

**GEOLOGICA RESOURCE CORP.**  
CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 and 2023  
(Expressed in Canadian Dollars)

## **NOTICE TO READER**

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

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

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



**GEOLOGICA RESOURCE CORP.**

## Condensed Interim Statements of Loss and Comprehensive Loss

|  | For the periods ended March 31 |                  |
|--|--------------------------------|------------------|
|  | 2024                           | 2023             |
| Expenses:  |                                |                  |
| Accounting and audit fees (Note 5)                   | \$ 3,500                       | \$ 3,500         |
| Consulting fees (Note 5)                             | 4,500                          | 10,577           |
| Exploration costs                                    | -                              | 3,933            |
| Foreign exchange loss                                | -                              | 12               |
| Interest and bank charges (Note 4)                   | 4,917                          | 4,455            |
| Legal fees   | -                              | -                |
| Management fees (Note 5)                             | 25,500                         | 25,500           |
| Marketing and investor relations                     | 1,227                          | 54,037           |
| Office and administration                            | 940                            | 1,719            |
| Share-based compensation (Notes 5 and 6)             | 13,000                         | 35,425           |
| Transfer agent and filing fees                       | 2,621                          | 10,816           |
| Travel   | 199                            | 2,652            |
| <b>Total expenses</b>                                | <b>\$ (56,404)</b>             | <b>(152,626)</b> |
| <b>Net loss and comprehensive loss</b>               | <b>\$ (56,404)</b>             | <b>(152,626)</b> |
| Loss per share – Basic and diluted                   | \$ (0.00)                      | \$ (0.01)        |
| Weighted average number of common shares outstanding | 24,131,203                     | 22,631,203       |

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

**GEOLOGICA RESOURCE CORP.**

## Condensed Consolidated Statements of Cash Flows

For the three months ended:

|  | <b>March 31, 2024</b> | <b>March 31, 2023</b> |
|--|-----------------------|-----------------------|
| <b>Operating Activities</b>  |                       |                       |
| Net loss for the period  | \$ (56,404)           | \$ (152,626)          |
| Items not involving cash:  |                       |                       |
| Accrued interest and other financing costs                                     | 4,358                 | 3,332                 |
| Share-based compensation   | 13,000                | 35,425                |
|  | <u>(39,046)</u>       | <u>(113,869)</u>      |
| Changes in non-cash working capital item related to operations:                |                       |                       |
| GST receivable   | (1,891)               | 19,712                |
| Prepaid expenses   | -                     | 39,250                |
| Accounts payable and accrued liabilities                                       | -                     | (39,365)              |
| Cash used in operating activities  | <u>(40,937)</u>       | <u>(94,272)</u>       |
| <b>Investing Activity</b>  |                       |                       |
| Investment in exploration and evaluation assets                                | -                     | -                     |
| <b>Financing Activities</b>  |                       |                       |
| Payment of loans payable   | (2,000)               | (10,300)              |
| Change in due to related parties   | 73,701                | 1,687                 |
| Cash provided by financing activities  | <u>71,701</u>         | <u>(8,613)</u>        |
| <b>Increase (decrease) in cash during the year</b>                             | <b>30,764</b>         | <b>(67,846)</b>       |
| <b>Cash, beginning of the year</b>   | <b>7,175</b>          | <b>73,019</b>         |
| <b>Cash, net of excess of cheques written over deposits, end of the period</b> | <b>\$ 37,939</b>      | <b>\$ 5,173</b>       |

**Supplemental cash flow information (Note 9)***The accompanying notes are an integral part of these condensed interim financial statements.*

**GEOLOGICA RESOURCE CORP.**

## Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

|   | Number of<br>Shares | Share Capital<br>\$ | Subscriptions<br>received<br>\$ | Contributed<br>Surplus<br>\$ | Equity<br>component of<br>convertible<br>debt<br>\$ | Deficit<br>\$      | Total<br>\$      |
|---|---------------------|---------------------|---------------------------------|------------------------------|---|--------------------|------------------|
| <b>Balance, December 31, 2022</b>                               | <b>22,631,203</b>   | <b>2,468,495</b>    | -                               | <b>586,581</b>               | <b>12,572</b>                                       | <b>(2,712,009)</b> | <b>355,639</b>   |
| Share-based compensation  | -                   | -                   | -                               | 35,425                       | -   | -                  | 35,425           |
| Shares issued for cash  | 1,200,000           | 60,000              | (15,000)                        | -                            | -   | -                  | 45,000           |
| Transfer of subscriptions received and share-<br>issuance costs | -                   | (3,080)             | 38,500                          | -                            | -   | -                  | 38,420           |
| Shares returned to treasury                                     | (1,750,000)         | (175,000)           | -                               | -                            | -   | -                  | (175,000)        |
| Shares issued for property                                      | 2,050,000           | 92,250              | -                               | -                            | -   | -                  | 92,250           |
| Loss for the year   | -                   | -                   | -                               | -                            | -   | (483,629)          | (483,629)        |
| <b>Balance, December 31, 2023</b>                               | <b>24,131,203</b>   | <b>2,442,665</b>    | <b>23,500</b>                   | <b>622,006</b>               | <b>12,572</b>                                       | <b>(3,195,638)</b> | <b>(94,895)</b>  |
| Share-based compensation  | -                   | -                   | -                               | 13,000                       | -   | -                  | 13,000           |
| Net loss  | -                   | -                   | -                               | -                            | -   | (56,404)           | (56,404)         |
| <b>Balance, March 31, 2024</b>                                  | <b>24,131,203</b>   | <b>2,442,665</b>    | <b>23,500</b>                   | <b>635,006</b>               | <b>12,572</b>                                       | <b>(3,252,042)</b> | <b>(138,299)</b> |

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

## **GEOLOGICA RESOURCE CORP.**

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2024 and 2023

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### **1. Nature and Continuance of Operations**

Geologica Resource Corp. (the “Company”) was incorporated on March 6, 2016 under the BC Business Corporations Act as a wholly-owned subsidiary of Pacific Therapeutics Inc. (“PT”), a public company the common shares of which trade on the Canadian Securities Exchange (“CSE”). The head office of the Company is located at 630 – 1111 Melville St. Vancouver, BC V6E 3V6. The registered and records office of the Company is located at the same address. The Company was spun off from PT on October 13, 2016 by way of a plan of arrangement. Effective February 24, 2021, the Company changed its name from Cabbay Holdings Corp. to Geologica Resource Corp.

On October 25, 2022 the Company completed an Initial Public Offering and was listed on the CSE under the symbol “GRCM”.

On November 18, 2022, the Company was listed on the Frankfurt Stock Exchange under the symbol “862 and on December 15, 2022, the Company was listed on the Stuttgart Stock Exchange under the symbol “A2QQBC”.

The Company’s principal business activities are the exploration of natural resource properties. The recovery of the Company’s investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has not earned any revenues to date and is in the exploration stage.

The exploration and evaluation property in which the Company has an interest in is in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and cover administrative costs, the Company will use its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire interests in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available to do so.

These financial statements have been prepared on the 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 March 31, 2024, the Company has no source of revenue and does not generate cash flows from operating activities. The Company had a net loss for the three months ended March 31, 2024 of \$56,404 (2023 - \$152,626) and an accumulated deficit at March 31, 2024 of \$3,252,042 (December 31, 2023 - \$3,195,638).

## **GEOLOGICA RESOURCE CORP.**

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2024 and 2023

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### **1. Nature and Continuance of Operations (continued)**

The Company expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financings to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

### **2. Statement of Compliance and Basis of Presentation**

#### **(a) Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, being IAS 34, Interim Financial Reporting. As a result, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted. Accordingly, these condensed interim financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2023. In preparation of these condensed interim financial statements, the Company has consistently applied the same accounting policies as disclosed in Note 3 to the audited annual financial statements for the year ended December 31, 2023.

These financial statements were approved and authorized for issue by the board of directors on May 30, 2024.

#### **(b) Basis of Presentation**

These financial statements were prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is the Company's functional currency.



## **GEOLOGICA RESOURCE CORP.**

Notes to the Condensed Interim Financial Statements

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### **3. Exploration and Evaluation Assets**

#### Topley Property option agreement

On October 19, 2020, the Company entered into an option agreement to earn a 100% interest in the Topley Copper-Gold Project in British Columbia. The agreement was amended on January 22, 2022 so the first 500,000 shares are issuable on listing of the Company's shares, and on September 29, 2022 to extend the date the Company must make the remaining exploration expenditures from September 30, 2022 to May 30, 2023.

In order to earn an interest in the property, the Company must make the following:

Cash payments:

- \$5,000 on signing the agreement (paid)
- \$50,000 by December 31, 2023

Share issuances:

- 500,000 on listing of the Company's shares (issued)
- 250,000 by December 31, 2022 (issued)
- 250,000 by December 31, 2023

Pursuant to an Agreement dated February 28, 2023 with Atkinson Resource Corp (the "seller"), the Company expanded the Topley Property in exchange for \$20,000 cash and issuing 1,800,000 common shares. The \$20,000 is to be spent by the seller to conduct exploration on the Rooster Property before December 31, 2023.

Exploration expenditures:

- \$15,000 by November 7, 2020 (incurred)
- \$25,000 by December 31, 2020 (incurred)
- \$110,000 by May 30, 2023 (\$67,394 incurred)

The option is subject to a 2% Net Smelter Return royalty, of which 1% can be repurchased by the Company for \$1,000,000.

#### TAC Claims purchase and sale agreement

On April 14, 2021, the Company entered into an agreement to purchase a 100% interest in a mineral property in British Columbia known as the TAC Claims. The property is strategically located within the Topley Copper-Gold project and adds 37.4 hectares to the Company's land position. On December 19, 2021, the agreement was amended so that the first 5,000 shares would be issued at a rate of \$0.10 per share.

## GEOLOGICA RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2024 and 2023

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### 3. Exploration and Evaluation Assets (Continued)

In order to earn an interest in the property, the Company must make the following:

Cash payment:

- \$2,500 on signing the agreement (paid)

Share issuances:

- Shares valued at \$5,000 by December 31, 2021 (issued 50,000 common shares)
- Shares valued at \$10,000 by December 31, 2022 (issued 121,951 common shares)
- Shares valued at \$15,000 by December 31, 2023
- Shares valued at \$20,000 by December 31, 2024.

The number of shares to be issued is calculated based on the 10-day average closing price of the Company's shares immediately preceding delivery of notice of the share issuance to the vendor.

A continuity of the Company's exploration and evaluation is as follows:

|  | <b>Topley Property</b> |                |
|--|------------------------|----------------|
| <b>Balance December 31, 2022</b>                         | <b>\$</b>              | <b>157,146</b> |
| Acquisition costs - shares                               |                        | 92,250         |
| Acquisition costs - cash                                 |                        | 35,656         |
| <b>Balance, December 31, 2023 and<br/>March 31, 2024</b> | <b>\$</b>              | <b>285,052</b> |

### 4. Loans Payable

A continuity of the loans payable is as follows:

|                                   |           |                |
|-----------------------------------|-----------|----------------|
| <b>Balance, December 31, 2022</b> | <b>\$</b> | <b>121,420</b> |
| Proceeds                          |           | 10,000         |
| Repayments                        |           | (10,300)       |
| Interest accrued                  |           | 14,529         |
| <b>Balance, December 31, 2023</b> | <b>\$</b> | <b>135,649</b> |
| Repayments                        |           | (2,000)        |
| Interest accrued                  |           | 4,069          |
| <b>Balance, March 31, 2024</b>    | <b>\$</b> | <b>137,718</b> |

## GEOLOGICA RESOURCE CORP.

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For the three months ended March 31, 2024 and 2023

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### 5. Related Party Transactions

Transactions with related parties are as follows:

|  | <b>March 31, 2024</b> | <b>March 31, 2023</b> |
|--|-----------------------|-----------------------|
| Accounting fees to a Company related to the CFO and director | \$ 3,500              | \$ 3,500              |
| Consulting fees to the CFO and director                      | 4,500                 | 4,500                 |
| Management fees to the CEO and director                      | 25,500                | 25,500                |
|  | <b>\$ 33,500</b>      | <b>\$ 33,500</b>      |

During the three months ended March 31, 2024, the Company issued 350,000 stock options to directors and consultants with a fair value of \$8,675 (see Note 6). During the three months ended March 31, 2024, the Company issued 100,000 stock options to a director with a fair value of \$4,325 (see Note 6).

Furthermore, during the year ended December 31, 2023, the Company issued 100,000 stock options to purchase common shares of the Company at a price of \$0.075 for two years to a director of the Company. Share-based payments of \$5,538 were incurred. See Note 6.

#### Balances due from (to) the CEO and Director

As of March 31, 2024, the Company has \$45,421 (December 31, 2023 - \$20,120) owing to the CEO and director of the Company. The balance has no set terms of repayment and does not bear interest.

During the three months ended March 31, 2024, the Company entered into a loan from the CEO and Director for an amount of \$40,000. An administration fee of 10% is payable and interest is charged at 1% per month. The loan matures on June 26, 2024. Interest and finance fees of \$289 were charged during the period.

As of March 31, 2024, the Company has loan receivable of \$nil (December 31, 2023 - \$nil) due from a Company controlled by the CEO. During the year ended December 31, 2023, this loan was settled against due to related party, resulting in a reduction of loan receivable and due to related party of \$43,357. The loan accrued interest at 5% per annum and was due on November 9, 2023. Interest of \$2,064 was charged during the year ended December 31, 2023.

#### Balance due to the CFO and director

As of March 31, 2024, the Company has \$47,413 (December 31, 2023 - \$47,413) owing to a company related to the CFO and director, and \$67,075 (December 31, 2023 - \$58,675) owing to that director. The amounts do not bear interest and have no set terms of repayment.

#### Balance due from former subsidiary

During the year ended December 31, 2022, the Company loaned \$100 to its former subsidiary, Alta-Sun. The amount does not bear interest and has no set terms of repayment.

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Notes to the Condensed Interim Financial Statements

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### 6. Share Capital

The Company has authorized an unlimited amount of Class A common shares without par value. As at March 31, 2024, the Company has 24,131,203 (December 31, 2023 – 24,131,203) common shares issued and outstanding.

On June 27, 2023, the Company issued 2,050,000 common shares at \$0.045 with a fair value of \$92,250 for its Topley property.

During the year ended December 31, 2023, the Company returned to treasury 1,750,000 common shares with a book value of \$175,000, or \$0.10 per common share.

On December 28, 2023 the Company issued 770,000 flow-through shares for \$38,500 and 430,000 Units for \$21,500. Each Unit consisted of a share and a warrant to purchase a share.

#### Financings

During the year ended December 31, 2023, 770,000 flow-through common shares for total proceeds of \$38,500 and 430,000 units of the Company for total of \$21,500. Each unit consists of one common share and one warrant to purchase one common share of the Company for two years at a price of \$0.08.

#### Stock options and share based payments

As at March 31, 2024, the Company had 2,875,000 stock options outstanding as noted below:

| Grant Date        | Expiry date       | Years<br>Remaining | Options<br>outstanding | Exercise Price \$ |
|-------------------|-------------------|--------------------|------------------------|-------------------|
| November 2, 2022  | November 1, 2027  | 3.59               | 1,125,000              | 0.075             |
| March 3, 2023     | March 2, 2025     | 0.92               | 400,000                | 0.11              |
| March 3, 2023     | March 2, 2026     | 1.92               | 200,000                | 0.11              |
| March 17, 2023    | March 16, 2028    | 3.96               | 700,000                | 0.11              |
| February 21, 2024 | February 21, 2029 | 4.90               | 350,000                | 0.05              |
| March 14, 2024    | March 14, 2029    | 4.97               | 100,000                | 0.05              |
| <b>Total</b>      |                   | <b>3.90</b>        | <b>2,875,000</b>       | <b>0.08</b>       |

As at December 31, 2023, the Company had 2,425,000 stock options outstanding as noted below:

| Grant Date       | Expiry date      | Years<br>Remaining | Options<br>outstanding | Exercise Price \$ |
|------------------|------------------|--------------------|------------------------|-------------------|
| November 2, 2022 | November 1, 2027 | 3.84               | 1,125,000              | 0.075             |
| March 3, 2023    | March 2, 2025    | 1.17               | 400,000                | 0.11              |
| March 3, 2023    | March 2, 2026    | 2.17               | 200,000                | 0.11              |
| March 17, 2023   | March 16, 2028   | 4.21               | 700,000                | 0.11              |
| <b>Total</b>     |                  | <b>3.09</b>        | <b>2,425,000</b>       | <b>0.09</b>       |

## GEOLOGICA RESOURCE CORP.

Notes to the Condensed Interim Financial Statements

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### 6. Share Capital (Continued)

During the period ended March 31, 2024, the Company issued 350,000 stock options to directors of the Company and a consultant with an exercise price of \$0.05 for a period of five years. Share-based payments of \$8,675 were incurred.

During the period ended March 31, 2024, the Company issued 100,000 stock options to a director of the Company with an exercise price of \$0.05 for a period of five years. Share-based payments of \$4,325 were incurred.

*During the year ended December 31, 2023:*

On March 3, 2023, the Company issued 400,000 stock options to purchase one common share of the Company with an exercise price of \$0.125 to consultants for a period of two years. Share-based payments expense of \$18,301 was recorded.

On March 3, 2023, the Company issued 200,000 stock options to purchase one common share of the Company with an exercise price of \$0.10 to consultants for a period of three years. Share-based payment expense of \$11,586 was recorded.

On March 17, 2023, the Company issued 100,000 stock options to a director of the Company with an exercise price of \$0.075 for a period of five years. Share-based payment expense of \$5,538 was recorded.

The options outstanding and exercisable as at March 31, 2024 had a weighted average remaining contractual life of 3.34 years (December 31, 2023 – 3.09 years). Stock option activity was as follows:

|   | Options<br>outstanding | Exercise<br>Price \$ |
|---|------------------------|----------------------|
| <b>Balance December 31, 2022<br/>and 2021</b> | 1,125,000              | 0.075                |
| Issued  | 1,100,000              | 0.11                 |
| <b>Balance, December 31, 2023</b>             | 2,425,000              | 0.08                 |
| Issued  | 450,000                | 0.05                 |
| <b>Balance, March 31, 2024</b>                | 2,875,000              | 0.07                 |

The fair value of share-based awards is determined using the Black-Scholes Option Pricing Model. The model utilizes certain subjective assumptions including the expected life of the option and expected future stock price volatility. Changes in these assumptions can materially affect the estimated fair value of the Company's stock options.

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Notes to the Condensed Interim Financial Statements  
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### 6. Share Capital (Continued)

The assumptions used in the Black-Scholes pricing model were:

|                                 | 2024   | 2023   |
|---------------------------------|--------|--------|
| Expected volatility             | 129%   | 129%   |
| Risk free interest rate         | 3.71%  | 4.01%  |
| Expected life in years          | 5.00   | 2.71   |
| Grant date fair value per share | \$0.03 | \$0.05 |
| Forfeiture rate                 | 0%     | 0%     |

### Warrants

As at March 31, 2024 and December 31, 2023, the following share purchase warrants were issued and outstanding:

| Expiry Date       | Exercise Price \$ | Warrants outstanding # |
|-------------------|-------------------|------------------------|
| October 25, 2024  | 0.10              | 336,400                |
| March 29, 2026    | 0.125             | 661,300                |
| December 28, 2025 | 0.08              | 430,000                |
|                   | 0.11              | 1,427,700              |

During the year ended December 31, 2023, 200,000 warrants at a price of \$0.05 and 645,743 warrants at a price of \$0.25 expired unexercised. The weighted average remaining years of the warrants is 1.58 years.

### 7. Capital Disclosures

The Company considers its capital under management to be comprised of shareholders' equity (deficiency) and any debt that it may issue. The Company's objectives when managing capital are to continue as a going concern and to maximize returns for shareholders over the long term. The Company is not subject to any capital restrictions. There has been no change in the Company's objectives in managing its capital since incorporation.

### 8. Financial Instruments and Risk

As at March 31, 2024, the Company's financial instruments consist of cash, advances, accounts payable and accrued liabilities, due from related parties, loans payable, and due to related parties.

#### *Credit Risk*

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, advances, due from related parties and subscriptions receivable. To minimize the credit risk, the Company places these instruments with a high credit quality financial institution.

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### **8. Financial Instruments and Risk (continued)**

The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure relating to cash of \$37,439 (December 31, 2023 - \$7,175) held in deposits at Canadian chartered banks. The Company considers this credit risk to be minimal.

#### Liquidity Risk

The Company's financial liabilities consist of \$142,995 (December 31, 2023 - \$142,996) in accounts payable and accrued liabilities, \$137,718 (December 31, 2023 - \$135,649) in loans payable, and \$159,109 (December 31, 2023 - \$126,108) in due to related parties. The Company manages liquidity risk through management of its capital resources discussed above.

#### Foreign Exchange Risk

The Company is not exposed to foreign exchange risk on its financial instruments.

#### Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk the Company will realize such a loss is limited because the Company's interest bearing notes due from related parties and notes payable have fixed rates of interest.

#### Fair Value

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at March 31, 2024, the Company had the following instruments measured at Level 1: Cash of \$37,939 (December 31, 2023 - \$7,175), accounts payable of \$142,995 (December 31, 2023 - \$142,996), loans payable of \$137,718 (December 31, 2023 - \$135,649) and Due to related parties of \$159,809 (December 31, 2023 - \$126,108).

## **GEOLOGICA RESOURCE CORP.**

Notes to the Condensed Interim Financial Statements

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### **8. Financial Instruments and Risk (continued)**

The fair value of long-term loans payable are determined based on level 2 inputs and estimated based on the present value of future cash flows based on current interest rates for financial instruments with similar conditions and maturity. As at March 31, 2024, the Company believes that the carrying values of its cash, advances, accounts payable and accrued liabilities, shares payable, due from related parties, due to related parties, and short-term loans payable approximate their fair values because of their nature and relatively short maturity dates or durations.

### **9. Supplemental Cash Flow Information**

|  | <b>2024</b> | <b>2023</b> |
|--|-------------|-------------|
| Cash paid for interest                 | -           | -           |
| Settlement of related party receivable | -           | -           |
| Cash paid for income taxes             | -           | -           |

### **10. Commitments**

On December 16, 2021, the Company issued 1,325,000 flow-through shares and is required to make qualifying expenditures of \$132,500 by December 16, 2023. As at March 31, 2024, \$74,692 (December 31, 2023 - \$74,692) remains on the commitment.

On December 23, 2022, the Company issued 800,000 flow-through shares and is required to make qualifying expenditures of \$80,000 by December 23, 2024. As of March 31, 2024, \$80,000 (December 31, 2022 - \$80,000) remains on the commitment.

### **11. Subsequent events**

Pursuant to a Purchase and Sale Agreement dated April 12, 2024, the Company purchased a 100% interest in a mineral property in British Columbia known as the Topley West. To complete the purchase of the property, the Company must issue 2,000,000 shares on transfer of the property from an arms-length vendor.

The Company intends to issue 10 million units at 3.5 cents per unit for total proceeds of \$350,000. Each unit consists of a share and a whole warrant. Each warrant may be exercised for one share for two years from closing for five cents. A warrant holder must exercise the warrant, within 30 days of the shares of the Company trading at a 20-day volume-weighted average price of 10 cents or greater once the four-month statutory hold has expired.