BENJAMIN HILL MINING CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended August 31, 2023 and 2022

(Expressed in Canadian dollars)

Independent Auditor's Report

To the Shareholders of Benjamin Hill Mining Corp.

Opinion

We have audited the consolidated financial statements of Benjamin Hill Mining Corp. (the "Company"), which comprise the consolidated statements of financial position as at August 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

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

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rakesh Patel.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

January 2, 2024

BENJAMIN HILL MINING CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	August 31, 2023	August 31, 2022
ASSETS			
Current assets			
Cash		$ 34,546	$ 153,596
Sales tax receivable		29,992	20,201
Prepaids and advances		13,596	16,353
Total current assets		78,134	190,150
Non-current assets			
Exploration and evaluation assets	5	557,027	7,479,171
Total non-current assets		557,027	7,479,171
TOTAL ASSETS		$ 635,161	$ 7,669,321
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current liabilities			
Accounts payable and accrued liabilities	7	$ 1,286,059	$ 829,920
Due to related parties	7	83,715	17,850
Total current liabilities		1,369,774	847,770
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Capital stock	6	12,572,811	12,174,514
Obligation to issue shares	5,6	6,500	-
Reserves	6	2,418,074	2,381,066
Deficit		(15,731,998)	(7,734,029)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		(734,613)	6,821,551
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		$ 635,161	$ 7,669,321

Nature and continuance of operations (Note 1)
Subsequent events (Note 13)

"Cole McClay"
Director

"Greg Bronson"
Director

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

BENJAMIN HILL MINING CORP.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Note	Year ended August 31, 2023	Year ended August 31, 2022
EXPENSES			
Consulting	7	$ 132,000	$ 161,865
Foreign exchange		92,258	67,615
Interest expense		-	22,225
Office and administration		8,132	99,437
Professional fees	7	143,238	209,690
Rent		36,000	36,000
Stock-based compensation	6,7	37,008	765,506
Transfer agent and filing fees		44,767	44,686
Write-down of exploration and evaluation assets	5	7,504,566	-
Loss on settlement of debt	6	-	756,835
Loss and comprehensive loss for the year		$ (7,997,969)	$ (2,163,859)
Basic and diluted loss per share		$ (0.14)	$ (0.04)
Weighted average number of shares outstanding - basic and diluted		58,638,985	50,243,019

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

BENJAMIN HILL MINING CORP.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Year ended August 31, 2023	Year ended August 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (7,997,969)	$ (2,163,859)
Item not involving cash:		
Stock-based compensation	37,008	765,506
Interest on loans payable	-	22,225
Loss on settlement of debt	-	756,834
Write-down of exploration and evaluation assets	7,504,566	-
Changes in non-cash working capital:		
Sales tax receivable	(9,791)	(10,427)
Prepaids and advances	2,757	(7,107)
Accounts payable and accrued liabilities	137,798	(447,049)
Due to/from related parties	65,865	1,630
Net cash used in operating activities	(259,766)	(1,082,247)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets	(257,581)	(1,824,714)
Net cash used in investing activities	(257,581)	(1,824,714)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement	402,000	2,112,246
Share issuance costs	(3,703)	(55,020)
Proceeds from loans payable	-	296,360
Exercise of warrants	-	634,616
Exercise of stock options	-	26,000
Net cash provided by financing activities	398,297	3,014,202
Change in cash	(119,050)	107,241
Cash, beginning	153,596	46,355
Cash, end	$ 34,546	$ 153,596

Non-cash investing and financing activities during the year ended August 31, 2023:

- Accrued $6,500 as an obligation to issue shares, for the fair value of shares to be issued for exploration and evaluation asset as an obligation to issue shares (Note 5).
- Included in exploration and evaluation assets are accounts payable of $318,341.

Non-cash investing and financing activities during the year ended August 31, 2022:

- 5,256,488 shares were issued at a fair value of $1,611,183 for an exploration and evaluation asset;
- Transferred a fair value of $105,769 to share capital on the exercise of warrants.
- Transferred a fair value of $24,529 to share capital on the exercise of stock options.
- Recorded a fair value of $44,189 to reserves for finders' warrants; and
- 4,012,024 units were issued with a fair value of $2,161,043 to settle debt of $1,404,209.

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

BENJAMIN HILL MINING CORP.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)

	Number of Shares	Capital Stock	Obligation to Issue Shares	Reserves	Deficit	Total
Balance as at August 31, 2021	38,560,166	$ 6,154,570	$ -	$ 1,145,436	$ (5,570,170)	$ 1,729,836
Private placements	6,034,989	2,112,246	-	-	-	2,112,246
Share issue costs	-	(99,209)	-	44,189	-	(55,020)
Exercise of warrants	4,230,770	634,616	-	-	-	634,616
Transfer to share capital on exercise of warrants	-	105,769	-	(105,769)	-	-
Exercise of stock options	104,000	26,000	-	-	-	26,000
Transfer to share capital on exercise of stock options	-	24,529	-	(24,529)	-	-
Shares issued for exploration and evaluation assets	5,256,488	1,611,183	-	-	-	1,611,183
Shares issued for debt settlement	4,012,024	1,604,810	-	556,233	-	2,161,043
Stock-based compensation	-	-	-	765,506	-	765,506
Loss for the year	-	-	-	-	(2,163,859)	(2,163,859)
Balance as at August 31, 2022	58,198,437	12,174,514	-	2,381,066	(7,734,029)	6,821,551
Private placements	3,349,999	402,000	-	-	-	402,000
Share issue costs	-	(3,703)	-	-	-	(3,703)
Stock-based compensation	-	-	-	37,008	-	37,008
Obligation to issue shares	-	-	6,500	-	-	6,500
Loss for the year	-	-	-	-	(7,997,969)	(7,997,969)
Balance as at August 31, 2023	61,548,436	$ 12,572,811	$ 6,500	$ 2,418,074	$ (15,731,998)	$ (734,613)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Benjamin Hill Mining Corp. (the "Company") was incorporated on August 21, 2014 under the Business Corporations Act of British Columbia. The head office of the Company is 1050 - 12471 Horseshoe Way, Richmond, BC, V7A 4X6. The registered and records office is Suite 1400, 1125 Howe Street, Vancouver, British Columbia, V6Z 2K8. The common shares of the Company are listed on the Canadian Securities Exchange ("CSE") under the symbol "BNN", on the OTCQB under the symbol "BNNHF" and on the Frankfurt Stock Exchange ("FSE") under the symbol "5YZ0".

The Company is in the business of the exploration and development of natural resource properties in Canada and Mexico.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at August 31, 2023 the Company has not generated any revenues from operations, has a working capital deficiency of $1,291,640 and accumulated deficit of $15,731,998.

The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management assesses that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

If the going concern assumption is not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses, and the classifications used could be material.

These consolidated financial statements were authorized for issue on January 2, 2024 by the directors of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared using accounting policies in accordance International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The significant accounting policies applied in these financial statements are based on the IFRS issued and effective as of August 31, 2023.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. The Company's subsidiary is Benjamin Hill Mining Company SA de CV (formerly Mojave Gold SA De CV), which was incorporated in Mexico on October 14, 2020. A subsidiary is any entity controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity; is exposed to variable returns in connection with its interest in the entity; and a linkage exists between this power and exposure to variable returns. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposal or loss of control.

All intra-group transactions, balances, income and expenses are eliminated, in full, on consolidation.

2. BASIS OF PREPARATION (CONTINUED)

These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

The consolidated financial statements are presented in Canadian Dollars, which is also the Company and its subsidiary's functional currency, unless otherwise indicated.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

a) Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the existence of indicators of impairment of the Company's exploration and evaluation assets;
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses; and
- the determination of the functional currency of the parent company and its subsidiary.

b) Significant estimates and assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and provisions for restoration and environmental obligations.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Foreign Currency Translation

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of both the parent company and its subsidiary. The Company's subsidiary is domiciled in Mexico and, when required, utilizes a mix of currencies in local transactions. As the subsidiary does not generate its own cash inflows and is exclusively financed by the parent company in Canadian dollars, management has determined that its functional currency is also the Canadian dollar.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Foreign Currency Translation (continued)

Transactions and balances:

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in profit or loss in the statement of comprehensive loss.

b) Cash

Cash includes cash on hand, deposits held with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and subject to an insignificant risk of change value.

c) Exploration and Evaluation Assets

The Company's exploration and evaluation assets consist of mineral rights acquired and exploration and evaluation expenditure capitalized in respect of projects that are at the exploration and evaluation stage.

No amortization charge is recognized in respect of exploration and evaluation assets. These assets are transferred to property, plant and equipment upon the commencement of mine development.

Exploration and evaluation expenditures in the relevant area of interest comprises costs which are directly attributable to:

- Acquisition;
- Surveying, geological, geochemical and geophysical;
- Exploratory drilling;
- Land maintenance;
- Sampling; and
- Assessing technical feasibility and commercial viability.

Exploration and evaluation expenditures related to an area of interest where the Company has tenure are capitalized as intangible assets and are initially recorded at cost less impairment.

Exploration and evaluation expenditures also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. Capitalized costs, including general and administrative costs, are only allocated to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Where the Company has entered into option agreements to acquire interests in mineral properties that require periodic share issuances, amounts un-issued are not recorded as liabilities since they are issuable entirely at the Company's option. Option payments are recorded as mineral property costs when the payments are made and share issuances are recorded as mineral property costs using the fair market value of the Company's common shares at the date of the issuance.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Exploration and Evaluation Assets (continued)

All capitalized exploration and evaluation expenditure is assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The following circumstances indicate that an entity should test exploration and evaluation assets for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditures on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In circumstances where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the period.

d) Impairment of Non-Financial Assets

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

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

e) Financial Instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial Instruments (continued)

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial Instruments (continued)

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

f) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

g) Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

h) Stock based compensation

The Company may grant stock options to buy common shares of the Company to directors, officers, employees and consultants. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Stock based compensation (continued)

The fair value of the options is measured at grant date, using the Black-Scholes Option Pricing Model, and is recognized over the vesting period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

i) Earnings (Loss) Per Share

The Company presents basic and diluted earnings/loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings/loss per share does not adjust the loss attributable to common shareholders or the weight average number of common shares outstanding when the effect is anti-dilutive.

New standards, interpretations and amendments not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSETS

	Sonora Gold Property, Mexico	Alotta Property, Yukon	Total
Balance – August 31, 2021	$ 3,270,166	$ -	$ 3,270,166
Acquisition costs:	1,784,138	-	1,784,138
Exploration costs:			
Consulting fees	272,998	-	272,998
Drilling, field equipment and supplies	1,447,085	-	1,447,085
Office, miscellaneous and travel	195,114	-	195,114
Rent	263,865	-	263,865
Taxes and other	245,805	-	245,805
	2,424,867	-	2,424,867
Balance – August 31, 2022	7,479,171	-	7,479,171
Acquisition costs:	-	56,500	56,500
Exploration costs:			
Drilling	7,259	391,325	398,584
Geology	13,060	109,202	122,262
Office, miscellaneous and travel	2,076	-	2,076
Rent	3,000	-	3,000
	25,395	500,527	525,922
Write-down of exploration and evaluation assets	(7,504,566)	-	(7,504,566)
Balance – August 31, 2023	$ -	$ 557,027	$ 557,027

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Sonora Gold Property, Mexico

On August 4, 2020 and amended February 1, 2021 and August 4, 2022, the Company signed an option agreement (the "Agreement") with Minerales de Tarachi S de RL de CV for an option for the Company to earn a 100% interest in the Sonora gold mineral concessions in the mining district of Benjamin Hill in Sonora, Mexico.

The Option may be exercised by making eleven cash payments, every six months, totaling US$4,000,000 within five years of the execution of the Agreement (the "Execution Date" or August 4, 2020) as follows:

- US$50,000 on the Execution Date (paid at the Canadian equivalent of $66,650);
- US$50,000 on or before March 10, 2021 (paid at the Canadian equivalent of $64,175);
- US$50,000 on the 1st anniversary of the Execution Date (paid at the Canadian equivalent of $64,124);
- US$50,000 on the 18th month following the Execution Date (paid at the Canadian equivalent of $63,904);
- US$50,000 on the 2nd anniversary of the Execution Date (extended to August 4, 2023 per amendment);
- US$50,000 on the 30th month following the Execution Date;
- US$150,000 on the 3rd anniversary of the Execution Date;
- US$150,000 on the 42nd month following the Execution Date;
- US$200,000 on the 4th anniversary of the Execution Date;
- US$500,000 on the 54th month following the Execution Date; and
- US$2,700,000 on the 5th anniversary of the Execution Date.

The Company shall also issue to the optionor 10,000,000 common shares of the Company as follows:

- 1,500,000 common shares 2 business days following the date of filing of the Agreement with the CSE (the "Effective Date" or August 7, 2020) (issued at a fair value of $607,500);
- 1,500,000 common shares on the 6th month following the Effective Date (issued at a fair value of $690,000);
- 2,000,000 common shares on the 1st anniversary of the Execution Date (issued at a fair value of $700,000);
- 2,000,000 common shares on the 2nd anniversary of the Execution Date (issued at a fair value of $220,000); and
- 3,000,000 common shares on the 3rd anniversary of the Execution Date.

The Optionor retains a 3.0% net smelter royalty pursuant to the Agreement, of which 1.0% may be purchased by the Company for US$1,000,000, reducing the Optionor's interest to 2.0%.

In connection with the Agreement, the Company has entered into a finder's fee agreement with Spirit Exploration Corp. ("Spirit") in consideration for services in introducing the Company to the Optionor, pursuant to which Spirit shall receive consideration in the form of shares at the rate of 10% of the cash and option payments payable under the Option Agreement during the first 3 years of the term of the Agreement as follows:

Cash payments:

- Cash payment of US$5,000 or issuance of 17,241 common shares after the execution of the Agreement (issued 17,241 common shares at a fair value of $6,724);
- Cash payment of US$5,000 or issuance of 17,241 common shares on or before March 10, 2021 (issued 17,241 common shares at a fair value of $9,483);
- Cash payment of US$5,000 or issuance of 17,241 common shares after the 1st anniversary of the Execution Date of the Agreement (issued 17,241 common shares at a fair value of $9,483);
- Cash payment of US$5,000 or issuance of 17,241 common shares after the 18th month following the Execution Date of the Agreement (issued 17,241 common shares at a fair value of $9,483);
- Cash payment of US$5,000 or issuance of 17,241 common shares after the 2nd anniversary of the Execution Date of the Agreement (extended to August 4, 2023 per amendment);
- Cash payment of US$150,000 or issuance of 51,724 common shares after the 3rd anniversary of the Execution Date of the Agreement;

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Share payments:

- Issuance of 150,000 common shares after the Effective Date of the Agreement (issued at a fair value of $60,750);
- Issuance of 150,000 common shares after the 6th month following the Effective Date of the Agreement (issued at a fair value of $69,000);
- Issuance of 200,000 common shares after the 1st anniversary of the Execution Date of the Agreement (issued at a fair value of $70,000);
- Issuance of 200,000 common shares after the 2nd anniversary of the Execution Date of the Agreement (extended to August 4, 2023 per amendment and issued subsequent to the year ended August 31, 2023); and
- Issuance of 300,000 common shares after the 3rd anniversary of the Execution Date of the Agreement.

In the event that the payments outlined are not paid, Spirit has agreed that no finder's fee shall be payable thereon by the Company.

On March 2, 2021, the Company entered into an option agreement with Minerales De Tarachi S de RL De CV to earn a 100% interest in the Benjamin Hill mineral concession in Sonora, Mexico.

The Option may be exercised by making six cash payments, totaling US$3,400,000 within five years of the execution of the Agreement (the "Execution Date" or March 2, 2021) as follows:

Cash payments:

- Cash payment of US$20,000 plus value added tax (VAT) 30 days after the date of execution of the agreement (paid at the Canadian equivalent of $27,242);
- Cash payment of US$30,000 plus VAT on the 1st anniversary of the execution date (paid at the Canadian equivalent of $44,926);
- Cash payment of US$50,000 plus VAT on the 2nd anniversary of the execution date;
- Cash payment of US$50,000 plus VAT on the 3rd anniversary of the execution date;
- Cash payment of US$75,000 plus VAT on the 4th anniversary of the execution date; and
- Cash payment of US$3,175,000 plus VAT on the 5th anniversary of the execution date.

Share payments:

- Issuance of 1,000,000 common shares on the effective date of the Agreement, which shall be two business days following the date of filing of the Agreement with the CSE (issued at a fair value of $450,000);
- Issuance of 1,000,000 common shares on the 1st anniversary of the Execution Date (issued at a fair value of $590,000).

The Optionor retains a 3% net smelter royalty pursuant to the agreement, of which 1% may be purchased by the Company for US$1,000,000, reducing the Optionor's interest to 2%.

In connection with the agreement, the Company has entered into a finder's fee agreement with Spirit in consideration for services in introducing the Company to the Optionor, pursuant to which Spirit shall receive consideration paid half in cash and half in shares at the rate of 8% of the cash under the option agreement during the term of the agreement. In the event that the payments stipulated in the agreements are not paid, Spirit has agreed that no finder's fee shall be payable thereon by the Company.

During the year ended August 31, 2022, the Company issued 1,906 common shares at a fair value of $1,048 and 2,859 common shares at a fair value of $1,687 in relation to the finder's fee agreement with Spirit.

During the year ended August 31, 2023, the Company terminated the option agreements on the Sonora copper and Sonora gold properties and accordingly wrote-down $7,504,566 of exploration and evaluation assets.

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Alotta Property, Yukon, Canada

During the year ended August 31, 2023, the Company entered into an option agreement (the “Agreement”) with Strategic Metals Ltd. for an option right to earn an undivided 60% joint venture interest in the Alotta project located in the Whitehorse mining district, Yukon.

The option may be exercised by making cash payments totalling $500,000 within five years of the execution of the agreement as follows:

(i) $25,000 upon execution of this agreement by all parties (paid);

(ii) $25,000 on or before July 1, 2023 (paid);

(iii) $50,000 on or before January 17, 2024;

(iv) $100,000 on or before January 17, 2025;

(v) $100,000 on or before January 17, 2026;

(vi) $100,000 on or before January 17, 2027; and

(vii) $100,000 on or before January 17, 2028.

The Company must also incur aggregate expenditures of $11,000,000 over five years, as follows:

(i) $500,000 on or before December 31, 2023 (incurred);

(ii) $1,500,000 on or before December 31, 2024;

(iii) $2,500,000 on or before December 31, 2025;

(iv) $3,000,000 on or before December 31, 2026; and

(v) $3,500,000 on or before December 31, 2027.

In connection with the agreement, the Company has entered into a finder’s fee agreement with a third party for up to 300,000 common shares of the Company, in installment amounts due concurrent with cash payments payable under the option agreement during the first three years of the term of the agreement as detailed below (issued 50,000 common shares subsequent to August 31, 2023, which was due at August 31, 2023 and accrued at a fair value of $6,500 as an obligation to issue shares, Note 13).

(i) 25,000 upon execution of this agreement by all parties (issued subsequent to August 31, 2023);

(ii) 25,000 on or before July 1, 2023 (issued subsequent to August 31, 2023);

(iii) 50,000 on or before January 17, 2024;

(iv) 100,000 on or before January 17, 2025;

(v) 100,000 on or before January 17, 2026;

(Expressed in Canadian Dollars)

6. CAPITAL STOCK

Authorized – unlimited common and preferred shares without par value

Issued and outstanding:

Share capital transactions during the year ended August 31, 2023 were as follows:

- Closed a private placement consisting of 3,349,999 units at a price of $0.12 per unit for proceeds of $402,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase an additional share at a price of $0.20 per share for two years. Legal fees of $3,703 were incurred as share issue costs. The CEO of the Company purchased 833,333 of the units for total proceeds of $100,000.
- Recorded a fair value of $6,500 as an obligation to issue shares for an exploration and evaluation asset (Note 5).

Share capital transactions during the year ended August 31, 2022 were as follows:

- Issued 104,000 common shares from the exercise of stock options at $0.25 per option for gross proceeds of $26,000. A value of $24,529 was transferred from reserves on exercise.
- Entered into debt settlement agreements to settle a total of $1,404,209 in debt for the issuance of 4,012,024 units of the Company. Each unit consists of one common share and one-half of one common share purchase warrant, with each whole warrant being exercisable at $0.50 per common share for a period of two years. The fair value of common shares and warrants were $1,604,810 and $556,233 respectively, resulting in a loss on debt settlement of $756.835. The fair value of warrants was calculated using the Black-Scholes Option Pricing Model using the following assumptions: Risk-free interest rate of 0.98%, expected life of 2 years, Nil dividend yield and a volatility of 153.49%.
- Closed a private placement consisting of 6,034,989 units at a price of $0.35 per unit for proceeds of $2,112,246. Each unit consists of one common share and one-half share purchase warrant. Each warrant entitles the holder to purchase an additional share at a price of $0.50 per share for two years. Cash finder's fees were paid of $55,020 and finder's warrants of 157,200 were issued under the same terms with a fair value of $44,189.
- 4,230,770 warrants and broker's warrants were exercised for proceeds of $634,616. A value of $105,769 was transferred from reserves on exercise.
- 5,000,000 shares were issued at a fair value of $1,510,000 for an exploration and evaluation asset (Note 5).
- 200,000 shares were issued at a fair value of $70,000 as a finder's fee for an exploration and evaluation asset (Note 5).
- 56,488 shares were issued at a fair value of $31,183 as finder's fees for an exploration and evaluation asset (Note 5).

Stock options

The Company's plan allows the directors to grant stock options to directors, officers, employees and consultants to purchase up to a total of 10% of the issued and outstanding common shares. No stock option granted under the plan is transferable by the optionee other than by will or the laws of descent and distribution, and each stock option is exercisable during the lifetime of the optionee only by such optionee.

A summary of the Company's outstanding share purchase options as at August 31, 2023 and the changes during the year are presented below:

	Number of Options	Weighted Average Exercise Price ($)
Balance – August 31, 2021	3,248,210	0.53
Granted	2,255,000	0.45
Exercised	(104,000)	0.25
Expired/cancelled	(100,000)	0.43
Balance – August 31, 2022 and 2023	5,299,210	0.50

(Expressed in Canadian Dollars)

6. CAPITAL STOCK (CONTINUED)

Number of Options outstanding	Exercise Price ($)	Expiry Date	Number of options exercisable
500,000	0.44	February 21, 2024	500,000
300,000	0.50	April 14, 2025	300,000
444,210	0.25	July 22, 2025	444,210
2,700,000	0.59	February 25, 2026	2,700,000
375,000	0.43	October 25, 2026	375,000
980,000	0.44	February 21, 2027	980,000
5,299,210			5,299,210

The weighted average life of outstanding stock options during the year ended August 31, 2023 was 2.43 years (year ended August 31, 2022 - 3.43 years).

Stock based compensation

During the year ended August 31, 2022, the Company granted 2,255,000 stock options at a weighted average exercise price of $0.45 per share. The total stock-based compensation recognized on stock options granted during the year ended August 31, 2022 was $765,506. During the year ended August 31, 2023, $37,008 in stock-based compensation was recognized on stock options that vested.

The weighted average fair value of each stock option granted during the year ended August 31, 2022 was $0.36, calculated using the Black-Scholes Option Pricing Model on the grant date using the following weighted average assumptions:

	Year ended August 31, 2023	Year ended August 31, 2022
Risk-free interest rate	-	1.69%
Expected life of option	-	4.07 years
Expected dividend yield	-	0%
Expected stock price volatility	-	134.70%

Share purchase warrants

A summary of the Company's outstanding share purchase warrants as at August 31, 2023 and the changes during the year are presented below:

	Number of Warrants	Weighted Average Exercise Price ($)
Outstanding – August 31, 2021	4,474,543	0.15
Issued	5,180,707	0.50
Expired	(4,230,770)	0.15
Outstanding – August 31, 2022	5,424,480	0.48
Issued	3,349,999	0.20
Expired	(243,773)	0.15
Outstanding – August 31, 2023	8,530,706	0.38

(Expressed in Canadian Dollars)

6. CAPITAL STOCK (CONTINUED)

Number of Warrants	Exercise Price ($)	Expiry Date
2,006,012	0.50	December 23, 2023*
3,174,695	0.50	January 27, 2024**
3,349,999	0.20	July 14, 2025***
8,530,706		

*Expired subsequent to August 31, 2023, unexercised.
**757,500 warrants exercised subsequent to the year ended August 31, 2023.
***525,000 warrants exercised subsequent to the year ended August 31, 2023.

The weighted average life of outstanding warrants during the year ended August 31, 2023 was 0.96 years (year ended August 31, 2022 – 1.32 years).

During the year ended August 31, 2022, the Company issued 157,200 broker's warrants at an exercise price of $0.50 per share. The fair value of the warrants was $44,189, calculated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	Year ended August 31, 2023	Year ended August 31, 2022
Risk-free interest rate	-	1.27%
Expected life of warrants	-	2 years
Expected dividend yield	-	0%
Expected stock price volatility	-	150%

Reserves

Reserves relate to share-based payment reserve, which represent the fair value of stock options or warrants until such time that the share-based instruments are exercised, at which time the corresponding amount will be transferred to share capital.

7. RELATED PARTY TRANSACTIONS

During the year ended August 31, 2023, the Company incurred $84,000 (2022 - $84,000) in consulting fees from a company controlled by a director of the Company. As at August 31, 2023, $22,290 (2022 - $7,350) was owing to this company.

During the year ended August 31, 2023, the Company incurred $nil (2022 - $60,000) in consulting fees from a company controlled by a former director of the Company. As at August 31, 2023, $10,500 (2022 - $10,500) was owing to this company.

During the year ended August 31, 2023, the Company incurred professional fees of $48,500 (2022 - $nil) to a firm where an officer of the Company is a partner. As at August 31, 2023, $50,925 (2022 - $nil) was owing to this firm.

During the year ended August 31, 2023, the Company incurred exploration and evaluation expenses of $36,000 (2022 - $nil) from a company controlled by the president of the Company. As at August 31, 2023, $36,000 (2022 - $nil) was accrued to this company and included in accounts payable and accrued liabilities.

During the year ended August 31, 2023, the Company granted stock options to key management valued at $nil (2022 - $356,508).

8. MANAGEMENT OF CAPITAL

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company, is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the year.

9. FINANCIAL INSTRUMENTS AND RISKS

Fair Value

The Company's financial instruments consist of cash, accounts payable and due to related parties. The fair value of all financial instruments approximate their carrying values. Cash is classified as fair value through profit and loss. Accounts payable and due to related parties are classified as amortized cost.

The Company's financial instrument is exposed to a number of risks that are summarized below:

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due or can do so only at excessive cost. The Company is exposed to the risk that it may not have sufficient liquid assets to meet its commitments associated with these financial liabilities.

The Company's approach to managing liquidity is to ensure that it will always have sufficient cash to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation. To the extent that the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through equity transactions. The Company manages its liquidity risk by continuously monitoring cash flow requirements relating to its anticipated exploration and evaluation activities as well as general overhead requirements. Liquidity risk is assessed as high.

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances and amounts due from former director. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company's cash is currently held in non-interest bearing bank account, management considers the interest rate risk to be minimal. The Company is not exposed to interest rate fluctuations.

9. FINANCIAL INSTRUMENTS AND RISKS (CONTINUED)

Commodity Price Risk

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the market price of the primary minerals identified in its mineral properties. Mineral prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in the prices of the primary minerals or in the share prices of junior mineral exploration companies in general, could have a negative impact on the Company's ability to raise additional capital. Sensitivity to commodity price risk is remote since the Company has not established any reserves or production.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's Mexican subsidiary is exposed to currency risk as it incurs expenditures that are denominated in Mexican Pesos and United States Dollars while its functional currency is the Canadian Dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The following is an analysis of Canadian dollar equivalent of financial assets and liabilities that are denominated in United States Dollars and Mexican pesos:

		August 31, 2023 ($)		**August 31, 2022 ($)**
Cash	$	3,859	$	3,525
Accounts payable		(870,582)		(773,108)
	$	(866,723)	$	(769,583)

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of exploration and evaluation assets.

The location of the Company's exploration and evaluation assets are disclosed in note 5.

(Expressed in Canadian Dollars)

11. INCOME TAX

A reconciliation of the expected income recovery to the actual income tax recovery is as follows:

	Year ended August 31, 2023	Year ended August 31, 2022
Loss for the year	$ (7,997,969)	$ (2,163,859)
Statutory tax rate	27%	27%
Expected income tax recovery	(2,159,000)	(584,000)
Share based payments	10,000	-
Differing effective tax rate on loss in foreign jurisdiction	(113,000)	-
Unrecognized deferred tax assets	3,628,000	205,000
Impact of foreign exchange and other	(1,366,000)	379,000
Deferred income tax recovery	$ -	$ -

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	August 31, 2023	August 31, 2022
Non-capital losses	$ 4,206,000	$ 2,602,000
Exploration and evaluation assets	10,841,000	-
Financing fees	36,000	44,000
	$ 15,083,000	$ 2,646,000

The tax pools relating to these deductible temporary differences expire as follows:

	Loss carry-forwards
2035	$ 129,020
2036	135,553
2037	135,237
2038	203,932
2039	370,823
2040	474,384
2041	800,636
2042	1,581,254
2043	375,564
	$ 4,206,403

12. LOANS PAYABLE

During the year ended August 31, 2022, the Company settled a loan from a third party of $250,000 and accrued interest of $12,329 in a debt settlement agreement (Note 6).

During the year ended August 31, 2022, the Company settled a loan from a third party of $352,000 and accrued interest of $7,965 in a debt settlement agreement (Note 6), of which $132,000 was received during the year ended August 31, 2022.

During the year ended August 31, 2022, the Company settled a loan from a third party of $222,901 in a debt settlement agreement (Note 6).

During the year ended August 31, 2022, the Company settled a loan from a third party of $388,000 in a debt settlement agreement (Note 6).

During the year ended August 31, 2022, the Company received a loan from a third party for US $116,000 (CDN $142,360). The loan did not bear interest, was due on demand and had no specific terms of repayment. During the year ended August 31, 2022, the Company settled the full amount of CDN $149,014 in a debt settlement agreement (Note 6).

During the year ended August 31, 2022, the Company received a loan from a third party for $22,000. The loan did not bear interest, and was due on demand and had no specific terms of repayment. During the year ended August 31, 2022, the Company settled the full amount in a debt settlement agreement (Note 6).

13. SUBSEQUENT EVENTS

Subsequent to the year ended August 31, 2023, the Company:

- Closed a non-brokered private placement comprising of 2,480,000 flow-through units (“FT Unit”) at $0.25 per FT Unit for proceeds of $620,000 and 840,000 non-flow-through units (“NFT Unit”) at $0.25 per NFT Unit for proceeds of $210,000. Each FT Unit consists of one flow-through common share and one non-flow-through share purchase warrant ("NFT Warrant"). Each NFT Warrant enables the holder to acquire an additional non-flow-through common share of the Company at a price of $0.28 per share for a period of three years from the date of issuance. Each NFT Unit consists of one common share and one NFT Warrant which will enable the holder to purchase one common share of the Company at a price of $0.28 per share for a period of three years from the date of issuance.

- Issued 2,600,000 stock options to certain directors and officers of the Company exercisable at $0.26 expiring November 1, 2028 and 1,300,000 stock options to consultants of the Company exercisable at $0.26 expiring November 1, 2025.

- Issued 1,717,500 common shares from the exercise of warrants for proceeds of $605,550, which includes 435,000 warrants exercised from the non-brokered private placement noted above.

- Issued 50,000 common shares in connection with finder’s fee agreement for the Company’s Alotta property (Note 5).

- Issued 200,000 common shares in connection with finder’s fee agreement with Spirit (Note 5).

13. SUBSEQUENT EVENTS (CONTINUED)

- Signed a definitive agreement with Aion Mining Corp. ("Aion") to complete the Company's acquisition of a 20% interest in Aion. Pursuant to the agreement, the Company will acquire common shares of Aion representing a 20% post-issuance interest, calculated on a fully diluted basis. In consideration, the Company will provide Aion with the following: $500,000 in cash on closing (paid subsequent to the year ended August 31, 2023), and 1,602,565 common shares of the Company at a price of $0.39 per share, subject to CSE policies (issued subsequent to August 31, 2023). The Company will also be issued a special warrant of Aion, exercisable into additional common shares of Aion, at no additional consideration to the Company, to allow the Company to maintain its 20% interest in Aion for a period of 6 months. Aion is a non-arm's length party to the Company by reason of sharing a common director, Cole McClay. Completion of the transaction is subject to any necessary approvals from the CSE.