

RENFORTH RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023

UNAUDITED

(Expressed in Canadian Dollars)

NOTICE TO SHAREHOLDERS

The accompanying condensed interim financial statements of Renforth Resources Inc. for the three months ended March 31, 2024, and 2023 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial statements (see notes 2 & 3 to the interim consolidated financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

Auditors Involvement

The external auditors of Renforth Resources Inc. have not audited or performed a review of the unaudited interim financial statements for the three months ended March 31, 2024, and 2023 nor have they conducted any procedures with respect to the supplementary financial schedules included herein.

RENFORTH RESOURCES INC.**Condensed Interim Statements of Financial Position (unaudited)**

(Expressed in Canadian dollars)

	As at March 31, 2024	As at December 31, 2023
ASSETS		
Current assets		
Cash	\$ 76,219	\$ 356,578
Sales tax and tax credits recoverable	196,664	218,631
Prepaid expenses and deposits	53,443	84,988
Total current assets	326,326	660,197
TOTAL ASSETS	\$ 326,326	\$ 660,197
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	\$ 480,957	\$ 473,328
Flow through share premium (note 8(b))	-	109,427
Total current liabilities	480,957	582,755
TOTAL LIABILITIES	480,957	582,755
Shareholders' Equity		
Share capital (note 8 (b))	22,809,368	22,809,368
Warrant reserve (note 8 (c))	286,063	286,063
Contributed surplus	4,978,880	4,978,880
Accumulated deficit	(28,228,942)	(27,996,869)
Total equity	(154,631)	77,442
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 326,326	\$ 660,197

Going concern (note 1)**Commitments and contingencies** (notes 6 and 11)*The accompanying notes are an integral part of these financial statements.*

Approved by the Board

Signed:

"Nicole Brewster", Director

Signed:

"Wally Rudensky", Director

RENFORTH RESOURCES INC.**Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss) (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	2024	2023
Expenses		
General and corporate <i>(notes 7 and 12)</i>	\$ 117,092	\$ 187,279
Exploration expenditures <i>(notes 6)</i>	174,408	216,020
Loss before other items	(291,500)	(403,299)
Other items		
Flow through share premium	109,427	191,350
Royalty payment	(50,000)	-
Loss on sale of marketable securities <i>(note 5)</i>	-	(360,500)
Unrealized gain of marketable securities	-	999,827
Net income (loss) and comprehensive income (loss) for the period	\$ (232,073)	\$ 427,378
Basic and diluted loss per share <i>(note 9)</i>	\$ (0.00)	\$ (0.00)

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

RENFORTH RESOURCES INC.**Condensed Interim Statements of Changes in Equity (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	Share capital	Share capital	Contributed surplus	Warrant reserve	Deficit	Total
	#	\$	\$	\$	\$	\$
Balance, December 31, 2022	326,359,454	22,585,929	4,978,880	200,663	(25,858,824)	1,906,648
Net income and comprehensive income for the period	-	-	-	-	427,378	427,378
Balance March 31, 2023	326,359,454	22,585,929	4,978,880	200,663	(25,431,446)	2,334,026
Balance, December 31, 2023	340,736,118	22,809,368	4,978,880	286,063	(27,996,869)	77,442
Net loss and comprehensive loss for the period	-	-	-	-	(232,073)	(232,073)
Balance March 31, 2024	340,736,118	22,809,368	4,978,880	286,063	(28,228,942)	(154,631)

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

RENFORTH RESOURCES INC.**Condensed Interim Statements of Cash Flows (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	2024	2023
Cash flow from operating activities		
Net income (loss) for the period	\$ (232,073)	\$ 427,378
Items not affecting cash:		
Loss on sale of shares	-	360,500
Unrealized gain (loss) of marketable securities	-	(999,827)
Flow through share premium	(109,427)	(191,350)
Changes in non-cash working capital:		
Sales tax and refundable tax credits receivable	21,967	(13,468)
Accounts payable and accrued liabilities	7,629	(160,498)
Prepaid expenses and deposits	31,545	24,888
Total cash flows (used in) operating activities	(280,359)	(552,377)
Cash flow from investing activities		
Proceeds on sale of marketable securities	-	279,500
Total cash flows from investing activities	-	279,500
Decrease in cash	(280,359)	(272,877)
Cash, beginning of period	356,578	588,071
Cash, end of period	\$ 76,219	\$ 285,194

*Supplemental information – none to report**The accompanying notes are an integral part of these financial statements.*

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

Nature of business

Renforth Resources Inc. (the “Company” or “Renforth”), was incorporated in Canada under the Business Corporations Act (Ontario) and carries on business in one segment, being the acquisition, exploration and development of mineral properties in Canada. The Company’s registered and head office is located at Unit 1B 955 Brock Road, Pickering, Ontario.

These financial statements were approved by the board on May 10, 2024.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of amounts spent on exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, First Nations claims, unregistered prior agreements, social licensing requirements, unregistered claims, and non-compliance with regulatory and environmental requirements. The Company may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainties.

Going concern assumption

These financial statements are prepared in accordance with International Financial Reporting Standards with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations in the foreseeable future.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Such adjustments could be material. The Company has incurred a net loss of \$232,073 for the three months ended March 31, 2024 (year ended December 31, 2023 – net loss of \$2,138,045) and has an accumulated deficit of \$28,228,942 (December 31, 2023 - \$27,996,869) and a working capital deficit of \$154,631 (December 31, 2023 –working capital surplus of \$77,442) as at March 31, 2024.

The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and the attainment of profitable operations. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The recoverability of the costs incurred to date on exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Basis of presentation

These condensed interim financial statements have been prepared in accordance and compliance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the Company’s annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2023.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments carried at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation and that are effective for the Company’s reporting date.

Functional currency

The presentation currency of the Company and the functional currency of the Company is the Canadian dollar.

Critical judgments and estimation uncertainties

The preparation of financial statements in conformity with IFRS requires the Company’s management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

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

- Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company’s provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Share-based payments

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

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE (continued)

- Contingences (note 11)
 - Valuation of the refundable mining duties credit and the refundable tax credit for resources

The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources, and the income tax expense in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the unaudited condensed interim financial statements are consistent with those followed in the preparation of the Company's December 31, 2023 annual financial statements, except for those noted below and the adoption of new standards and interpretations as of January 1, 2024.

Recent accounting pronouncements

Various IFRS standards, interpretations, amendments and improvements of existing standards have been recently announced which will apply for future periods. These new standards and changes are not expected to have any material impact on the Company's financial statements.

4. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The capital of the Company consists of share capital, warrants and contributed surplus. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the three months ended March 31, 2024 and the year ended December 31, 2023.

The Company is not subject to any externally imposed capital requirements.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

5. MARKETABLE SECURITIES

During the year ended December 31, 2020, the Company received 12 million class A common shares of Radisson Mining Resources Inc. as part of the sale of an exploration project. During 2023, the remaining 11,900,000 shares were sold for proceeds of \$1,663,830 resulting in a realized loss on sale of \$2,145,169. The total previously recorded unrealized loss was reversed upon the sale of the shares.

On July 28, 2021, the Company received 21,603 common shares of O3 Mining Inc. as part of the sale of the Denain/Pershing Project (note 6), with a market value of \$46,230 on the date of sale, based on the quoted market price of the shares on the date of sale. All the shares were sold in May 2023, resulting in a loss on sale of \$12,851.

6. EXPLORATION AND EVALUATION EXPENDITURES

	2024	2023	Cumulative
Parbec	\$ 13,163	\$ -	\$ 5,824,013
Nixon Bartelman	-	-	161,819
Malartic West/Surimeau	161,245	216,020	5,427,245
Quebec mining tax refund	-	-	(67,521)
Other	-	-	338,976
	\$ 174,408	\$ 216,020	\$ 11,684,533

Nixon Bartleman Property

The Company owns a 100% interest in the Nixon-Bartleman Property, subject to a 2.5% (Net Smelter Return “NSR”) royalty.

Parbec Gold Project

In March 2019, Renforth acquired 100% ownership interest in the Parbec Gold Project for the following consideration:

- An additional 1% Gross Metal Royalty on the Parbec Project, in addition to the existing gross metal royalty on the property of between 1% and 2% (percentage calculated in relationship to the prevailing price of gold at the time of delivery).
- 5,000,000 shares from Treasury (issued March 27, 2019 along with the 2,500,000 for the original extension agreement. Should Renforth consolidate its shares in the next 4 years Globex will receive an additional 1,500,000 shares post-consolidation,
- Upon the commencement of commercial mining at Parbec a one-time payment shall be made to Globex of \$1,000,000, adjusted for inflation and subject to the deduction of any advance royalty payments made (a \$50,000 annual advance royalty payment commencing in 2023). In consideration of these payments Globex shall grant to Renforth a one-time right of first refusal on the sale of all or any part of Globex’s GMR.

Surimeau/Malartic West

The Company owns 100% interest in the Malartic West Property. The property is subject to a 2% NSR and a 2% gross overriding receipts royalty on all diamonds extracted. There is a right to buy back 1% of the royalty for \$1,000,000.

Bousquet

On November 11, 2020, the Company acquired the Bousquet property (located in the Quebec-Cadillac camp) by the issuance of 4,000,000 common shares. At the date of issuance, the shares had a market value of \$280,000, based on the quoted market price of the Company’s shares on the date of issuance.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Compensation of key management personnel

Key management includes members of the board of directors, the President and Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for three months ended March 31, 2024 and 2023:

	2024	2023
Salary or other short-term benefits	\$ 45,000	\$ 45,000
	\$ 45,000	\$ 45,000

(b) Other related party balances and transactions

The Company engages Minroc Management Limited (“Minroc”), a geological consulting company, to manage the Company’s exploration programs. The Company’s CEO, Nicole Brewster, is a controlling shareholder of Minroc. For the three months ended March 31, 2024, the Company was charged \$133,113 (three months ended March 31, 2023 - \$164,690) in exploration related expenditures, and \$30,000 (three months ended March 31, 2023 - \$30,000) in management fees for the CEO, of which \$22,500 (three months ended March 31, 2023 - \$22,500) was recorded as exploration expenditures and \$7,500 (three months ended March 31, 2023 - \$7,500) was charged to general and corporate expense on the statement of loss. As at March 31, 2024, there was \$200,000 (December 31, 2023 - \$170,000) in accrued management fees due to Minroc. This amount is unsecured, non-interest bearing with no fixed terms of repayment.

During the three months ended March 31, 2024, the Company was charged \$15,000 (three months ended March 31, 2023 - \$15,000) in management fees by a corporation owned by the CFO of the Company, for CFO services. As at March 31, 2024, \$94,100 (December 31, 2023 - \$79,100) was owing to this corporation and included in accounts payable. This amount is unsecured, non-interest bearing with no fixed terms of repayment.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

8. SHARE CAPITAL

a) Shares authorized

The Company is authorized to issue an unlimited number of preferred and common shares without nominal or par value. No preferred shares have been issued.

b) Common shares issued and outstanding

Details of shares issued and outstanding are as follows:

	Shares	Amount
Balance December 31, 2022	326,359,454	\$ 22,585,929
Shares issued under private placement (iii)	13,709,998	419,100
Valuation of warrants (iii)	-	(85,400)
Share issued costs (iii)	-	(17,500)
Flow through share premium (iii)	-	(109,427)
Shares issued to settle debt	666,666	16,666
Balance December 31, 2023 and March 31, 2024	340,736,118	\$ 22,809,368

- (i) On May 18, 2023, the Company closed a private placement with proceeds of \$22,500 raised through the issuance of 450,000 common units at \$0.05 per unit. Each unit, consisted of one common share and one common share purchase warrants exercisable at \$0.05 for a period of 36 months. The warrants were assigned a value of \$9,160, using the Black Scholes option pricing model using the following assumptions: risk free interest rate 3.73%; expected volatility of 131%; expected dividend yield of 0% and an expected life of 3 years.

Between December 15 and December 22, 2023, the Company closed a private placement with proceeds of \$396,600 raised through the issuance of 300,000 common units at \$0.026 per unit and 12,959,998 flow through units at \$0.03 per flow through unit. Each unit, consisted of one common share and one common share purchase warrants exercisable at \$0.05 for a period of 24 months. Each flow through unit, consisted of one common share and one-half of one common share purchase warrants exercisable at \$0.05 for a period of 18 months. The warrants were assigned a value of \$76,240, using the Black Scholes option pricing model using the following assumptions: risk free interest rate 3.99%; expected volatility of 171-186%; expected dividend yield of 0% and an expected life of 1.5 - 2 years. In connection with the offering, the Company paid cash commissions of \$17,500.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

c) Share purchase warrants

The following summarizes the activity during the three months ended March 31, 2024 and the year ended December 31, 2023:

	Warrants outstanding	Estimated grant date value
Balance at December 31, 2022	22,172,500	200,663
Issued	7,229,999	84,500
Balance at December 31, 2023 and March 31, 2024	29,402,499	\$ 286,063

Summary of warrants outstanding as at March 31, 2024:

Outstanding	Estimated grant Date fair value	Exercise price	Expiry Date	Weighted average remaining Life
#	\$	\$		years
8,722,500	83,180	0.06	28-Oct-24	0.57
1,050,000	11,107	0.05	28-Oct-24	0.57
5,692,500	54,285	0.06	16-Nov-24	0.63
437,500	4,628	0.05	16-Nov-24	0.63
5,500,000	52,449	0.06	22-Nov-24	0.65
770,000	8,145	0.05	22-Nov-24	0.65
450,000	9,160	0.05	18-May-26	2.13
5,479,999	61,917	0.05	15-May-25	1.12
1,000,000	11,298	0.05	22-May-25	1.14
300,000	3,025	0.05	22-Dec-25	1.73
Issue costs	(13,131)			
29,402,499	286,063			0.76

d) Stock option plan

The Company has a stock option plan which provides for the granting of options to purchase common shares to a maximum of 10% of the issued and outstanding common shares of the Company to officers, directors, and other service providers at the discretion of the directors. Each option granted under this plan shall be exercisable for a maximum period of five years from the date the option is granted to the optionee. Stock options vest over a period of 12 months.

As at March 31, 2024, the weighted average exercise price of options outstanding and options exercisable were as follows:

	March 31, 2024		December 31, 2023	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding – beginning of period	12,050,000	\$ 0.072	17,200,000	\$ 0.068
Granted	-	-	-	-
Expired/forfeited	(1,300,000)	\$ 0.050	(5,150,000)	\$ 0.050
Outstanding – end of period	10,750,000	\$ 0.073	12,050,000	\$ 0.072
Exercisable – end of period	10,750,000	\$ 0.073	12,050,000	\$ 0.072

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

As at March 31, 2024 the Company had the following stock options outstanding:

Number of Options Outstanding	Exercise Price (\$'s)	Expiry Date	Number of Options Exercisable	Weighted Average Remaining Life (years)
2,300,000	0.050	29-May-25	2,300,000	1.16
2,550,000	0.080	06-Apr-26	2,550,000	2.02
3,900,000	0.085	15-Nov-26	3,900,000	2.63
2,000,000	0.065	05-May-25	2,000,000	1.10
10,750,000	0.073		10,750,000	1.88

9. LOSS PER COMMON SHARE

The following table sets forth the computation of basic and diluted loss per common share:

For the three months ended March 31,	2024	2023
Numerator:		
Net income (loss) attributable to common shareholders		
- basic and diluted	\$ (232,073)	\$ 427,378
Denominator:		
Weighted average common shares outstanding		
- basic	340,736,118	326,359,454
- diluted	340,736,118	363,631,954
Basic and diluted loss per common share	\$ (0.00)	\$ (0.01)

The warrants and options outstanding were excluded from the computation of diluted loss per share in all years presented because their impact was anti-dilutive.

10. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for the three months ended March 31, 2024 and 2023.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a cash balance of \$76,219 (December 31, 2023 – \$356,578) to settle current liabilities of \$480,957 (December 31, 2023 - \$582,755).

Market risk

(a) Interest rate risk

The Company has cash balances and no long-term debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

RENFORTH RESOURCES INC.

Notes to the Condensed Interim Financial Statements (unaudited)

March 31, 2024

(Expressed in Canadian dollars)

10. FINANCIAL RISK FACTORS (continued)

(b) Foreign exchange risk

The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk. The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity price risk is remote since the Company is not a producing entity. The Company's marketable securities were subject to equity price risk prior to their disposition. The values of those investments would fluctuate as a result of changes in market prices, the price of metals or other factors affecting the value of the investments.

Fair value of financial assets and liabilities

The Company measures its cash, amounts receivable and accounts payable and accrued liabilities, at amortized cost.

As at March 31, 2024 and December 31, 2023, the fair values of Company's financial instruments approximate their carrying values, given their short-term nature.

The fair value of financial assets at FVPL is determined by reference to their quoted closing bid price at the reporting date.

11. COMMITMENTS AND CONTINGENCIES

- (a) See note 6 for additional commitments and contingencies on evaluation and exploration assets.
- (b) The Company renounced \$388,800 of qualifying exploration expenditures to the shareholders effective December 31, 2023. Under the "look back" provision governing flow-through shares, \$388,800 of the amount has to be spent by December 31, 2024. Certain interpretations are required to assess the eligibility of flowthrough expenditures that if changed, could result in the denial of renunciation.
- (c) The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

12. GENERAL AND CORPORATE EXPENSES

Three months ended March 31,	2024	2023
Management compensation	\$ 22,500	\$ 22,500
Consulting services	36,227	131,543
Insurance	1,500	4,014
Transfer agent	5,149	1,120
Administrative and general	45,537	20,328
Listing fees	6,179	7,774
	<u>\$ 117,092</u>	<u>\$ 187,279</u>