CDN MAVERICK CAPITAL CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 and 2021

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of CDN Maverick Capital Corp.

Opinion

We have audited the consolidated financial statements of CDN Maverick Capital Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of comprehensive loss, cash flows, and changes in equity for the years then ended, and notes to the consolidated 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 December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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.

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

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320 - 730 View St.
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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.

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

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

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

DMCL.

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

April 25, 2023

CDN MAVERICK CAPITAL CORP.
Consolidated Statements of Financial Position
As at December 31, 2022 and 2021
(Expressed in Canadian Dollars)

		2022		2021
ASSETS				
Current assets				
Cash	$	60,730	$	282,611
Other receivables (note 5)		6,875		19,318
Loan receivable (note 5)		100,000		-
Prepaid expenses		1,503		394
Marketable securities (note 4)		1,093,406		1,606,976
		1,262,514		1,909,299
Equipment (note 6)		43,565		60,701
Mineral properties exploration (note 7)		738,062		381,132
	$	2,044,141	$	2,351,132
LIABILITIES				
Current liabilities				
Accounts payable (note 12)	$	306,793	$	53,248
Loan payable (notes 11 & 12)		100,000		-
Accrued liabilities (note 7 & 12)		174,998		35,000
		581,791		88,248
SHAREHOLDERS' EQUITY				
Share capital (note 8)		14,387,653		14,017,653
Reserves (note 8)		2,207,688		2,721,258
Deficit		(15,132,991)		(14,476,027)
		1,462,350		2,262,884
	$	2,044,141	$	2,351,132

Nature and continuance of operations (note 1)

Subsequent event (note 17)

Approved on behalf of the Board:

Director *"Michael MacDougall"*
Michael MacDougall, Director

Director *"Sandy MacDougall"*
Sandy MacDougall, Director

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

CDN MAVERICK CAPITAL CORP.
Consolidated Statements of Comprehensive Loss
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

	2022	2021
EXPENSES		
Accounting and audit fees	$ 28,801	$ 28,020
Consulting fees	129,550	143,797
Corporate communications	3,281	-
Depreciation (note 6)	17,136	11,502
Filing fees	29,896	38,570
Legal fees (recovery)	(3,560)	6,734
Management fees (note 12)	243,000	258,000
Office and general	28,407	37,843
Promotion and travel	6,685	11,365
Transfer agent and regulatory fees	3,568	3,725
Operating loss	(486,764)	(539,556)
Other income (expense) items		
Interest income	438	-
Write-off of mineral properties (note 7)	(170,200)	(174,523)
Interest expense	(438)	-
	(170,200)	(174,523)
Net loss	(656,964)	(714,079)
Other comprehensive items		
Items that will not be subsequently reclassified to net income or loss:		
Gain on sale of marketable securities (note 4)	-	304,785
Change in fair value of investment (note 4)	(513,570)	667,707
Comprehensive (loss) income	$ (1,170,534)	$ 258,413
Basic and diluted loss per share	$ (0.07)	$ (0.08)
Weighted average number of common shares outstanding	9,070,395	8,927,499

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

CDN MAVERICK CAPITAL CORP.
Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

	2022	2021
Cash provided by (used in):		
Operating activities		
Net loss	$ (656,964)	$ (714,079)
Add (Deduct): items not involving cash		
Depreciation	17,136	11,502
Write-off of mineral properties	170,200	174,523
Non-cash working capital items		
Other receivables	12,443	(3,658)
Prepaid expenses	(1,109)	3,336
Accounts payable and accrued liabilities	256,983	(5,269)
Net cash used in operating activities	(201,311)	(533,645)
Investing activities		
Proceeds from sale of marketable securities	-	1,137,297
Purchase of marketable securities	-	(687,643)
Purchase of equipment	-	(58,762)
Loan advanced	(100,000)	-
Mineral properties acquisition and exploration	(20,570)	(249,946)
Net cash (used in) provided by investing activities	(120,570)	140,946
Financing activities		
Loan proceeds	100,000	-
Net cash provided by financing activities	100,000	-
Change in cash during the year	(221,881)	(392,699)
Cash, beginning of the year	282,611	675,310
Cash, end of the year	$ 60,730	$ 282,611
Non-cash Investing and Financing Information:		
Interest and income taxes paid	$ -	$ -
Acquisition of property interest:		
Cash consideration unpaid	$ 136,560	$ -
Issue of shares	$ 370,000	$ -

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

CDN MAVERICK CAPITAL CORP.
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

			Reserves			
	Number of Shares	Share Capital	Share-based Payment	Held for Sale	Deficit	Total Equity
Balance December 31, 2020	8,221,215	$13,891,403	$ 1,257,851	$ 490,915	$ (13,761,948)	$ 1,878,221
Issue of common shares for property interests (note 7)	800,000	126,250	-	-	-	126,250
Gain on sale of marketable securities (note 4)	-	-	-	304,785	-	304,785
Change in fair value of investment (note 4)	-	-	-	667,707	-	667,707
Net loss	-	-	-	-	(714,079)	(714,079)
Balance December 31, 2021	9,021,215	14,017,653	1,257,851	1,463,407	(14,476,027)	2,262,884
Issue of common shares for property interests (note 7)	2,000,000	370,000	-	-	-	370,000
Change in fair value of investment (note 4)	-	-	-	(513,570)	-	(513,570)
Net loss	-	-	-	-	(656,964)	(656,964)
Balance December 31, 2022	11,021,215	$14,387,653	$ 1,257,851	$ 949,837	$ (15,132,991)	$ 1,462,350

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

1. NATURE AND CONTINUANCE OF OPERATIONS

CDN Maverick Capital Corp (the "Company"), incorporated in British Columbia, is a public company listed on the Canadian Securities Exchange ("CSE" or the "Exchange") under the symbol CDN. On November 4, 2020, the Company completed a share consolidation at a ratio of one new, post-consolidated share for every two old, pre-consolidated shares and concurrently changed its name to CDN Maverick Capital Corp. from Caelan Capital Inc. All share amounts in these financial statements are reflected on a post-consolidated basis. The address of the Company's corporate office and its principal place of business is #2150 - 555 West Hastings Street, Vancouver, British Columbia, Canada, V6B 4N6.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in North and South America. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures 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 necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and has an accumulated deficit of $15,132,991 at December 31, 2022 which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate adequate cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

These consolidated financial statements were authorized for issue on April 24, 2023 by the directors of the Company.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiaries Midas Capital Inc. ("Midas") and Acrex Minerals (U.S.) Inc. ("Acrex US"). Midas was incorporated in the Province of British Columbia and Acrex US was incorporated in the State of Nevada. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These consolidated financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

Measurement basis - These consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out below. All amounts are expressed in Canadian dollars unless otherwise stated.

Cash and cash equivalents - The Company considers deposits with banks or highly liquid short-term interest-bearing securities that are readily convertible to known amounts of cash and those that have maturities of 90 days or less when acquired to be cash equivalents.

Equipment - Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statements of comprehensive loss. Where an item of property and equipment comprises major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

3. SIGNIFICANT ACCOUNTING POLICIES, continued

The Company provides for depreciation of its equipment at the following method and annual rate:

Office equipment	20% declining balance
Vehicles	30% declining balance

The depreciation expense for each period is recognized in profit or loss.

Mineral properties exploration - All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as mineral properties exploration. General exploration costs not related to specific mineral properties are expensed as incurred. If economically recoverable reserves are developed, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full by development or sale.

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined if any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

Mineral properties are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use (being the present value of expected future cash flows of the relevant cash-generating unit) and fair value less costs to sell. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Provisions - Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented, the Company has not incurred any decommissioning costs related to the exploration

3. SIGNIFICANT ACCOUNTING POLICIES, continued

and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

Government assistance - B.C. mining exploration tax credits for certain exploration expenditures incurred in B.C. are treated as a reduction of the exploration and development costs of the respective mineral property.

Foreign currency translation - The presentation currency and functional currency of the Company and its US subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which they operate and because the Company's US subsidiary is financially and operationally dependent on the Company. The Company translates transaction in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the period end date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in income.

Income taxes - The Company provides for income taxes using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities and are measured using enacted or substantially enacted tax rates expected to apply when these differences reverse. Deferred income tax assets are recognized to the extent that it is probable the asset will be realized.

Share capital – The Company records proceeds from the issuance of its common shares as equity. Proceeds received on the issuance of units, consisting of shares and warrants are allocated between the common share and warrant component.

The fair value of the common shares issued in a private placement unit of shares and warrants is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted price on the issuance date. The remaining proceeds, if any, are allocated to the attached warrants. Any fair value attributed to the warrants is recorded in share-based payment reserve. Management does not expect to record a value to the warrant in most equity issuances as unit private placements are commonly priced at market or at a permitted discount to market. If the warrants are issued as share issuance costs, the fair value of agent's warrants are measured using the Black-Scholes Option Pricing Model and recognized in equity as a deduction from the proceeds.

If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in share-based payment reserve.

Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that shares are issued.

Flow-through shares - The Company finances certain exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes

3. SIGNIFICANT ACCOUNTING POLICIES, continued

are renounced to investors in accordance with the appropriate income tax legislation. When the common shares are offered, the difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through share related liability which is reversed into the statement of comprehensive loss within other income when the eligible expenditures are incurred.

Share-based payment expenses - The Company records all share-based payment expenses at their fair value. The share-based payment costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to share-based payment reserve.

The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of share-based expense for stock options or warrants granted to employees. Where stock options or warrants are granted to non-employees, they are recorded at the fair value of the goods or services received, at the date the goods or services are received. When the value of goods or services received in exchange for the share-based expense cannot be reliably estimated, the fair value is measured by use of the Black-Scholes Option Pricing Model.

Loss per share - Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all potentially dilutive common shares if their effect is anti-dilutive.

Share issuance costs - Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

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.

3. SIGNIFICANT ACCOUNTING POLICIES, continued

Financial instruments, continued

The following table shows the classification under IFRS 9.

Financial assets/liabilities	Classification
Cash	FVTPL
Loan receivable	Amortized cost
Marketable securities	FVTOCI
Accounts payable	Amortized cost
Loan 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.

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 consolidated statements of comprehensive 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 consolidated statements of comprehensive 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 recognised in profit or loss. Other net gains and losses are recognised 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 recognised 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 recognised 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 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 consolidated statements of comprehensive 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.

3. SIGNIFICANT ACCOUNTING POLICIES, continued

Financial instruments, continued

(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.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged, 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.

Use of estimates and judgements - The preparation of these financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company bases its estimates and assumptions on current and various other factors that it believes to be reasonable under the circumstances. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Exploration and Evaluation Expenditures - The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Impairment - The carrying value of non-financial assets is reviewed each reporting period upon the occurrence of events or changes in circumstances indicating that the carrying value of assets may not be recoverable and when criteria of assets held for sale are met to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in the statement of comprehensive loss. The assessment of fair values, including those of the cash generating units (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets) ("CGUs") for purposes of testing goodwill, require the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance.

3. SIGNIFICANT ACCOUNTING POLICIES, continued

Use of estimates and judgements, continued

Changes in any of the assumptions or estimates used in determining the fair value of goodwill or other assets could impact the impairment analysis.

Site Closure and Reclamation Provisions - The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are constantly changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Share-Based Payments - Management uses valuation techniques in measuring the fair value of stock options granted. The fair value is determined using the Black Scholes Option Pricing Model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions could have a material impact on the Company's financial statements.

Deferred Income Taxes - Judgement is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgement is also required in determining whether deferred tax liabilities are recognised in the statement of financial position. Deferred tax assets, including those potentially arising from un-utilised tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods, in order to recognise deferred tax assets. Assumptions about the generation of future taxable income depend on management's estimates of future operations and cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets or offset these against any deferred tax liabilities recorded at the reporting date could be impacted.

3. SIGNIFICANT ACCOUNTING POLICIES, continued

New accounting standards issued

The Company has performed an assessment of new standards issued by the IASB and IFRIC that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's consolidated financial statements.

4. MARKETABLE SECURITIES

During the year ended December 31, 2021, the Company entered into purchase and sale transactions of Noram Lithium Corp. ("Noram") and other securities and recorded realized gains on sale of $304,785. The closing share price of Noram on December 31, 2021 was $0.97 and the fair value of the shares was $1,606,975. During the year ended December 31, 2021, the Company recognized an unrealized gain of $667,707 in other comprehensive income. As at December 31, 2021, the Company held 1,656,675 common shares of Noram.

During the year ended December 31, 2022, the Company did not complete any purchase or sale transactions of Noram. The closing share price on December 31, 2022 was $0.66 and the fair value of the shares was $1,093,406. During the year ended December 31, 2022, the Company recognized an unrealized loss of $513,570 in other comprehensive income. As at December 31, 2022, the Company holds 1,656,675 common shares of Noram.

5. LOAN RECEIVABLE

As at December 31, 2022, the Company held a loan receivable in the amount of $100,000. The loan is repayable on demand and bears interest at 10% per annum. The loan is secured by the borrower's claim on the Mohave Project, which consists of 20 mineral claims situated in Mohave County, Arizona, USA. The loan was made to a company which has a director who was the vendor of the Nevasca Lithium Project, described in Note 7.

As at December 31, 2022, $438 (2021 - $Nil) in accrued interest was included in other receivables.

(Expressed in Canadian Dollars)

6. EQUIPMENT

Cost	**Office equipment**	**Vehicle**	**Total**
Balance, December 31, 2020	$ 20,155	$ -	$ 20,155
Additions	-	58,762	58,762
Balance, December 31, 2021	20,155	58,762	78,917
Additions	-	-	-
Balance, December 31, 2022	$ 20,155	$ 58,762	$ 78,917
Accumulated depreciation			
Balance, December 31, 2020	$ 6,714	$ -	$ 6,714
Depreciation	2,688	8,814	11,502
Balance, December 31, 2021	9,402	8,814	18,216
Depreciation	2,152	14,984	17,136
Balance, December 31, 2022	$ 11,554	$ 23,798	$ 35,352
Carrying Amount			
Balance, December 31, 2021	**$ 10,753**	**$ 49,948**	**$ 60,701**
Balance, December 31, 2022	**$ 8,601**	**$ 34,964**	**$ 43,565**

(Expressed in Canadian Dollars)

7. MINERAL PROPERTIES EXPLORATION

December 31, 2022	**Inferno Silver**	**Rainbow Canyon**	**Nevasca Lithium**	**Total**
Acquisition Costs				
Balance, December 31, 2021	$ 16,000	$ -	$ -	$ 16,000
Additions	-	-	515,093	515,093
Impairment	(16,000)	-		(16,000)
Acquisition costs, December 31, 2022	-	-	515,093	515,093
Exploration Costs				
Balance, December 31, 2021	154,200	210,932	-	365,132
Additions	-	12,037	-	12,037
Impairment	(154,200)	-		(154,200)
Exploration costs, December 31, 2022	-	222,969	-	222,969
Balance, December 31, 2022	$ -	$ 222,969	$ 515,093	$ 738,062

December 31, 2021	**Inferno Silver**	**Rainbow Canyon**	**Nevasca Lithium**	**Total**
Acquisition Costs				
Balance, December 31, 2020	$ -	$ -	$ -	$ -
Additions	16,000	174,523		190,523
Impairment	-	(174,523)		(174,523)
Acquisition costs, December 31, 2021	16,000	-	-	16,000
Exploration Costs				
Balance, December 31, 2020	-	179,459	-	179,459
Additions	154,200	31,473	-	185,673
Impairment	-	-	-	-
Exploration costs, December 31, 2021	154,200	210,932	-	365,132
Balance, December 31, 2021	$ 170,200	$ 210,932	$ -	$ 381,132

Inferno Silver, British Columbia, Canada - On October 12, 2021, the Company entered into a property option agreement to acquire a 100% interest in the Inferno Silver Property, located in British Columbia comprising four contiguous mineral claims. Under the terms of the agreement, the Company can earn a 100% interest by issuing 100,000 common shares, fair valued at $16,000, to the vendor *(issued October 31, 2021*) and incurring $150,000 in flow-through eligible exploration expenditures before December 31, 2021 (incurred).

Subsequent to the year end, the Inferno Silver Property option agreement was terminated. Accordingly, the Company recorded an impairment of $170,200 at December 31, 2022.

(Expressed in Canadian Dollars)

7. MINERAL PROPERTIES EXPLORATION, continued

Rainbow Canyon, Nevada, U.S.A. – By an agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US$125,000 (CAN$123,719). A 3% Net Smelter Return ("NSR") is reserved to the vendor subject to the Company's right to purchase back up to a 2% NSR by the payment of $500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Kingman Minerals Ltd. ("Kingman") to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Kingman must pay an aggregate of $80,000 cash by March 1, 2018. $60,000 was received from Kingman during the year ended December 31, 2017 and an impairment of $106,573 was recognized.

During the year ended December 31, 2018, this option agreement became in default as Kingman was unable to fulfill its commitment. The agreement was mutually terminated.

During the year ended December 31, 2019, the Company filed a Notice of Intent with the BLM for its Rainbow Canyon Property to include additional drilling.

On January 7, 2021, the Company acquired all of the outstanding share capital of Midas by paying cash of USD$50,000 (CDN$64,273) and issuing 700,000 common shares, fair valued at CDN $110,250, to the shareholders of Midas. As a result of this transaction, the Company holds a 100% interest in 25 mineral claims known as the Olinghouse Property, which is adjacent to the Company's previous claims and is considered part of the Rainbow Canyon property.

As Midas did not meet the definition of a business, the Company treated this transaction as an asset acquisition. The purchase price was allocated according to the assets acquired:

Exploration and evaluation asset acquired	$ 174,523
Total consideration	$ 174,523

During the year ended December 31, 2021, the claims in the Olinghouse Property expired and therefore the Company recognized an impairment of $174,523.

During the year ended December 31, 2022, the Company incurred $12,037 (December 31, 2021 - $31,473) in exploration expenditures on the Rainbow Canyon Property.

7. MINERAL PROPERTIES EXPLORATION, continued

Nevasca Lithium Project, Salar de Arizaro, Argentina - On November 10, 2022, the Company entered into a purchase agreement to acquire the Nevasca Lithium Project ("Project") in Salar de Arizaro, Argentina. The purchase price for the Project, along with a 3% Net Smelter Return ("NSR") royalty, was 2,000,000 common shares of the Company, valued at $370,000 (*issued*), and a one-time cash payment of US$100,000 (CAN$136,560) (*unpaid - recorded in accrued liabilities*). Legal costs of $8,533 associated with the acquisition of the Project were capitalized.

8. SHARE CAPITAL AND RESERVES

Authorized

Unlimited common shares without par value.

Issued

At December 31, 2022 there were 11,021,215 (December 31, 2021 – 9,021,215) issued and outstanding common shares.

2022

On December 22, 2022, the Company issued 2,000,000 common shares at a fair value of $0.185 per share ($370,000) for the acquisition of the Nevasca Lithium Project in the Salar de Arizaro, Argentina (Note 7).

2021

On January 7, 2021, the Company entered into a share exchange agreement with Midas, a private, arms' length company to acquire all of the issued and outstanding share capital of Midas. The purchase price consists of USD$50,000 (CDN$64,273) cash and 700,000 common shares issued by the Company to the shareholders of Midas at a fair value of $0.1575 per share (CDN$110,250) for a total acquisition cost of $174,523 (Note 7).

On October 13, 2021, the Company issued 100,000 common shares at a fair value of $0.16 per share ($16,000) (Note 7) for the acquisition of 100% of four mineral claims in the Inferno Silver property, British Columbia.

Share-based payment reserve
Share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time as the stock options or warrants or agent's warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Held for sale reserve
The reserve records unrealized gains and losses arising on held for sale financial assets except for foreign exchange gains and losses.

(Expressed in Canadian Dollars)

9. STOCK OPTIONS

Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the Exchange. Options vest immediately when granted and expire five years from the date of the grant unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the Company.

There was no activity for the outstanding options during the years ended December 31, 2022 and 2021.

Details of the share options outstanding and exercisable as at December 31, 2022 are as follows:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Exercise Price	Weighted Average Remaining Life
October 20, 2025	325,000	325,000	Nil	$ 0.17	2.81 years
	325,000	325,000	Nil	$ 0.17	2.81 years

(Expressed in Canadian Dollars)

10. WARRANTS

As at December 31, 2022, the following warrants were outstanding:

	Number of Warrants		Weighted average exercise price	Expiry date	Remaining Life (years)
Issued in private placement	4,000,000	$	0.16	October 30, 2025	2.83
Issued in private placement	850,000	$	0.20	December 23, 2025	2.98
	4,850,000	$	0.17		2.86

Warrant activity for the years ended December 31, 2022 and 2021 is presented below:

	2022			2021		
	Number of Warrants		Weighted average exercise price	Number of Warrants		Weighted average exercise price
Outstanding - beginning of year	4,850,000	$	0.17	5,252,738	$	0.30
Expired	-		-	(402,738)		2.00
Outstanding - end of year	4,850,000	$	0.17	4,850,000	$	0.17

As at December 31, 2022, warrants outstanding had a weighted average life outstanding of 2.86 years (December 31, 2021 – 3.86 years).

11. LOAN PAYABLE

During the year ended December 31, 2022, the Company received an advance of $100,000 from an officer of the Company. The loan is repayable on demand and bears interest at 10% per annum. This advance facilitated the loan described in Note 5 and is secured by the Company's claim on the Mohave Project, which consists of 20 mineral claims situated in Mohave County, Arizona, USA.

As at December 31, 2022, $438 (2021 - $Nil) in accrued interest was included in accrued liabilities.

12. RELATED PARTY TRANSACTIONS AND BALANCES

Related Party Transactions

Key management compensation for the year ended December 31, 2022 and 2021 consisted of the following:

- Management fees in the amount of $225,000 (2021 - $240,000) to a company controlled by a common officer; and

- Geological consulting fees in the amount of $18,000 (2021 - $18,000) to a company controlled by a former director of the Company.

12. RELATED PARTY TRANSACTIONS AND BALANCES, continued

Related Party Balances

At December 31, 2022, included in accounts payable and accrued liabilities was $168,438 (2021 - $38,730) owing to companies with common directors in respect of fees and loan interest.

Key management personnel comprise the Company's Board of Directors and executive officers. No remuneration was paid to key management personnel during the years ended December 31, 2022 and 2021 other than as indicated above.

13. CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating costs over a reasonable future period. The Company accesses capital markets as necessary and may also raise additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There was no change to the Company's approach to capital management during the year.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2022, the Company's financial instruments consist of cash, marketable securities, loan receivable, accounts payable and loan payable.

In management's opinion, the Company's carrying values of cash, marketable securities, loan receivable and accounts payable approximate their fair values due to the immediate or short-term maturity of these instruments. The loan payable is classified as other financial liabilities, which are measured at amortized cost.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

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 volume to provide pricing information on an ongoing basis. Cash and marketable securities are classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT, continued

The Company's financial instruments are exposed to the following risks:

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 cash is held at a large Canadian financial institution in interest bearing accounts, and therefore the Company is subject to low credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The ability to do this relies on the Company maintaining sufficient cash on hand through debt or equity financing. Liquidity risk is assessed as high.

Market Risk

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

The Company does not believe it is exposed to significant market risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not believe it is exposed to significant interest rate risk.

Price Risk

The Company is not exposed to price risk.

Currency Risk

As at December 31, 2022, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

(Expressed in Canadian Dollars)

15. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

		2022		2021
Canadian statutory income tax rate		27%		27%
Expected income tax recovery	$	(177,380)	$	(192,801)
Non-deductible expenses and other		19,863		221,400
Change in unrecognized deferred income tax assets		157,517		(28,599)
Income tax recovery	$	-	$	-

Significant components of the Company's potential deferred income tax assets are as follows:

		2022		2021
Non-capital losses	$	1,744,000	$	1,673,000
Capital losses		94,000		94,000
Resource properties and other		544,000		594,000
Share issuance costs		2,000		5,000
Marketable securities		(125,000)		(264,000)
		2,259,000		2,102,000
Unrecognized deferred income tax assets		(2,259,000)		(2,102,000)
Net deferred income tax assets	$	-	$	-

The Company has Canadian non-capital losses for income tax purposes of $6,461,000 which may be carried forward and offset against deferred taxable income. The non-capital losses expire as follows:

Year		**Amount**
2026	$	445,000
2027		551,000
2028		452,000
2030		471,000
2031		394,000
2033		323,000
2034		345,000
2035		77,000
2036		306,000
2037		775,000
2038		1,000
2039		941,000
2040		568,000
2041		334,000
2042		478,000
	$	6,461,000

15. INCOME TAXES, continued

In assessing the realizability of deferred income tax assets, management considers whether it is probable that some portion of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax assets considered realizable could change materially in the near term based on future taxable income during the carry forward period.

16. OPERATING SEGMENT INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in the province of British Columbia, the State of Nevada, USA and Argentina.

17. SUBSEQUENT EVENT

On April 5, 2023, the Company completed a private placement of 2,170,000 equity units at $0.80 per unit for gross proceeds of $1,736,000. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable at a price of $1.00 until April 5, 2025, subject to accelerated expiry in the event the closing price of the common shares of the Company exceeds $1.50 for five consecutive trading days. In connection with the offering the Company paid finders fees of $6,600.