IC CAPITALIGHT CORP.

Consolidated Financial Statements

For the years ended December 31, 2023, and 2022

Expressed in Canadian Dollars

To the Shareholders of IC Capitalight Corp.:

Opinion

We have audited the consolidated financial statements of IC Capitalight Corp. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the consolidated statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 audits 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 is sufficient and appropriate to provide a basis for our opinion.

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 period. We have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises 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 audits 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 audits 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 on this other information, 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 International Financial Reporting Standards, 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.

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

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.

The engagement partner on the audit resulting in this independent auditor's report is Blair Michael Mabee.

MNP LLP

Mississauga, Ontario | Chartered Professional Accountants

April 29, 2024 | Licensed Public Accountants

IC Capitalight Corp.
Consolidated Statements of Financial Position
Expressed in CAD Dollars

	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 1,054,492	$ 2,123,977
Accounts receivable (note 6)	35,744	26,648
Amounts receivable	30,699	58,917
Investments (note 7)	415,965	61,400
Prepaid expenses	27,246	26,361
Total current assets	1,564,146	2,297,303
Exploration and evaluation assets (note 8)	1	1
Property, plant, and equipment (note 9)	917	1,357
Intangible asset (note 10)	25,901	34,512
Total Assets	$ 1,590,965	$ 2,333,173
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 19)	$ 339,968	$ 350,657
Short-term debt (note 11)	-	40,000
Deferred revenue (note 12)	128,552	116,591
Deferred debenture obligation (note 13)	-	330,000
Deferred flow-through obligation (note 14)	-	8,547
Total current liabilities	468,520	845,795
Total Liabilities	468,520	845,795
Shareholders' Equity		
Share capital (note 15)	8,705,126	8,640,126
Contributed surplus (note 17)	1,045,009	1,045,009
Accumulated deficit	(8,627,690)	(8,197,757)
Total Shareholders' Equity	1,122,445	1,487,378
Total Liabilities and Shareholders' Equity	$ 1,590,965	$ 2,333,173

Nature of operations (note 1)
Basis of presentation (note 2)
Subsequent events (note 23)

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Operations and Comprehensive Loss
Expressed in CAD Dollars

	Year ended December 31, 2023	Year ended December 31, 2022
Revenues		
Research revenues	$ 584,545	$ 703,323
Consulting revenues	39,896	27,900
Total Revenues	$ 624,441	$ 731,223
Expenses		
Research business expenses (note 18)	676,523	746,621
Exploration and evaluation expenses (notes 8)	237,766	6,438
General and administrative expenses (note 18)	506,128	588,521
Depreciation (note 9)	440	403
Amortization of brand value (note 10)	8,611	10,979
Impairment (note 10)	-	224,509
Interest expense	2,156	295,535
Share-based compensation (notes 17 and 19)	-	113,108
Accretion (note 11)	-	204,969
Loss on remeasurement of credit facility (note 11)	-	55,499
Flow through obligation (note 14)	840	11,825
Foreign exchange loss	288	2,245
Total expenses	1,432,752	2,260,652
Net loss before other income (expenses)	(808,311)	(1,529,429)
Investments income (note 7)	102,233	80,672
Realized gain on settlement of debt (note 13)	330,000	-
Realized gain on investments (note 7)	-	1,403,519
Unrealized (loss) gain on investments (note 7)	(53,855)	(690,062)
Net loss and comprehensive loss	$ (429,933)	$ (735,300)
Weighted-average common shares (basic and diluted)	93,696,674	91,510,155
Net loss per common shares (basic and diluted)	$ (0.00)	$ (0.01)

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Changes in Shareholders' Equity
Expressed in CAD Dollars

	Shares Outstanding	Share Capital	Contributed Surplus	Accumulated Deficit	Total Equity
Balance as of December 31, 2021	90,419,146	8,467,799	977,041	(7,462,457)	1,982,383
Warrants issued for credit facility (note 11)	-	-	20,745	-	20,745
Shares issued for settlement of debt (note 15)	2,566,569	166,827	-	-	166,827
Stock options granted under long-term incentive plan (note 17)	-	-	113,108	-	113,108
Shares issued for conversion of restricted share units (note 17)	100,000	5,500	(5,500)	-	-
Cash settlement for conversion of restricted share units (note 17)	-	-	(60,385)	-	(60,385)
Net loss and comprehensive loss	-	-	-	(735,300)	(735,300)
Balance as of December 31, 2022	93,085,715	$ 8,640,126	$ 1,045,009	$ (8,197,757)	$ 1,487,378
Shares issued for acquisition of mineral properties (note 8)	1,000,000	65,000	-	-	65,000
Net loss and comprehensive loss	-	-	-	(429,933)	(429,933)
Balance as of December 31, 2023	94,085,715	$ 8,705,126	$ 1,045,009	$ (8,627,690)	$ 1,122,445

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Cash Flows
Expressed in CAD Dollars

	Year ended December 31, 2023	Year ended December 31, 2022
Operating activities		
Net loss	$ (429,933)	$ (735,300)
Add (deduct) items not affecting cash:		
Accretion	-	204,969
Loss on remeasurement of credit facility	-	55,499
Depreciation	440	403
Amortization of brand value	8,611	10,979
Impairment	-	224,509
Share-based compensation for stock options	-	113,108
Cash settlement for conversion of restricted share units	-	(60,384)
Realized gain on settlement of debt	(330,000)	-
Realized gain on investments	-	(1,403,519)
Forgiveness of short-term debt	(10,000)	-
Share-based acquisition of mineral property	65,000	-
Unrealized gain on investments	53,855	690,062
Subtotal	(642,027)	(899,674)
Change in non-cash working capital balances:		
Accounts receivable and amounts receivable	19,122	32,449
Prepaid expenses	(885)	(7,692)
Accounts payable and accrued liabilities	(10,689)	(106,771)
Flow through obligation	(8,547)	(37,394)
Deferred revenue	11,961	(45,787)
Net cash used in operating activities	$ (631,065)	$ (1,064,869)
Investing activities		
Short-term loan	(408,420)	-
Purchase of equipment	-	(1,760)
Acquisition of P&C	-	(270,000)
Disposition of debentures	-	3,519,953
Net cash (used in) from investing activities	$ (408,420)	$ 3,248,193
Financing activities		
Proceeds from short-term debt	-	278,640
Repayment of short-term debt	(30,000)	(760,706)
Net cash (used in) from financing activities	$ (30,000)	$ (482,066)
Net (decrease) increase in cash and cash equivalents	(1,069,485)	1,701,258
Cash and cash equivalents, beginning	2,123,977	422,719
Cash and cash equivalents, ending	$ 1,054,492	$ 2,123,977

The accompanying notes are integral to these consolidated financial statements.

1. Nature of Operations

IC Capitalight Corp. (the "Company") is incorporated under the British Columbia Business Corporations Act and has a fiscal year-end of December 31. The Company's registered office is at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

Capitalight is a merchant bank that pursues value-based investment opportunities in accordance with its investment policies. Business investments consist of Capitalight Research Inc. ("Capitalight Research"), a wholly owned subsidiary that publishes proprietary subscription-based research focused on (1) equity technical analysis, (2) gold, silver, and critical metals sectors, and (3) bonds and economics. Capitalight Research generates recurring revenues and is expected to generate positive operating cash flows. Mineral exploration investments consist of the exploration and evaluation stage Blue Lake Cu-Ni-Pt-Pd property near Schefferville, Quebec. Investments consist of (1) cash equivalents, including money market funds, (2) short term loans made by the Company, and (3) equity securities of a gold exploration company received as payment for the sale of an asset.

The Company does not pay dividends and is unlikely to do so in the immediate or foreseeable future.

These consolidated financial statements were approved by the Board of Directors on April 29, 2024.

2. Basis of Presentation

Statement of compliance with IFRS

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). The accounting policies adopted are consistent with those of the previous financial year.

The accounting policies applied in the preparation of the consolidated financial statements for the year ended December 31, 2023 are set out below.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Basis of consolidation

The Company owns 100% of Capitalight Research Inc., ("Capitalight Research ") which was acquired on October 2, 2019. Capitalight Research was incorporated on January 31, 2017, pursuant to the laws of the Province of Ontario.

These consolidated financial statements include the financial position, results of operation and cash flows of the Company and Capitalight Research, its wholly owned subsidiary. Intercompany balances, transactions, income, expenses, profits and losses, including gains and losses relating to the subsidiary have been eliminated on consolidation.

3. Significant Judgments, Estimates and Assumptions

To prepare consolidated financial statements in conformity with IFRS, the Company must make estimates, judgements and assumptions concerning the future that affect the carrying values of assets and liabilities as of the date of the consolidated financial statements and the reported values of revenues and expenses during the reporting period. By their nature, these are uncertain and actual outcomes could differ from the estimates, judgments and assumptions.

The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and assumptions are reviewed on an ongoing basis.

The areas involving significant judgments, estimates and assumptions are as follows:

Going concern: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to generate sufficient cash and working capital to fund its operations and discharge its liabilities as they become due for the next twelve months.

Business combination: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the fair value of the acquired assets and liabilities.

Useful life of intangibles: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the useful life of acquired intangibles.

Impairment of goodwill and intangibles: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the expected cash flows and discount rates for each cash generating units (CGU's) to determine the impairment of the fair value of financial assets carried at amortized costs and of goodwill and intangible assets.

Fair value of private investments (level 3): The preparation of the consolidated financial statements requires management to make judgments regarding the fair value of the private company investments held by the Company. Where the fair values of investments cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management's judgment is required to establish fair values.

Income taxes: Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the outcome of these tax related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

4. Summary of Material Accounting Policies

Cash equivalents

The Company considers cash equivalents to be cash and highly liquid investments with original maturities of three months or less. As at December 31, 2023, the Company had cash equivalents of $860,351 (2022: $2,015,804).

Prepayments and deposits

The Company makes prepayments and deposits to suppliers of services. These are recognized as prepayments when made and recognized as expenses when received. Prepayments and deposits on assets that are long term in nature are recorded as long-term prepayments and deposits.

4. Summary of Material Accounting Policies (continued)

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when the obligation under the liability is extinguished, discharged, cancelled or expired. Gains and losses on derecognition of financial assets and financial liabilities are recognized within financing income and financing expense, respectively.

Management determines the classification of financial assets and financial liabilities at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification depends on the purpose for which the financial instruments were acquired, their characteristics and/or management's intent. Transaction costs with respect to instruments not classified as fair value through profit or loss are recognized as an adjustment to the cost of the underlying instruments and amortized using the effective interest method.

The Company's financial instruments were classified in the following categories:

Financial assets measured at fair value through profit or loss (FVTPL):

An instrument is classified as fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. A financial asset is classified as fair value through profit or loss if acquired principally for the purpose of selling in the short term or if so, designated by management. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments.

Financial instruments included in this category are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value. All changes in their fair value are recorded through profit or loss.

The following financial assets are measured at fair value through profit or loss:
- Cash and cash equivalents
- Investments – common shares and debentures
- Investments – short-term loan

Financial assets measured at amortized cost:

Financial assets measured at amortized cost are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost. Interest revenue on advances and loans receivable are recognized using the effective interest method.

The following financial assets are measured at amortized cost:
- Accounts receivable
- Amounts receivable (excluding HST)

Impairment of financial assets measured at amortized costs:

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired if there is objective evidence that the estimated future cash flows of the financial asset or the group of financial assets have been negatively impacted. Evidence of impairment may include indications that debtors are experiencing financial difficulty, default or delinquency in interest or principal payments, or other observable data which indicates that there is a measurable decrease in the estimated future cash flows.

If an impairment loss has occurred, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognized in financing expense. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of financing income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

4. Summary of Material Accounting Policies (continued)

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If an impairment is later recovered, the recovery is credited to financing income.

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets. Credit losses are defined as the difference between all the contractual cash flows that are due to an entity and the cash flows that it expects to receive. This difference is discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets). Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions, and forecasts of future economic conditions. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk, whereby '12-month expected credit losses' are recognized ('Stage 1')
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low, whereby 'lifetime expected credit losses' are recognized ('Stage 2')
- financial assets that have objective evidence of impairment at the reporting date, whereby the asset is written off as there is no reasonable expectation of recovering all or any portion thereof ('Stage 3')

The Company applied the simplified approach in accounting for accounts receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the lifetime expected credit losses using a provision matrix.

For financial assets assessed as impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

Loss allowances for expected credit losses are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the financial asset.

Financial liabilities measured at amortized cost:

Financial liabilities are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated as FVTPL.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within accretion of deferred obligation, finance costs or finance income.

The following financial liabilities are measured at amortized cost:

- Accounts payable and accrued liabilities
- Deferred debenture obligation
- Short-term debt

Financial liabilities measured at fair value through profit or loss:

Financial liabilities designated as FVTPL are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value. Derivative instruments, including embedded derivatives, are recorded at fair value unless exempted from derivative treatment as normal purchase and sale. All changes in their fair value are recorded through profit or loss.

Fair Value

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

Both the binomial and Black Scholes valuation techniques are permitted under IFRS for fair value calculations.

4. Summary of Material Accounting Policies (continued)

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses.

Intangible assets

Brand names acquired in a business combination that qualify for separate recognition are recognized as intangible assets at their fair values and are amortized on a straight-line basis over their estimated useful lives of five years. All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and are subject to impairment testing. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, which is recognized in profit or loss within other income or other expenses.

Impairment of goodwill, other intangible assets and non-current assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset or cash-generating unit recoverable amount exceeds its carrying amount.

Private company investments

All privately held investments (including options, warrants and conversion features) are initially recorded at the transaction price, being the fair value at the time of acquisition. At the end of each reporting period, the fair value of an investment may (depending upon the circumstances) be adjusted using one or more of the valuation indicators described below. These are included in Level 3 of the fair value hierarchy.

The determination of fair value of the Company's privately held investments at other than initial cost, is subject to certain limitations. Financial information for private companies in which the Company has investments, may not be available and, even if available, that information may be limited and/or unreliable.

Use of the valuation approach described below may involve uncertainties and determinations based on management's judgment and any value estimated from these techniques may not be realized or realizable.

Company-specific information is considered when determining whether the fair value of a privately held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will also consider trends in general market conditions and the share performance of comparable publicly traded companies when valuing privately held investments.

4. Summary of Material Accounting Policies (continued)

The fair value of a privately held investment may be adjusted if:

i. There has been a significant subsequent equity financing provided by outside investors at a valuation different than the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place;
ii. There have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a material impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable;
iii. The investee company is placed into receivership or bankruptcy;
iv. Based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern;
v. Release by the investee company of positive/negative operational results; and
vi. Important positive/negative management changes by the investee company that the Company's management believes will have a very positive/negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

Adjustments to the fair value of a privately held investment will be based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for non-publicly traded investments may differ from values that would be realized if a ready market existed.

In addition, the amounts at which the Company's privately held investments could be currently disposed of may differ from the carrying value assigned.

Revenue Recognition

The following describes principal activities of Capitalight Research from which the Company generates revenue.

Research Revenue

Capitalight Research generates revenue from providing subscription services to proprietary research. Performance obligations are satisfied upon delivery of the weekly and monthly publications which are distributed through email. Revenue is recognized over the useful life of the subscription, or the time frame which the customers have access to the publications. This provides a faithful depiction of the transfer of goods and services to the client as the subscription directly relates to these performance obligations.

Consideration is typically due on receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

Consulting Revenue

Capitalight Research generates revenue from providing custom paid-for proprietary research. Performance obligations are satisfied upon delivery of the custom research report to the client. Revenue is recognized upon delivery to the client. Consideration is typically due on receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

Deferred Revenue

Deferred revenue consists of the remaining performance obligations relating to subscription or paid-for research revenues.

Exploration and Evaluation Assets

The Company expenses all costs relating to the acquisition of, exploration for and development of mineral claims and credits all revenues received against the exploration expenditures. Such costs include, bur are not limited to, acquisition costs, exploratory drilling and sampling.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations.

Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

4. Summary of Material Accounting Policies (continued)

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

Flow-through shares

The Company will 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 bifurcates the flow-through share into i) a flow-through 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. Upon expenditures being 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 in expenses and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Foreign Currency Translation

The functional and reporting currency is the Canadian dollar for the Company and its subsidiary. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statements of operations and comprehensive loss.

Income taxes

Income tax 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 equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Income (Loss) Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as share-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

4. Summary of Material Accounting Policies (continued)

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in contributed surplus, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

5. Business Acquisition

On February 16, 2022, the Company's wholly owned subsidiary, Capitalight Research, completed the acquisition of the business assets and liabilities of Phases & Cycles Inc. ("P&C"), a private corporation that publishes subscription-based market research, in return for a cash consideration of $270,000 (the "Transaction"). The primary reason for the acquisition was an expansion of Capitalight Research's subscription-based research business.

The acquisition of P&C meets the definition of a business; therefore, the transaction is treated using the acquisition method under IFRS 3 *Business Combinations*. The Company was deemed to be the acquirer and P&C was deemed to be the acquiree. The cost of acquisition has been allocated to the assets acquired and liabilities assumed as measured at fair value on the date of acquisition. The excess of costs of the acquisition over the net assets acquired and liabilities assumed has been recognized as intangible assets representing the value of the P&C brand and goodwill. The table below presents the purchase price allocation:

	Totals
Cost of Acquisition	$ 270,000
Amounts receivable	$ 42,737
Prepaid expenses	5,746
Accounts payable and accrued liabilities	(1,025)
Deferred revenues	(47,458)
Total identifiable net assets	$ -
Recognition of brand value	62,736
Recognition of goodwill	207,264
Net assets acquired and liabilities assumed	$ 270,000

Acquisition related costs totaling $8,640 were expensed as legal and professional fees in the consolidated statements of operations and comprehensive loss.

The Company recognized goodwill upon the business acquisition of P&C and is primarily related to personnel and future growth. None of the goodwill arising from the acquisition is deductible for tax purposes. Goodwill is tested for impairment and at the end of each reporting date using the value-in-use valuation model. The key assumptions are those related to discount rates and revenue growth rates. The model used revenue growth rates of 11% and a long-term growth rate of 2.0%. The after-tax weighted average cost of capital was determined to be 22% (pre-tax of 25%) and is based on a risk-free rate, an equity premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the capital structure of publicly traded companies.

In addition, the Company recognized the value of the P&C brand, which was determined using a 6% relief from royalty valuation model that will be amortized over a period of five years. The key assumptions used in the value in use are those related to discount rates and revenue growth rates. The after-tax weighted average cost of capital was determined to be 23% (pre-tax of 26%) and is based on a risk-free rate, an equity premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the capital structure of publicly traded companies.

The P&C acquisition has contributed revenues of $201,018 from February 16, 2022 (the date of acquisition) to December 31, 2022. If the acquisition had occurred on January 1, 2022, management estimates that revenues would have been $232,575 resulting in a net loss of $9,425.

6. Accounts Receivable

	December 31, 2023	December 31, 2022
Current	$ 10,342	$ 5,277
1 - 30 days past due	3,886	300
31 – 60 days past due	23,751	14,900
61 – 90 days past due	145	-
> 90 days past due	-	8,010
Subtotal	38,124	28,487
Lifetime expected credit losses	(2,380)	(1,839)
Ending balance	$ 35,744	$ 26,648

All categories of receivables are required to have a provision, even when they are not past due. The following is the provision matrix used to determine the lifetime expected credit losses:

	Current	1-30 days	31-60 days	61-90 days	>90 days
Default rate	1%	3%	9%	15%	20%

The following is the movement in lifetime expected credit losses:

	Movement in Lifetime Credit Losses
Balance as of December 31, 2021	$ 620
Loss allowance remeasurement	1,219
Balance as of December 31, 2022	$ 1,839
Bad debt expense	(12,141)
Loss allowance remeasurement	12,682
Balance as of December 31, 2023	$ 2,380

7. Investments

As of December 31, 2023, the investment portfolio consisted of the following marketable securities:

- 409,333 common shares of Prospector Metals Corp. (TSXV: PPP) with a market value of $18,420 based on the closing price.
- Short-term loan of $397,545 (USD$300,000) bearing 15% interest per annum payable quarterly and maturing on April 14, 2024.

During the year ended December 31, 2023, the Company:

- Recognized unrealized losses of $42,980 on the revaluation of common shares and $10,875 related to foreign exchange on the revaluation of the short-term loan, which is denominated in United States Dollars, into Canadian Dollars.
- Recognized interest income on the short-term loan of $41,544.
- Recognized interest income on its cash equivalents of $60,689.

The following transactions occurred during the year ended December 31, 2022:

- On July 19, 2022, the Company disposed of Stone debentures for gross proceeds of $3,519,952 that included a payment of $183,625 used for the reimbursement of legal expenses and realized a gain of $1,403,519 on the investment.

During the year ended December 31, 2022, the Company:

- Realized a gain on investments of $1,403,519 and reversed unrealized gains of $309,169 recognized in prior years related to the sale of debentures.
- Recognized unrealized losses of $380,894 on the revaluation of common shares.
- Recognized debenture interest income of $80,672.

7. Investments (continued)

As of December 31, 2023, the investment portfolio consisted of the following:

	As at December 31, 2022	Purchases (Non-Cash)	Purchases (Cash)	Disposition Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	As at December 31, 2023
Common shares	$ 61,400	$ -	$ -	$ -	$ -	$ (42,980)	$ 18,420
Short-term loan	-	-	408,420	-	-	(10,875)	397,545
Total	$ 61,400	$ -	$ 408,420	$ -	$ -	$ (53,855)	$ 415,965

As of December 31, 2022, the investment portfolio consisted of the following:

	As at December 31, 2021	Purchases (Non-Cash)	Purchases (Cash)	Disposition Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	As at December 31, 2022
Common shares	$ 442,294	$ -	$ -	$ -	$ -	$ (380,894)	$ 61,400
Debentures	2,425,602	-	-	(3,519,952)	1,403,519	(309,169)	-
Total	$ 2,867,896	$ -	$ -	$ (3,519,952)	$ 1,403,519	$ (690,063)	$ 61,400

Fair value hierarchy

	Level 1	Level 2	Level 3	As at December 31, 2023
Common shares	$ 18,420	$ -	$ -	$ 18,420
Short-term loan	-	-	397,545	397,545
Total	$ 18,420	$ -	$ 397,545	$ 415,965

	Level 1	Level 2	Level 3	As at December 31, 2022
Common shares	$ 61,400	$ -	$ -	$ 61,400
Debentures	-	-	-	-
Total	$ 61,400	$ -	$ -	$ 61,400

8. Exploration and Evaluation Assets

As of December 31, 2023, the carrying value of Blue Lake property was $1 (December 31, 2022: $1).

8. Exploration and Evaluation Assets (continued)

Blue Lake Property (Cu-Ni-Pt-Pd)

On June 30, 2008, the Company entered into an option agreement to earn a 100% interest in the Blue Lake (formerly the Retty Lake Property) copper-nickel-PGM exploration property, which is located northeast of Schefferville, Quebec. On February 12, 2013, the Company completed the earn-in by completing a 2,377-line km VTEM and a 1,767-line km ProspecTEM airborne survey, which showed anomalous EM responses in the region of the historic Blue Lake mineral deposit. These claims are subject to a 3% net smelter return royalty ("NSR"), which is subject to a buy-back right to repurchase the NSR for $3,000,000 and a 30-day right-of-first-refusal by the Company to acquire all or part of the NSR on the same terms and conditions as set out in a notice provided to the Company by the holder (the "NSR ROFR"). In 2014, after obtaining additional VTEM airborne and Pt-Pd sampling data from Anglo American Exploration (Canada), the Company staked the Blue Lake South property to the southeast of the historic Blue Lake mineral deposit. During the year ended December 31, 2017, the Company elected to write-down the carrying value of the Blue Lake claims to $1 and most of the Blue Lake South claims were allowed to lapse. On July 21, 2020, the Company announced it staked 194 high priority claims in the Blue Lake South area and renamed all of the claims as the Blue Lake Property.

On May 25, 2023, the Company completed the acquisition of 12 mineral claims from two vendors through the issuance of 1,000,000 common shares of the Company valued at $65,000 based on a closing price of $0.065 per common share and cash payment of $45,000 and a 1% net smelter royalty that can be repurchased at any time for a payment of $1,000,000. The Company was awarded 5 fractional mineral claims upon the dissolution of a La Fosse Special Mining Lease. As of December 31, 2023, the Blue Lake property consists of 285 contiguous mineral claims (December 31, 2022: 263 claims).

Exploration and evaluation expenditures

During the year ended December 31, 2023, the Company incurred mineral claim acquisition, claim management and renewal fees of $237,766 (2022: $6,438).

9. Property, Plant and Equipment

	Equipment
Balance, December 31, 2021	$ -
Additions	1,760
Depreciation	(403)
Balance, December 31, 2022	$ 1,357
Additions	-
Depreciation	(440)
Balance as of December 31, 2023	$ 917

10. Goodwill and Intangible Assets

On February 16, 2022, the Company recognized goodwill upon the business acquisition of P&C and is primarily related to personnel and future growth. None of the goodwill arising from the acquisition is deductible for tax purposes. Goodwill is tested for impairment at the end of each reporting date using the value-in-use valuation model. The key assumptions are those related to discount rates and revenue growth rates. The model used revenue growth rates of 11% and a long-term growth rate of 2.0%. The after-tax weighted average cost of capital was determined to be 22% (pre-tax of 25%) and is based on a risk-free rate, an equity premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the capital structure of publicly traded companies. Goodwill was tested for impairment on December 31, 2022 based on revised cash flow expectations for the P&C cash generating unit resulting in the recognition of impairment of $207,264.

	Movement in Goodwill
Balance as of December 31, 2021	$ -
Recognition on acquisition of P&C (Note 5)	207,264
Impairment	(207,264)
Balance as of December 31, 2022 and 2023	$ -

On February 16, 2022, the Company recognized the value of the P&C brand. During the year ended December 31, 2022, the Company recognized brand value amortization of $10,979. Brand value was tested for impairment on December 31, 2022 based on revised cash flow expectations for the P&C cash generating unit and using a 4.5% relief from royalty valuation model amortized over five years resulting in the recognition of impairment of $17,245.

	Movement in Brand Value
Balance as of December 31, 2021	$ -
Recognition on acquisition of P&C	62,736
Amortization	(10,979)
Impairment	(17,245)
Balance as of December 31, 2022	$ 34,512
Amortization	(8,611)
Balance as of December 31, 2023	$ 25,901

11. Short-Term Debt

Credit facility

On December 23, 2021, the Company secured a non-revolving $5,250,000 standby credit facility (the "Credit Facility") whereby the Company can make drawdowns until December 23, 2022 (the "Advance Period"). The Company could terminate the Advance Period at any time subject to a fee of 1% on undrawn amounts. The undrawn amounts until termination of the Advance Period and drawdowns incurred an interest rate of 12.75% per annum. Principal repayments of 2.5% of drawdown amounts were due on June 30, 2022, September 30, 2022 and December 31, 2022. Under certain circumstances, the Company could prepay drawdown amounts subject to a 2% prepayment fee. The credit facility was secured by the assets of the company and by certain related parties. In relation to the credit facility, the Company incurred a workfee of $105,000 and lender legal fees of $61,809. Based on the original assumption that drawdowns would be repaid on or about December 23, 2022, the credit facility debt was measured at amortized cost and the initial fair value was determined to be the present value of the repayments at an effective discount rate of 64.5%.

- The initial advance of $482,065 on December 23, 2021, resulted in the issuance of 1,000,000 common share purchase warrants exercisable at a price of $0.08 per share for a period of 5 years, which were valued at $77,533. Each subsequent advance under the credit facility required the Company to issue such number of warrants that is equal to 1.1x the dollar value of the drawdown, up to an aggregate of 5,500,000 warrants. Each warrant issuance was priced at the minimum price permissible under the rules of the Canadian Securities Exchange and is exercisable for a period of 5 years. The workfee, legal fees and warrant value were deducted from the initial drawdown.

- The second drawdown of $278,640 on February 18, 2022 resulted in the issuance of 306,504 common share purchase warrants exercisable at a price of $0.07 per share for a period of 5 years, which were valued at $20,745.

- On May 1, 2022, the Company provided an Advance Period termination notice to the lender and the Credit Facility was terminated and fully repaid on July 21, 2022.

During the year ended December 31, 2023, the Company incurred interest and early repayment fees of $nil (2022: $310,072), recognized accretion of $nil (2022: $204,969) and recognized a loss on remeasurement of $nil (2022: $55,499).

	Credit Facility Fair Value
Balance as of December 31, 2021	$ 242,342
Facility drawdowns	278,640
Fair value of warrants	(20,745)
Loss on remeasurement	55,498
Accretion	204,969
Facility repayment	(760,704)
Balance as of December 31, 2022 and 2023	$ -

CEBA

The Company's subsidiary Capitalight Research had a Canada Emergency Business Account (CEBA), which had loan forgiveness provisions whereby 25% of the loan principal will be forgiven if 75% of the loan principal is repaid prior to December 31, 2023. The loan principal was not subject to any interest until after December 31, 2023. Under the loan, the Company has previously withdrawn $40,000. During the year ended December 31, 2023, the Company repaid $30,000 of the loan balance which resulted in forgiveness of $10,000 which is included in research revenues on the consolidated statements of operations and comprehensive loss.

As of December 31, 2023, the CEBA loan had a carrying balance of $nil (December 31, 2022: $40,000).

12. Deferred Revenue

Deferred revenues arise from the sale of annual subscriptions to the Company's research products. The deferred revenues are expected to be recognized into revenues over the next twelve months.

	Movement in Deferred Revenues
Balance as of December 31, 2021	$ 162,378
Deferred revenue recognized into revenue where performance obligations have been completed	(215,002)
Additions to deferred revenue where performance obligations have not been completed	169,215
Balance as of December 31, 2022	$ 116,591
Deferred revenue recognized into revenue where performance obligations have been completed	(241,466)
Additions to deferred revenue where performance obligations have not been completed	253,427
Balance as of December 31, 2023	$ 128,552

13. Deferred Debenture Obligation

On March 30, 2020, pursuant to a purchase agreement for Stone debentures, the Company recognized a deferred payment of $330,000 due to the vendor upon maturity of the debentures, which was expected to occur on December 28, 2021. The deferred obligation was originally measured at amortized cost and the initial fair value was calculated as the present value of the obligation based on a discount rate of 10%. On December 28, 2021, Stone defaulted on the maturity. Since the purchase agreement did not foresee a maturity default event, the obligation was treated as an on-demand obligation until settled with the vendor. During the year ended December 31, 2023, the Company obtained a legal opinion that the vendor no longer had a legal right to demand repayment of the obligation. As such, the Company derecognized the deferred debenture obligation and recognized a gain on the derecognition in the amount of $330,000.

	Movement in Deferred Obligation
Balance as of December 31, 2021	$ 330,000
Accretion of deferred obligation	-
Balance as of December 31, 2022	$ 330,000
Accretion of deferred obligation	-
Derecognition of deferred obligation	(330,000)
Balance as of December 31, 2023	$ -

14. Deferred Flow-Through Obligation

On October 2, 2019, the Company issued flow-through shares to eligible Canadian taxpayer subscribers that included a contractual commitment for the Company to incur $86,000 in eligible Canadian Exploration Expenditures ("CEEs") by December 31, 2020 as per the provisions of the Income Tax Act of Canada. The CEEs were renounced as a tax credit to the flow-through share subscribers on December 31, 2019. To help alleviate issues relating to COVID-19, the Department of Finance Canada announced a proposal in July 2020 that it would extend the timelines for incurring eligible expenses applicable to Issuers of flow-through shares renounced using the look-back rule in 2019 and 2020 by twelve months. The Company did not incur any flow-through eligible expenditures in 2019, 2020 or 2021. On December 31, 2021, the Company recorded a provision of $45,941 for the indemnification obligation to subscribers of flow-through shares for the additional taxes payable related to the CEE renunciation shortfall.

During the year ended December 31, 2023, the Company expensed $nil for Part XII.6 taxes related to the CEE renunciations (2022: $nil).

During the year ended December 31, 2022, the Company completed settlements of $49,219 and increased the provision by $11,825. During the year ended December 31, 2023, the Company completed the final settlements with the subscribers, pursuant to which final payouts were made reducing the provision to $nil at December 31, 2023.

15. Share Capital

The Company's common shares have no par value and an authorized share capital of an unlimited number of common shares. As of December 31, 2023, the Company had 94,085,715 common shares issued and outstanding (December 31, 2022: 93,085,715).

Shares issued during the year ended December 31, 2023

- On May 25, 2023, a total of 1,000,000 common shares were issued for the acquisition of mineral claims (note 8).

Shares issued during the year ended December 31, 2022

- On July 29, 2022, the Company completed a share for debt settlement to settle total indebtedness of $166,827 by issuing 2,566,569 common shares with a market value of $166,827 on the settlement date. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

- On December 27, 2022, a total of 100,000 RSUs were converted into 100,000 common shares.

16. Warrants

The Black-Scholes option valuation model is used by the Company to determine the fair value of common share purchase warrants based on the market price, the exercise price, compound risk free interest rate, annualized volatility and number of periods until expiration. Each warrant entitles the holder to purchase one common share of the Company at the respective exercise price prior to or on the respective expiration date.

As of December 31, 2023, the Company had 1,306,504 common share purchase warrants issued and outstanding (December 31, 2022: 1,306,504) with a weighted average expiration of 3.02 years (December 31, 2022: 4.02) which are exercisable into 1,306,504 common shares (December 31, 2022: 1,306,504) at a weighted average exercise price of $0.078 (December 31, 2022: $0.078).

Issued Date	Expiration Date	Exercise Price	As at December 31, 2022	Issued	Expired or Cancelled	Exercised	As at December 31, 2023
December 23, 2021	December 23, 2026	$ 0.080	1,000,000	-	-	-	1,000,000
February 18, 2022	February 18, 2027	$ 0.070	306,504	-	-	-	306,504
Totals			1,306,504	-	-	-	1,306,504

Issued Date	Expiration Date	Exercise Price	As at December 31, 2021	Issued	Expired or Cancelled	Exercised	As at December 31, 2022
November 3, 2020	November 3, 2022	$ 0.075	333,333	-	(333,333)	-	-
December 23, 2021	December 23, 2026	$ 0.080	1,000,000	-	-	-	1,000,000
February 18, 2022	February 18, 2027	$ 0.070	-	306,504	-	-	306,504
Totals			1,333,333	306,504	(333,333)	-	1,306,504

Warrants issued during the year ended December 31, 2022

- On February 18, 2022, in relation to the second drawdown from the credit facility, the Company granted 306,504 common share purchase warrants exercisable at a price of $0.07 per share for a period of 5 years. The warrants vested immediately and were valued at $20,745 using the Black-Scholes valuation model based on a risk-free rate of 1.75%, expected term of 5 years and volatility of 189%.

17. Long-term Incentive Plan

The Company's long term incentive plan (the "LTIP plan") is restricted to a maximum of 10% of the issued and outstanding common shares. Under the LTIP plan, the Company may grant securities-based incentives including stock options and restricted share units ("RSUs") to directors, officers, employees, and consultants. The Board of Directors administers the plan and determines the vesting and terms of each grant.

Stock Options

The Company determined the fair value of stock options using the Black-Scholes option valuation model, which has several inputs including the market price, the exercise price, compound risk free interest rate, annualized volatility and the number of periods until expiration. The fair value is expensed over the vesting period. Each stock option entitles the holder to purchase common shares of the Company at the respective exercise price prior to, or on, its expiration date.

As of December 31, 2023, the Company had 6,000,000 stock options issued and outstanding (December 31, 2022: 6,000,000) with a weighted average expiration of 2.08 years (December 31, 2022: 3.08 years) which are exercisable into 6,000,000 common shares (December 31, 2022: 6,000,000) at a weighted average exercise price of $0.058 (December 31, 2022: $0.058). All stock options that are outstanding vested on their grant date.

Award and Vesting Date	Expiration Date	Exercise Price	As at December 31, 2022	Awarded	Expired or Cancelled	Exercised	As at December 31, 2023
January 24, 2020	January 24, 2025	$ 0.050	2,700,000	-	-	-	2,700,000
February 12, 2021	February 12, 2026	$ 0.065	1,500,000	-	-	-	1,500,000
July 29, 2022	July 29, 2027	$ 0.065	1,800,000	-	-	-	1,800,000
Totals			6,000,000	-	-	-	6,000,000

Award and Vesting Date	Expiration Date	Exercise Price	As at December 31, 2021	Awarded	Expired or Cancelled	Exercised	As at December 31, 2022
January 24, 2020	January 24, 2025	$ 0.050	2,700,000	-	-	-	2,700,000
February 12, 2021	February 12, 2026	$ 0.065	1,500,000	-	-	-	1,500,000
July 29, 2022	July 29, 2027	$ 0.065	-	1,800,000	-	-	1,800,000
Totals			4,200,000	1,800,000	-	-	6,000,000

Options granted during the year ended December 31, 2022

- On July 29, 2022, the Company granted 1,800,000 stock options under the LTIP. Each option is exercisable for a period of 5 years and has an exercise price of $0.065. The options were valued at $113,108 using the Black-Scholes pricing model based on a risk-free rate of 2.66%, a term of 5 years, volatility of 188% and a market price of $0.065. These stock options vested on the grant date.

17. Long-term Incentive Plan (continued)

Restricted share units (RSUs)

The fair value of RSUs is based on the grant-day intrinsic value of the shares that are expected to vest by the vesting date. Each RSU entitles the holder to receive one common share of the company prior to, or on, its expiration date subject to achieving the performance criterion ("milestone") prior to, or on, its vesting date. The fair value is expensed over the vesting period and is subject to remeasurement at the end of each reporting period based on the probability of achieving the milestone and adjustments for potential forfeitures.

As of December 31, 2023, the Company had nil RSUs issued and outstanding (December 31, 2022: 461,540) with a weighted average expiration of nil years (December 31, 2022: 2.0) which entitle the holders to receive nil common shares (December 31, 2022: 461,540) for no additional consideration if they satisfy their vesting conditions prior to the vesting date.

Award Date	Vesting Date	Expiration Date	As at December 31, 2022	Awarded	Expired or Cancelled	Settled or Converted	As at December 31, 2023
Unvested RSUs - Milestone vesting condition							
June 23, 2021	December 31, 2023	December 31, 2024	461,540	-	(461,540)	-	-
Totals			461,540	-	-	-	-

Award Date	Vesting Date	Expiration Date	As at December 31, 2021	Awarded	Expired or Cancelled	Settled or Converted	As at December 31, 2022
Vested RSUs							
February 12, 2021	February 28, 2021	December 31, 2023	1,207,692	-	-	(1,207,692)	-
February 12, 2021	December 31, 2021	December 31, 2023	100,000	-	-	(100,000)	-
Unvested RSUs - Milestone vesting condition							
June 23, 2021	December 31, 2023	December 31, 2024	461,540	-	-	-	461,540
Totals			1,769,232	-	-	(1,307,692)	461,540

The following occurred during the year ended December 31, 2023:

- On December 31, 2023, a total of 461,540 RSUs expired as the vesting conditions were not met as of the vesting date.

The following occurred during the year ended December 31, 2022:

- On November 30, 2022, a total of 1,207,692 RSUs were settled in cash through a payment of $60,385.
- On December 27, 2022, a total of 100,000 RSUs were converted into 100,000 common shares.

18. Segmented Reporting

The Company has three operating segments, consisting of the research business, mineral exploration properties and securities investments. All of the Company assets are held in Canada. The Company's President and Chief Executive Officer and Chief Financial Officer are the operating decision-makers and direct the allocation of resources to its segments. The following is the segmented information by operating segments:

	Year ended December 31, 2023	Year ended December 31, 2022
Research business segment		
Research revenues	$ 584,545	$ 703,323
Research expenses		
Payroll and benefits	306,574	321,866
Consultants and services	245,219	224,412
Office and administrative	51,553	91,092
Sales and marketing	15,806	47,014
Rent	16,668	19,059
Professional and legal fees	21,561	11,126
Travel expenses	7,001	16,981
Insurance expenses	-	742
Bad debts	12,141	14,329
Total research expenses	676,523	746,621
Research business segment loss	(91,978)	(43,298)
Exploration properties segment		
Exploration and evaluation expenses		
Mineral claim renewal fees	237,766	6,438
Total exploration and evaluation expenses	237,766	6,438
Exploration properties segment loss	(237,766)	(6,438)
Investment segment		
Consulting revenues	39,896	27,900
Realized gain on investments	-	1,403,519
Unrealized (loss) gain on investments	(53,855)	(690,062)
Investments income	102,233	80,672
Total investment segment income	88,274	822,029
Total segments income (loss)	(241,470)	772,293
General and administrative expenses		
Consulting fees	260,136	263,305
Professional and legal fees	137,248	255,744
Office and administrative	95,149	57,513
Public filing fees	3,096	6,631
Insurance expenses	10,499	5,328
Total general and administrative expenses	506,128	588,521
Interest expense	2,156	295,535
Depreciation	440	403
Amortization of brand value	8,611	10,979
Accretion	-	204,969
Share-based compensation	-	113,108
Impairment	-	224,509
Flow through obligation	840	11,825
Loss on remeasurement of credit facility	-	55,499
Realized gain on settlement of debt	(330,000)	-
Foreign exchange (gain) loss	288	2,245
Net loss and comprehensive loss	$ (429,933)	$ (735,300)

19. Related Party Transactions and Balances

Parties are related if one party has the direct or indirect ability to control or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control or common significant influence. Other related parties include companies controlled by key management personnel. Key management personnel are composed of the Board of Directors, Chief Executive Officer and Chief Financial Officer of the Company.

A transaction is considered a related party transaction when there is a transfer of economic resources or financial obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value. Balances and transactions between the Company and its wholly owned subsidiary, which is a related party of the Company, have been eliminated and are not disclosed in this note.

The following key management related party transactions occurred during the following reporting periods:

	Year ended December 31, 2023	Year ended December 31, 2022
Management consulting fees	$ 260,137	$ 263,305
Professional and legal fees	27,360	27,450
Share-based compensation	-	87,973
Total	$ 287,497	$ 378,728

The following key management related party balances existed as of December 31, 2023, and December 31, 2022:

	As of December 31, 2023	As of December 31, 2022
Accounts payable and accrued liabilities due to companies controlled by key management	$ 194,975	$ 138,329

20. Capital Management

There were no changes in the Company's approach to capital management during the twelve months ended December 31, 2023.

The Company's investment policy is to invest excess cash in very low risk financial instruments such as term deposits or by holding funds in high yield savings accounts with major Canadian banks and to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or equity investment vehicles in the subscription research, mineral exploration and asset management sectors of the North American market, but may also include investments in other sectors.

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

The Company is generating revenues from the research business but has not generated any revenues from mineral property interests, which are still in the exploration & evaluation stage. To date, the Company has funded its operations by raising equity. To minimize liquidity risk, the Company implemented an operating budget for the research business and limited discretionary expenditures related to the exploration property.

The Company manages its capital structure (consisting of shareholders' equity) on an ongoing basis and in response to changes in economic conditions and risk characteristics of its underlying assets. Changes to the capital structure could involve the issuance of new equity, obtaining working capital loans, issuing debt, the acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and investments.

Capital resource analysis

As of December 31, 2023, the Company had a working capital surplus of $1,095,626 (December 31, 2022: $1,451,508).

The Company may choose to raise additional capital by issuing new equity, obtaining working capital loans, or construction financing. While the Company has been successful in obtaining funding in the past, there is no assurance that future financings will be available on terms acceptable to the Company. Based on management's assessment of its past ability to obtain required funding, the Company believes it will be able to satisfy its current and long-term obligations as they come due.

21. Financial Instruments and Risk Management

Financial instruments recorded at amortized cost, which include accounts receivable and amounts receivable, investments (short-term loan), accounts payable and accrued liabilities and short-term debt, approximate their fair value due to their short-term maturities. Financial instruments are exposed to certain financial risks, which may include liquidity risk, credit risk, interest rate risk, commodity price risk, and currency risk:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Liquidity risk arises from the Company's financial obligations and in the management of its assets, liabilities and capital structure.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while obtaining sufficient funding to meet its obligations as they come due. The Company manages this risk by regularly evaluating its liquid financial resources to fund current and long-term obligations and to meet its capital commitments in a cost-effective manner. The main factors that affect liquidity include working capital requirements, capital-expenditure requirements, and equity capital market conditions. The Company's liquidity requirements are met through a variety of sources, including cash and cash equivalents and equity capital markets.

As of December 31, 2023, the Company was not exposed to any significant liquidity risk since it had a cash and cash equivalents balance of $1,054,492 (December 31, 2022: $2,123,977) to settle current liabilities of $468,520 (December 31, 2022: $845,795). Based on management's assessment of its past ability to obtain required funding, the Company believes that it will be able to satisfy its current and long-term obligations as they come due.

Credit risk

The Company has credit risk arising from accounts and amounts receivable from the sale of research business services to commercial customers. The Company manages this risk by reviewing the credit worthiness of material new customers, monitors customer payment performance, has weekly meetings to discuss uncollected accounts, and, where appropriate, reviews the financial condition of existing customers.

Other than accounts receivables, the Company has credit risk arising from potential of counterparty default on cash and cash equivalents held on deposit with financial institutions. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions, whereas any offshore deposits are held with reputable financial institutions.

Interest rate risk

This is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that are subject to variable interest rates.

Commodity price risks

This is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by monitoring mineral prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.

Currency risk

This is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company transacts with customers and suppliers in currencies other than the Canadian dollar, including the US dollar. The Company also has monetary and financial instruments that may fluctuate due to changes in foreign exchange rates.

As of December 31, 2023, the Company estimated that a 10% decrease of the CAD versus foreign exchange rates would result in a gain of $42,936 (2022: gain of $3,540) and a 10% increase in the CAD versus the USD would result in a loss of $42,936 (2022: loss of $3,540).

	December 31, 2023	**December 31, 2022**
Cash and cash equivalents (USD)	$ 32,630	$ 20,315
Accounts receivable (USD)	2,161	28,656
Investments (USD)	397,545	-
Accounts payable and accrued liabilities (USD)	(2,981)	(13,574)
Net foreign exchange exposure	$ 429,355	$ 35,397
Impact of 10% change in foreign exchange rates	$ 42,936	$ 3,540

22. Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.75% (2022 - 26.75%) to the effective tax rate is as follows:

	December 31, 2023	December 31, 2022
Net Loss before recovery of income taxes	($429,933)	($735,300)
Expected income tax (recovery) expense	(113,930)	(196,690)
Tax rate changes and other adjustments	-	-
Non-deductible expenses	8,170	(59,090)
Change in tax benefits not recognized	105,760	255,780
Income tax (recovery)	$ -	$ -

Unrecognized deferred tax assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2023	December 31, 2022
Property, plant, and equipment	$ -	$ 1,760
Intangible assets	30,430	34,390
Goodwill	-	207,270
CEBA loan	-	10,000
Investments held for trading	219,510	165,660
Share issuance costs	97,740	146,610
Reserves	1,840	10,390
Operating tax losses carried forward	3,709,230	3,792,930
Mineral development resource pool – mineral properties	1,011,350	773,580
Deductible temporary differences	$ 5,070,086	$ 5,142,590

22. Taxes (continued)

The Canadian operating tax loss carry forwards expire as noted in the table below. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

The Company's Canadian operating tax losses expire as follows:

Expiration	Operating Tax Losses
2030	$ 73,030
2031	450,410
2032	407,960
2034	297,260
2035	190,510
2036	300,530
2037	267,430
2038	110,260
2039	390,660
2040	397,390
2041	504,460
2042	123,280
2043	196,040
Total	$ 3,709,230

23. Subsequent Event

Subsequent to the year ended December 31, 2023, the short-term loan of USD$300,000 discussed in note 7 was repaid to the Company in full.