ESGold Corp.

CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
ESGold Corp.

Opinion

We have audited the accompanying consolidated financial statements of ESGold Corp. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2023 and 2022, and the consolidated statements of operations and 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.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Consolidated 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 consolidated 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred losses from inception and does not have the financial resources to sustain operations in the long-term. As stated in Note 1, these events and conditions 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 consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

<u>*Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")*</u>

As described in Note 4 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $8,959,559 as of June 30, 2023. As more fully described in Note 4 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

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

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity and expenditure budgets for future periods.
- Assessing the Company's rights to explore E&E Assets.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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 Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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 Peter Maloff.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

October 30, 2023

ESGOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT JUNE 30, 2023 AND JUNE 30, 2022

	June 30, 2023	June 30, 2022
ASSETS		
Current		
Cash	80,349	210,582
Sales taxes receivable	52,938	276,677
Due from a related party (Note 6)	-	268,665
Prepaid expenses	12,086	63,417
	145,373	819,341
Exploration and evaluation assets (Note 4)	8,959,559	7,946,370
TOTAL ASSETS	9,104,932	8,765,711
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	756,429	945,070
Flow-through premium liability (Note 5)	-	533,813
	756,429	1,478,883
Long term		
Provision for indemnity (Note 7)	2,082,000	757,000
Asset retirement obligation (Note 8)	515,000	306,100
Long term loans payable (Note 9)	40,000	40,000
	2,637,000	1,103,100
Total liabilities	3,393,429	2,581,983
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	33,097,779	28,000,668
Commitment to issue shares (Note 5)	-	2,500,000
Subscriptions receivable (Note 5)	-	(50,000)
Reserves (Note 5)	1,559,412	968,512
Deficit	(28,945,687)	(25,235,452)
	5,711,504	6,183,728
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,104,932	8,765,711

Nature and continuance of operations (Note 1)
Subsequent events (Note 14)

Approved and authorized by the Board on October 30, 2023.

"Jean-Yves Therien" Director — Jean-Yves Therien

"Paul Mastantuono" Director — Paul Mastantuono

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

ESGOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022

		2023		2022
EXPENSES				
Consulting (Note 6)		875,754		1,742,070
Exploration expenses		246,928		208,088
Filing fees and transfer agent		49,296		60,308
Interest expense		141		84,912
Investor relations		30,000		90,000
Loss on write-off loan receivables		184,955		179,610
Marketing expenses		96,561		405,679
Meals and entertainment		5,593		7,797
Office and sundry		8,581		30,608
Insurance		23,808		16,774
Professional fees (Note 6)		186,796		130,693
Share based payments		1,179,408		1,955,263
Travel		5,429		16,226
		(2,893,250)		(4,928,028)
OTHER				
Indemnity and Part XII.6 tax on flow-through		(929,782)		-
Amortization of flow-through premium liability		112,797		103,193
Loss and Comprehensive loss for the year		(3,710,234)		(4,824,835)
Basic and diluted loss per share	$	(0.15)	$	(0.32)
Weighted average number of common shares outstanding		24,925,068		15,073,201

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

ESGOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022

	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	(3,710,234)	(4,824,835)
Items not affecting cash:		
Share based payments	1,179,408	1,955,263
Indemnity and Part XII.6 tax on flow-through	903,984	-
Loss on write off loan receivables	184,955	179,610
Amortization of flow-through premium liability	(112,797)	(103,193)
Non-cash working capital item changes:		
Sales taxes receivable	223,739	(177,751)
Prepaid expenses	51,331	(63,417)
Due from related party	43,050	(256,666)
Accounts payables and accrued liabilities	251,522	692,875
Net cash used in operating activities	(985,041)	(2,598,114)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral properties	(1,110,294)	(2,456,824)
Net cash used in investing activities	(1,110,294)	(2,456,824)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuances	1,993,500	5,234,177
Subscriptions receivable	45,500	243,000
Share issuance costs	(73,897)	(176,605)
Loans received/(repaid)	-	(55,000)
Net cash provided by financing activities	1,965,103	5,245,572
Change in cash for the year	(130,233)	190,633
Cash, beginning of year	210,582	19,949
Cash, end of year	80,349	210,582
Supplemental cash flow information:		
Flow-through premium liability	-	637,006
Share issued for settlement of accounts payable and loans payable	(35,500)	1,650,246
Commitment to issue shares for mineral property		2,500,000
Broker warrants issued as share issuance costs	28,242	41,347
Mineral property expenditures included in accounts payable and accrued liabilities	258,437	574,440

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

ESGOLD CORP.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
AS AT JUNE 30, 2023 AND JUNE 30, 2022

	Share Capital						
	Number	Amount	Subscriptions receivable	Commitment to issue shares	Reserves	Deficit	Total
Balance as at June 30, 2021	8,673,713	$ 20,765,504	$ (378,000)	$ -	$ 262,602	$ (20,410,618)	$ 239,488
Private placement - common shares	5,000,000	2,500,000	243,000	-	-	-	2,743,000
Share issuance costs	-	(217,952)	-	-	41,347	-	(176,605)
Private placement - flow through shares	1,274,013	2,356,923	(15,000)	-	-	-	2,341,923
Flow-through premium liability	-	(637,006)	-	-	-	-	(637,006)
Shares issued from restricted share unit plan	1,521,462	1,290,699	-	-	75,000	-	1,365,699
Shares cancelled	(200,000)	(100,000)	100,000	-	-	-	-
Shares issued for warrants exercised	4,085,000	2,042,500	-	-	-	-	2,042,500
Share based payments	-	-	-	-	589,563	-	589,563
Commitment to issue shares for Montauban Project	-	-	-	2,500,000	-	-	2,500,000
Comprehensive loss for the year	-	-	-	-	-	(4,824,834)	(4,824,834)
Balance as at June 30, 2022	**20,354,187**	**$ 28,000,668**	**$ (50,000)**	**$ 2,500,000**	**$ 968,513**	**$ (25,235,453)**	**$ 6,183,728**
Private placement - common shares	3,050,000	1,525,000	15,000	-	-	-	1,540,000
Share issuance costs	-	(102,139)	-	-	28,242	-	(73,897)
Private placement - flow through shares	1,069,000	534,500		-	-	-	534,500
Shares cancelled	(48,108)	(35,000)	35,000	-	-	-	-
Shares issued for restricted share unit plan	1,024,690	616,750	-	-	(75,000)	-	541,750
Shares issued for settlement of accounts payable	120,000	48,000	-	-	-	-	48,000
Shares issued to purchase mining claims	20,000	10,000	-	-	-	-	10,000
Shares issued to finalize claims acquisition	5,000,000	2,500,000	-	(2,500,000)	-	-	-
Share based payments	-	-	-	-	637,658	-	637,658
Comprehensive loss for the year	-	-	-	-	-	(3,710,234)	(3,710,234)
Balance as at June 30, 2023	**30,589,768**	**33,097,779**	**$ -**	**$ -**	**$ 1,559,412**	**$ (28,945,687)**	**$ 5,711,504**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

ESGold Corp. (the "Company") is an exploration stage company incorporated under the Canada Business Corporations Act on October 22, 2004. On November 29, 2021, the Company was continued to the governing jurisdiction of British Columbia and on July 14, 2022, it changed its name from Secova Metals Corp. to ESGold Corp.

The Company's head office and registered office is 488 - 1090 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3V7. The Company's records office is Royal Centre, 1500 - 1055 West Georgia Street, Vancouver, British Columbia, Canada.

The Company is in the process of acquiring and evaluating potential exploration projects in Canada. The recoverability of amounts for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern. 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 from March 2020, 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 its effect on the Company's business or ability to raise capital.

The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

Cease Trade

On December 30, 2019, the Company was the subject of a cease trade order by the British Columbia Securities Commission pending the filing of the Company's annual Audited Financial Statement and MD&A for the 2019 fiscal year. As a consequence of the Cease Trade Order, the British Columbia Securities Commission suspended the Company from trading until lifting of the Cease Trade Order. On February 17, 2021, the British Columbia Securities Commission issued a full revocation of the Company's failure-to-file cease trade order. The Company is in full compliance with the continuous disclosure requirements of the BCSC. On September 13, 2021, the Company's common shares were delisted from the TSX Venture Exchange and on October 6, 2021, the Company's shares were listed on the Canadian Securities Exchange (CSE) with the trading symbol CSE: ESAU.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Use of Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The Company uses significant judgement in assessing for signs of impairment on the exploration and evaluation assets. Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the good or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

The determination of deferred tax assets and liabilities is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence, and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The Company utilizes significant judgement in assessing its compliance with relevant flow through financing tax requirements including the determination of qualified eligible expenditures to reduce flow through spending obligations.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the wholly-owned entities controlled by the Company, including 1084409 B.C. Ltd, 1106632 B.C. Ltd, 1095252 B.C. Ltd, 1107136 B.C. Ltd. and 1106541 B.C. Ltd. which are all inactive. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral property. If payments received exceed the capitalized cost of the mineral property, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Receivables are measured at amortized cost with subsequent impairments recognized in profit or loss.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

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 the Company has opted to measure them at FVTPL. The classification determines the method by which the financial liabilities are carried on the statements of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities are measured at amortized cost and carried on the statement of financial position at amortized cost.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants, and similar instruments is computed using the treasury stock method. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. Upon expiry or forfeiture, the recorded value is transferred to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Restricted share units

The Company offers a restricted share units (RSU) plan to its directors, officers, employees or consultant as part of their long-term compensation package, entitling them to receive a payment in the form of common shares of the Company, or cash, or a combination of cash and common shares, at the discretion of the Company. The fair value of the RSU granted to be settled in common shares is measured on the grant date and is recognized over the vesting period under contributed surplus with a corresponding charge to share-based compensation. A liability for the RSU to be settled in cash is measured at fair value on the grant date and is subsequently adjusted at each balance sheet date for changes in fair value. The liability is recognized over the vesting period with a corresponding charge to share-based compensation.

Provisions

a) Environmental rehabilitation provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an environmental rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs). The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated.

Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to the statement of loss and comprehensive loss.

b) Other provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible fixed assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as interest expense.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in shareholders' equity (deficiency), in which case it is recognized in shareholders' equity (deficiency). Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Government assistance and tax credits

Government assistance is recorded as either a reduction of the cost of the applicable asset or credit in the statement of operations and comprehensive loss as determined by the terms and conditions of the agreement under which the assistance is provided to the Company.
Tax credits are recorded as either a reduction of the cost of applicable assets or credited in the statement of operations and comprehensive loss depending on the nature of the expenditures which gave rise to the credits. Claims for tax credits are accrued upon the Company attaining reasonable assurance of collections from the applicable government agency.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standards ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates.*

Transactions in currencies other than the Canadian dollars are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations and comprehensive loss.

Flow-through shares

The Company may from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company separates the flow-through common share into i) a flow-through common share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) share capital. When the resource property expenditures are incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders.

The premium is recognized as other income and the related deferred tax is recognized as a tax provision. To the extent that the Company has available tax pools for which the benefit has not been previously recognized as being realizable, the premium is recognized in profit or loss as a deferred income tax recovery to recognize the deferred tax asset offsetting the liability as eligible expenditures are incurred.

New accounting standards not yet adopted

The IASB issued the standards of *IAS 1 – Presentation of Financial Statements, amendment to IAS 16 – Property, Plant and Equipment, amendment to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, and amendment to IFRS 9 – Financial Instruments,* that have not been applied in preparing these consolidated financial statements as their effective date falls within periods beginning subsequent to the current reporting period. These standards are not expected to have a significant impact on the financial statements.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Ottawa River	Montauban	Eagle River	Total
Balance, June 30, 2021	**$ -**	**$ 789,816**	**$ 2,060,111**	**$ 2,849,927**
Acquisition of project	50,000	2,690,000	-	2,740,000
Acquisition of claims	-	-	25,000	25,000
Asset retirement obligation	-	306,100	-	306,100
	50,000	2,996,100	25,000	3,071,100
Exploration and evaluation expenditures				
Project management and travel	-	498,848	-	498,848
Acquisition of equipment	-	415,965	-	415,965
Engineering	-	250,870	-	250,870
Exploration	1,173	668,333	170,526	840,032
Legal	-	19,628	-	19,628
	1,173	1,853,644	170,526	2,025,343
Balance, June 30, 2022	**$ 51,173**	**$ 5,639,560**	**$ 2,255,637**	**$ 7,946,370**
Acquisition of claims		10,000		10,000
Asset retirement obligation	-	208,900	-	208,900
	-	218,900	-	218,900
Exploration and evaluation expenditures				
Project management and travel	2,518	426,236	-	428,754
Acquisition of equipment	-	210	-	210
Legal	-	66,646		66,646
Engineering	-	81,574	-	81,574
Exploration	188,232	269,408	1,388	459,028
	190,750	844,075	1,388	1,036,213
Write-off of Ottawa River project	(241,923)	-	-	(241,923)
Balance, June 30, 2023	**$ -**	**$ 6,702,534**	**$ 2,257,025**	**$ 8,959,559**

Eagle River Property, Quebec

During the year ended June 30, 2017, the Company acquired 1084409 B.C. Ltd., 1106632 B.C. Ltd., 1107136 B.C. Ltd., and 1106541 B.C. Ltd. which owns the Eagle River project located in the Windfall Lake gold district, Quebec.

In October 2021, the Company entered into a purchase agreement with 9093-6725 Quebec Inc. and Randon Ferderber to acquire a 100% interest in 10 claims totalling 565.3 hectares for cash consideration of $25,000 and a 2% net smelter return. The Company may buy back 1% of the net smelter return for $1,000,000 and the remaining 1% net smelter return for $2,000,000. The claims are adjacent to the Company's current Eagle River property holdings and would form part of the Company's Eagle River Property.

Montauban and Chavigny Townships, Quebec

On December 12, 2019, the Company and DNA Canada Inc. ("DNA") entered into a purchase agreement whereby the Company has agreed to acquire mining claims and concessions located in the Montauban and Chavigny townships, in the county of Portneuf, in the province of Quebec, as well as buildings, immovables, and other assets and operating permits located on, or with respect to, the property.

The consideration to be paid to DNA will consist of the issuance of common shares of the Company (the "Shares") in three tranches:

(i) 1,500,000 shares to be issued four months and one day following the closing;
(ii) 1,500,000 shares to be issued eight months following the closing; and
(iii) 2,000,000 shares to be issued one year following the closing of the acquisition.

The 5,000,000 shares were ultimately issued to DNA Canada Inc. in their entirety on May 24, 2023.

As part of the purchase agreement, the Company acquired some equipment and assumed liabilities totalling $208,290, which were settled in cash.

Completion of the acquisition was conditional upon, among other things, receipt of all necessary regulatory approvals, including approval of the TSX Venture Exchange. The Company submitted the acquisition to the TSX Venture Exchange and the Company received approval on November 23, 2020. The transaction was completed during the month of September 2021.

On March 8, 2023, the Company acquired an undivided one hundred percent interest in 25 mining claims totalling 2,360 hectares located inNotre-Dame-de-Montauban, Quebec, augmenting its holdings in the Montauban Project. The Company acquired twnty mining claims in exchange for 20,000 common shares and additionally staked 5 mining claims of open ground adjacent to its main mining claim block.

On July 24, 2023, an additional 926,210 common shares were issued for debt related to the acquisition of Montauban, valued at $0.50 per share for a total debt amount assumed of $463,105.

Ottawa River Project, Ontario

On May 30, 2022, the Company signed an option agreement with Nepean Bay Joint Venture Inc. ("NBJV"). Under the option agreement, NBJV grants the Company the right to earn 50% interests in the Ottawa River Project. NBJV is the legal and beneficial owner of the land use permit of 2.6 hectares within the bed of the Ottawa River and the owner of any salable residuals from the land use permit. The Company is required to pay $50,000 to NBJV upon signing of the option agreement, which it made in June 2022. In order to maintain in force the Option granted, and to exercise the Option, the Company must incur any and all approved expenditures for two years to achieve commercial production (defined as when a minimum of 500 ounces of gold has been smelted in a Dore bar) and pay to NBJV $100,000 during each twelve month period from the date of the option agreement for two years or until commercial production has been achieved. The parties agreed that the Company will be the operator of the Ottawa River Project.

Subsequent to the year-end, the Company announced it had elected to terminate the earn-in Joint Venture Agreement with Nepean Bay Joint Venture signed on May 30, 2022 for the purpose of jointly exploring and developing the Ottawa River Gold Project. As a result of the agreement termination, Nepean Bay Joint Venture will retain 100% ownership of its Ottawa River Gold property interests. Previously capitalized costs associated with the joint venture were written off at June 30, 2023, amounting to a total of $241,923.

5. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value.

b) Issued share capital

On September 20, 2021, the Company completed a non-brokered private placement of 5,000,000 units of the Company's securities (the "Units") at a price of $0.50 per Unit for total consideration of $2,500,000 (the "Private Placement Offering"). Consideration consisted of settlement of Notes payable of $971,496 (Note 9), cash of $1,035,754 and settlement of accounts payable of $492,750. Each Unit consists of one (1) Share and one (1) Share purchase warrant (the "Warrants"). Each Warrant will entitle the holder thereof to purchase one additional Share (the "Warrant Shares") at a price of $0.50 per Warrant Share for nine (9) months following the closing date of the Private Placement Offering.

In September 2021, the Company recognized a commitment to issue 5,000,000 shares, valued at $2,500,000, to DNA Canada Inc.for the acquisition of the Montauban project, as detailed in Note 4.

On October 6, 2021, the Company granted 700,000 restricted share units of the Company to certain directors, officers, employees and consultants of the Company and on the same date, issued 700,000 common shares for these restricted share units granted, valued at $1.15 per share for a total value of $805,000 recorded in stock based compensation.

In December 2021, the Company raised gross proceeds of $2,356,923 by the issuance of 1,274,013 flow through common shares (the "Flow-Through Shares") at a purchase price of $1.85 per flow-through Share. In connection with the closing of the flow-through Shares Offering, the Company paid an aggregate finders' fees of $141,590 in cash and issued 76,535 share purchase warrants (the "Finder's Warrants) to certain arms-length finders. Each Finder's Warrant entitles the holder thereof to purchase one common share of the Company at a price of $1.85 and expires nine (9) months from the date of closing of the Flow-through Shares Offering. The Company will use the proceeds from the sale of the Flow-Through Shares to incur flow-through expenditures in the province of Quebec which qualify as 100% Canadian Exploration Expense ("CEE") and renounced said flow-through expenditures to the investors for the taxation year ended December 31, 2021. The Company recorded a flow-through premium liability of $637,006, of which Nil remains unamortized as at June 30, 2023 (2022-$533,813).

On March 15, 2022, the Company granted 526,462 restricted share units of the Company to certain directors, officers, and consultants of the Company and on the same date, issued 526,462 common shares for these restricted share units granted, valued at $0.65 per share for a total value of $342,200 recorded in stock based compensation.

On May 31, 2022, the Company granted 195,000 restricted share units of the Company to certain consultants of the Company and on June 14, 2022 issued 195,000 common shares for these restricted share units granted, valued at $0.50 per share for a total value of $97,500 recorded in stock based compensation.

On June 23, 2022, the Company granted 100,000 restricted share units of the Company to certain consultants of the Company and on the same date issued 100,000 common shares for these restricted share units granted, valued at $0.46 per share for a total value of $46,000 recorded in stock based compensation.

On June 27, 2022, the Company granted 150,000 restricted share units of the Company to certain consultants of the Company and on July 4, 2022 issued 1,500,000 common shares for these restricted share units granted, valued at $0.50 per share for a total value of $75,000 recorded in stock based compensation during the year ended June 30, 2022.

During the year ended June 30, 2022, the Company issued 4,085,000 common shares from the exercise of the Warrants with gross proceeds of $2,042,500.

On July 15, 2022 and July 20, 2022, the Company completed a non-brokered private placement of 3,000,000 units of the Company's securities (the "Units") at a price of $0.50 per Unit for total consideration of $1,500,000 (the "Offering"). Each Unit consists of one (1) Share and one-half (1/2) Share purchase warrant (the "Warrants"). Each Warrant will entitle the holder thereof to purchase one additional Share (the "Warrant Shares") at a price of $1.00 per Warrant Share for twelve (12) months following the closing date of the Offering (the "Closing Date").

On September 13, 2022, the Company granted 54,690 restricted share units of the Company to certain consultants and a new director of the Company and on the same date issued 54,690 common shares for these restricted share units granted, valued at $0.80 per share for a total value of $43,750 recorded in stock based compensation.

In October 2022, the Company entered into a settlement agreement with a vendor whereby the Company paid cash of $100,000 and issued 120,000 common shares in the capital of the Company valued at $48,000.

In December 2022, the Company raised gross proceeds of $559,500 by the issuance of 1,069,000 flow through common shares units (the "Flow-Through Units") at a purchase price of $0.50 per Flow-Through Unit, and 50,000 non flow-through units (the "Non Flow-Through Units") at a purchase price of $0.05 per Non Flow-Through Unit (the "December 2022 Offering"). Each Flow-Through Unit consists of one (1) Share and one-half (1/2) Share purchase warrant (the "Warrants") and each Non Flow-Through Units consist of one (1) Share and one Share purchase warrant. Each full Warrant will entitle the holder thereof to purchase one additional Share (the "Warrant Shares") at a price of $0.75 per Warrant Share for twelve (12) months following the closing date of the Offering (the "Closing Date"). In connection with the closing of the December 2022 Offering, the Company paid an aggregate finders' fees of $21,630 in cash and issued 36,260 share purchase warrants (the "Finder's Warrants) to certain arms-length finders. Each Finder's Warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.75 and expires twelve months from the date of closing of the December 2022 Offering. The Company will use the proceeds from the sale of the Flow-Through Shares to incur flow-through expenditures in the province of Quebec which qualify as 100% Canadian Exploration Expense ("CEE") and renounced said flow-through expenditures to the investors for the taxation year ended December 31, 2022.

On January 13, 2023, the Company granted 760,000 restricted share units of the Company to certain consultants of the Company and on the same date issued 760,000 common shares for these restricted share units granted, valued at $0.60 per share for a total value of $456,000 recorded in stock based compensation.

On January 18, 2023, the Company granted 60,000 restricted share units of the Company to the directors of the Company and on the same date issued 60,000 common shares for these restricted share units granted, valued at $0.70 per share for a total value of $42,000 recorded in stock based compensation.

On March 2, 2023, the Company acquired an additional 25 mining claims as part of the Montauban project in exchange for 20,000 common shares, valued at $0.50 per share for a total amount of $10,000.

On May 24, 2023, the Company issued, after all the conditions had been met in connection with the purchase agreement, 5,000,000 common shares, valued at $0.50 per share for a total amount of $2,500,000, to DNA Canada Inc. to complete the transaction The Company had already shown the shares as committed to be issued as part of shareholders' equity.

(Expressed in Canadian Dollars)

c) **Stock options**

Stock option transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding as at June 30, 2021		
Granted, October 6, 2021	650,000	1.50
Granted May 31, 2022	855,000	0.50
Granted June 15, 2022	100,000	0.50
Granted, June 30, 2022	50,000	0.95
Outstanding as at June 30, 2022	1,655,000	0.91
Granted, September 13, 2022	175,000	0.85
Granted, January 13, 2023	200,000	0.60
Granted, January 18, 2023	290,000	0.70
Expired/Cancelled	(330,000)	(1.42)
Outstanding as at June 30, 2023	1,990,000	0.76

There were 1,990,000 stock options outstanding as at June 30, 2023 (2022 – 1,655,000). A total of 1,728,750 stock options are exercisable as at June 30, 2023 (2022 – 680,000). The details are summarized as follows:

Number of Shares	Number of Shares Exercisable	Exercise Price	Expiry Date
20,000	20,000	1.50	October 5, 2023
350,000	350,000	1.50	October 5, 2026
855,000	855,000	0.50	May 30, 2027
100,000	100,000	0.50	June 14, 2027
175,000	131,250	0.85	September 12, 2027
200,000	200,000	0.60	January 12, 2026
290,000	72,500	0.70	January 17, 2028
1,990,000	1,728,750		

(Expressed in Canadian Dollars)

d) Warrants

Warrant transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding at June 30, 2021	-	-
Granted, September 2021	5,000,000	0.50
Exercised	(4,085,000)	0.50
Expired	(915,000)	0.50
Granted (Finders' Warrants), December 2021	76,535	1.85
Outstanding at June 30, 2022	76,535	1.85
Granted, July2022 - Broker Warrants	83,300	1.00
Granted, July2022 - Private Placement Warrants	1,500,000	1.00
Granted, December 2022 - Broker Warrants	36,260	0.75
Granted, December 2022 - Private Placement Warrants	584,500	0.75
Expired	(76,535)	(1.85)
Outstanding at June 30, 2023	2,204,060	0.93

A total of 5,000,000 share purchase warrants were granted in September 2021 (“Warrant”). Each Warrant will entitle the holder thereof to purchase one additional Share (the "Warrant Shares") at a price of $0.50 per Warrant Share for nine (9) months following the closing date of the Private Placement Offering. During the year ended June 30, 2023, nil warrants were exercised and a total of 76,535 warrants expired. During the year ended June 30, 2022, a total of 4,850,000 warrants were exercised at an exercise price of $0.50 per share, and a total of 915,000 warrants expired.

In conjunction with the Flow-through Shares Offering in December 2021, the Company granted 76,535 Finders’ Warrants, each Finder’s Warrant entitles the holder thereof to purchase one common share of the Company at a price of $1.85 and expires nine (9) months from the date of closing of the Flow-through Shares Offering. The 76,535 Finders’ Warrants granted in December 2021 were assigned a value of $41,347 using the Black-Scholes pricing model with a bond discount rate of 0.21%, term of 9 months, volatility of 115% and dividend rate of 0%.

A total of 2,204,060 share purchase warrants were outstanding at June 30, 2023 (2022 – 76,535). A total of 1,583,300 warrants expired in July 2023.

(Expressed in Canadian Dollars)

e) Share-based payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of up to 10 years with vesting determined by the board of directors.

The Company also has a restricted share unit plan which allows for certain discretionary bonuses and similar awards as an incentive and reward for selected director, employee, officer or consultant. The Company issued 1,024,688 restricted share units during year ended June 30, 2023 (2022 – 1,671,462. Under the plan the exercise price of each restricted share unit ("RSU") equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The RSUs can be granted with vesting determined by the board of directors.

The maximum aggregate number of common shares that may be reserved for issuance under the share option plan and the restricted share unit plan combined, at any point in time is 10% of the outstanding common shares at the time of the grant.

During the year ended June 30, 2023, the Company granted 665,000 (2022 – 1,655,000) stock options and 1,024,688 (2022 – 1,671,462) restricted share units. The Company recognized share-based payments expense of $1,179,408 during the year ended June 30, 2023 (2022 - $1,955,263). A total of 390,0000 stock options and 600,000 restricted share units were issued to Officers and Directors of the Company during the year ended June 30, 2023 (2022 – 14,050,000 stock options and 7,600,000 restricted share units).

The following assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the year:

Risk free interest rate	3.23% to 3.88%
Expected life of options	3 to 5 years
Expected annualized volatility	150%
Dividend yield	0%

6. RELATED PARTY TRANSACTIONS

Key management personnel comprise of the Chief Executive Officer, the former Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the former Chief Financial Officer and the Directors of the Company.

a) Due from the former Chief Executive Officer

The following amount is due from Brad Kitchen, the former CEO of the Company.

	As at June 30, 2023	As at June 30, 2022
Due from former CEO	$ Nil	$255,615

During the year ended June 30, 2022, the Company entered into an agreement to settle the amounts owing by the former Chief Executive Officer to the Company. Pursuant to the agreement, amounts due from the former CEO were unsecured, non-interest bearing and had a monthly repayment of $25,000 commencing June 1, 2022 until May 1, 2023. At June 30, 2023, the net total of $225,615 owing from the former CEO was recorded in the income statement as as a loss on write off of loan receivables.

During the year ended June 30, 2022, a total of $179,610 of the amounts due from the former CEO was recorded in the income statement as a loss on write off of loan receivables.

b) Chief Executive Officer, Former Chief Executive Officer, Chief Operating Officer and Chief Financial Officer
A total of $669,554 was included in the financial statements as earned by the Chief Executive Officer, former Chief Executive Officer, Chief Operating Officer and Chief Financial Officer during the year ended June 30, 2023 (2022 - $613,205). Amounts included in accounts payable from these current and former officers at June 30, 2023 was $17,120, and the balance was settled in July 2023 (2022 - $40,078, and the balance was settled in July 2022).

c) Director fees
Directors' fees of nil were earned during the year ended June 30, 2023 by the Board of Directors (2022 - $82,500). Consulting fees of $50,000 were earned by a company controlled by Vikas Ranjan, a former Director of the Company, during the year ended June 30, 2022, of which an amount of $6,500 was included in accounts payable as at June 30, 2022. Consulting fees of $7,200 were earned by a company controlled by Jack Huang, a former director of the Company during the year ended June 30, 2022, of which an amount of $7,560 was included in accounts payable at June 30, 2022.

7. COMMITMENTS

During the year ended June 30, 2019, the Company received $787,000 as a result of flow through share financings. To comply with Canadian tax law, the Company is required to incur these funds on Canadian eligible exploration expenditures prior to December 31, 2020. As at June 30, 2021, $787,000 of these flow through funds remain unspent prior to December 31, 2020. As a result, pending any extension being granted, the flow-through premium liability has been reduced to $Nil by recognizing other income of $137,933, and the Company has recorded a provision of $757,000 towards Part XII.6 tax and potential indemnification of tax liabilities to purchasers of the flow-through shares.

During the year ended June 30, 2022, the Company received $2,356,923 as a result of flow through share financings. To comply with Canadian tax law, the Company is required to incur these funds on Canadian eligible exploration expenditures prior to December 31, 2022. As at June 30, 2023, $1,554,953 of these flow through funds remain unspent prior to December 31, 2022. As a result, pending any extension being granted, the flow-through premium liability has been reduced to $Nil by recognizing other income of $533,813, and the Company has recorded a provision of $1,325,000 towards Part XII.6 tax and potential indemnification of tax liabilities to purchasers of the flow-through shares.

8. ASSET RETIREMENT OBLIGATION

The Company's asset retirement obligation ("ARO") represents management's best estimate of the present value of costs that are expected to be incurred to dismantle the building for its Montauban project at the end of the project. Based on the current expected life of the project, these costs are not expected to begin until approximately 10 years after the start of operation of the project. For the estimate as at June 30, 2023, the Company used an inflation rate of 5.64% and a discount rate of 3% in calculating the present value of the obligation.

9. NOTES PAYABLE

During the year ended June 30, 2021, the Company received $887,156 in short term loans. These notes payables are unsecured short-term arm's length demand loans bearing no interest and with no fixed term of repayment. A total of $971,496 of these notes payable were treated as payment of shares subscription in the private placement closed in September 2021 (Note 5). Other loans of $45,000 were settled during the year ended June 30, 2022.

The Company also received $40,000 in the fiscal year ended June 30, 2020 under the terms of the Canadian Emergency Business Account Program ("CEBA"). This CEBA note payable does not bear interest and if repaid in full by

(Expressed in Canadian Dollars)

December 31, 2023, 25% of the balance will be forgiven. If not repaid by December 31, 2023, the Company will have the option for a 2-year term extension on the unpaid balance of the note bearing interest at the rate of 5% per annum. The loan must be repaid in full by December 31, 2025.

10. INCOME TAXES

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

	2023	2022
Loss before income taxes	$ (3,710,234)	$ (4,824,835)
Expected income tax (recovery) at statutory tax rates	$ (1,001,763)	$ (1,303,005)
Non-deductible and other items	563,243	2,347,565
Impact of flow through shares	71,550	-
Share issuance costs	(19,952)	(1,533)
Adjustment to prior year's provision to statutory tax returns	(1,367,078)	-
Change in unrecognized deductible temporary differences	1,754,000	(1,043,027)
Income tax recovery	**$ -**	**$ -**

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2023	2022
Deferred tax assets (liabilities)		
Exploration and evaluation assets	$ 104,517	$ (40,611)
Share issue costs	50,057	57,486
Allowable capital losses	78,887	24,193
Non-capital losses available for future period	4,896,644	3,336,313
	5,130,104	3,377,381
Unrecognized deferred tax assets	(5,130,104)	(3,377,381)
Net deferred tax assets	**$ -**	**$ -**

Significant components of deductible temporary differences, unused tax losses, and unused tax credits that have not been included on the consolidated statement of financial position are as follows:

(Expressed in Canadian Dollars)

	2023	Expiry Dates	2022	Expiry Dates
Share issue costs	$ 185,397	2044 to 2047	$ 212,911	2042 to 2046
Non-capital loss carry-forwards	18,135,718	2026 to 2043	12,356,714	2026 to 2041
Allowable capital losses	292,173	No expiry date	89,605	No expiry date
Exploration and evaluation assets	(389,975)	No expiry date	(927,486)	No expiry date

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

11. FINANCIAL AND CAPITAL RISK MANAGEMENT

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.
The fair value of the Company's receivables and accounts payable and accrued liabilities approximate their carrying value due to the short-term nature of the instruments. The Company's cash and marketable securities are valued under the fair value hierarchy based on level 1 quoted prices in active markets for identical assets or liabilities.

Financial risk factors

The Company is exposed to varying degrees to a variety of financial instrument related 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 credit risk is primarily attributable to cash, receivables and advances. The Company's cash is held at a large Canadian financial institution in interest bearing accounts for which management believes the risk of loss to be minimal. Receivables consist of GST receivable from the government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is have sufficient liquidity to meet liabilities when due.

As at June 30, 2023, the Company had a working capital deficit of $611,055 (2022 – $659,542) and current liabilities of $756,429 (2022 - $1,478,883). While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available. The Company continues to investigate financing options, including private placements.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

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

a) Interest rate risk

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

b) 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.

c) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiary located in the USA. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in US Dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and development of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity (deficiency).

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

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Company did not change the ways it manages its capital during the year ended June 30, 2023.

12. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition, exploration and evaluation of mineral properties in Canada.

13. SUBSEQUENT EVENTS

a) Ottawa River Project

On July 27, 2023, the Company elected to terminate the earn-in Joint Venture Agreement with Nepean Bay Joint Venture signed on May 30, 2022 for the purpose of jointly exploring and developing the Ottawa River Gold Project. As a result of the agreement termination, Nepean Bay Joint Venture will retain 100% ownership of its Ottawa River Gold property interests. Previously capitalized costs associated with the joint venture were written off at June 30, 2023, amounting to a total of $241,923.

b) Consolidation of Common Shares

On August 29, 2023, the Company announced that the Board of Directors had approved a consolidation (the "Share Consolidation") of the common shares in the capital of the Company (the "Common Shares") at a ratio of 10 pre-Consolidation Common Shares (the "Existing Shares") for one post-Consolidation Common Share (the "Consolidated Shares"). The Share Consolidation remains subject to the approval of the Canadian Securities Exchange (the "CSE"). The Consolidated Shares will subsequently begin trading on a consolidated basis under the existing Company name and trading symbol.

As a result of the Share Consolidation, each 10 Existing Shares outstanding will automatically combine into one Consolidated Share without any action on the part of the holders, and the number of outstanding Common Shares will be reduced from approximately 315,159,762 Common Shares to approximately 31,515,976 Common Shares. The Consolidation will also apply to Common Shares issuable upon the exercise of the Company's outstanding stock options and warrants. No fractional shares will be issued as a result of the Consolidation. In the event a shareholder would otherwise be entitled to receive a fractional share from the Consolidation, the number of Consolidated Shares to be received by such shareholder shall be rounded down to the next highest whole number of Consolidated Shares.

c) Additional Shares to DNA Canada Inc.

On July 24, 2023, an additional 926,210 common shares were issued for debt related to the acquisition of Montauban, for a total debt amount assumed of $463,105.

14. RESTATEMENT

All current and prior year share, option and warrant transactions and per share amounts have been restated to reflect the Share Consolidation described in the Subsequent Events note.