CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

York Harbour Metals Inc.

(An exploration stage company)

(Formerly Phoenix Gold Resources Corp.)

For the three and nine months ended October 31, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

York Harbour Metals Inc.

Condensed Interim Consolidated Financial Statements
For the three and nine months ended October 31, 2023 and 2022

Notice of No Auditor Review of Interim Consolidated Financial Statements

The accompanying condensed interim consolidated financial statements have been prepared by management and approved by the Board.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

York Harbour Metals Inc.
(An exploration stage company)
(Formerly Phoenix Gold Resources Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

		October 31, 2023		January 31, 2023
ASSETS				
Current Assets				
Cash	$	359,175	$	4,512,513
Other receivables		380,683		1,239,805
Advances to Phoenix Holdings (note 4 and 12)		359,951		-
Prepaid expenses (note 5)		500,881		255,954
Refundable deposit (note 9(b))		-		250,000
		1,600,690		6,258,272
Mineral Rights (note 6 and 7)		15,167,290		12,639,876
Total Assets	$	16,767,980	$	18,898,148
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	$	158,576	$	506,497
Total Liabilities	$	158,576	$	506,497
SHAREHOLDERS' EQUITY				
Share Capital (note 8)	$	22,549,503	$	22,604,382
Warrants Reserve (note 8)		5,053,422		4,998,443
Share-based Payment Reserve (note 8)		1,333,200		1,333,200
Special Reserve (note 4)		467,869		-
Accumulated Deficit		(12,794,590)		(10,544,374)
Total Shareholders' Equity		16,609,404		18,391,651
Total Liabilities and Shareholders' Equity	$	16,767,980	$	18,898,148

Going Concern (Note 2)
Commitments and Contractual Arrangements (Note 9)
Subsequent Events (Note 14)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Roger Baer"
Director

"Andrew Lee"
Director

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

York Harbour Metals Inc.
(An exploration stage company)
(Formerly Phoenix Gold Resources Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended October 31, 2023	Three months ended October 31, 2022	Nine months ended October 31, 2023	Nine months ended October 31, 2022
Revenue	**$ -**	**$ -**	**$ -**	**$ -**
Expenses				
Investor relations	128,190	76,059	769,007	666,649
Consulting fees	107,653	228,682	480,665	822,919
Management fees (note 12)	161,250	100,250	473,750	307,250
Professional fees	48,263	11,070	159,681	231,504
Filing fees	4,978	2,750	76,322	69,178
Office and administration	28,764	36,836	89,829	95,742
Travel	4,574	65,532	34,112	151,639
Foreign exchange loss (gain)	(2,826)	3,521	3,337	9,347
Exploration	-	-	854	63,826
Loss before the undernoted	**$ 480,846**	**$ 524,700**	**$ 2,087,557**	**$ 2,418,054**
Other Loss (income)				
Interest expense (income)	(19,509)	(49,529)	(51,058)	(63,353)
Impairment (recovery) of other receivables	-	-	(36,283)	174,595
Loss of refundable deposit (note 9(b))	250,000	-	250,000	-
Net Loss and Comprehensive Loss	**$ 711,337**	**$ 475,171**	**$ 2,250,216**	**$ 2,529,296**
Weighted Average Number of Shares Outstanding (note 8)	68,529,047	61,030,651	68,528,993	54,716,672
Earnings (Loss) per Share - Basic and Diluted	$ (0.01)	$ (0.01)	$ (0.03)	$ (0.05)

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

York Harbour Metals Inc.
(An exploration stage company)
(Formerly Phoenix Gold Resources Corp.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Number of Shares	Common Shares	Warrants Reserve	Share-based Payment Reserve	Special Reserve	Deficit	Shareholders' Equity (Deficiency)
Balance – January 31, 2022	**48,840,323**	**$ 8,880,828**	**$ 1,740,408**	**$ 1,333,200**	**$ -**	**$ (5,969,056)**	**$ 5,985,380**
Shares issued on exercise of warrants	1,177,500	1,007,616	(160,116)	-	-	-	847,500
Shares issued for royalty buyout	1,500,000	1,500,000	-	-	-	-	1,500,000
Private placements	9,512,828	11,460,274	-	-	-	-	11,460,274
Warrants valuation – subscription warrants	-	(3,211,854)	3,211,854	-	-	-	-
Share issue cost – in cash		(703,877)	-	-	-	-	(703,877)
Share issue cost – agent's and broker's warrants	-	(486,843)	486,843	-	-	-	-
Loss for the period	-	-	-	-	-	(2,529,296)	(2,529,296)
Balance – October 31, 2022	**61,030,651**	**$ 18,446,144**	**$ 5,278,989**	**$ 1,333,200**	**$ -**	**$ (8,498,352)**	**$ 16,559,981**
Balance – January 31, 2023	**68,528,947**	**$ 22,604,382**	**$ 4,998,443**	**$ 1,333,200**	**$ -**	**$ (10,544,374)**	**$ 18,391,651**
Extension of warrants	-	(55,000)	55,000	-	-	-	-
Shares issued on exercise of warrants	100	121	(21)	-	-	-	100
Plan of Arrangement (note 4)	-	-			467,869	-	467,869
Loss for the period	-	-	-	-	-	(2,250,216)	(2,250,216)
Balance – October 31, 2023	**68,529,047**	**$ 22,549,503**	**$ 5,053,422**	**$ 1,333,200**	**$ 467,869**	**$ (12,794,590)**	**$ 16,609,404**

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

York Harbour Metals Inc.
(An exploration stage company)
(Formerly Phoenix Gold Resources Corp.)
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

		Nine months ended October 31, 2023		Nine months ended October 31, 2022
Operating Activities:				
Net loss for the period	$	(2,250,216)	$	(2,529,296)
Adjustments for non-cash items:				
Loss of refundable deposit		250,000		-
Changes in non-cash working capital items:				
Other receivables		859,122		(702,051)
Prepaid expenses (note 5)		(244,927)		231,243
Accounts payable and accrued liabilities		(240,002)		(200,463)
Net Cash Used in Operating Activities		(1,626,023)		(3,200,567)
Investing Activities:				
Additions in mineral rights		(2,527,415)		(4,407,823)
Net Cash Used in Investing Activities		(2,527,415)		(4,407,823)
Financing Activities:				
Issuance of common shares and warrants – net of issue costs		-		11,603,897
Issuance of common shares – exercise of warrants		100		-
Net Cash Provided by Financing Activities		100		11,603,897
Net changes in cash	$	(4,153,338)	$	3,995,507
Cash - beginning of period		4,512,513		2,467,439
Cash - end of period	$	359,175	$	6,462,946

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

1. Nature and Continuance of Operations

York Harbour Metals Inc. (the "Company") was incorporated under the British Columbia's Business Corporations Act on May 2, 2011 under the name of Zuri Capital Corp. ("Zuri") which commenced trading on the TSX Venture Exchange as a Capital Pool Company on March 19, 2012. On April 23, 2014, Zuri was acquired by Phoenix Gold Resources Ltd. ("Phoenix") in a reverse takeover transaction and Zuri changed its name to Phoenix Gold Resources Corp. ("PXA"). Effective February 10, 2022, PXA changed its name to York Harbour Metals Inc. and resumed on the TSX Venture Exchange with the trading symbol "YORK". The Company's corporate address is Suite 1518 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

On September 14, 2023, the Company completed its spinout transaction whereby the Company spun-out 100% of the common shares of Phoenix Gold Resources (Holdings) Ltd. to the shareholders of the Company ("Shareholders") by way of a court-approved plan of arrangement (the "Plan of Arrangement") pursuant to the Business Corporations Act (British Columbia). The Plan of Arrangement received approval from the Supreme Court of British Columbia on August 1, 2023 and shareholder approval on July 26, 2023. Phoenix Gold Resources (Holdings) Ltd. holds interests in the Plumas and Eldorado properties (collectively known as the "Phoenix Gold Project"). Pursuant to the terms of the Plan of Arrangement, the Shareholders received 0.2 of a common share of Phoenix Gold Resources (Holdings) Ltd. and one new common share of the Company (the "New Shares") in exchange for every existing common share of the Company held (the "Old Shares"). On September 14, 2023, Shareholders received 13,705,803 shares of Phoenix Gold Resources (Holdings) Ltd., being 100% of its shares, and continue to hold the same number of common shares of the Company as before the transaction.

The Company is a TSX Venture Exchange ("Exchange") tier 2 listed mineral exploration and development company with its principal business focusing on the acquisition and exploration of the mineral rights.

2. Going Concern

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to a going concern, which assumes the Company will continue to meet its obligations and discharge its liabilities in the normal course of business for the foreseeable future. Different bases of measurement may be appropriate when a company is not expected to continue operations for the foreseeable future. As at October 31, 2023, the Company has an accumulated deficit of $12,794,590 (January 31, 2023 – $10,544,374) and incurred net losses of $2,250,216 (2022 – $2,529,296) for the nine months ended October 31, 2023 and has working capital of $1,442,114 (January 31, 2023 – $5,751,775). The Company has not yet achieved profitable operations and expects to incur further losses in the development of its business.

2. Going Concern (Cont'd)

These conditions indicate the existence of a material uncertainty that raises substantial doubt about the Company's ability to continue as a going concern. The Company's expenditures on discretionary activities have some scope for flexibility in terms of amount and timing, which can be adjusted accordingly.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements.

a) Statement of compliance to IFRS

These condensed interim consolidated financial statements have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board. The policies applied in these condensed interim consolidated financial statements are based on IFRS issued and outstanding as at December 28, 2023 the date the Board of Directors approved these condensed interim consolidated financial statements for issue.

b) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting using accounting policies consistent with IFRS. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the years ended January 31, 2023 and 2022.

These condensed interim consolidated financial statements include the accounts of York Harbour Metals Inc. and its wholly-owned subsidiary, Newbay Mining Corp. All intercompany transactions, balances, and unrealized gains and losses on intercompany transactions have been eliminated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Where control of an entity is obtained during a financial period, its results are included in the consolidated statement of loss and comprehensive loss from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

3. Significant Accounting Policies (Cont'd)

c) Functional currency translation

i) Functional and presentation currency

Items included in the financial statements of each consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the "Functional Currency"). The consolidated financial statements are presented in Canadian dollars, which is the Functional Currency of the reporting parent and its wholly-owned subsidiary, Newbay Mining Corp.

The financial statements of entities that have a functional currency different from that of the reporting parent's operations are translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the consolidated statement of financial position, and income and expenses – at the average rate for the period (as this is considered a reasonable approximation to the actual rates). All resulting changes are recognized in other comprehensive income or loss as cumulative translation adjustments.

When an entity disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive income or loss related to the foreign operation are recognized in profit or loss. If an entity disposes of part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign currency gains or losses accumulated in other comprehensive income related to the subsidiary are reallocated between controlling and non-controlling interests.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in the consolidated statement of loss and comprehensive loss.

d) Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgements made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

3. Significant Accounting Policies (Cont'd)

d) Measurement Uncertainty (Cont'd)

Significant areas requiring the use of estimates and assumptions include accounts payable and accrued liabilities, valuation of share-based payment reserves, warrant reserves, valuation of short-term investments, valuation of mineral rights, and recoverability of deferred tax assets. By their nature, these estimates and assumptions are subject to measurement uncertainty, and the impact of changes in estimates in the financial statements of a future period could be material. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in loss in the periods in which they become known.

e) Significant accounting judgements

The critical judgements that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations (Note 3(d)), that have the most significant effect on the amounts recognized in the Company's consolidated financial statements are related to the economic recoverability of the mineral rights, the interpretation and application of tax laws, and the assumption that the Company will continue as a going concern.

f) Financial instruments

Financial assets

Initial recognition and measurement of financial assets
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVTPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVTPL or at amortized cost. Cash and other receivables are measured at amortized cost.

3. Significant Accounting Policies (Cont'd)

f) Financial instruments (Cont'd)

Subsequent measurement of financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Subsequent measurement of financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive loss. When the investment related to equity instruments is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss. Dividends from such investments are recognized in other income in the consolidated statements of loss when the right to receive payments is established.

Derecognition of financial assets
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Financial liabilities

Initial recognition and measurement of financial liabilities
The Company recognizes a financial liability when it becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss. Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Accounts payable and accrued liabilities are measured at amortized cost.

3. Significant Accounting Policies (Cont'd)

f) Financial instruments (Cont'd)

Classification and subsequent measurement of financial liabilities
After initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

For disclosure purposes, all financial instruments measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs used in a valuation technique that are not based on observable market data in determining fair values of the instruments.

g) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss, as follows:

The loss is the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. An impairment loss on an available for sale financial asset or fair value through profit or loss financial asset is calculated by reference to its fair value. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. The amount of the impairment is recognized in net loss.

Impairment losses on financial assets carried at amortized cost may be reversed in subsequent periods if the amount of the loss decreases and the decreases can be related objectively to an event occurring after the impairment was recognized. Financial assets measured at amortized cost and available for sale financial assets that are debt securities are reversed through profit and loss. For available for sale financial assets that are equity securities, the reversal is recognized in other comprehensive income.

3. Significant Accounting Policies (Cont'd)

h) Revenue recognition

Revenue will be recorded when consideration is received or receivable and will be recognized to the extent that it is probable that the economic benefits will flow to the Company and when the revenue can be reliably measured.

Interest income is recognized as it accrues.

i) Other Comprehensive income or loss

Other comprehensive income or loss is the change in equity of an enterprise during a period from transactions, events and circumstances other than those under the control of management and the owners. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. The Company reports comprehensive loss in its statement of loss and other comprehensive loss and its statement of changes in deficiency.

j) Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not recognized on the initial recognition of goodwill, on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction, and on temporary differences relating to investments in subsidiaries and jointly controlled entities where the reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured, without discounting, at the tax rates that are expected to apply when the assets are recovered and the liabilities settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

3. Significant Accounting Policies (Cont'd)

j) Taxes (Cont'd)

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities and assets are expected to be settled or recovered.

k) Non-monetary transactions

Transactions with no cash consideration are measured at the fair value of either the asset given up or the asset received, whichever is more reliably determinable.

l) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflects the potential dilution of securities that could share in earnings of an entity. In a loss year, potentially dilutive common shares are excluded from the loss per share calculations as the effect would be anti-dilutive.

m) Identifiable intangible assets

The Company is in the exploration stage and defers all expenditures related to its acquired mineral rights until such time as the property is put into commercial production, sold or abandoned. Under this method, the amounts reported represent costs incurred to date less amounts amortized and/or written off, and do not necessarily represent present or future values.

i) Pre-Exploration
Pre-exploration costs in areas where a legal right to explore has not been obtained are expensed as incurred.

3. Significant Accounting Policies (Cont'd)

m) Identifiable intangible assets (Cont'd)

ii) Exploration and evaluation expenditures
Exploration and evaluation ("E&E") costs incurred after the legal right to explore is obtained, but before technical feasibility and commercial viability of the project has been demonstrated are capitalized as E&E assets. These include the costs of acquiring the licenses and directly attributable general and administrative costs. All applicable costs are capitalized as either tangible or intangible E&E assets depending on the nature of the assets acquired. The costs are accumulated in cost centers by exploration area.

iii) Development and production costs
When technical feasibility and commercial viability of a property is established and the Company determines that it will proceed with development, all E&E costs attributable to that area are reclassified to construction in progress within property, plant and equipment or as intangible assets depending on the nature of the expenditure. If economically recoverable ore deposits are developed, the capitalized costs of the related property will be amortized using the unit-of-production method following the commencement of production.

n) Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

A CGU recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

3. Significant Accounting Policies (Cont'd)

n) Impairment of non-financial assets (Cont'd)

Industry specific indicators for an impairment review on mineral rights and capitalized exploration related expenditures arise typically when one of the following circumstances applies:

- Substantive expenditure on further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised;
- Adverse changes in variations in commodity prices and markets; and
- Variations in the exchange rate for the currency of operation.

o) Restoration, rehabilitation and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when an environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant, other site preparation work, and water and soil management, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value of the liability. These costs are charged against profit or loss over the economic life of the related assets, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company may in the future be affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation or environmental obligations as at October 31, 2023.

3. Significant Accounting Policies (Cont'd)

p) Share-based payments

The Company from time to time may issue shares or options to its directors, officers, consultants and employees. The Company values share-based payments using the fair-value method of the services provided. For stock options issued to its directors, officers, consultants and employees where the value of the services provided cannot be determined or the options are provided for services already provided to the Company, the Company values stock-based compensation by reference to the fair value of the stock options issued, utilizing the Black-Scholes option pricing model. The estimated fair value is recognized over the applicable vesting period as stock-based compensation expense and an increase to share-based payment reserve.

Any consideration paid by employees on the exercise of stock options or purchase of stock is credited to share capital plus the amounts originally recorded as share-based payment reserve. An individual is classified as an employee when they are an employee for legal purposes, or primarily performing services similar to the services that would be provided by a legal employee.

q) New accounting standards and recent pronouncements

The standards and interpretations that are issued, but not yet effective, up to the date of authorization of these consolidated financial statements are disclosed below. Management anticipates that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1") – Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to IAS 1. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The Company has determined that adoption of these amendments has no significant effect on the Company's consolidated financial statements.

3. Significant Accounting Policies (Cont'd)

q) New accounting standards and recent pronouncements (Cont'd)

Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2, Making materiality judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policies disclosures that are more useful by replacing the requirement for entities to disclose "significant" accounting policies with a requirement to disclose their "material" accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted. Since the amendments to IFRS Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The amendments are not expected to have a material impact on the Company's consolidated financial statements.

IAS 8, Accounting Policies, Change in Accounting Estimates and Errors ("IAS 8") – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8. The amendment will require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarifies how to distinguish changes in accounting policies from changes in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendment provides clarification to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023. The Company has determined that adoption of these amendments has no significant effect on the Company's consolidated financial statements.

IAS 12, Income Taxes ("IAS 12") – Deferred Tax related to Assets and Liabilities Arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12. The amendment narrows the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal taxable and deductible temporary differences. As a result, companies will need to recognize a deferred tax asset and deferred tax liability for temporary differences arising on initial recognition of transactions such as leases and decommissioning obligations. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied retrospectively. The Company has determined that adoption of these amendments has no significant effect on the Company's consolidated financial statements.

(Expressed in Canadian dollars)

4. Plan of Arrangement

On September 14, 2023, the Company completed a spinout of the Company's Phoenix Gold Property to Phoenix Gold Resources (Holdings) Ltd. Pursuant to the Plan of Arrangement, the Shareholders received 13,705,803 common shares of Phoenix Gold Resources (Holdings) Ltd., being 100% of its shares, and continue to hold the same number of common shares of the Company as before the transaction (note 1).

The carrying value of the net assets transferred to Phoenix Gold Resources (Holdings) Ltd. pursuant to the Plan of Arrangement consisted of the following:

Assets:		
Mineral Properties	$	1
Total assets		**1**
Liabilities:		
Accounts payable and accrued liabilities		(107,919)
Due to York Harbour Metals Inc.		(359,951)
Gain on transfer of spinout assets	**$**	**(467,869)**

Under IFRS, the Plan of Arrangement is considered to be a transaction between parties under common control and accordingly, the value of the assets transferred has been recorded for accounting purposes at its historical carrying cost of $467,869. A gain on transfer of spinout assets is presented as a special reserve in shareholders' equity.

5. Prepaid Expenses

Prepaid expenses are comprised of the followings:

	October 31, 2023		January 31, 2023	
Deposit made to drilling contractors	$	428,070	$	200,000
Balance remaining for investor relations services (i)		-		10,643
Deposits/prepayments made to consultants		62,079		39,208
Prepaid insurance		10,732		6,103
Balance	$	500,881	$	255,954

(i) Balance remaining for an advance payment of $127,760 (US$100,000) made to GRA Enterprises LLC for investor relations services for a service term of 12 months starting from March 11, 2022 (also see note 8(c)).

6. Mineral Rights

a) York Harbour Property

On February 26, 2021, the Company entered into an option agreement with WBN Prospecting Group to acquire a 100% interest in the York Harbour Property. The Company made a cash payment of $95,000 and issued 1,485,557 shares of the Company as part of this transaction. On May 11, 2022, the Company has successfully completed the earn-in to acquire 100% interest of the York Harbour Property by completing all conditions of the option agreement. On May 12, 2022, the Company signed an agreement to reduce the existing 2% Net Smelter Royalty ("NSR") for York Harbour Property down to a 0.5% NSR by purchasing 1.5% of the negotiated NSR for $1,500,000 settled by issuance of 1,500,000 common shares in the share capital of the Company at a price of $1 per share.

On July 28, 2022, the Company acquired Gregory River Property situated on the northern coast of the Bay of islands, approximately 22 km due north of the Company's York Harbour Property or 36 km northwest of the City of Corner Brook in Western Newfoundland.

The Gregory River Property is comprised of 10 mineral licenses totaling 415 claims and covering 10,375 hectares. As a result of this acquisition and the additional claims added to the York Harbour Property to the South, the Company now owns and operates two properties with known copper-zinc (+/- silver, gold, lead, cobalt) potential within the Bay of Islands Ophiolite Complex. The Gregory River claims were acquired via a staking agreement with the original vendors of the York Harbour Property. Staking fees of $53,950 were paid to the vendor and there are no royalties on the claims.

These two properties total 605 claims and cover 15,100 hectares, which more than triples the Company's property holdings in Newfoundland.

b) Bottom Brook Property

On January 30, 2023, the Company acquired all issued and outstanding shares of Newbay Mining Corp. ("Newbay") and acquired 100% interest in Rare Earth Elements mineral property in Western Newfoundland, Canada, known as the Bottom Brook Property. As a consideration for the acquisition, the Company issued 5,081,293 common shares of the Company at a deemed price of $0.492 per common share, representing total compensation of $2,500,000. In addition, the Company paid $100,000 cash deposit to be used for license fees to keep the property in good standing. The property is subject to a 3% net smelter return royalty payable to the former shareholders of Newbay, with the Company retaining the right to buy back 2% of the NSR for an aggregate payment of $1,500,000.

Bottom Brook Property is comprised of 18 licenses and 614 mineral claims.

(Expressed in Canadian dollars)

6. Mineral Rights (Cont'd)

c) Phoenix Gold Property

On September 14, 2023, the Company completed a spinout transaction of Phoenix Gold Property as described in note 4.

The cumulative costs incurred and capitalized on the Company's mineral rights during the period are as follows:

	York Harbour Property (Newfoundland, Canada)	Bottom Brook Property (Newfoundland, Canada)	Phoenix Gold Property (Nevada, USA)	Total
Balance - January 31, 2022	**$ 3,282,624**	**$ -**	**$ 1**	**$ 3,282,625**
Additions during the year	6,790,830	2,566,421	-	9,357,251
Balance - January 31, 2023	**10,073,454**	**2,566,421**	**1**	**12,639,876**
Additions during the period	1,704,076	823,339	-	2,527,415
Plan of Arrangement (note 4)	-	-	(1)	(1)
Balance - October 31, 2023	**$ 11,777,530**	**$ 3,389,760**	**$ -**	**$ 15,167,290**

All exploration and evaluation expenditures related to York Harbour Property and Bottom Brook Property have been capitalized in mineral rights during the period ended October 31, 2023.

7. Acquisition of Newbay Mining Corp.

On January 30, 2023, the Company completed the acquisition (the "Acquisition") of all the issued and outstanding shares of Newbay Mining Corp. ("Newbay") pursuant to the letter agreement (the "Agreement") among the Company, Newbay, and all of Newbay's shareholders (collectively, the "Vendors") and acquired the Rare Earth Elements mineral property in Western Newfoundland, Canada, known as the Bottom Brook Property (the "Property").

Pursuant to the terms of the Agreement, the Company acquired all the issued and outstanding securities of a newly amalgamated corporation, continuing under the name of Newbay and resulting from the vertical amalgamation of Newbay and its wholly-owned subsidiary 2802903 Ontario Limited, which held 100% of the interest in the Property.

As consideration for the Acquisition, the Company paid a $100,000 cash deposit to be used for license fees to keep the Property in good standing and issued an aggregate 5,081,293 common shares (the "Compensation Shares") at a deemed price of $0.492 per Compensation Share, equal to the 5-day volume weighted average price per share calculated for the period 10 business days prior to closing, representing total compensation of $2,500,000 settled by the issuance of 5,081,293 Compensation Shares to the Vendors on a pro rata basis. Upon closing of the Acquisition, Newbay is the 100% holder of the Property and wholly-owned subsidiary of the Company.

(Expressed in Canadian dollars)

7. Acquisition of Newbay Mining Corp. (Cont'd)

The Property is subject to a 3% NSR payable to the Vendors, with the Company retaining the right to buy back 2% of the NSR for an aggregate payment of $1,500,000.

The acquisition of Newbay has been accounted for as an asset purchase. The consideration paid has been allocated to the financial liabilities assumed and assets acquired based on their estimated fair values at the date of acquisition as follows:

	Note		Assets/(Liabilities) Acquired
Cash		$	107,697
Receivables			418
Mineral rights			2,566,421
Accounts payable and accrued liabilities			(19,903)
Net assets acquired		**$**	**2,654,633**
Consideration paid in shares		$	2,500,000
Consideration paid in cash			100,000
Acquisition costs			54,633
Total consideration		**$**	**2,654,633**

8. Share Capital

a) *Authorized*
Unlimited number of common shares.

IFRS 2 recommends that an entity shall measure any equity-settled share-based payment transactions directly at the fair value of the goods or services received. The Company issued warrants as part of the private placements and compensation payments to agents and brokers. The Company determined that the fair value of services received is not reliably measurable because the warrants attached to these transactions are not from the result of any services purchased by the Company. Also, fair value of services from agents and brokers are not reliably determinable because there is no similar open market for the services they provide, and the compensation is not based on a fixed market rate, but rather subject to negotiation by management. Lastly, it is common for exploration stage companies to provide share-based compensation as part of its equity and debt transactions in addition to a cash component. As such management determined that the fair value of warrants rather than the fair value of services received should be used to determine the fair value of share-based transactions.

(Expressed in Canadian dollars)

8. Share Capital (Cont'd)

b) *Issued and outstanding*
Issued common shares are as follows:

	Number of shares	Amount
Balance – January 31, 2022	**48,840,323**	**$ 8,880,828**
Shares issued for royalty buyout (i)	1,500,000	1,500,000
Private placement (ii)	9,512,828	11,460,274
Warrants valuation – subscription warrants (ii)	-	(3,211,854)
Share issue cost – in cash (ii)	-	(703,877)
Share issue cost – warrants issued to agents and brokers (ii)	-	(486,843)
Restricted share units (RSU) issued (iii)	2,417,003	1,377,692
Subscription warrants expired (iv)	-	230,215
Shares issued for acquisition of Newbay (v)	5,081,293	2,500,000
Shares issued on exercise of warrants (vi)	1,177,500	1,057,947
Balance – January 31, 2023	**68,528,947**	**$22,604,382**
Extension of warrants (vii)	-	(55,000)
Shares issued on exercise of warrants (viii)	100	121
Balance – October 31, 2023	**68,529,047**	**$22,549,503**

(i) On June 23, 2022, the Company issued 1,500,000 common shares at a deemed price of $1.00 per common for a buydown of the 1.5% NSR to reduce the 2% NSR on York Harbour down to a 0.5% NSR.

(ii) On June 29, 2022, the Company issued:

a. 2,625,600 units of the Company ("Units") at a price of $1 per unit for gross proceeds of $2,625,600. Each Unit is comprised of one common share and one-half common share purchase warrants of the Company;

b. 4,987,228 Flow-through units of the Company (the "FT Units") at a price of $1.20 per FT unit for gross proceeds of $5,984,674. Each FT Unit is comprised of one common share that qualifies as "flow-through shares" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the "Tax Act") and one-half common share purchase warrants of the Company;

c. 1,900,000 Flow-through units of the Company sold to charitable purchasers (the "Charity FT Units") at a price of $1.50 per Charity FT Unit for gross proceeds of $2,850,000. Each Charity FT Unit is comprised of one common share that qualifies as "flow-through shares" within the meaning of subsection 66(15) of the Tax Act that will be issued as part of a charity arrangement and one-half common share purchase warrants of the Company.

8. Share Capital (Cont'd)

b) *Issued and outstanding (Cont'd)*

The Company incurred $703,877 in cash expenses and issued 586,770 compensation warrants to the agent and brokers related to above financing. Each compensation warrant is exercisable at a price of $1 per Unit for a period of 24 months from the closing. Each whole common share purchase warrant is exercisable at a price of $1.50 per share for the 24 months from the date of issuance.

(iii) On November 3, 2022, the Company issued 2,417,003 restricted share units ("RSU") to its directors, officers, and consultants. These RSUs were originally granted on November 3, 2021 and all 2,417,003 RSUs were fully vested at the time of the issuance.

(iv) On December 18, 2022, 2,050,000 warrants originally issued on December 18, 2022 were expired.

(v) On January 30, 2023, the Company issued 5,081,293 common shares at a deemed price of $0.492 per common share for the acquisition of Newbay (as described in Note 6).

(vi) During the year ended January 31, 2023, 400,000 warrants originally issued on December 18, 2020 were exercised at a price of $0.75 per common share, 540,000 warrants originally issued on November 30, 2021 were exercised at a price of $0.75 per common share, and 237,500 warrants originally issued on November 30, 2021 were exercised at a price of $0.60 per common share for total proceeds of $847,500. The previously recognized value of warrants of $210,447 was reclassified from warrants reserve to share capital.

(vii) On March 17, 2023, the Company extended the expiry date of 2,500,000 outstanding share purchase warrants exercisable at $0.60 per common share from March 31, 2023 to April 1, 2024.

(viii) During the period ended October 31, 2023, 100 warrants originally issued on November 30, 2021 were exercised at a price of $1 per common share. The previously recognized value of warrants of $21 was reclassified from warrants reserve to share capital.

(Expressed in Canadian dollars)

8. Share Capital (Cont'd)

c) *Warrants Reserve*

The following is a summary of the changes in the Company's warrants during the periods:

	Exercise price	Number	Amount
Balance – January 31, 2022		**10,197,000**	**$ 1,740,408**
Subscription warrants issued on June 29, 2022 (i)	$1.50	4,756,414	3,211,854
Warrants issued to agents and brokers on June 29, 2022 (ii)	$1.00	586,770	486,843
Warrants exercised (iii)	$0.60 - $0.75	(1,177,500)	(210,447)
Warrants expired (iv)	$0.75	(2,050,000)	(230,215)
Balance – January 31, 2023		**12,312,684**	**$ 4,998,443**
Extension of warrants (v)	$0.60	-	55,000
Warrants exercised (vi)	$1.00	(100)	(21)
Balance – October 31, 2023		**12,312,584**	**$ 5,053,422**

(i) expected dividend yield – 0%; expected volatility – 191%; risk-free interest rate – 3.14%; expected life – 2 years.

(ii) expected dividend yield – 0%; expected volatility – 191%; risk-free interest rate – 3.14%; expected life – 2 years.

(iii) During the year ended January 31, 2023, 400,000 warrants originally issued on December 18, 2020 were exercised at a price of $0.75 per common share, 540,000 warrants originally issued on November 30, 2020 were exercised at a price of $0.75 per common share, and 237,500 warrants originally issued on November 30, 2021 were exercised at a price of $0.60 per common share for total proceeds of $847,500. The previously recognized value of warrants of $210,447 was reclassified from warrants reserve to share capital.

(iv) On December 18, 2022, 2,050,000 warrants originally issued on December 18, 2022 were expired.

(v) On March 17, 2023, the Company extended the expiry date of 2,500,000 outstanding share purchase warrants exercisable at $0.60 per common share from March 31, 2023 to April 1, 2024. These warrants were re-valued using the following assumptions: expected dividend yield – 0%; expected volatility – 82%; risk-free interest rate – 3.74%; expected life – 1 year.

(vi) During the period ended July 31, 2023, 100 warrants originally issued on November 30, 2021 were exercised at a price of $1 per common share. The previously recognized value of warrants of $21 was reclassified from warrants reserve to share capital.

(Expressed in Canadian dollars)

8. Share Capital (Cont'd)

c) *Warrants Reserve (Cont'd)*

The following table summarized information about the Company's warrants outstanding as at October 31, 2023:

Grant Date	Expiration Date	Exercise price at October 31, 2023	Warrants outstanding at October 31, 2023
March 31, 2021	April 1, 2024	$0.60	2,500,000
August 17, 2021	August 17, 2024	$0.40	1,075,000
November 30, 2021	November 30, 2023	$0.60	1,262,500
November 30, 2021	November 30, 2023	$1.00	1,781,900
December 21, 2021	December 21, 2023	$1.00	350,000
June 29, 2022	June 29, 2024	$1.50	4,756,414
June 29, 2022	June 29, 2024	$1.00	586,770
		$1.02	**12,312,584**

d) *Stock options and share-based payment*

As at October 31, 2023, the Company had no stock options outstanding (January 31, 2023 – 3,000,000).

The following table summarizes information about stock options outstanding as at October 31, 2023:

	Number	Weighted average exercise price
Balance – January 31, 2021	-	$ -
Stock options issued to consultants and contractors on September 7, 2021(i)	3,000,000	0.55
Balance – January 31, 2022 and 2023	**3,000,000**	**$ 0.55**
Stock options expired (ii)	(3,000,000)	0.55
Balance – October 31, 2023	**-**	**$ -**

(i) The assumptions utilized in determining the value of the 3,000,000 stock options was a share price of $0.52, an exercise price of $0.55, a risk free interest rate of 0.40%, volatility of 208%, expected yield of nil, and an expected life of 2 years. The estimated fair value of the 3,000,000 options issued was $1,333,200, which were fully vested. These options expire on September 6, 2023.

(ii) On September 6, 2023, 3,000,000 stock options originally issued on September 7, 2021 were expired.

9. Commitments and Contractual Arrangements

As at October 31, 2023, the Company had the following contractual arrangements and commitments in place:

a) On March 29, 2021, the Company retained Integral Wealth Securities Ltd. ("Integral") to provide market-making services in accordance with the policies of the TSX Venture Exchange. In consideration of the services provided by Integral, the Company will pay Integral a monthly fee of $5,500, plus any reasonable costs and expenses it incurs in connection with the services provided. The Company has retained Integral for an initial three-month term and thereafter may be terminated by the Company upon 30 days written notice.

b) On April 12, 2021, the Company signed a Letter of Intent ("LOI") with ENE-MIN Development Corp. ("ENE-MIN") for an exclusive option to acquire up to 75% interest in the LiBeGa Lithium Project, comprising adjoining perimeters (concessions or mineral claims) covering a total of 27 km^2 in Sibiu County, Romania. Pursuant to the LOI, the Company paid a refundable $250,000 good faith due diligence deposit and initiated an exclusive comprehensive confidential evaluation of the project. On October 31, 2023, the Company's management determined that the $250,000 refundable deposit is unlikely to be recovered by the Company due to the increased likelihood of default by ENE-MIN. Therefore, the Company recognized a loss of $250,000 during the period.

c) On March 11, 2022, the Company engaged the communication services of GRA Enterprises LLC ("GRA") for dissemination of news releases and newsworthy related events, communications and media services, the production and publication of investor bulletins on the National Inflation Association Website, and distribution of email alerts to the GRA's National Inflation email list about the Company and its projects. These are considered investor relations services, in accordance with TSX Venture Exchange Policy 3.4. GRA was engaged for a term of 12 months, for an up-front paid fee of $127,760 (US$100,000). The Company terminated the service at the end of the 12 months term.

d) On August 15, 2022, the Company engaged 121 Group (HK) Ltd. ("121 Group") to provide media relations services and other assistance with investor relations to help build the Company's public profile and to gain exposure with investors through investor relations, digital marketing, and the dissemination of corporate information. The engagement is for a 12-month term for a monthly fee of US$3,500, invoiced, and payable monthly and may be terminated with 30 days notice.

e) On February 28, 2023, the Company engaged Star Finance GmbH ("Star Finance") to handle its investor relations services in Europe. The Company paid $481,780 (Euro 330,000) for services over a six-months period beginning February 28, 2023. The Company terminated the service at the end of the six-months period.

9. Commitments and Contractual Arrangements (Cont'd)

f) On March 7, 2023, the Company engaged Native Ads Inc. ("Native Ads") to execute a comprehensive digital media marketing campaign for the Company. The Company paid $201,405 (US$150,000) for services over a six-months period beginning on March 7, 2023. The Company terminated the service at the end of the six-months period.

g) On March 12, 2023, the Company received notice from the Mineral Lands Division of the Department of Industry, Energy and Technology of the Government of Newfoundland and Labrador that the Company's Mineral Licence No. 026228M (the "Licence") was cancelled for technical reasons under The Mineral Act (Newfoundland and Labrador) for failure to demonstrate that acceptable expenditure requirements for work in year 4 (calendar year 2021/2022) were incurred. The Company grieved the cancellation as the Company's expenditures in year 4 (calendar year 2021/2022) far exceeded the acceptable expenditure requirement. In response to the Company's filing of grievance, the NL Mineral Rights Adjudication Board issued an order to reinstate the Licence on October 27, 2023, and the Licence was successfully reinstated on November 15, 2023.

10. Capital Management

As at October 31, 2023, the capital structure of the Company consists of equity attributable to common shareholders and includes share capital of $22,549,503 (January 31, 2023 – $22,604,382), warrants reserve of $5,053,422 (January 31, 2023 – $4,998,443), share-based payment reserve of $1,333,200 (January 31, 2023 – $1,333,200) and deficit of $12,794,629 (January 31, 2023 – $10,544,374).

The Company's objective when managing capital structure is to ensure sufficient financial resources exist to meet the Company's strategic exploration and business development objectives, and to ensure that the Company continues as a going concern.

11. Segmented Information

The Company operates in one reportable segment. Segments are defined as components for which separate financial information is available and is regularly evaluated by the chief operating decision maker.

(Expressed in Canadian dollars)

12. Related Party Transactions

The Company considers its Board of Directors and certain consultants which, by virtue of the contracts in place and the functions performed, to be key management. Compensation awarded to key management is listed below:

	Nine months ended October 31, 2023	Nine months ended October 31, 2022
Management fees expensed	$ 473,750	$ 307,250
Management fees capitalized	112,500	99,725
Total	$ 586,250	$ 406,975

For the nine months ended October 31, 2023, the Company paid or accrued management fees of $90,000 (2022 – $76,000) to a company controlled by an officer of the Company, management fees of $90,000 (2022 – $130,000) to a company controlled by an officer and director of the Company, management fees of $125,000 (2022 – $95,000) to a company controlled by an officer and director of the Company, management fees of $56,250 (2022 – $6,250) to a company controlled by a director of the Company, $112,500 (2022 – $nil) to a company controlled by an officer and director of the Company, and exploration related management fees of $112,500 (2022 – $99,725) to a company controlled by an officer and director of the Company.

Accounts payable and accrued liabilities consists of $90,000 (January 31, 2023 – $43,760) owing to a company controlled by an officer and director of the Company, $16,508 (January 31, 2023 – $19,272) owing to a company controlled by an officer and director of the Company, $6,563 (January 31, 2023 – $2,726) owing to a company controlled by an officer and director of the Company, $5,250 (January 31, 2023 – $nil) owing to a company controlled by an officer and director of the Company, $5,250 (January 31, 2023 – $nil) owing to a Company controlled by an officer of the Company, and $3,594 (January 31, 2023 – $nil) owing to a company controlled by a director of the Company.

As of October 31, 2023, The Company had advances receivable from Phoenix Gold Resources (Holdings) Ltd., a company under common control, in the amount of $359,951 (January 31, 2023 – $nil). The advances are non-interest bearing, unsecured, and have no fixed term of repayment.

These transactions are in the normal course of operations and at the exchange amount agreed to by the related parties.

13. Financial Instruments

IFRS 7 establishes a fair value hierarchy that reflects significance of inputs in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. process) or indirectly (i.e. derived from process); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial assets and liabilities at fair value through profit or loss, consisting of cash, is classified as level 1. The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

Fair value

As at October 31, 2023, the Company's financial instruments consist of cash, other receivables, prepaid expenses, accounts payable and accrued liabilities. These financial instruments are classified as other financial liabilities and are carried at amortized cost. The fair values of these financial instruments approximate their carrying values due to the short-term nature of these instruments.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs and operations.

The Company intends to issue equity to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its financial obligations and the Company's capital programs.

Credit risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations. The Company has credit risk with its other receivables and prepaid expenses, but it is considered to be minimal. There is no allowance for doubtful accounts recorded as at October 31, 2023.

Market risk

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

13. Financial Instruments (Cont'd)

(i) Interest rate risk
The Company is not exposed to the risk that the value of financial instruments will change due to movement in market interest rates.

(ii) Currency risk
Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of its cash in US Dollars, and accounts payable and accrued liabilities in US Dollars and Australian Dollars.

(iii) Commodity price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

14. Subsequent Events

a) On November 30, 2023, 1,262,500 warrants and 1,781,900 warrants originally issued on November 30, 2021 were expired.

b) On December 21, 2023, 350,000 warrants originally issued on December 21, 2021 were expired.

15. Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation.