



2023

Condensed Consolidated Interim Financial Statements

for the nine months ended September 30, 2023

(Unaudited - Expressed in CAD dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BELGRAVIA HARTFORD CAPITAL INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in CAD Dollars)

	September 30, 2023	December 31, 2022
ASSETS		
Current		
Cash	\$ 32,143	\$ 22,233
Investments - current (note 3)	1,200,765	2,899,846
Prepaid expenses	68,031	174,265
	<u>1,300,939</u>	<u>3,096,344</u>
Investments (note 3)	80,850	52,800
Equipment (note 4)	1,571	2,372
	<u>\$ 1,383,360</u>	<u>\$ 3,151,516</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (notes 5,8)	\$ 806,563	\$ 556,148
Total current liabilities	<u>806,563</u>	<u>556,148</u>
Shareholders' equity		
Share capital (note 6)	107,892,817	107,892,817
Reserves (notes 6 and 7)	14,292,602	14,292,602
Currency translation adjustment reserve	18,681,269	18,681,269
Deficit	(140,289,891)	(138,271,320)
Total shareholders' equity	<u>576,797</u>	<u>2,595,368</u>
	<u>\$ 1,383,360</u>	<u>\$ 3,151,516</u>

Nature of operations and going concern (note 1)

Contingencies (note 12)

On behalf of the Board:

“Mehdi Azodi”

Director

“John Stubbs”

Director

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

BELGRAVIA HARTFORD CAPITAL INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS
AND COMPREHENSIVE LOSS
(Unaudited – Expressed in CAD Dollars)

	Three Month Period Ended 30-Sep-23	Three Month Period Ended Sep 30, 2022	Nine Month Period Ended 30-Sep-23	Nine Month Period Ended Sep 30, 2022
NET REALIZED AND UNREALIZED GAIN (LOSS)				
Investment gain/(loss) (note 3)	\$ (100,547)	(1,059,341)	\$ (312,481)	(2,253,855)
Unrealized investment gain/(loss) (note 3)	(12,889)	213,246	(407,066)	(4,147,395)
Management services revenue	15,000	15,000	45,000	45,000
Interest income	14,902	6,613	64,167	15,897
Provision for credit loss	(14,625)		(43,875)	-
	(98,159)	(824,482)	(654,255)	(6,340,353)
EXPENSES				
Administration (note 8)	\$ 22,685	83,511	81,804	355,570
Business and market development	3,525	34,155	22,290	151,129
Consulting fees	35,381	66,503	41,321	108,373
Depreciation (note 4)	267	485	800	1,455
Foreign exchange loss	9,673	75,915	(2,138)	82,555
Investor relations	2,582	12,673	20,071	69,335
Professional fees	162,846	469,238	628,882	1,007,573
Regulatory fees and taxes	3,512	11,386	11,319	26,550
Rent	33,000	31,680	96,860	86,565
Share-based compensation (note 7,8)	-	14,586	-	82,201
Travel	200	9,381	20,653	91,178
Wages and benefits (note 8)	127,272	195,898	442,454	740,596
Total expenses	(400,943)	(1,005,411)	(1,364,316)	(2,803,080)
Loss and comprehensive loss for the period	\$ (499,102)	\$ (1,829,893)	\$ (2,018,571)	\$ (9,143,433)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.04)	\$ (0.04)	\$ (0.20)
Weighted average number of common shares outstanding, basic and diluted	46,233,333	46,333,333	46,233,333	46,608,985

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

BELGRAVIA HARTFORD CAPITAL INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Expressed in CAD Dollars)

	Nine Month Period Ended September 30, 2023	Nine Month Period Ended September 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (2,018,571)	\$ (9,143,433)
Items not affecting cash:		
Depreciation	800	1,455
Share-based compensation	-	82,201
Realized loss on sale of investments	312,481	2,253,855
Unrealized investments (gain)/loss	407,066	4,147,395
Accrued for interest	(63,907)	(15,897)
Provision for credit loss	43,875	-
Changes in non-cash working capital items:		
Decrease in receivables	-	(5,735)
Decrease (increase) in prepaid expenses	106,234	(234,513)
(Increase) decrease in accounts payable and accrued liabilities	250,415	370,354
Acquisition of investments	(256,787)	(4,107,641)
Proceeds from sale of investments	1,228,304	6,682,431
Net cash used in operating activities	<u>9,910</u>	<u>30,472</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment expenditures	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares buy-back	-	(124,138)
Net cash used in financing activities	<u>-</u>	<u>(124,138)</u>
Change in cash for the period	<u>9,910</u>	<u>(93,666)</u>
Cash beginning of year	<u>22,233</u>	<u>184,570</u>
Cash, end of period	<u>\$ 32,143</u>	<u>\$ 90,904</u>

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

BELGRAVIA HARTFORD CAPITAL INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited – Expressed in CAD Dollars)

	Share Capital		Reserves	Accumulated Other Comprehensive Income	Accumulated Deficit	Equity
	Number of Shares	Amount				
		\$	\$	\$	\$	\$
Balance as at December 31, 2021	47,224,724	108,021,610	14,210,401	18,681,269	(128,403,041)	12,510,239
Shares buy-back for cancellation	(891,391)	(124,138)	-	-	-	(124,138)
Share-based compensation	-	-	82,201	-	-	82,201
Loss and comprehensive loss	-	-	-	-	(9,143,433)	(9,143,433)
Balance as at September 30, 2022	46,333,333	107,897,472	14,292,602	18,681,269	(137,546,474)	3,324,869
Balance as at December 31, 2022	46,233,333	107,892,817	14,292,602	18,681,269	(138,271,320)	2,595,368
Loss and comprehensive loss	-	-	-	-	(2,018,571)	(2,018,571)
Balance as at September 30, 2023	46,233,333	107,892,817	14,292,602	18,681,269	(140,289,891)	576,797

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

BELGRAVIA HARTFORD CAPITAL INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in CAD Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Belgravia Hartford Capital Inc. (“Belgravia” or the “Company”) is a publicly traded investment holding company listed on the Canadian Securities Exchange. Belgravia is focused on growing its assets and holdings and increasing its net asset value (“NAV”). Belgravia invests in a portfolio of private and public companies located in jurisdictions governed by the rule of law. It takes a multi-sector investment approach with emphasis in the resources and commodities sector. The Company was continued into British Columbia on December 20, 2019, under the Business Corporation Act (British Columbia). The Company’s registered office is located at #3-3185 Via Centrale, Kelowna, BC V1V 2A7.

Pursuant to a 2017 sale of its formerly owned Ochoa asset in the state of New Mexico, the Company is entitled to receive up to USD\$12.2 million in royalty payments. The royalty includes an initial 75% of potential water revenue sales and a mining royalty whereby the Company is entitled to receive 1% of polyhalite production sales for any shortfall in payment of the total USD\$12.2 million. No amount has been accrued and the Company is in litigation to recover and monetize the royalty amount.

Belgravia currently invests in 7 companies of which 3 are publicly traded.

The Company’s continuation as a going concern is dependent on cash flow from its investments, royalties, or operations and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. While the Company currently has no source of operating revenue other than management services consulting fees, its working capital of \$494,376 as at September 30, 2023 leads management to estimate the Company has sufficient resources to fund its business activities for at least the next 12 months. The Company’s financial success is dependent on its ability to identify, evaluate, negotiate, and exit investments in assets or businesses. These consolidated financial statements have been prepared by management 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.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company’s business or ability to raise funds.

BELGRAVIA HARTFORD CAPITAL INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in CAD Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES**a) Statement of compliance:**

These interim financial statements (“Financial Statements”) have been prepared in accordance with IAS “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The Financial Statements were authorized by the board of directors of the Company on November 29, 2023.

b) Basis of presentation:

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Foreign currency translation

The Financial Statements are presented in CAD dollar. The functional currency of the Company and its subsidiaries is the CAD dollar.

Transactions in foreign currencies are translated into the entities functional currency at the exchange rates at the date of the transactions. Monetary assets and liabilities of the Company’s operations denominated in a currency other than the functional currency are translated using the exchange rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates in effect at the date of the underlying transaction, except for depreciation related to non-monetary assets, which is translated at historical exchange rates. Exchange differences are recognized in profit or loss in the year in which they occur.

d) Basis of consolidation:

The Financial Statements of the Company include the following subsidiaries:

Name of subsidiary	Place of incorporation	Percentage ownership
Belgravia Hartford Gold Assets Corp.	Canada	100%
Belgravia Hartford Estates Corp.	USA	100%

The Company consolidates the subsidiaries on the basis that it controls these subsidiaries when the Company possesses power over an investee, has exposure to variable returns from the investee, and has the ability to use its power over the investee to affect its returns. All intercompany transactions and balances are eliminated on consolidation. For partially owned subsidiaries, the interest attributable to non-controlling shareholders is reflected in non-controlling interest. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

e) Cash:

Cash is comprised of cash deposited at Canadian banks and secure, short-term, highly liquid demand deposits.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

f) Revenue recognition:

Management services revenue is recognized when services are rendered, and the amount can be reasonably estimated and collected. Any amount received for future services is recorded as deferred revenue and recognized as revenue when the related services are performed.

g) Significant accounting estimates and judgments:

The preparation of these Financial Statements requires management to make judgments, estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.

3. INVESTMENTS

The Company's investments include common shares and warrants of Canadian companies that are listed on various Canadian stock exchanges and investments in private Canadian and U.S. companies as well as certain investment funds. The fair values of the common shares of the publicly traded companies have been directly referenced to published price quotations in an active market. The investments in unlisted warrants of companies that are publicly traded are valued using the Black-Scholes option pricing model, with the following weighted average assumptions:

	Quarter ended September 30, 2023	Year ended December 31, 2022
Risk-free interest rate	4.83%	4.07%
Expected life of warrants	0.97 years	1.52 years
Annualized volatility	149.99%	184.47%
Dividend rate	0.00%	0.00%
Weighted average fair value of warrants	\$0.02	\$0.02

BELGRAVIA HARTFORD CAPITAL INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in CAD Dollars)

2. INVESTMENTS (cont'd...)

As at September 30, 2023, fair value of the investments was \$300,930 (2022 - \$1,137,754). This includes the value of equity investments of \$309,297 (2022 - \$2,469,774), debt instruments of \$770,820 (2022 - \$529,839), and value of warrants of \$201,498 (2022 - \$590,981).

During the quarter ended September 30, 2023, the Company sold certain of its investments for proceeds totalling \$92,663 (2022 - \$1,137,754) and recognized a loss of \$100,547 (2022 – loss \$1,059,341).

During the quarter ended September 30, 2023, the Company recorded an unrealized loss of \$2,203 (2022 – unrealized gain \$160,617) for equity investments and an unrealized loss of \$10,686 (2022 – unrealized gain \$52,628) for warrants.

Investments at September 30, 2023	Number of Shares	Cost	Fair Value
Public Companies:			
Blackrock Silver Corp.	152,045	\$ 72,849	\$ 40,292
Cross River Ventures Corp	3,170,000	\$ 218,278	\$ 15,850
Hercules Silver Corp	660,000	\$ 32,261	\$ 145,200
Private Companies:			
Autumn Resources Inc.	5,008,100	\$ 88,912	\$ 15,176
Grit Capital Corp.	250,000	\$ 25,000	\$ 25,000
EP Atlantic Rim LLC		\$ 55,330	\$ 55,330
Soutien NYC Inc.		\$ 12,449	\$ 12,449
Investments in Promissory Note	n/a	\$ 725,000	\$ 770,820
Investments in Warrants	n/a	\$ 95,000	\$ 201,498
Total		\$ 1,325,079	\$ 1,281,615

	September 30, 2023	December 31, 2022
Current investments	\$ 1,200,765	\$ 2,899,846
Non-current investments	80,850	52,800
	\$ 1,281,615	\$ 2,952,646

BELGRAVIA HARTFORD CAPITAL INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
September 30, 2023
(Expressed in CAD Dollars)

4. EQUIPMENT

Equipment consists of the following:

	Computer equipment
Cost	
As at December 31, 2021	\$ 7,070
Additions	2,017
As at December 31, 2022	9,087
Additions	-
As at September 30, 2023	\$ 9,087
Depreciation	
As at December 31, 2021	\$ 4,775
Additions	1,941
Disposal	-
As at December 31, 2022	6,716
Additions	800
As at September 30, 2023	\$ 7,516
Net book value:	
As at December 31, 2022	\$ 2,371
As at September 30, 2023	\$ 1,571

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	December 31, 2022
Trade payables	\$ 721,835	\$ 446,254
Accrued liabilities	82,027	107,984
Other	2,700	1,910
Total	\$ 806,563	\$ 279,514

6. SHARE CAPITAL AND RESERVES

Common shares

Authorized: The Company is authorized to issue an unlimited number of common shares without par value.

Refer to the Consolidated Statements of Changes in Shareholders' Equity for a summary of changes in share capital and reserves for the quarter ended September 30, 2023; Reserves relate to stock options and warrants that have been issued by the Company (note 7).

On February 3, 2022, under its previous normal course issuer bid ("NCIB"), which commenced on February 23, 2021, the Company has purchased for cancellation the maximum number of common shares in the capital of the Company. Between March 25, 2021 and February 1, 2022, the Company has purchased for cancellation a total of 2,008,963 common shares at a volume weighted average price of \$0.185 per common share, resulting in a total investment of \$371,169. The Company renewed its NCIB commencing on February 3, 2022.

As of February 3, 2022, the Company had 47,080,285 common shares issued and outstanding. Under the terms of the NCIB, the Company may acquire up to 2,354,014 of its common shares, representing 5% of its issued and outstanding common shares. As of February 3, 2023, the Company has purchased a total of 846,952 common shares for a total of \$105,842 at an average price of \$0.125/share under the NCIB. The NCIB was terminated on February 3, 2023. Any common shares purchased pursuant to the NCIB were cancelled by the Company.

During the quarter ended September 30, 2023, the Company issued nil common shares.

During the quarter ended September 30, 2022, the Company issued nil common shares.

7. STOCK OPTIONS AND WARRANTS

Stock options

The Company has an incentive stock option plan (the “Plan”) whereby the Company may grant stock options to eligible employees, officers, directors and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue less any discount allowed by the stock exchange upon which the common shares are listed. The Plan provides for the issuance of up to 10% of the Company’s issued common shares as at the date of grant with each stock option having a maximum term of ten years. The board of directors has the exclusive power over the granting of options and their vesting and cancellation provisions.

As at September 30, 2023, the Company has nil stock options outstanding.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding December 31, 2021	3,740,000	\$ 0.50
Cancelled on January 28, 2022	(2,614,000)	0.50
Expired on October 1, 2022	(200,000)	0.50
Granted on February 1, 2022	500,000	0.165
Granted on September 13, 2022	500,000	0.08
Outstanding December 31, 2022	1,926,000	\$ 0.30
Cancelled on January 10, 2023	(1,926,000)	0.30
Outstanding September 30, 2023	-	\$ -
Number of options exercisable at September 30, 2023	-	\$ -

During the nine-month period ended September 30, 2023, the Company granted nil (2022 – 1,000,000) stock options to a consultant of the Company.

The fair value of the options granted during the quarter ended September 30, 2023, as determined by the Black-Scholes option pricing model, was \$nil (2022 - \$82,201) or \$nil per option (2022 - \$0.082).

Share-based compensation recognized during the quarter was \$nil (2022 - \$82,201).

BELGRAVIA HARTFORD CAPITAL INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
September 30, 2023
(Expressed in CAD Dollars)

7. STOCK OPTIONS AND WARRANTS (cont'd...)

Stock options (cont'd...)

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the quarter ended:

	Quarter ended September 30, 2023	Year ended December 31, 2022
Risk-free interest rate	-	2.50%
Expected life of options	-	1.8 years
Annualized volatility	-	187.75%
Dividend rate	-	0.00%
Forfeiture rate	-	0.00%

Warrants

There were no warrants outstanding as at September 30, 2023 and 2022 and there were no warrant transactions for the years then ended.

8. RELATED PARTY TRANSACTIONS AND BALANCES

The Company defines Key Management Personnel to include the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and the Chief Operating Officer (“COO”).

The accounts payable and accrued liabilities of the Company include the following amounts due to related parties:

	September 30, 2023	December 31, 2022
Key management personnel	\$ 55,723	\$ 234
	<u>\$ 55,723</u>	<u>\$ 234</u>

Key management personnel compensation (consisting of senior officers and directors of the Company):

	Nine-month period ended	
	30-Sep-23	30-Sep-22
Short-term benefits *	\$ 268,500	\$ 444,000
Directors' fees **	-	253,750
Total remuneration	<u>\$ 268,500</u>	<u>\$ 697,750</u>

* Amounts are included within wages and benefits on the statement of loss and comprehensive loss.

** Amounts are included within administration on the statement of loss and comprehensive loss.

BELGRAVIA HARTFORD CAPITAL INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

September 30, 2023

(Expressed in CAD Dollars)

9. SEGMENTED INFORMATION

The Company has one operating segment focused on investment holdings as well as providing management services and pursuing the royalty (notes 1 and 12). All of the Company's equipment are located in Canada. All revenue is earned in Canada.

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to invest to earn a risk-appropriate return for shareholders. The Company does not have any externally imposed capital requirements to which it is subject. The capital of the Company consists of items in shareholders' equity. The Company had no bank indebtedness at September 30, 2023. The Board of Directors do not establish quantitative return on capital criteria for management, but rather rely on the expertise of the Company's management to sustain future development of the business.

The Company manages the capital structure and makes adjustments to it in light of changes in available funds, economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, borrow money, or dispose of assets to adjust the amount of cash.

The Company's investment policy is to invest its cash in demand investment instruments in high credit quality financial institutions to provide liquidity over the expected time of expenditures from continuing operations. The Company also invests some of its excess cash in common shares and other securities of private and public companies.

There were no significant changes in the Company's approach to capital management during the quarter ended September 30, 2023.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company uses a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash, investments, and accounts payable and accrued liabilities.

The carrying values of cash and accounts payable and accrued liabilities approximate fair value because of the short-term nature of these instruments.

As at September 30, 2023, the Company's classification of financial instruments measured at fair value within the fair value hierarchy are summarized below:

	Level 1	Level 2	Level 3	Total
Equity investments	\$ 201,342	\$ 107,955	\$ 201,498	\$ 510,795

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

Credit risk

The Company's credit risk is primarily attributable to cash, investment in loans and receivables. The Company has no significant concentration of credit risk arising from operations. Cash is held at reputable financial institutions, from which management believes the risk of loss to be remote. The Company has no significant credit risks from its loans, and expects to convert the balance of its loans to equity in its entirety.

Liquidity risk

As at September 30, 2023, the Company had a cash balance of \$32,143 to settle current liabilities of \$806,563. The Company also has \$1,200,765 in current investments that can be readily liquidated to cash. The Company is not subject to significant liquidity risk.

Interest rate risk

The Company has cash balances subject to fluctuations in the prime rate. The Company's current policy is to invest some of excess cash in investment-grade highly liquid demand 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. Management believes that interest rate risk is remote as cash deposits are payable on demand and the Company currently does not carry interest bearing debt at floating rates. Fluctuations in interest rates may impact the value of the Company's investments in publicly traded common shares. The Company has no significant interest rate risk on its loans, as all of its loans accrue interest at a fixed rate.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Foreign currency risk

The Company's functional currency is the Canadian dollar; however, there are few transactions and investments in U.S. dollars and the Company keeps some of its cash in U.S. currency. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility in these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. A 10% change in the foreign exchange rate would have had an approximate \$44,900 impact on foreign exchange gain or loss.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. The Company's investments are primarily concentrated in the natural resources, junior healthcare, and technology industries, which results in exposure to higher volatility than broader market investments and indexes. The Company's investments are accounted for at fair value and are sensitive to changes in market bid prices, such that changes in market prices result in a proportionate change in the carrying value of the Company's investments. The Company holds investments in private and public traded equity securities. Market prices for equity securities are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Some investments may not be very liquid, and dispositions may take time or may be sold at less than market prices. A 10% change in the fair values of the Company's investments at September 30, 2023 would have an \$128,000 impact on results from operations.

12. CONTINGENCIES

The Company is involved in certain claims and legal actions in the ordinary course of business as well as described in note 1 of the Financial Statements. In the opinion of management, the ultimate disposition of these matters is not determinable. No amounts have been accrued in the financial statements as of September 30, 2023.