $135,000. The $0.05 per Common Share was based on the price per share of closest cash private placement completed prior to the share issuance, plus additional staking costs of $1,040. The $0.05 per share represents the fair value of a common share in the transaction as the fair value of the property could not be reliably determined.
Strickland	Property staked by two directors of the Company and transferred to the Company	N/A	Nil	Staking costs of $1,365 were paid by the Company on March 30, 2022.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

Authorized share capital

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

Shares issued

	Number of shares	Issue price	Gross proceeds	Issue costs	Net proceeds
		$	$	$	$
a)	2,000,000	0.001	2,000	-	2,000
b)	9,240,000	0.05	462,000	(76,585)	385,415
c)	3,050,000	0.05	152,500	-	152,500
d)	510,000	0.05	25,500	-	25,500
	14,800,000		642,000	(76,585)	565,415

a) On February 24, 2022, the Company issued 2,000,000 founder shares at $0.001 per share for gross proceeds of $2,000.

b) During the period ended September 30, 2022, the Company completed a non-brokered private placement financing of 9,240,000 units at $0.05 per share, for gross proceeds of $462,000. The Company incurred $76,585 of share issuance costs related to the financing.

c) On June 6, 2022, the Company issued 3,050,000 common shares, with a fair value of $152,500, in connection with the Hopedale and Silver Joe option agreements (Note 5).

d) On June 6, 2022, the Company settled debt by issuing 510,000 common shares for services and exploration services with a fair value of $25,500, resulting in a gain on debt settlement of $31,000.

Share option plan

The Company has established a rolling share option plan (the "Plan") in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares.

During the period ended September 30, 2022, the Company granted share options to purchase 450,000 common shares and recorded share-based compensation expense of $9,876. The stock options issued vested immediately. The fair value of share options granted was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

(Expressed in Canadian Dollars)

6. SHARE CAPITAL *(Continued)*

Risk-free interest rate	2.50% - 3.14%
Estimated volatility	80.33%
Expected life	2.02 - 2.23 years
Expected dividend yield	0%
Estimated forfeiture rate	0%

The weighted average measurement date fair value of all share options granted, using the Black-Scholes Option Pricing Model, was $0.02 per option.

The Black-Scholes Option Pricing Model requires the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.

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

	Number of Options Outstanding	Weighted Average Exercise Price
		$
Balance, February 24, 2022	-	-
Granted	450,000	0.05
Balance, September 30, 2023 and September 30, 2022	450,000	0.05

The following table summarizes information about the share options outstanding and exercisable at September 30, 2023:

Number of Options	Exercise Price	Expiry Date
	$	
200,000	0.05	June 28, 2024
250,000	0.05	June 28, 2024
450,000		

The average remaining life of the options are 0.75 of a year as at September 30, 2023.

(Expressed in Canadian Dollars)

7. RELATED PARTY DISCLOSURES

Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

During the period ended September 30, 2023 the Company incurred the following compensation amounts to its current and former key management personnel:

	Year ended September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
	$	$
Accounting fees paid to former CFO (included in professional fees) (2)	**13,530**	13,750
Fees paid to CEO (included in management fees)	**-**	25,000
Fees paid to director (included in salaries and wages and management fees)	**19,081**	44,969
Fees paid to director (included in salaries and wages and management fees)	**14,004**	6,623
Fees paid to CFO (included in management fees)	**17,000**	-
Stock-based compensation	**-**	9,876
	63,615	100,218

(1) As at September 30, 2023, the Company owed $11,108 to directors and officers of the Company which are included in accounts payable and accrued liabilities.

(2) During the year ended September 30, 2023 the Company incurred a total of $13,530 payable to a private corporation owned by the former CFO of the Company, for accounting and administration services.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All related parties' payables are due on demand, non-interest bearing and are unsecured.

(Expressed in Canadian Dollars)

8. INCOME TAXES

	Year ended September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
	$	$
Income (loss) before income taxes	**(391,502)**	257,298
Corporate tax rate	**12%**	12%
Expected income tax expense (recovery)	**(46,980)**	30,878
Non-deductible and other items	**(1,643)**	(10,874)
Change in allowance	**9,623**	19,390
Total expected tax expense (recovery)	**(39,000)**	39,394

9. DEFERRED TAXES

Significant components of the Company’s deferred tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	Year ended September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
	$	$
Non-capital loss carry-forwards	**40,506**	-
Share issuance costs	**61,268**	76,585
Marketable securities	**140,000**	85,000
Net unrecognized deferred income tax assets	**241,774**	161,585

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments are classified into one of the following categories: fair value through profit or loss (“FVTPL”); amortized cost; and fair value through other comprehensive income. The carrying values of the Company’s financial instruments are classified into the following categories:

Financial Instrument	**Category**	**September 30, 2023** **$**	**September 30, 2022** **$**
Cash	FVTPL	4,718	133,920
Marketable securities	FVTPL	210,000	415,000
Accounts payable	Amortized cost	(63,664)	(16,514)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

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

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis;
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place; and
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for accounts payable approximate their fair value. The Company's fair value of cash under the fair value hierarchy is measured using Level 1 inputs. The fair value of the investment in marketable securities has been measured using Level 1 inputs which resulted in a fair value of $210,000 (September 30, 2022 - $415,000) as at September 30, 2023.

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

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in significant financial institutions and the Company considers this risk to be remote. The Company's receivables primarily include balances receivable from the government of Canada. Credit risk is assessed as low.

Liquidity risk

The Company will require further cash to fund its presently anticipated requirements for investments in working capital and exploration assets and operating expenses.

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due.

The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities. Liquidity risk is assessed as high.

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

Contractual Maturity Analysis at September 30, 2023:

	Less than 3 months	3 – 12 months	1 – 5 years	Over 5 years	Total
	$	$	$	$	$
Cash	4,718	-	-	-	4,718
Accounts payable	(63,664)	-	-	-	(63,664)

Contractual Maturity Analysis at September 30, 2022:

	Less than 3 months	3 – 12 months	1 – 5 years	Over 5 years	Total
	$	$	$	$	$
Cash	133,920	-	-	-	133,920
Accounts payable	(16,514)	-	-	-	(16,514)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The Company's marketable securities are subject to market risk.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk through its investment in quoted shares. Other price risk is assessed as high.

Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders.

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

The Company's historical sources of capital have consisted of the sale of equity securities and interest income. In order for the Company to complete its acquisitions, carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed. There were no changes in the Company's management of capital.

11. SUPPLEMENTAL CASH FLOW INFORMATION

During the period ended September 30, 2023, the Company had the following non-cash transactions:

	For the year ended, September 30, 2023	For the period from incorporation on February 24, 2022 to September 30, 2022
	$	$
Common shares issued for exploration and evaluation properties	-	152,500
Common shares issued for services	-	14,000
Common shares issued for exploration services	-	11,500
	-	**178,000**

12. SUBSEQUENT EVENTS

On January 15 , 2024, the Company announced that it had acquired a 100% interest in the Havens Steady Property (the "Havens Property") located in Newfoundland and Labrador. The Company purchased the Havens Property through the issue of 600,000 shares of the Company at $0.10 per share, for a total consideration of $60,000. The Property was acquired from related parties and non-related parties of the Company.

On January 15, 2024, the Company announced with its best efforts, it intends to complete a non-brokered private placement through the issuance of up to 4,500,000 units in the capital of the Company at $0.10 per unit and up to 10,500,000 flow through units in the capital of the Company at a price of $0.12 per flow through unit for aggregate gross proceeds of up to $1,710,000.

Subsequent to September 30, 2023, the Company sold 145,000 of its marketable securities for gross proceeds of approximately $32,600.