ALPHA COPPER CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended September 30, 2023 and 2022

Stated in Canadian Dollars

ALPHA COPPER CORP.

INDEX TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended September 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alpha Copper Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alpha Copper Corp. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2023 and 2022, 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 a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2023 and 2022 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has no source of operating revenue, and has incurred net losses since its inception. 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
Refer to note 2 – Significant accounting policies – Exploration and evaluation assets, and Note 9 – Exploration and evaluation assets Management assesses at each reporting period whether there is an indication that the carrying value	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:

of the exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit. Confirmed that the Company's right to explore the properties had not expired. Obtained management's written representations regarding the Company's future plans for the mineral properties. Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units withing the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 James D. Gray.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
February 6, 2024

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Statements of Consolidated Financial Position
As at September 30,
(Stated in Canadian dollars)

		2023		2022
Assets				
Current assets:				
Cash (Note 17)	$	34,379	$	3,156,069
Restricted cash (Note 4)		28,750		-
GST and other receivables		234,450		75,842
Prepaid and deposit (Note 5)		2,700		410,000
Total current assets		300,279		3,641,911
Reclamation bond (Note 6)		109,500		-
Property and equipment (Note 8)		23,309		26,042
Exploration and evaluation assets (Note 9)		10,613,116		1,868,219
Total assets	**$**	**11,046,204**	**$**	**5,536,172**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 10)	$	637,819	$	190,100
Flow-through liability (Note 17)		119,408		168,146
Total current liabilities		757,227		358,246
Shareholders' equity:				
Share capital (Note 12)		18,074,487		12,002,394
Reserves		3,431,300		1,942,635
Deficit		(11,216,810)		(8,767,103)
Total shareholder's equity		10,288,977		5,177,926
Total liabilities and shareholder's equity	**$**	**11,046,204**	**$**	**5,536,172**

Nature of operations and continuance of business (Note 1)
Subsequent event (Note 18)

On behalf of the Board of Directors:

"Darryl Jones"	"Sean Kingsley"
Director	Director

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

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Statements of Consolidated Loss and Comprehensive Loss
For the Years Ended September 30, 2023 and 2022
(Stated in Canadian dollars)

	2023	2022
Expenses		
Consulting fees	$ 402,505	$ 234,453
Marketing and investor relations	1,631,870	5,524,015
Office and administration	166,187	102,937
Professional fees	292,843	187,568
Regulatory and filing	59,503	54,762
Share-based compensation (Note 3)	125,004	1,589,288
Depreciation	57,555	1,371
Travel	-	19,825
Net loss before other items	(2,735,467)	(7,714,219)
Other items		
Flow-through recovery	178,062	133,510
Interest income	720	-
Write-off of receivables	(19,500)	-
Gain on extinguishment of lease (Note 11)	126,478	-
Net loss and comprehensive loss for the year	**$ (2,449,707)**	**$ (7,580,709)**
Weighted average numbers of shares outstanding	20,091,996	10,434,005
Loss per share	$ (0.12)	$ (0.73)

The accompanying notes are integral part of these financial statements.

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Statements of Changes in Consolidated Shareholders' Equity
(Stated in Canadian dollars)

	Share Capital		Reserves	Deficit	Total Equity
	# of shares	$	$	$	$
Balance, October 1, 2021	5,293,323	$ 2,343,401	$ 45,301	$ (1,186,394)	$ 1,202,308
Private placement	6,157,806	9,089,267	-	-	9,089,267
Flow-through premium	-	(301,656)	-	-	(301,656)
Share issue costs	-	(684,793)	308,046	-	(376,747)
Exercise of warrants	2,885,375	1,246,175	-	-	1,246,175
Shares issued for mineral properties	100,958	310,000	-	-	310,000
Share-based compensation	-	-	1,589,288	-	1,589,288
Net loss for the year	-	-	-	(7,580,709)	(7,580,709)
Balance, September 30, 2022	**14,437,462**	**$ 12,002,394**	**$ 1,942,635**	**$ (8,767,103)**	**$ 5,177,926**
Exercise of warrants (Note 12)	1,487,500	722,890	(1,890)	-	721,000
Acquisition of CAVU (Note 3)	6,371,254	5,351,853	1,365,551	-	6,717,404
Share issue costs	-	(9,900)	-	-	(9,900)
Shares issued for mineral properties (Note 9)	12,500	7,250	-	-	7,250
Share-based compensation	-	-	125,004	-	125,004
Net loss for the year	-	-	-	(2,449,707)	(2,449,707)
Balance, September 30, 2023	**22,308,716**	**$ 18,074,487**	**$ 3,431,300**	**$(11,216,810)**	**$ 10,288,977**

Refer also to Note 18.

The accompanying notes are integral part of these financial statements.

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Statements of Consolidated Cash Flows
For the Years Ended September 30, 2023 and 2022

		2023		2022
Cash provided by (used in):				
Operating activities				
Net loss	$	(2,449,707)	$	(7,580,709)
Items not affecting cash:				
Depreciation		57,555		1,371
Flow-through recovery		(178,062)		(133,510)
Interest expense		45,039		-
Gain on extinguishment of lease		(126,478)		-
Share-based compensation		125,004		1,589,288
Change in non-cash working capital:				
Receivables		(72,658)		(75,842)
Prepaid and deposits		555,312		(392,917)
Accounts payable and accrued liabilities		322,903		30,591
Net cash used in operations		**(1,721,092)**		**(6,561,728)**
Investing activities				
Exploration and evaluation assets		(2,114,580)		(1,220,209)
Purchase of property and equipment		(2,751)		(27,413)
Lease obligations		(92,430)		-
Cash acquired in acquisition of CAVU		98,063		-
Net cash used in investing activities		**(2,111,698)**		**(1,247,622)**
Financing activities				
Issuance of common shares		-		10,335,442
Proceeds from exercise of warrants		721,000		(376,747)
Share issue costs		(9,900)		-
Net cash provided by financing activities		**711,100**		**9,958,695**
Net change in cash		(3,121,690)		2,149,345
Cash, beginning of year		3,156,069		1,006,724
Cash, end of year	**$**	**34,379**	**$**	**3,156,069**

Non-Cash Transactions		**2023**		**2022**
Shares issued for acquisition of CAVU	$	5,351,853	$	-

The accompanying notes are integral part of these financial statements.

1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

Alpha Copper Corp. (the "Company" or "Alpha") was incorporated under the Business Corporations Act (British Columbia) on March 29, 2019. The Company is in the business mineral property exploration and was listed on the Canadian Securities Exchange ("CSE") on August 9, 2019 after completing its initial public offering pursuant to a prospectus dated May 10, 2019. The Company's stock symbol is "ALCU".

The Company has option agreements to earn an interest in mineral properties located in British Columbia (Note 9) and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts from the properties are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying properties, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreements and to complete the development of the properties and upon future profitable production or proceeds for the sale thereof.

The Company's head office, principal address and registered and records office is located at 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L4.

The Company's ongoing operations are ultimately dependent upon the success of its business activities and its ability to attain profitable operations and generate funds therefrom and/or to raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to continue financing operating costs through public and private financing endeavors. However, the Company has no source of operating revenue, has incurred net losses since inception and as at September 30, 2023 has a cumulative operating deficit of over $11 million (2022 – over $8.7 million) and a working capital deficit of approximately $450,000 (2022 – working capital of approximately $3.28 million). The Company also has significant commitments to complete exploration work (Notes 3, 9 and 17). These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. Its continued existence will, in the near term, be dependent on the continued receipt of related party debt or equity financing on terms which are acceptable to the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on February 6, 2024.

Basis of presentation

These financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary. Intercompany balances and transactions are eliminated in preparing the consolidated financial statements. The following companies have been consolidated within these consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Entity	Country of Incorporation	Holding	Functional Currency
Alpha Copper Corp.	Canada	Parent	Canadian Dollar
CAVU Energy Metals Corp. ('CAVU')	Canada	100%	Canadian Dollar

Use of estimates and judgements

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

Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the change is identified, and prospectively in future periods.

Material estimates applicable to the current fiscal year include those in respect to the calculation of the consideration issued to acquire CAVU, and the allocation of that consideration to the identifiable net assets of that company as more fully explained at note 3. For example, future changes in the variables used to determine such estimates could suggest, and result in, impairment charges in relation to the exploration and evaluation assets recognized on the acquisition of CAVU.

Significant judgements

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

Going concern

In the preparation of these consolidated financial statements management is required to identify when events or conditions indicate that significant doubt may exist about the Company's ability to continue as a going concern. Significant doubt about the Company's ability to continue as a going concern would exist when relevant conditions and events, considered in the aggregate, indicate that the Company will not be able to meet its obligations as they become due for a period of at least, but not limited to, twelve months from the balance sheet date. When the Company identifies conditions or events that raise potential for significant doubt about its ability to continue as a going concern, the Company considers whether its plans that are intended to mitigate those relevant conditions or events will alleviate the potential significant doubt. Management uses judgement to assess the Company's ability to continue as a going concern and the conditions that cast doubt upon the use of the going concern assumption. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Indicators of impairment

The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation properties. Judgment is required to determine if the right to explore will expire in the near future or is not expected to be renewed, to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted, to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities, and is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

Share-based payments

Management determines fair value for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Financial instruments

The classification and measurement of the Company's financial instruments are set out below:

<u>Financial assets</u>

(a) Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

(b) Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income ("FVTOCI") or measured at fair value through profit or loss ("FVTPL").

(i) Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

- The Company's business model for such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(ii) Financial assets measured at FVTPL

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

(iii) Financial assets measured at FVTOCI

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as “financial asset at fair value through other comprehensive income” in other comprehensive income.

(c) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the statement of comprehensive loss.

However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

<u>Financial liabilities</u>

(a) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(b) Classification of financial liabilities

The Company recognizes financial liabilities at initial recognition as financial liabilities: measured at amortized cost or measured at fair value through profit or loss (“FVTPL”)

(i) Financial liabilities measured at amortized cost

A financial liability at amortized cost is initially measured at fair value less transaction cost directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

The Company’s accounts payable and accrued liabilities are classified as financial liabilities measured at amortized cost.

(ii) Financial liabilities measured at fair value through profit or loss

A financial liability measured at fair value through profit or loss is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company does not have any liabilities classified as financial liabilities measured at fair value through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of comprehensive loss.

<u>Offsetting financial assets and liabilities</u>

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

<u>Impairment of financial assets</u>

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 twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring mineral concession and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. All costs related to the acquisition of mineral properties are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the statement of loss and comprehensive loss. In addition, all costs incurred until an appropriate economic assessment has been completed and there is confidence that permits can be obtained to develop the project are expensed. Afterwards, all costs incurred for the development of mineral properties are capitalized.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. 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 the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Share capital

Common shares are classified as equity and measured at the fair value of consideration received or services rendered. Cash consideration received for common shares issued to non-related parties is considered to be the most accurate reflection of fair value; concurrent issuances to related parties at lower prices would accordingly be considered to reflect a component of non-monetary compensation. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and residual proceeds is allocated to the liability. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use (“ROU”) asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions: (i) the Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or (ii) for leases of low value. The payments for such leases are recognized in the consolidated statements of loss and comprehensive loss on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments include fixed payments less any lease incentives, and any variable lease payments where variability depends on an index or rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability and makes a corresponding adjustment to the related ROU asset whenever:

- the lease term has changed;
- the lease payments change due to changes in an index;
- a lease contract is modified and the lease modification is not accounted for as a separate lease.

The ROU asset is initially measured based on the present value of lease payments, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated amortization and impairment losses. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

ROU assets are included in property, plant and equipment, and the lease liability is presented separately in the consolidated statements of financial position.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the ROU asset and lease liability. The related payments are recognized as an expense in the period

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

in which the triggering event occurs and are included in the consolidated statements of loss and comprehensive loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not applied this practical expedient to any of its leases and has separated out non-lease components.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible fixed assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as interest expense.

Future accounting pronouncements

The Company did not adopt any new accounting standard changes or amendments in the current year that had a material impact on the Company's financial statements.

The Company has not yet begun the process of assessing the impact of other new and amended standards that are effective for annual periods beginning on or after October 31, 2023 will have on its financial statements or whether to early adopt any of the new requirements. The Company does not expect the impact of such changed on the financial statements to be material, although additional disclosure may be required.

Property plant and equipment

Equipment is recorded at cost. Amortization is recorded on a declining balance basis over the estimated useful lives of the related assets at the following annual rate:

- Office furniture and equipment 20%

3. ACQUISITION OF CAVU ENERGY METALS CORP.

On December 18, 2022, the Company completed the acquisition of all of the issued and outstanding shares of CAVU, a publicly-listed Canadian company (the "Transaction").

Under the terms of the Transaction, Alpha issued a total of 25,485,016 pre consolidation common shares to the shareholders of CAVU at an exchange ratio of 0.7 shares of Alpha for every one share of CAVU, and also issued stock options and share purchase warrants based at the same exchange ratio for 2,061,000 pre consolidation stock options and 13,673,234 pre consolidation warrants of CAVU which were outstanding at the date of acquisition.

The Transaction was accounted for as an asset acquisition as the activities of CAVU did not meet the definition of a business under IFRS 3, *Business Combinations*. The fair value of the net assets of CAVU was not independently determinable, and accordingly the Transaction was recorded based on the estimated value of the consideration given up by Alpha.

(Stated Amounts in Canadian dollars)

3. ACQUISITION OF CAVU ENERGY METALS CORP. (*continued)*

The net assets acquired by the Company were estimated at a fair value of $6,671,327, as follows:

Fair value of Common Shares issued (25,485,016 pre-consolidation shares)	$	5,351,853
Fair value of Alpha Warrants exchanged for those of CAVU		1,168,509
Fair value of Alpha Options exchanged for those of CAVU		197,042
Fair value of consideration paid by Alpha	**$**	**6,717,404**

The assets and liabilities of CAVU acquired were recorded based on their carrying amounts, except for the surplus amount of consideration issued in excess of the net assets of CAVU, which was allocated to exploration and evaluation assets. This allocation was as follows:

Cash	$	98,063
Restricted cash		28,750
Amounts receivable		47,156
Prepaids and deposits		148,012
Right-of-use asset		348,936
Long-term deposits		38,794
Reclamation bond		109,500
Exploration and evaluation assets		6,623,067
Accounts payable and accrued liabilities		(124,816)
Flow-through liability		(129,324)
Lease obligations		(470,734)
Fair value of consideration paid by Alpha	**$**	**6,717,404**

4. RESTRICTED CASH

The Company's restricted cash consists of an amount deposited in a variable rate guaranteed investment certificate (GIC). The GIC is held with a financial institution as security over a corporate credit card the financial institution has issued to the Company. The GIC is redeemable following the cancellation of the credit card, which can be cancelled at any time.

5. PREPAIDS AND DEPOSTS

		2023		**2022**
Consulting	$	-	$	5,000
Rent		-		5,000
Marketing expense		2,700		350,000
Exploration and evaluation asset work deposits		-		50,000
	$	**2,700**	**$**	**410,000**

6. RECLAMATION BOND

On July 27, 2022, the Company has a reclamation bond associated with the Star property. The total amount of the bond is $219,000, of which the Company has paid $109,500 and the other $109,500 has been insured with a third-party insurance agency.

(Stated Amounts in Canadian dollars)

7. RIGHT-OF-USE ASSET

Cost		
Balance, September 30, 2022	$	-
Additions resulting from the acquisition of CAVU		348,936
Termination of lease agreement		(348,936)
Balance, September 30, 2023	**$**	**-**
Accumulated Depreciation		
Balance, September 30, 2022	$	-
Depreciation		52,071
Termination of lease agreement		(52,071)
Balance, September 30, 2023	**$**	**-**
Net Book Value September 30, 2022	**$**	**-**
Net Book Value September 30, 2023	**$**	**-**

On December 18, 2022, through the acquisition of CAVU, the Company assumed an office lease located in Vancouver, BC and was recorded as a right-of-use asset under the purchase price allocation. The ROU asset was depreciated on a straight-line basis over the life of the lease.

On September 1, 2023, the Company entered into an agreement with a related party to assume the office rental space. As a result, the right of use asset has been derecognized and a resulting gain on the termination of the lease has been recorded in the statement of income.

8. PROPERTY AND EQUIPMENT

		Furniture and equipment
Cost		
Balance, September 30, 2021	$	-
Additions		27,413
Balance, September 30, 2022		27,413
Additions		2,751
Balance, September 30, 2023	**$**	**30,164**
Accumulated Depreciation		
Balance, September 30, 2021	$	-
Depreciation		1,371
Balance, September 30, 2022		1,371
Depreciation		5,484
Balance, September 30, 2023	**$**	**6,855**
September 30, 2022	**$**	**26,042**
September 30, 2023	**$**	**23,309**

9. EXPLORATION AND EVALUATION ASSETS

Indata Property, British Columbia, Canada

In June 2018, the Company entered into an agreement with Eastfield Resources Ltd. ("Eastfield") whereby it obtained the option to acquire an undivided 60% interest in Eastfield's 91.2% - owned Indata copper-gold property ("Indata Property") located 120 kilometres northwest of the community of Fort St. James, British Columbia. The Indata Property comprises 16 mineral claims totaling 3,189 hectares. The residual 8.8% interest in the Indata Property is held by Imperial Metals Corporation. Eastfield and the Company have a director in common. Refer also to Note 13.

To earn the 60% interest, the Company is required to complete $2,500,000 in exploration work, make cash payments of $250,000 ($125,000 paid) and issue common shares at an aggregate value of $150,000 (313,530 shares valued at $110,000 issued) over a five-year term. As amended via agreement, an aggregate $2,500,000 exploration program is required to be completed over a five-year term. To date, the Company has incurred $1,963,071 in exploration costs.

Okeover Property, British Columbia, Canada

In January 2022, the Company entered into an agreement with Eastfield and Northwest Copper Corp. ("Northwest") the property titleholder, whereby it was assigned Eastfield's option to acquire a 100% interest in the Okeover Copper-Molybdenum Project (the "Okeover Project") located in British Columbia. The Okeover Project comprises 12 mineral claims totaling 4,614 hectares.

To complete this option the Company was required to issue a minimum of $1,500,000 worth of its common shares ($250,000 worth of shares issued) and incur $5,000,000 in exploration work on the property in stages over three years, plus issue additional common shares such that Northwest would own 10% of the Company's then-issued and outstanding common shares.

During the year ended September 30, 2023, the option agreement was terminated. After termination, the Company and Northwest entered into a purchase and sale agreement, pursuant to which, subsequent to September 30, 2023, the Company issued to Northwest an additional 1,418,869 common shares with an aggregate value of $500,000 to acquire the property outright.

Northwest retains a 2% Net Smelter Returns ("NSR") royalty, half of which may be bought back by the Company at any time prior to the commencement of commercial production for $1,000,000.

Hopper Project, Yukon, Canada

In December 2022, the Company assumed CAVU's option to acquire a 70% interest in the Hopper Property. To exercise the option and earn 70% interest in the property, the Company is required to complete the following:

(a) to issue common shares and make cash payments to the option holder as follows:

- (i) to issue 100,000 common shares (CAVU common shares issued) and pay $25,000 (paid) or before seven calendar days after March 31, 2021;
- (ii) to 100,000 common shares (CAVU common shares issued) and pay $75,000 (paid) on or before March 31, 2022;
- (iii) to issue 50,000 pre-consolidation common shares (issued – see Note 12) and pay $150,000 (paid) on or before March 31, 2023;
- (iv) to issue 50,000 common shares and pay $200,000 on or before March 31, 2024; and
- (v) to issue 50,000 common shares and pay $250,000 on or before March 31, 2025.

9. EXPLORATION AND EVALUATION ASSETS (continued)

(b) to incur expenditures of not less than $5,000,000 as follows:

- (i) to incur an aggregate exploration expenditure of $1,000,000 (incurred) on or before March 31, 2023;
- (ii) to incur an aggregate exploration expenditure of $2,000,000 on or before March 31, 2024;
- (iii) to incur an aggregate exploration expenditure of $2,000,000 on or before March 31, 2025.

CAVU is required to pay 2% of Exploration costs incurred in a fiscal year to third party.

Star Property, British Columbia, Canada

In December 2022, the Company assumed CAVU's interest in the Star Property. CAVU purchased an initial 49% working interest in the property, and subsequently entered into an option agreement to acquire the remaining 51% interest by completing the following:

(a) issue common shares and make cash payments to the option holder as follows:

- (i) issue 1,250,000 common shares (CAVU common shares issued) and pay $100,000 (paid) or before seven calendar days after May 16, 2022;
- (ii) pay $285,000 (paid) on or before July 1, 2022;
- (iii) pay $385,000 (paid) on or before May 16, 2023; and
- (iv) pay $385,000 on or before May 16, 2024.

Should the Company not complete the 51% option, Prosper Gold Corp., the optionor, shall have a 30-day period from the termination date to purchase the Company's 49% interest in the Star Property for a lump sum cash payment of $500,000.

The Star Project is subject to a royalty with certain legacy owners representing 2% of NSR upon commercial production. One-half of the royalty may be repurchased from the royalty holders for a price of $2,000,000.

Quesnel Property, British Columbia, Canada

In December 2022, the Company also acquired the Quesnel Property on completion of the Transaction. The property was originally acquired through staking.

(Stated Amounts in Canadian dollars)

9. EXPLORATION AND EVALUATION ASSETS *(continued)*

The exploration and evaluation acquisition costs related to the Transaction were allocated to each specific property interest pro-rata, based on the pre-existing balances of related deferred costs in the accounts of CAVU.

Aggregate exploration costs incurred, by property, are as follows:

	Hopper Property	Quesnel Project	Star Project	Indata Property	Okeover Property	Total
	$	$	$	$	$	$
Balance, September 30, 2021	**-**	**-**	**-**	**269,581**	**-**	**269,581**
Acquisition costs	-	-	-	115,000	250,000	365,000
Permitting	-	-	-	-	1,681	1,681
Transportation costs	-	-	-	6,762	7,448	14,210
Drilling costs	-	-	-	420,238	-	420,238
Geological and consulting	-	-	-	673,227	124,282	797,509
Balance, September 30, 2022	**-**	**-**	**-**	**1,484,808**	**383,411**	**1,868,219**
Acquisition costs	4,986,116	43,543	2,135,658	79,931	-	7,245,248
Staking	-	-	-	2,383	-	2,383
Exploration expenses	32,358	-	3,758	395,949	1,065,201	1,497,266
Balance, September 30, 2023	**5,018,474**	**43,543**	**2,139,416**	**1,963,071**	**1,448,612**	**10,613,116**

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are non-interest bearing and detailed below:

		September 30, 2023		September 30, 2022
Trade accounts payable	$	552,621	$	163,100
Accrued accounts payable		85,198		27,000
	$	**637,819**	**$**	**190,100**

11. LEASE OBLIGATION

Lease Liability

The Company's leases comprise only fixed payments over the term of the lease. The Company recorded interest expense of $45,039 (2022 – nil) for the year ended September 30, 2023.

		Office
Lease liability		
Balance, September 30, 2022	$	-
Addition, on acquisition of CAVU		470,734
Interest		45,039
Lease payments		(92,430)
Termination of lease agreement		(423,343)
Balance, September 30, 2023	$	-

On September 1, 2023, the Company entered into an agreement with a related party to assume the office rental space. As a result, the right of use asset has been derecognized and a resulting gain on the termination of the lease has been recorded in the statement of income.

12. SHARE CAPITAL

Authorized Share Capital

Unlimited number of common shares without par value.

Issued Shares

On February 23, 2022, the Company completed a non-brokered private placement of 502,760 flow-through units at a price of $2.60 per unit for gross proceeds of $1,307,174. Each unit consists of one flow-through common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $4.00 per share for a period of 24 months.

On February 23, 2022, the Company completed a non-brokered private placement of 3,135,046 units at a price of $2.00 per unit for gross proceeds of $6,270,093. Each unit consists of one common share of the Company and one common share purchase warrant enabling the holder to acquire one common share at $4.00 per share for a period of 24 months.

The Company paid cash share issuance costs of $356,693 related to the February 23, 2022, share issuances. In addition, the Company granted 99,281 broker warrants, exercisable at $4.00 for a two-year period. These warrants have a fair value of $308,046 using the Black-Scholes pricing model with the following inputs: i) exercise price: $4.00; ii) share price: $3.44; iii) term: 2 years: iv) volatility: 241%; v) discount rate: 1.45%.

During the year ended September 30, 2022, 2,885,375 warrants were exercised for total gross proceeds of $1,246,175.

During the year ended September 30, 2022, 100,958 common shares were issued with a fair value of $310,000 for the acquisition of the Indata and the Okeover properties.

During the year ended September 30, 2023, the Company issued 1,487,500 common shares on the exercise of 1,487,500 warrants for gross proceeds of $721,000.

During the year ended September 30, 2023, the Company issued 6,371,254 common shares to the shareholders of CAVU following the CAVU acquisition. Also, refer to Note 3.

On April 19, 2023, the Company issued 12,500 common shares valued at $7,250 pursuant to CAVU's option to acquire a 70% interest in the Hopper Property.

Stock Option Plan

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the Company's issued and outstanding shares at the date of grant of the options. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the greater of the closing market price of the Company's shares on the CSE on (a) the date on which the Board of Directors grants and announces options (the "Award Date") and (b) the day prior to the Award Date. The Board of Directors may at any time and from time to time, fix limits, vesting requirements or restrictions in respect of which an Option Holder may exercise part of any Option held by him/her.

On January 13, 2022, the Company granted 475,000 stock options to directors and officers. These options have a fair value of $1,022,513 using the Black Scholes model with the following inputs: i) exercise price: $2.40; ii) share price: $2.36; iii) term: 2 years; iv) volatility: 246%; v) discount rate: 1.08%.

(Stated Amounts in Canadian dollars)

12. SHARE CAPITAL *(continued)*

Stock Option Plan *(continued)*

On June 24, 2022, the Company granted 462,500 stock options to directors and officers. These options have a fair value of $486,676, valued using the Black Scholes model with the following inputs: i) exercise price: $1.08; ii) share price: $1.08; iii) term: 5 years; iv) volatility: 238%; v) discount rate: 3.19%.

On June 24, 2022, the Company granted 100,000 stock options to certain consultants of the Company. These options have a fair value of $80,099 using the Black Scholes model with the following inputs: i) exercise price: $1.08; ii) share price: $1.08; iii) term: 2 years; iv) volatility: 163%; v) discount rate: 3.12%.

On December 18, 2022, the Company issued 515,375 options for the acquisition of CAVU in replacement of previously outstanding CAVU options. These options were estimated to have a fair value of $322,046 using the Black Scholes model with the following weighted average inputs: i) exercise price: $2.00; ii) share price: $0.84; iii) term: 2.65 years; iv) volatility: 183%; v) discount rate: 3.37%. The aggregate consideration of $322,046 associated with these options, the basis for which was initially established as options of CAVU, was allocated between an amount of considered to relate to the pre-Transaction period and that considered to relate to the post-Transaction period. The former amount of $197,042 was included as share -based consideration applicable to the to of the acquisition of CAVU, while the latter, residual amount of $125,004 has been recorded as a period operating expense.

The continuity of stock options for the period ended September 30, 2023, is as follows:

	Number	Weighted Average Exercise Price
		$
Balance, September 30, 2021	70,000	1.12
Granted	1,037,500	1.68
Balance, September 30, 2022	1,107,500	1.64
Issued on acquisition of CAVU	515,375	2.00
Balance, September 30, 2023	1,622,875	1.76

The following stock options were outstanding as at September 30, 2023:

Expiry date	Number of options	Exercise price	Remaining life (years)
August 7, 2024	70,000	$1.12	0.86
January 13, 2024*	475,000	$2.40	0.28
June 24, 2024	100,000	$1.08	0.73
June 24, 2027	462,500	$1.08	3.73
January 24, 2025	231,875	$2.68	1.32
July 6, 2026	12,250	$2.36	2.77
October 1, 2024	8,750	$3.24	1.00
February 24, 2026	262,500	$1.36	2.40
Balance, September 30, 2023	1,622,875	$1.76	1.83

**Subsequently expired unexercised.*

(Stated Amounts in Canadian dollars)

12. SHARE CAPITAL *(continued)*

Warrants

The continuity of share purchase warrants for the period ended September 30, 2023 is as follows:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, September 30, 2021	4,452,000	0.44
Issued	6,257,087	2.80
Exercised	(2,885,375)	0.44
Balance, September 30, 2022	7,823,712	2.33
Issued on acquisition of CAVU	3,418,309	2.18
Exercised	(1,487,500)	0.48
Expired	(637,763)	1.66
Balance, September 30, 2023	9,116,758	**2.62**

The following share purchase warrants were outstanding as at September 30, 2023:

Expiry date	Number of warrants	Exercise price	Remaining contractual life (years)
		$	
December 6, 2023*	2,486,625	1.00	0.18
February 22, 2024	3,637,806	4.00	0.25
February 22, 2024	99,281	4.00	0.25
September 29, 2025	787,500	0.16	2.00
January 21, 2024*	1,570,986	3.44	0.31
July 18, 2024	143,208	2.88	0.80
June 27, 2024	163,852	2.88	0.74
October 9, 2025	227,500	0.16	2.03
	9,116,758	**2.62**	**0.52**

****Subsequently expired unexercised.***

On December 18, 2022, the Company issued 3,418,309 warrants for the acquisition of CAVU in replacement of previously outstanding CAVU warrants. These warrants were estimated to have a fair value of $1,168,509 using the Black Scholes model with the following inputs: i) exercise price: $0.16 - $3.44; ii) share price: $0.84; iii) term: 0.16 – 2.81 years; iv) volatility: 90% - 215%; v) discount rate: 3.67%.

(Stated Amounts in Canadian dollars)

13. RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined the key personnel to be officers and directors of the Company.

Payments and accrual were made to the following officers and directors or to companies controlled by these officer and directors.

During the year ended September 30, 2023, the Company paid a privately held company owned by the Chief Executive Officer $180,000 (2022 – $150,750) for consulting services. These amounts are included in consulting fees.

During the year ended September 30, 2023, the Company paid a privately held company owned by the Chief Financial Officer $40,500 (2022 – $22,205) for consulting services. These amounts are included in professional fees.

During the year ended September 30, 2023, the Company paid a privately held company owned by one of the Company directors $266,133 (2022 – $673,227) for geological consulting services. These amounts are included in exploration and evaluation assets.

During the year ended September 30, 2022, a Company director participated in the subscription of 80,000 flow-through common shares.

As at September 30, 2023 and 2022, $225,724 and $85,185 were owed to related parties.

During the year ended September 30, 2023, the Company recorded aggregate share-based compensation of nil (2022 - $1,374,858) to certain directors of the Company in connection with the issuance of stock options.

All related party amounts were incurred in the normal course of operations, bear no interest, and have no fixed terms of repayment.

14. RISK AND CAPITAL MANAGEMENT

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

	Level	September 30, 2023	September 30, 2022
		$	$
Cash	1	34,379	3,156,069
Restricted cash	1	28,750	-
Reclamation bond	1	109,500	-

14. RISK AND CAPITAL MANAGEMENT *(continued)*

The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

15. CAPITAL DISCLOSURES AND MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its projects. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms, enter into joint venture arrangements, borrow, acquire or dispose of assets.

(Stated Amounts in Canadian dollars)

16. INCOME TAXES

The Company's income tax provision differs from that which would be expected from applying the combined effective federal and provincial tax rate of 27% to the net loss before income taxes as follows:

	2023	2022
	$	$
Loss before income taxes	(2,449,700)	(7,580,700)
Total expected income tax recovery at statutory rates	(661,400)	(2,046,800)
Net effect of non-deductible amounts	(9,900)	297,100
Effect of flow-through amounts	211,600	326,500
Unrecognized benefit of income tax losses	459,700	1,423,200
Actual income tax recovery	-	-

As at September 30, 2023 and 2022 the amounts of deductible temporary differences for which no deferred tax assets were recognized, were as follows:

	2023	2022
	$	$
Non-capital loss carry-forward	11,353,300	6,924,800
Share issue costs	345,500	322,800
Property, plant & equipment	24,700	-
Mineral properties	(5,417,400)	(1,267,800)
	6,306,100	5,979,800

The Company's non-capital loss carry-forwards expire according to the following schedule:

	Non-capital Losses
	$
2038	51,000
2039	143,400
2040	154,300
2041	889,100
2042	7,506,100
2043	2,609,400
	11,353,300

These deferred tax assets have not been recognized because at this stage of the Company's development it is not determinable that future taxable profit will be available against which the Company can utilize such deferred tax assets. Accordingly, the potential future tax benefit has been offset entirely by a valuation allowance.

17. COMMITMENT

At September 30, 2023, the Company has a commitment to incur approximately $434,000 in qualifying flow-through exploration expenses prior to December 31, 2023. The tax benefit related to this amount is reported as a non cash current liability of $119,408.

18. SUBSEQUENT EVENT

Consolidation of Common Shares

The Company consolidated its common shares on the basis of one post-consolidation common share for every four pre-consolidation common shares. The effect of this consolidation has been reflected herein, in relation to all equity disclosures, except as indicated otherwise, as if it had occurred on October 1, 2021.