TOCVAN VENTURES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended August 31, 2024 and 2023

(Expressed in Canadian Dollars)

DMCL
DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Tocvan Ventures Corp.

Opinion

We have audited the consolidated financial statements of Tocvan Ventures Corp. (the "Company"), which comprise the consolidated statements of financial position as at August 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (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, 2024 and 2023, 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.

Emphasis of Matter – Restatement of Comparative Information

We draw attention to Note 15, of the financial statements, which describe that certain comparative information presented for the year ended August 31, 2023 and as at August 31, 2023 and September 1, 2022 has been restated. Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has an accumulated deficit of $8,438,584 as at August 31, 2024 and will require additional equity financing to continue developing its business and to meet its obligations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the 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.

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

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Assessment of impairment indicators of Exploration and Evaluation Assets We draw attention to Notes 3 and 4 to the financial statements. The Company has exploration and evaluation assets with a carrying value of $8,834,758. At each reporting period end date, the Company is required to assess its exploration and evaluation assets for indicators of impairment. Note 3 describes what may be indicators of impairment of the Company's exploration and evaluation assets. We considered this is a key audit matter due to the significance of the exploration and evaluation assets balance and the judgments made by management in its assessment of indicators of impairment related to the exploration and evaluation assets, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.	Our approach to addressing the matter included the following procedures, among others: • Evaluated management's assessment of impairment indicators. • Enquired with management and assessed the reasonability of their future plans for the exploration and evaluation assets; • Assessed compliance with agreements and expenditure requirements including reviewing option agreements and vouching cash payments and share issuances; and • Obtained, from the optionors, confirmation of status of option agreements to ensure the Company retains its legal right to explore.

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 David Goertz.

DMCL.

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

December 30, 2024

TOCVAN VENTURES CORP.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	Note		Year ended August 31, 2024		Year ended August 31, 2023 (Restated- Note 15)		Year ended August 31, 2022 (Restated- Note 15)
ASSETS							
CURRENT							
Cash		$	**101,639**	$	20,825	$	86,439
Receivables	*6*		**60,785**		134,859		114,188
Prepaid expenses	*7*		**42,430**		64,187		266,398
Marketable securities			–		–		600,000
Financial assets	*5*		**678,395**		1,355,240		1,229,026
TOTAL CURRENT ASSETS			**883,249**		1,575,111		2,296,051
Financial assets – *non-current*	*5*		**452,339**		–		1,023,506
Exploration and evaluation assets	*4*		**8,834,758**		6,326,145		4,320,428
TOTAL ASSETS		**$**	**10,170,346**	$	**7,901,256**	**$**	**7,639,985**
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT							
Accounts payable and accrued liabilities	*8*	$	**879,269**	$	366,304	$	87,494
Due to related parties	*11*		**603,459**		519,086		211,987
Dividends payable			–		–		600,000
Debenture payable	*5,10*		**775,205**		1,958,304		1,924,034
TOTAL CURRENT LIABILITIES			**2,257,933**		2,843,694		2,823,515
SHAREHOLDERS' EQUITY							
Share capital	*9*		**13,990,750**		10,378,754		8,443,020
Reserves	*5,9*		**2,360,247**		1,945,929		1,172,193
Deficit			**(8,438,584)**		(7,267,121)		(4,798,743)
TOTAL SHAREHOLDERS' EQUITY			**7,912,413**		5,057,562		4,816,470
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**10,170,346**	**$**	**7,901,256**	**$**	**7,639,985**

Nature and continuance of operations (Note 1)
Subsequent events (Note 16)

"Brody Sutherland" — Director

"Greg Ball" — Director

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

TOCVAN VENTURES CORP.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Note		Year ended August 31, 2024		Year ended August 31, 2023 (Restated Note 15)
EXPENSES					
Advertising and promotion	11	$	229,754	$	570,813
Audit and accounting			99,399		91,345
Consulting	11		626,346		564,878
Financing fees			17,320		32,771
Legal			37,441		48,972
Management fees	11		48,000		48,000
Meals and entertainment			960		17,087
Office and miscellaneous			53,261		40,404
Regulatory fees			63,630		60,387
Share-based compensation	9,11		331,350		747,219
Travel			21,585		23,010
Operating expenses			(1,529,046)		(2,244,886)
Other gain (loss)					
Foreign exchange loss			(52,315)		(64,643)
Interest expense			(19,145)		(30,384)
Realized loss on financial assets	5		(828,685)		(596,583)
Unrealized gain on financial assets	5		749,702		502,388
Unrealized loss on debenture payable	10		(185,544)		(34,270)
Realized gain on debenture payable	10		693,570		–
Net loss and comprehensive loss for the year		**$**	**(1,171,463)**	**$**	**(2,468,378)**
Loss per share, basic and diluted		**$**	**(0.03)**	**$**	**(0.06)**
Weighted average number of shares outstanding – basic and diluted			**45,276,930**		**38,528,655**

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

	Share Capital				
	Number of Shares	Amount	Reserves	Deficit	Total Equity
Balance at August 31, 2022 (*Restated – Note 15)*	**36,270,650**	**$ 8,443,020**	**$ 1,172,193**	**$ (4,798,743)**	**$ 4,816,470**
Shares issued on exercise of options	31,250	11,563	–	–	11,563
Shares issued on exercise of warrants	9,600	5,760	–	–	5,760
Shares issued for exploration properties	1,000,000	650,000	–	–	650,000
Shares issued for financial asset	1,169,118	604,357	–	–	604,357
Shares issued for debt (interest)	59,137	28,090	–	–	28,090
Units issued for cash	1,227,353	638,224	–	–	638,224
Units issued for services	218,000	109,000	–	–	109,000
Share issuance costs	–	(111,260)	26,517	–	(84,743)
Share-based compensation	–	–	747,219	–	747,219
Loss for the year	–	–	–	(2,468,378)	**(2,468,378)**
Balance at August 31, 2023 (*Restated – Note 15)*	**39,985,108**	**10,378,754**	**1,945,929**	**(7,267,121)**	**5,057,562**
Shares issued on exercise of warrants	10,500	4,725	–	–	4,725
Shares issued on conversion of debenture payable	1,683,600	686,982	–	–	686,982
Shares issued for debt (interest)	16,364	6,459	–	–	6,459
Shares issued for exploration properties	775,000	330,000	–	–	330,000
Units issued for financial assets	4,585,714	1,116,398	–	–	1,116,398
Units issued for cash	4,415,733	1,663,528	32,012	–	1,695,540
Share issuance costs – units issued for cash		(196,096)	50,956	–	(145,140)
Share-based compensation	–	–	331,350	–	331,350
Loss for the year	–	–	–	(1,171,463)	(1,171,463)
Balance at August 31, 2024	**51,472,019**	**$ 13,990,750**	**$ 2,360,247**	**$(8,438,584)**	**$ 7,912,413**

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

TOCVAN VENTURES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

		Year ended August 31. 2024		Year ended August 31, 2023 (Restated- Note 15)
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net loss	$	**(1,171,463)**	$	(2,468,378)
Items not involving cash				
Interest expense		**19,145**		30,384
Foreign exchange loss		**52,799**		–
Share-based compensation		**331,350**		747,219
Shares issued for service		**–**		109,000
Unrealized gain on financial assets		**(749,702)**		(502,388)
Realized loss on financial assets		**828,685**		596,583
Unrealized loss on convertible debenture		**185,544**		34,270
Realized gain on convertible debenture		**(693,570)**		–
Changes in non-cash working capital items				
Receivables		**(735)**		(20,671)
Due to related parties		**(38,787)**		(30,800)
Prepaid expenses		**21,757**		202,211
Accounts payable and accrued liabilities		**(48,566)**		225,767
Net cash used in operating activities		**(1,263,543)**		**(1,076,803)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares, net		**1,550,399**		553,481
Proceeds from warrants exercised		**4,725**		5,760
Proceeds from options exercised		**–**		11,563
Receipts from settlement of equity swaps		**1,336,723**		1,391,822
Net cash provided by financing activities		**2,891,847**		**1,962,626**
CASH FLOWS USED IN INVESTING ACTIVITIES				
Exploration and evaluation asset expenditures		**(1,547,006)**		(951,437)
Net cash used in investing activities		**(1,547,006)**		**(951,437)**
Change in cash		**81,298**		(65,614)
Effect of exchange rate changes on cash		**(484)**		–
Cash, beginning		**20,825**		86,439
Cash, ending	**$**	**101,639**	**$**	**20,825**

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

TOCVAN VENTURES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS - *continued*

(Expressed in Canadian dollars)

SUPPLEMENTAL CASHFLOW INFORMATION		Year ended August 31, 2024		Year ended August 31, 2023 (Restated)
Exploration and Evaluation Assets included in:				
Accounts payable	$	648,755	$	87,995
Due to related party	$	590,303	$	467,143
Reconciliation of cash by currency type (in Canadian dollars equivalent):				
In CAD	$	84,572	$	6,106
In USD	$	16,441	$	13,665
In MXN	$	626	$	1,054
	$	101,639	$	20,825
NON-CASH INVESTING AND FINANCING ACTIVITIES				
Units issued for financial assets	$	1,116,397	$	604,357
Shares issued for exploration and evaluation assets	$	330,000	$	650,000
Shares issued for interest	$	6,459	$	28,090
Shares issued on conversion of debenture payable	$	686,982	$	–
Receivables relating to the settlement of financial assets	$	55,534	$	130,343

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Tocvan Ventures Corp. (the "Company") was incorporated on May 23, 2018, under the Alberta Business Corporations Act. On March 1, 2019, the Company's shares started trading on the Canadian Securities Exchange (the "CSE") under the symbol "TOC".

The Company's head office address is Suite 820 – 1130 West Pender St., Vancouver, British Columbia V6E 4A4, Canada. The registered and records office address is Suite 1150, 707 - 7th Avenue S.W., Calgary, Alberta T2P 3H6, Canada.

On September 15, 2020, the Company incorporated, under the laws of Mexico, a wholly-owned subsidiary, Burgencio S.A. de C.V. ("Burgencio"). Burgencio's office address is Blvd. Morelos No, 639, Col. Bachoco, C.P. 83148, Hermosillo, Sonora, Mexico.

The Company is engaged in the acquisition, exploration and development of mineral properties. At August 31, 2024, the Company had not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production from the exploration and evaluation assets or proceeds from the disposition of the exploration and evaluation asset.

These consolidated financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations. At August 31, 2024, the Company had an accumulated deficit of $8,438,584 and is expected to incur further losses. The Company will require additional equity financing to continue developing its business and to meet its obligations. While the Company has been successful at raising additional equity financing in the past, there is no guarantee that it will continue to do so in the future, which results in a material uncertainty that casts significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements. These adjustments could be material.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

These consolidated financial statements were authorized for issue by the Board of Directors on December 30, 2024.

Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements of the Company are presented in Canadian dollars, unless otherwise stated, which is the functional currency of the Company and its subsidiary, Burgencio. The functional currency is determined to be the currency of the primary economic environment in which the Company and Burgencio operate.

Basis of consolidation

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Burgencio. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated. Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies in-line with those used by the Company.

Use of estimates, assumptions, and judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of expenses during the reporting year. Significant areas requiring the use of management estimates relate to provisions for restoration and environmental obligations and contingent liabilities, share-based compensation, deferred taxes, and the valuation and remeasurement of the financing transactions.

The preparation of consolidated 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 applying to the Company’s consolidated financial statements include:

1) the classification/allocation of expenses as exploration and evaluation expenditures or operating expenses;
2) the determination that the Company will continue as a going concern for the next years;
3) the determination whether there have been any events or changes in circumstances that indicate the impairment of its exploration and evaluation assets; and
4) classification of financial instruments issued in the financing transactions as liabilities or equity.

3. *MATERIAL ACCOUNTING POLICY INFORMATION*

a) Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred. Costs incurred once the Company has obtained the legal rights to explore an area are capitalized. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

From time-to-time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs or recoveries when the payments are made or received.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company 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 expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities; and
- sufficient data exist to indicate that, although 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.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Although the Company has taken steps that it considers adequate to verify title to exploration and evaluation assets which it has an interest in, these procedures do not guarantee the Company's title.

b) Income taxes

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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

c) Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

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. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

d) Provision for closure and reclamation

The Company recognizes liabilities for statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision required for closure and reclamation as at August 31, 2024.

e) Share-based payment transactions

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using the Black Scholes Option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

f) Basic and diluted loss per share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of the diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method. For the periods presented, the Company has reported a net loss and therefore diluted loss per share equals basic loss per share as the impact of the dilutive instruments would be anti-dilutive.

g) Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

h) Financial instruments

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. 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.

Cash, receivables, accounts payable, due to related parties and dividends payable are classified at amortized cost. Financial assets and debenture payable are all classified at FVTPL.

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 net income/(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 net loss in the period in which they arise.

(Expressed in Canadian dollars)

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 net (loss) income, 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.

Derecognition
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. Gains and losses on derecognition are generally recognized in the statements of net (loss) income.

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.

4. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets

Title to exploration and evaluation ("E&E") asset interests involve certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

Year ended August 31, 2024	**Pilar**	**El Picacho**	**Total**
Acquisition costs			
Balance, August 31, 2023	**$ 2,640,000**	**$ 196,789**	**$ 2,836,789**
Cash	468,574	106,362	574,936
Option payments accrued	275,880	339,584	615,464
Shares issued	330,000	–	330,000
Balance, August 31, 2024	3,714,454	642,735	4,357,189
Deferred exploration expenditures			
Balance, August 31, 2023	**2,965,862**	**523,494**	**3,489,356**
Geologist fees and assays	886,900	61,884	948,784
Other exploration expenses	–	39,429	39,429
Balance, August 31, 2024	3,852,762	624,807	4,477,569
Total E&E assets, August 31, 2024	**$ 7,567,216**	**$ 1,267,542**	**$ 8,834,758**

(Expressed in Canadian dollars)

Year ended August 31, 2023	Pilar	El Picacho	Total
Acquisition costs			
Balance, August 31, 2022	**$ 1,915,000**	**$ 135,687**	**$ 2,050,687**
Cash	75,000	61,102	136,102
Shares issued	650,000	–	650,000
Balance, August 31, 2023	2,640,000	196,789	2,836,789
Deferred exploration expenditures			
Balance, August 31, 2022	**2,116,564**	**153,177**	**2,269,741**
Geologist fees and assays	835,480	295,628	1,131,108
Other exploration expenses	13,818	74,689	88,507
Balance, August 31, 2023	2,965,862	523,494	3,489,356
Total E&E assets, August 31, 2023	**$ 5,605,862**	**$ 720,283**	**$ 6,326,145**

Pilar Project, Sonora, Mexico

On September 22, 2019, the Company signed an option agreement (the "Pilar Agreement") to acquire 51% of the Pilar Gold Project in the state of Sonora, Mexico (the "Pilar Project") from Colibri Resource Corp. ("Colibri"). The agreement was amended on August 31, 2021, and the updated conditions are as follows:

	Cash payment	Exploration work	Shares
September 22, 2019	$125,000 (paid)	$Nil	2,000,000 (issued)
September 21, 2020	$125,000 (paid)	$175,000 (completed)	1,000,000 (issued)
September 21, 2021	$25,000 (paid)	$425,000 (completed)	1,000,000 (issued)
September 21, 2022	$75,000 (paid)	$400,000 (completed)	1,000,000 (issued)
September 21, 2023	$75,000 (paid)	$500,000 (completed)	–
September 21, 2024	–	$500,000 (completed)	–
TOTAL	**$425,000**	**$2,000,000**	**5,000,000**

On September 18, 2023, the Company submitted an exercise notice to Colibri to confirm its 51% ownership of the Pilar gold-silver project as the Company fulfilled its initial commitment under the covenants of the Pilar Agreement. The Company was granted an option to acquire the remaining 49% interest in the Pilar Project within six months after the Company acquired 51% ownership or to establish a joint venture agreement with Colibri. The option to acquire the additional interest required a $2,000,000 cash payment and granting Colibri a 2% net smelter return royalty ("NSR"), 1% of which can be repurchased for an additional cash payment of $1,000,000.

The Company elected to enter into a joint venture or to form a new corporate entity with Colibri for the development of the remaining optioned property under the Pilar Agreement. As of August 31, 2024, and the date of approval of these financial statements, the Company is in the process of negotiating a definitive joint venture agreement with Colibri.

On May 31, 2024, in accordance with the anti-dilution provision included in the Pilar Agreement, the Company issued to Colibri 525,000 common shares valued at $210,000, which is included in acquisition costs.

(Expressed in Canadian dollars)

Pilar Landholding Expansion

On October 17, 2023, the Company entered into a definitive agreement (the "SV Agreement") with Suaqui Verde Properties ("SVP"), a Mexican entity, for an option to acquire a 100% interest in certain mining concessions consisting of 2,173 hectare contiguous land immediately adjacent and north of Pilar Project. Under the terms of the SV Agreement, the Company agreed to the following commitments:

	Cash payment	Exploration work	Shares
On closing	US$250,000 (paid)	US$Nil	Nil
Six months after closing	US$200,000 (accrued)	US$Nil	250,000(issued)
1st anniversary	US$Nil	US$100,000	500,000(1)
2nd anniversary	US$1,050,000	US$150,000	500,000
3rd anniversary	US$1,150,000	US$250,000	750,000
4th anniversary	US$650,000	US$250,000	250,000
5th anniversary	US$700,000	US$250,000	250,000
TOTAL	**US$4,000,000**	**US$1,000,000**	**2,500,000**

(1) These shares were issued on December 27, 2024.

SVP retains a 2% NSR. After the initial five-year period, the Company has the right to elect to extend the Agreement by another ten years by starting advance royalty payments or purchase full title ownership through an additional payment of US$500,000.

In December 2023, the Company paid $341,175 (US$250,000) in relation to the cash commitments under the SV Agreement.

On August 8, 2024, the Company issued 250,000 common shares valued at $120,000, representing the six-month option payment according to the SV Agreement. As of August 31, 2024, the Company accrued $275,880 (US$200,000) in relation to the cash commitments.

El Picacho Project, Sonora, Mexico

On June 7, 2021, the Company signed a letter of commitment (the "Millrock Agreement") to purchase El Picacho Project ("El Picacho Project") from Recursos Millrock S. de R.L. de C.V. ("Millrock"). On signing of the letter of commitment the Company made an initial payment of $94,196 (US$78,000).

On September 15, 2021, the Company entered into an assignment agreement (the "Suarez Assignment") with Millrock for an initial five-year option to acquire El Picacho property from the property owners, Suarez Brothers, within the Caborca Orogenic Gold Belt in Sonora, Mexico. El Picacho Project consists of 12 mining concessions totaling 2,395 hectares.

To acquire 100% interest in El Picacho Project, the Company is required to pay Suarez Brothers US$1,985,600 and an additional payment of US$60,000 will be required to gain surface rights to use the Picacho Ranch. Both payments are to be paid in a series of instalments ending on June 11, 2026. Millrock is to retain a 2% NSR with the option for the Company to purchase back 1% for US$1,000,000. Upon full execution of the Option Agreement and completion of all cash payments, an Annual Advance Minimum Royalty ("AAMR") of US$25,000 will be paid to Millrock, doubling each year until the start of production. AAMR payments will be subtracted from royalty payments on commencement of production.

(Expressed in Canadian dollars)

A summary of the commitments under the Suarez Assignment to acquire El Picacho Project and surface rights is as follows:

	Option payment	Surface rights payment
Closing	US$5,000 (paid by Millrock)	US$6,000 (paid by Millrock)
Six months after closing	US$Nil	US$6,000 (paid)
1st anniversary	US$21,400 (paid)	US$6,000 (paid)
Six months after 1st anniversary	US$21,400 (paid)	US$6,000 (paid)
2nd anniversary	US$21,400 (paid)	US$6,000 (paid)
Six months after 2nd anniversary	US$21,400 (paid)	US$6,000 (paid)
3rd anniversary(1)	US$41,400 (paid)	US$6,000 (paid)
(*extended to February 15, 2025*)	US$208,600 (accrued)	
Six months after 3rd anniversary	US$Nil	US$6,000
4th anniversary	US$650,000	US$6,000
Six months after 4th anniversary	US$Nil	US$6,000
5th anniversary	US$1,000,000	US$6,000
TOTAL	**US$1,990,600**	**US$66,000**

(1) *The Company paid US$47,400 towards the third-year anniversary payment; the payment of the remaining US$256,000 cash commitment has been extended until February 15, 2025.*

As at August 31, 2024, the Company recorded $287,743 (US$208,600) payable to the Suarez Brothers for surface rights to use Picacho Ranch pursuant to the cash commitments in the Suarez Assignment.

5. *FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS*

The continuity table summarizes the activities of the financial assets associated with Sorbie Bornholm LP ("Sorbie") equity swap agreements dated June 28, 2022, April 5, 2023, and April 24, 2024:

Financial assets at fair value through profit and loss	**August 31, 2024**	**August 31, 2023**
Balance, beginning of year	$ 1,355,240	$ 2,252,532
Addition	1,116,398	604,357
Cash settlement payments	(1,336,723)	(1,391,822)
Change in cash receivable subsequent to the year end	74,802	(15,632)
Realized loss on financial assets	(828,685)	(596,583)
Unrealized gain from change in fair value of financial assets	749,702	502,388
Balance, August 31, 2024	**$ 1,130,734**	**$ 1,355,240**

June 28, 2022, Equity Swap Agreement with Sorbie

On June 28, 2022, the Company entered into a financing transaction ("Sorbie 1") with Sorbie whereby the Company agreed to issue 3,200,000 units (the "Sorbie 1 Unit") and 2,809 convertible notes with a face value of $1,000 per note (the "Sorbie Notes") in exchange for 24 monthly cash payments (the "Sorbie 1 Settlements") that were measured against a benchmark price of $1.10 per share (the "Sorbie 1 Benchmark") with a set number of shares totaling $5,125,000 at Benchmark (the "Sorbie 1 Transaction") (Note 10).

The actual cash paid out under each Sorbie 1 Settlement was determined based on a volume-weighted average share price ("VWAP") for 20 trading days prior to the Sorbie 1 Settlements. If the measured share price was above the Sorbie 1 Benchmark for the Sorbie 1 Settlements, the Company received more than 100% of the expected Sorbie

(Expressed in Canadian dollars)

1 Settlements. However, if the share price was below the Sorbie 1 Benchmark, the Company received less than 100% of the Sorbie 1 Settlements.

Each Sorbie 1 Unit consisted of one common share and one warrant entitling Sorbie to purchase one additional common share at $1.20 until June 28, 2025. The Sorbie Notes mature on June 28, 2025, can be converted, at the discretion of Sorbie, into 1,220 common shares per Sorbie Note. The Sorbie Notes pay non-compounding interest at 1% per year, which is payable annually in common shares. In connection with the Sorbie Notes, the Company issued 1,713,490 detachable warrants that entitle Sorbie to purchase up to 1,713,490 additional common shares at $1.30 per share until June 28, 2025, and an additional 1,713,490 detachable warrants that entitle Sorbie to purchase up to an additional 1,713,490 common shares at $1.40 per share until June 28, 2025 (Note 10).

To determine the fair value of the Sorbie 1 Settlements the Company used a Monte Carlo simulation. Based on the terms of the Sorbie 1 Settlements, the Company calculated the expected future VWAP share price at each Sorbie 1 Settlement, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk-free rate to determine the present value of the future cash flows. The Company used the following assumptions to determine the initial value of the Sorbie 1 Settlements:

As at	June 28, 2022
Sorbie 1 Benchmark	$1.10
Total number of Sorbie 1 Settlements	24
Share price on the valuation date	$0.82
Volatility	90.00%
Risk-free rate	3.16%
Fair value of expected Sorbie 1 Settlements	**$3,828,756**

To determine the allocation of the fair value of the Sorbie 1 Settlements, the Company analyzed Sorbie 1 Units and Sorbie Notes under guidance available under IFRS 9 *Financial Instruments* and IFRS 32 *Financial Instruments: Presentation*. IFRS requires that the terms of a convertible instrument are analyzed, and each component separately accounted for according to the definitions of financial liability and equity. Based on the analysis the Company performed, it was determined that Sorbie Notes represent a derivative liability, and therefore is valued at fair value with subsequent remeasurement and change in fair value recorded to profit or loss. The warrants issued as part of the Sorbie Notes are detachable and are exercised at a fixed price for a fixed number of shares, and therefore, classified as equity.

Sorbie 1 Units were classified as equity and the warrants were valued based on the residual value of the Sorbie 1 Settlements reduced by the value of Sorbie notes, and with the residual allocated to each component on a prorated basis as follows:

Securities Issued	Quantity	Initial Value	Allocation	Prorated Value
Convertible debenture ($1,000)	2,809	$ 2,810,123	Fair Value	$ 2,810,123
Warrants	3,426,980	1,460,055	26.49%	269,860
Units	3,200,000	4,051,173	73.51%	748,773
Total value of Sorbie 1 Settlements		**$ 8,321,352**		**$ 3,828,756**

(Expressed in Canadian dollars)

The initial value of the Warrants issued as part of Sorbie Notes was estimated using the Black Scholes Pricing Model based on the following assumptions:

Share price	$0.82
Exercise price	$1.20 & $1.30
Exercise term	36 months
Risk free rate	3.2%
Volatility	97.5%

During the year ended August 31, 2024, the Company received a total of $891,623 (2023 – $1,243,049), representing ten remaining Sorbie 1 Settlements, including $94,639 that was recorded as receivable as at August 31 2023. The difference between each Sorbie 1 Settlement's fair value as of the initial recognition on June 28, 2022, and the actual Sorbie 1 Settlement received is recorded as realized gain or loss of financial assets. For the year ended August 31, 2024, the Company recorded a realized loss on settlement of $705,474 (2023 – $580,298).

As of August 31, 2024, Sorbie had fulfilled all of its obligations under the Sorbie 1 Transaction, and therefore the fair value of expected cash flows was $Nil (2023 – $1,040,585).

April 5, 2023, Equity Swap Agreement with Sorbie

On April 5, 2023, the Company entered into a financing transaction with Sorbie (the "Sorbie 2 Transaction") whereby the Company issued 1,169,118 units (the "Sorbie 2 Units") for a total consideration of $600,000. The units consisted of one common share and a one-half share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.68 until April 5, 2026.

The $600,000 to be received for the Sorbie 2 Units were to be paid out in 12 monthly cash payments (the "Sorbie 2 Settlements") that were measured against a benchmark price of $0.725 per share (the "Sorbie 2 Benchmark") with a set number of shares totaling $600,000 at Sorbie 2 Benchmark.

The actual cash paid out under each Sorbie 2 Settlement was determined based on a volume-weighted average share price ("VWAP") for 20 trading days prior to the Sorbie 2 Settlements. If the measured share price was above the Sorbie 2 Benchmark, the Company received more than 100% of the expected Sorbie 2 Settlements. However, if the share price was below the Sorbie 2 Benchmark, the Company received less than 100% of the Sorbie 2 Settlements.

To determine the fair value of the Sorbie 2 Settlements the Company used a Monte Carlo Simulation. Based on the terms of the Sorbie 2 Settlements, the Company calculated the expected future VWAP of the Company's share price at each Sorbie 2 Settlement date, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk-free rate to determine the present value of the future cash flows. The Company used the following assumptions to determine the initial value of the Sorbie 2 Settlements:

As at	**April 5, 2023**
Sorbie 2 Benchmark	$0.725
Total number of Sorbie 2 Settlements	12
Share price on the valuation date	$0.73
Volatility	75.00%
Risk-free rate	4.20%
Fair value of expected Sorbie 2 Settlements	**$604,357**

(Expressed in Canadian dollars)

To determine the allocation of the fair value of the Sorbie 2 Settlements, the Company analyzed Sorbie 2 Units under IFRS 9 and IAS 32. The Company determined that Sorbie 2 Units were equity instruments and the fair value of Sorbie 2 Settlements was allocated to share capital. The warrants were valued using the residual method, whereby the fair value of Sorbie 2 Settlements was first allocated to the shares, with the remaining value assigned to the warrants. The warrants issued as part of the Sorbie 2 Units were determined to have a $Nil value.

Securities Issued	Quantity	Fair Value	Allocation	Prorated Value
Common shares	1,169,118	$ 805,147	100%	$ 604,357
Warrants	584,559			
Total value of Sorbie 1 Settlements		**$ 805,147**		**$ 604,357**

During the year ended August 31, 2024, the Company received a total of $241,518 (2023 – $148,773) in Sorbie 2 Settlements, of which $35,704 were recorded as receivable at August 31, 2023. The difference between each Sorbie 2 Settlement's fair value as at the initial recognition on April 5, 2023, and the actual monthly settlement received is recorded as realized gain or loss on financial assets. For the year ended August 31, 2024, the Company recorded a realized loss on settlement of $197,780 (2023 – $16,286).

The difference between the initial valuation of the Sorbie 2 Settlements and their value at the reporting date is recorded as unrealized gain or loss. For the year ended August 31, 2024, the Company recognized $88,946 unrealized gain (2023 – $88,940 unrealized loss) on the financial asset.

As of August 31, 2024, Sorbie had fulfilled all of its obligations under the Sorbie 2 Transaction, and therefore the fair value of expected cash flows was $Nil (August 31, 2023 - $314,655).

April 24, 2024, Equity Swap Agreement with Sorbie Bornholm LP

On April 24, 2024, the Company entered into a financing transaction (the "Sorbie 3 Transaction") with Sorbie whereby the Company agreed to issue 4,585,714 units (the "Sorbie 3 Units") for a total consideration of $1,500,000. The Sorbie 3 Units consisted of one common share at $0.35 and one share purchase warrant entitling Sorbie to purchase one additional common share at $0.50 until April 24, 2027.

The $1,500,000 to be received for the Sorbie 3 Units are being paid out in 24 monthly cash payments (the "Sorbie 3 Settlements") that were measured against a benchmark price of $0.48 per share (the "Sorbie 3 Benchmark") with a set number of shares totaling $1,500,000 at Sorbie 3 Benchmark.

The actual cash paid out under each Sorbie 3 Settlement is determined based on a VWAP for 20 trading days prior to the Sorbie 3 Settlements. If the measured share price is above the Sorbie 3 Benchmark, the Company receives more than 100% of the expected Sorbie 3 Settlements. However, if the share price is below the Sorbie 3 Benchmark, the Company receives less than 100% of the Sorbie 3 Settlements.

To determine the fair value of the Sorbie 3 Settlements the Company uses a Monte Carlo Simulation. Based on the terms of the Sorbie 3 Settlements, the Company calculated the expected future VWAP of the Company's share price at each Sorbie 3 Settlement date, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk-free rate to determine the present value of the future cash flows. The Company used the following assumptions to determine the initial value of the Sorbie 3 Settlements:

(Expressed in Canadian dollars)

As at	April 24, 2024
Sorbie 3 Benchmark	$0.48
Total number of Sorbie 3 Settlements	24
Share price on the valuation date	$0.355
Volatility	65.00%
Risk-free rate	4.27%
Fair value of expected Sorbie 3 Settlements	**$1,116,398**

To determine the allocation of the fair value of the Sorbie 3 Settlements, the Company analyzed Sorbie 3 Units under guidance available under IFRS 9 and IAS 32. The Company determined that Sorbie 3 Units were equity instruments, and the fair value of Sorbie 3 Settlements was allocated to share capital. The warrants were valued using the residual method, whereby the fair value of Sorbie 3 Settlements was first allocated to the shares, with the remaining value assigned to the warrants. The warrants issued as part of the Sorbie 3 Units were determined to have a $Nil value.

Securities Issued	Quantity	Fair Value	Allocation	Prorated Value
Common shares	4,585,714	$ 1,627,928	100%	$ 1,116,398
Warrants	4,585,714			
Total value of Sorbie 1 Settlements		**$ 1,627,928**		**$ 1,116,398**

During the year ended August 31, 2024, the Company received a total of $203,581 (2023 – $Nil) in Sorbie 3 Settlements and recorded $55,534 (2023 – $Nil) as receivable.

The difference between Sorbie 3 Settlement's fair value as at the initial recognition on April 24, 2024, and the actual cash received is recorded as realized gain or loss on financial assets. For the year ended August 31, 2024, the Company recorded a realized gain on settlement of $74,569 (2023 – $Nil).

At August 31, 2024, the fair value of the future Sorbie 3 Settlements was determined to be $1,130,734 (2023 – $Nil). The difference between the initial valuation of the Sorbie 3 Settlements and their value at the reporting date is recorded as unrealized gain or loss. For the year ended August 31, 2024, the Company recognized $198,882 unrealized gain (2023 – $Nil) on the financial asset.

Sensitivity Analysis

The following table illustrates the impact of a 10% increase and a 10% decrease in the Company's share price on the fair value of the financial assets and financial liabilities from Sorbie transactions:

Transactions	Fair Market Value as at August 31, 2024	10% Share Price Increase	10% Share Price Decrease
Sorbie 3 Settlements	$ 1,130,734	$ 1,244,344	$ 1,019,121

(Expressed in Canadian dollars)

6. RECEIVABLES

	August 31, 2024	August 31, 2023
Sorbie Settlements receivable	$ 55,534	$ 130,343
GST receivable	5,251	4,516
	$ 60,785	**$ 134,859**

7. PREPAID EXPENSES

	August 31, 2024	August 31, 2023
Regulatory fees	$ 17,930	17,437
Advertising and promotion	24,500	42,131
Deferred exploration expenditures	–	4,265
Miscellaneous	–	354
	$ 42,430	**$ 64,187**

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	August 31, 2024	August 31, 2023
Accounts payable	$ 744,429	$ 287,167
Accrued liabilities	134,840	79,137
	$ 879,269	**$ 366,304**

9. SHARE CAPITAL

Authorized and issued

The authorized share capital consists of an unlimited number of common shares without par value (the "Common Shares") and an unlimited number of shares designated as preferred shares. At August 31, 2024, the Company had 51,472,019 common shares (2023 – 39,985,108) and no preferred shares issued and outstanding.

Shares issued during the year ended August 31, 2024

On November 1, 2023, the Company issued 854,000 common shares to Sorbie upon the conversion of 700 Sorbie Notes, with a fair value of $380,030 (Note 10).

On November 28, 2023, the Company closed the first tranche of a non-brokered private placement issuing 820,000 units for gross proceeds of $369,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at $0.60 per share exercisable within 24 months from the issuance date. The warrants were valued at $8,200 using the residual method and recorded in reserves.

In connection with the closing of the first tranche of the private placement, the Company paid a total of $32,400 in cash finders' fees, $7,500 in legal fees, and issued 72,000 finders' warrants. Each finders' warrant entitles the holder to acquire one common share at $0.44 per share exercisable within 24 months from the closing of the first tranche. The finders' warrants were valued at $12,733 using Black Scholes Option Pricing Model with the following assumptions:

(Expressed in Canadian dollars)

Share price	$0.44
Exercise price	$0.45
Exercise term	24 months
Risk free rate	4.29%
Volatility	70.70%

On December 11, 2023, the Company closed the second and final tranche of the non-brokered private placement, issuing 680,333 units for gross proceeds of $306,150. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at $0.60 per share, for 24 months from the closing date. The warrants were valued at $23,812 using the residual method and recorded in reserves.

In relation to the second tranche of the private placement, the Company paid $5,550 in legal fees and $15,165 in finders' fees; in addition, the Company issued 33,700 finders' warrants. Each finders' warrant entitles the holder to acquire one additional common share at $0.45 per share exercisable within 24 months from the closing of the second tranche. The finders' warrants were valued at $5,363 using Black Scholes Option Pricing Model with the following assumptions:

Share price	$0.415
Exercise price	$0.45
Exercise term	24 months
Risk free rate	4.18%
Volatility	70.66%

On December 12, 2023, the Company issued 5,387 common shares valued at $2,397 to settle $2,397 interest payable on Sorbie Notes.

On December 19, 2023, the Company issued 525,000 common shares valued at $210,000 to Colibri in accordance with the anti-dilution clause of the Pilar Agreement (Note 4).

On February 2, 2024, the Company issued 829,600 common shares to Sorbie upon the conversion of 680 Sorbie Notes, with a fair value of $306,952 (Note 10) and 10,977 common shares valued at $4,062 to settle $4,062 interest payable on Sorbie Notes.

On April 24, 2024, the Company closed the first tranche of a non-brokered private placement issuing 1,713,800 units at $0.35 per unit for gross proceeds of $599,830. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at $0.50 per share, exercisable within 36 months from the closing of the first tranche, subject to accelerated expiry provisions. The warrants were valued at $nil using the residual method.

In relation to the private placement, the Company paid a total of $10,000 in legal fees, $52,885 in cash finders' fees, and issued 151,000 finders' warrants exercisable at $0.35 per common share, expiring on April 24, 2027. The finders' warrants were valued at $26,935 using Black Scholes Option Pricing Model with the following assumptions:

(Expressed in Canadian dollars)

Share price	$0.35
Exercise price	$0.35
Exercise term	36 months
Risk free rate	4.16%
Volatility	73.77%

Concurrently with closing of April 24, 2024, private placement, the Company issued 4,585,714 units to Sorbie in exchange for the Sorbie 3 Settlement payments over the 24 months pursuant to the terms and conditions of Sorbie 3 Transaction. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable at $0.50 per share and expires on April 24, 2027. The units were valued based on the fair value of expected Sorbie 3 Settlements, which was determined to be $1,116,398 using Monte Carlo Simulation (Note 5).

On May 8, 2024, the Company closed its second and final tranche of the non-brokered private placement issuing 1,201,600 units for gross proceeds of $420,560. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at $0.50 per share, exercisable within 36 months from the closing date. The Company paid $10,000 in legal fees, $11,641 in cash finders' fees, and issued 33,260 finders' warrants exercisable at $0.35 per common share, expiring on May 8, 2027. The finders' warrants were valued at $5,923 using Black Scholes Option Pricing Model with the following assumptions:

Share price	$0.35
Exercise price	$0.35
Exercise term	36 months
Risk free rate	4.06%
Volatility	73.54%

On June 26, 2024, the Company issued 10,500 common shares on the exercise of finders' warrants for gross proceeds of $4,725.

On August 8, 2024, the Company issued 250,000 shares valued at $120,000 to Suaqui Verde Properties in relation to the Pilar landholding expansion (Note 4).

Shares issued during the year ended August 31, 2023

On September 21, 2022, the Company issued 1,000,000 Common Shares with a fair value of $650,000 as payment for Pilar Project pursuant to the Property Option Agreement dated September 22, 2019, as amended on August 31, 2021, between the Company and Colibri (Note 4).

On September 27, 2022, the Company issued 9,600 Common Shares on exercise of finder's warrants with an exercise price of $0.60 for total gross proceeds of $5,760. On December 2, 2022, the Company issued 18,750 Common Shares on exercise of options at an exercise price of $0.35 for total gross proceeds of $6,563. The share price at the time the options were exercised was $0.47.

On January 6, 2023, the Company issued 12,500 Common Shares on exercise of options at an exercise price of $0.40 for total proceeds of $5,000. The share price at the time the options were exercised was $0.55.

On February 16, 2023, the Company closed a non-brokered private placement (the "Offering") by issuing a total of 1,227,353 units of its common stock at a price of $0.52 per unit for gross proceeds of $638,224. The private placement consisted of three tranches, which closed on January 30, 2023, February 9, 2023, and February 16,

(Expressed in Canadian dollars)

2023. Each unit consisted of one Common Share and one-half of one Common Share purchase warrant (the "Warrant"). Each full Warrant entitles the holder to acquire additional Common Share at a price of $0.62 exercisable within 18 months from the close of the respective tranche.

In connection with the Offering, the Company paid $15,400 in legal fees and $56,342 in cash commissions. In addition, the Company issued 108,351 finders warrants ("Finders' Warrants") entitling the holder to acquire one Common Share at a price of $0.52 exercisable within 18 months from the close of the respective tranche. The Finders' Warrants were valued at $26,517 using Black Scholes option pricing model with the following assumptions:

Share price	$0.52 - $0.60
Exercise price	$0.52
Exercise term	18 months
Risk free rate	3.9%
Volatility	79.16%-80.10%

On February 22, 2023, the Company issued 218,000 Common Shares at $0.50 per share for a total value of $109,000 to a vendor for services rendered in production and broadcasting media in accordance with the agreement dated August 15, 2022.

On April 5, 2023, the Company completed a financing transaction with Sorbie (Note 5). As part of the Sorbie 2 Transaction, the Company issued a total of 1,169,118 Sorbie 2 Units. Each Sorbie 2 Unit consisted of one common share and one-half of one common share purchase warrant ("Sorbie 2 Warrant"). Each full Sorbie 2 Warrant entitles Sorbie to acquire one additional share at an exercise price of $0.68, exercisable until April 5, 2026. The Company determined that the fair value of the Sorbie 2 Units (calculated to be $853,456 based on the market value of the Company's shares on the date of the transaction) exceeded the fair value of the future Sorbie 2 Settlements expected to be received from the Sorbie 2 Transaction (calculated to be $604,357), the full $604,357 were allocated to the share capital based on the residual method.

In connection with the Sorbie 2 Transaction, the Company paid $13,000 in legal fees, which were also recorded as part of the share issuance cost.

On July 18, 2023, the Company settled accrued interest of $28,090 on Sorbie Notes by issuing 59,137 common shares valued at $28,090. The Sorbie Notes carry a non-compounding interest of 1% per annum to be settled annually in cash or common shares at Sorbie's discretion (Notes 5 and 10).

Stock Options

The Company has a rolling stock option plan under which it is authorized to grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding shares. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of five years and vest as determined by the Board of Directors.

(Expressed in Canadian dollars)

A summary of option activities is as follows:

	Year ended August 31, 2024		Year ended August 31, 2023	
	Number of Stock Options	Weighted Average Exercise Price	Number of Stock Options	Weighted Average Exercise Price
Outstanding, beginning of year	2,662,500	$ 0.60	2,725,250	$ 0.54
Exercised	–	n/a	(31,250)	$ 0.37
Expired	–	n/a	(431,500)	$ 0.27
Granted	700,000	$ 0.50	400,000	$ 0.72
Outstanding, ending of year	3,362,500	$ 0.58	2,662,500	$ 0.60
Exercisable, ending of year	3,262,500	$ 0.58	2,362,500	$ 0.59

As at August 31, 2024, the following incentive stock options were outstanding:

Number of Stock Options	Exercise Price	Years remaining	Expiry Date	Exercisable at August 31, 2024
150,000(1)	$ 0.15	0.15	October 24, 2024	150,000
181,250	$ 0.35	1.03	September 11,2025	181,250
281,250	$ 0.40	1.06	September 21, 2025	281,250
100,000	$ 0.40	1.29	December 15, 2025	100,000
150,000	$ 0.35	1.39	January 19, 2026	150,000
200,000	$ 0.80	1.67	May 3, 2026	200,000
200,000	$ 0.45	2.25	December 1, 2026	100,000
1,200,000	$ 0.72	2.93	August 5, 2027	1,200,000
400,000	$ 0.72	3.64	April 20, 2028	400,000
500,000	$ 0.50	4.09	October 3, 2028	500,000
3,362,500	**$ 0.58**	**2.57**		**3,262,500**

(1) Expired unexercised

As at August 31, 2024, the weighted average life of the options was 2.57 years.

Share-based compensation

On October 3, 2023, the Company granted options to acquire up to 500,000 shares to certain consultants. The options entitle the holders to purchase one Common Share for each option held at a price of $0.50 per Common Share expiring on October 3, 2028. The options vested at the time of grant. In connection with this grant, the Company calculated the fair value of the share-based compensation to be $206,967 using the Black Scholes Option Pricing Model with the following assumptions: share price – $0.55; exercise price – $0.50; expected life – 5 years; expected volatility – 94.32%; risk free interest rate – 4.48%.

On December 1, 2023, the Company granted 200,000 stock options to a consultant. The option vests at 25% every quarter and entitles the holder to purchase one Common Share for each option held at a price of $0.45 per Common Share expiring on December 1, 2026. The fair value of the option was valued at $45,946 using the Black Scholes Option Pricing Model with the following assumptions: share price – $0.435; exercise price – $0.45; expected life – 3 years; expected volatility – 79.31%; risk free interest rate – 3.90%.

During the year ended August 31, 2024, the Company recognized $331,350 (2023 – $747,219) in share-based compensation.

(Expressed in Canadian dollars)

Warrants

A summary of warrant activities is as follows:

		Year ended August 31, 2024		Year ended August 31, 2023
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of year	9,546,755	$ 1.21	9,494,103	$ 1.22
Issued	9,291,507	$ 0.51	1,306,587	$ 1.21
Exercised	(10,500)	$ 0.45	(9,600)	$ 0.60
Expired	(2,335,216)	$ 1.14	(1,241,335)	$ 0.60
Outstanding, ending of year	**16,492,546**	$ 0.83	9,546,755	$ 1.21

At August 31, 2024, the following subscribers' warrants were outstanding:

Expiry Date	Number of Subscribers' Warrants	Weighted Average Exercise Price
June 28, 2025	1,713,490	$ 1.30
June 28, 2025	1,713,490	$ 1.40
June 28, 2025	3,200,000	$ 1.20
April 5, 2026	584,559	$ 0.68
November 28, 2025	820,000	$ 0.60
December 11, 2025	680,333	$ 0.60
April 24, 2027	6,299,514	$ 0.50
May 8, 2027	1,201,600	$ 0.50
	16,212,986	**$ 0.83**

At August 31, 2024, the weighted average life of the subscribers' warrants was 1.74

years. At August 31, 2024, the following finders' warrants were outstanding:

Expiry Date	Number of Finders' Warrants	Weighted Average Exercise Price
November 28, 2025	61,500	$ 0.45
December 11, 2025	33,700	$ 0.45
April 24, 2027	151,100	$ 0.35
May 8, 2027	33,260	$ 0.35
	279,560	**$ 0.38**

At August 31, 2024, the weighted average life of the finders' warrants was 1.54 years.

(Expressed in Canadian dollars)

10. CONVERTIBLE NOTES

In connection with the Sorbie 1 Transaction (Note 5), the Company issued a total of 2,801 convertible notes with a face value of $1,000 per Sorbie Note for a total of $2,810,124 maturing on June 28, 2025. Each Sorbie Note has a coupon rate of 1% per annum, non-compounding, and is payable in common shares. Each note is convertible into 1,220 common shares provided that in the event of a takeover offer at a price lower than $0.82 per share, the conversion price shall be substituted for the price at which the takeover offer is made. The Sorbie Notes can be converted to shares at the discretion of Sorbie, provided that notice in writing setting out the number of Sorbie Notes to be converted and the proposed date for conversion is given to the Company at least five business days prior to the proposed date for conversion. In addition, the Sorbie Notes cannot be redeemed prior to the maturity date, when they automatically convert to Common Shares of the Company. Because the conversion price is not fixed, at initial recognition the Company recorded the fair value of the Sorbie Notes, being $2,810,124 as debenture payable.

During the year ended August 31, 2024, the Company issued 1,683,600 common shares valued at $686,982 on conversion of 1,380 Sorbie Notes and issued a further 16,364 common shares for accrued interest payable of $6,459 at an average price of $0.39 per share. The conversion of Sorbie notes resulted in a realized gain of $693,570 (2023 – $Nil).

At August 31, 2024, the Company recognized the fair value of the remaining 1,429 Sorbie Notes at $775,205 (2023 – $1,958,304) and recorded unrealized loss of $185,544 (2023 – $34,270) on revaluation, which resulted from the decrease of the Company's share price from $0.57 at August 31, 2023, to $0.435 on August 31, 2024.

During the year ended August 31, 2024, the Company recognized $18,368 (2023 – $28,090) in interest expense related to the Sorbie Notes, of which $16,835 (2023 – $4,925) remained payable as at August 31, 2024.

11. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the years d August 31, 2024 and August 31, 2023 was as follows:

Description	**August 31, 2024**	**August 31, 2023**
Advertising and promotions	$ –	$ 23,173
Consulting fees	12,000	26,000
Deferred exploration expenditures	384,987	448,594
Finders' fees	–	34,262
Management fees	48,000	48,000
Share-based compensation	40,683	396,701
	$ 485,670	**$ 976,730**

(Expressed in Canadian dollars)

Related party balances

During the year ended August 31, 2024, the Company incurred $48,000 (2023 – $48,000) in management fees and $12,000 (2023 – $12,000) in deferred exploration expenditures to a company controlled by the CEO. As at August 31, 2024, $549 was due from the related party (2023 – balance payable to the related party $46,143).

During the year ended August 31, 2024, the Company incurred $372,987 (2023 – $436,594) in deferred exploration expenditures to a company controlled by a director including $48,926 or US$36,000 (2023 – $48,711 or US$36,000) in geological and consulting fees. As at August 31, 2024, $604,294 (2023 – $462,143) was owed to the related party.

During the year ended August 31, 2024, the Company incurred $12,000 (2023 – $12,000) in consulting fees to the Company's CFO. As at August 31, 2024, $17 (2023 – $Nil) was owed to the CFO.

As at August 31, 2024, $Nil (2023 – $10,800) was owed to the former CEO.

All amounts due to related parties are unsecured, non-interest bearing, and with no fixed repayment terms.

12. CAPITAL MANAGEMENT

The Company considers its capital to consist of shareholders' equity. The Company's capital management objective is to ensure the Company's ability to continue as a going concern by maintaining adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

a. Fair Value

The Company's cash, receivables, accounts payable and due to related parties are classified at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current nature. The financial assets and debenture payable are all classified at FVTPL. Financial assets and liabilities at fair value through profit and loss are revalued at each reporting date based on the three levels of a fair value hierarchy.

The following table summarizes the carrying values of the Company's financial instruments:

	August 31, 2024	**August 31, 2023**
Financial assets at amortized cost (i)	$ 162,424	$ 155,684
Financial assets at fair value through profit and loss (ii)	$ 1,130,734	$ 1,355,240
Financial liabilities at amortized cost (iii)	$ 1,482,728	$ 885,390
Financial liabilities at fair value through profit and loss (iv)	$ 775,205	$ 1,958,304

(i) Cash and receivables
(ii) Monthly Settlements resulting from Sorbie Transactions (Note 5)
(iii) Due to related parties and accounts payable
(iv) Convertible debenture payable issued as a result of Sorbie 1 Transaction (Notes 5 and 10)

(Expressed in Canadian dollars)

b. Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, which is held with a high credit quality financial institution, Sorbie Settlements receivable as a result of Sorbie Transactions, and to a smaller extent GST receivable from the Government of Canada.

c. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and operating expenditures by raising additional funds through share issuances when required. The Sorbie Notes mature on June 28, 2025 (Notes 5 and 10) however, will only be settled through conversion to shares. The Company's other financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

d. Foreign Exchange Risk

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

As at August 31, 2024, the Company was exposed to foreign currency risk through the following financial assets and liabilities denominated in foreign source currencies, converted to Canadian Dollars at the prevailing rate at the end of the reporting year.

				+ /- 10% Fluctuation	
As of August 31, 2024		**CAD Equivalent**	**Currency**	**Increase**	**(Decrease)**
Cash	$	16,440	USD	$ 1,644	$ (1,644)
Cash		627	MXN	63	(63)
Accounts payable and accrued liabilities		(653,786)	USD	(65,379)	65,379
Accounts payable and accrued liabilities		(405)	MXN	(41)	41
Accounts payable and accrued liabilities		(2,984)	EURO	(298)	298
Due to related parties		(603,459)	USD	(60,346)	60,346
Total	**$**	**(1,243,567)**		**$ (124,357)**	**$ 124,357**

e. Interest Rate Risk

Interest rate risk is the risk that arises from fluctuating interest rates. The Company is not exposed to significant interest rate risk.

f. Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company. The Company is exposed to equity price risk since Sorbie Monthly Settlements are affected by the movement of the Company's share price.

(Expressed in Canadian dollars)

14. *INCOME TAXES*

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

	For the years ended August 31, 2024	August 31, 2023
Net loss	$ (1,171,463)	$ (1,760,488)
Statutory tax rate	27%	27%
Expected income tax recovery at the statutory tax rate	(316,000)	(475,000)
Impact of different statutory tax rate on earnings from subsidiaries	(2,000)	15,000
Non-deductible items and other	91,000	383,000
Share issue costs	(9,000)	(6,000)
Adjustment to prior years provision versus statutory tax returns	313,000	13,000
Foreign exchange	3,000	(5,000)
Other	(12,000)	(595,000)
Change in deferred tax assets not recognized	(68,000)	670,000
Income tax recovery	$ –	$ –

The significant components of the Company's deferred tax assets and liabilities are as follows:

	August 31, 2024	August 31, 2023
Non-capital losses	$ 1,494,000	$ 1,285,000
Share issuance costs	71,000	39,000
Investment tax credits	–	173,000
	1,565,000	1,497,000
Unrecognized deferred tax assets	(1,565,000)	(1,497,000)
Net deferred income tax assets	$ –	$ –

The Company has non-capital losses for Canadian income tax purposes of approximately $6,168,000 which may be carried forward and applied against taxable income in the future. These losses, if not utilized, will expire starting in 2039.

15. *RESTATEMENT*

The comparative figures for the year ended August 31, 2023 and as at August 31, 2023 and September 1, 2022 have been restated as the Company has reassessed the classification of warrants issued as part of Sorbie 1 Transaction and Sorbie 2 Transaction (together the "Sorbie Transactions") (Note 5).

The Company determined that warrants issued as part of the Sorbie Transactions met the criteria to be classified as equity rather than liabilities.

(Expressed in Canadian dollars)

The impact of the above classifying the warrants as equity rather than liabilities is as follows:

Consolidated Statements of Financial Position

		As at August 31, 2022 (As previously reported)		**Restatement**		**As at August 31, 2022 (Restated)**
Warrants payable	$	1,229,047	$	(1,229,047)	$	-
Total current liabilities	$	4,052,562	$	(1,229,047)	$	2,823,515
Share capital	$	7,694,247	$	748,773	$	8,443,020
Defici	$	902,334	$	269,859	$	1,172,193
Retained earnings	$	(5,009,158)	$	210,415	$	(4,798,743)
Total shareholders' equity	$	3,587,423	$	1,229,047	$	4,816,470

		As at August 31, 2023 (As previously reported)		**Restatement**		**As at August 31, 2023 (Restated)**
Warrants payable	$	777,435	$	(777,435)	$	-
Total current liabilities	$	3,621,129	$	(777,435)	$	2,843,694
Share capital	$	9,373,703	$	1,005,051	$	10,378,754
Reserves	$	1,676,070	$	269,859	$	1,945,929
Retained earnings	$	(6,769,646)	$	(497,475)	$	(7,267,121)
Total shareholders' equity	$	4,280,127	$	777,435	$	5,057,562

Consolidated Statements of Loss and Comprehensive Loss

		Year ended August 31, 2023 (As previously reported)		**Restatement**		**Year ended August 31, 2023 (Restated)**
Unrealized gain on warrants payable	$	707,890	$	(707,890)	$	-
Net loss and comprehensive loss for the year	$	1,760,488	$	707,890	$	2,468,378
Basic and diluted loss per share	$	(0.05)	$	(0.01)	$	(0.06)

16. SUBSEQUENT EVENTS

On October 18, 2024, 38,595 common shares were issued on exercise of finders' warrants at $0.35 per share for total gross proceeds of $13,508.

On October 21, 2024, 28,500 common shares were issued on exercise of subscriber's warrants at $0.50 per share for total gross proceeds of $14,250.

On December 10, 2024, the Company issued 4,012,500 units to Sorbie in relation to a private placement of $1,800,000. Each unit consisted of one common share and one share purchase warrant exercisable at $0.75 within 36 months from the closing date. The proceeds of the offering will be paid out to the Company over 24 monthly cash payments (the “Sorbie 4 Settlement”) that are measured against a benchmark price of $0.66 per share (the “Sorbie 4 Benchmark”) with a set number of shares totaling $1,800,000 at the Sorbie 4 Benchmark. The actual cash paid out under each Sorbie 4 Settlement is determined based on a VWAP for 20 trading days prior to the Sorbie 4 Settlements. If the measured share price is above the Sorbie 4 Benchmark, the Company receives more than 100% of the expected Sorbie 4 Settlements. However, if the share price is below the Sorbie 4 Benchmark, the Company receives less than 100% of the Sorbie 4 Settlements.

On December 10, the Company issued 636,083 units at a price of $0.48 per unit for gross proceeds of $305,320. Each unit consisted of one common share and one share purchase warrant exercisable at $0.75 within 36 months from the closing date. In relation to the private placement, the Company paid $24,696 as finders’ fees and issued 51,450 finders’ warrants exercisable at $0.48 per common share for a period of 36 months from the closing date.

On December 27, 2024, the Company issued 500,000 common shares to Suaqui Verde Properties, S.A. De C.V. under its share issuance commitment included in SV Agreement.