

ALPHA COPPER CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the Three-Months Ended December 31, 2023 and 2022

Stated in Canadian Dollars

(Unaudited)

ALPHA COPPER CORP.

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

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Statements of Consolidated Financial Position
(Stated in Canadian dollars)
(Unaudited)

	As at December 31, 2023	As at September 30, 2023
Assets		
Current assets:		
Cash	\$ 12,026	\$ 34,379
Restricted cash (Note 3)	28,750	28,750
Goods and services taxes receivable	241,059	234,450
Prepaid and deposits	2,700	2,700
Total current assets	284,535	300,279
Reclamation bond (Note 4)	109,500	109,500
Property and equipment (Note 5)	22,143	23,309
Exploration and evaluation asset (Note 6)	11,115,042	10,613,116
Total assets	\$ 11,531,220	\$ 11,046,204
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (Note 7)	\$ 781,620	\$ 637,819
Flow-through liability	119,408	119,408
Total current liabilities	901,028	757,227
Shareholders' equity:		
Share capital (Note 8)	18,574,487	18,074,487
Reserves	3,431,300	3,431,300
Deficit	(11,375,595)	(11,216,810)
Total shareholder's equity	10,630,192	10,288,977
Total liabilities and shareholder's equity	\$ 11,531,220	\$ 11,046,204

Nature of operations and continuance of business (Note 1)

On behalf of the Board of Directors:

"Darryl Jones"
Director

"Sean Kingsley"
Director

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Statements of Consolidated Loss and Comprehensive Loss
For the Three-Months Ended December 31,
(Stated in Canadian dollars)
(Unaudited)

	2023	2022
Expenses		
Consulting fees (Note 9)	\$ 95,500	\$ 79,365
Marketing and investor relations	802	1,018,994
Office and administration	22,528	31,905
Professional fees (Note 9)	30,239	97,679
Regulatory and filing	8,551	7,936
Depreciation	1,165	3,005
Net loss before other items	158,785	1,238,884
Flow-through recovery	-	168,837
Net loss and comprehensive loss for the period	\$ (158,785)	\$ (1,070,047)
Weighted average numbers of shares outstanding	9,454,010	6,127,659
Loss per share	\$ (0.02)	\$ (0.17)

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

	Share Capital		Reserves	Deficit	Total Equity
	# of shares	\$	\$	\$	\$
Balance, September 30, 2022	5,774,985	\$ 12,002,394	\$ 1,942,635	\$ (8,767,103)	\$ 5,177,926
Acquisition of CAVU	2,548,502	5,351,853	1,365,551	-	6,717,404
Share issue costs	-	(9,900)	-	-	(9,900)
Exercise of warrants	595,000	722,890	(1,890)	-	721,000
Shares issued for mineral properties	5,000	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	8,923,397	\$ 18,074,487	\$ 3,431,300	\$(11,216,810)	\$ 10,288,977
Shares issued for mineral properties	567,537	500,000	-	-	500,000
Net loss for the period	-	-	-	(158,785)	(158,785)
Balance, December 31, 2023	9,490,934	\$ 18,574,487	\$ 3,431,300	\$(11,375,595)	\$ 10,630,192

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Statements of Consolidated Cash Flows
For the Three-Months Ended December 31, 2023 and 2022
(Stated in Canadian dollars)

	2023	2022
Cash provided by (used in):		
Operating activities		
Net loss	\$ (158,785)	\$ (1,070,047)
Items not affecting cash:		
Depreciation	1,165	3,005
Flow-through recovery	-	(168,837)
Change in non-cash working capital		
Good and services taxes receivable	(6,609)	(55,847)
Prepaid and deposits	-	416,169
Accounts payable and accrued liabilities	143,802	(4,192)
Net cash used in operations	(20,427)	(879,749)
Investing activities		
Acquisition of exploration and evaluation assets	(1,926)	(920,238)
Cash acquired in corporate acquisition	-	98,063
Net cash from investing activities	(1,926)	(822,175)
Financing activities		
Issuance of common shares	-	24,000
Net cash provided from financing activities	-	24,000
Increase in cash	(22,353)	(1,677,924)
Cash, beginning of period	34,379	3,156,069
Cash, end of period	\$ 12,026	\$ 1,478,145

Non-Cash Transactions	2023	2022
Shares issued for mineral properties	\$ 500,000	\$ -
Shares issued for acquisition of CAVU Energy Metals Corp.	\$ -	\$ 5,351,853

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Notes to the Consolidated Financial Statements
For the Three-Months Ended December 31, 2023 and 2022
(Stated Amounts in Canadian dollars)
(Unaudited)

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 \$11.3 million (September 30, 2023 – over \$11.2 million) and a working capital deficit of approximately \$616,500 (September 30, 2023 – \$457,000). 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 29, 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:

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Notes to the Consolidated Financial Statements
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Entity	Country of Incorporation	Holding	Functional Currency
Alpha Copper Corp.	Canada	Parent	Canadian Dollar
CAVU Energy Metals Corp.	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.

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.

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.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

3. 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.

4. RECLAMATION BOND

On July 27, 2023, the Company has a reclamation bond relating 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.

5. PROPERTY AND EQUIPMENT

		Furniture and equipment
Cost		
Balance, September 30, 2022	\$	27,413
Additions		2,751
Balance, September 30, 2023		30,164
Additions		-
Balance, December 31, 2023	\$	30,164
Accumulated Depreciation		
Balance, September 30, 2022	\$	1,371
Depreciation		5,484
Balance, September 30, 2022		6,855
Depreciation		1,165
Balance, September 30, 2023	\$	8,020
September 30, 2023	\$	23,309
December 31, 2023	\$	22,143

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6. 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, 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.

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(Unaudited)

6. 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.

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

Quesnel Property, British Columbia, Canada

In December 2022, the Company assumed the Quesnel Property on the acquisition of CAVU. The property was originally acquired through staking.

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.

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.

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(Unaudited)

6. EXPLORATION AND EVALUATION ASSETS (continued)

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

	Hopper Property	Quesnel Project	Star Project	Indata Property	Okeover Property	Total
	\$	\$	\$	\$	\$	\$
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
Acquisition costs	-	-	-	-	500,000	500,000
Exploration expenses	-	-	-	1,926	-	1,926
Balance, December 31, 2023	5,018,474	43,543	2,139,416	1,964,997	1,948,612	11,115,042

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	December 31, 2023	September 30, 2023
Trade accounts payable	\$ 655,073	\$ 552,621
Accrued accounts payable	126,547	85,198
	\$ 781,620	\$ 637,819

8. SHARE CAPITAL

Authorized Share Capital

Unlimited number of common shares without par value. In February 2024, the Company completed a 2.5 to 1 share consolidation which has been reflected on both the current and prior period share numbers.

Issued Shares

On February 23, 2023, the Company completed a non-brokered private placement of 5,016,074 units. On February 23, 2022, the Company completed a non-brokered private placement of 201,104 flow-through units at a price of \$6.50 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 \$10.00 per share for a period of 24 months.

On February 23, 2022, the Company completed a non-brokered private placement of 1,254,018 units at a price of \$5.00 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 \$10.00 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 39,712 broker warrants, exercisable at \$10.00 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: \$10.00; ii) share price: \$8.60; iii) term: 2 years; iv) volatility: 241%; v) discount rate: 1.45%.

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(Unaudited)

8. SHARE CAPITAL (*continued*)

During the year ended September 30, 2022, 1,154,150 warrants were exercised for total gross proceeds of \$1,246,175.

During the year ended September 30, 2022, 40,383 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 595,000 common shares on the exercise of 595,000 warrants for gross proceeds of \$721,000.

During the year ended September 30, 2023, the Company issued 2,548,502 common shares to the shareholders of CAVU following the CAVU acquisition. Also, refer to Note 3.

On April 19, 2023, the Company issued 5,000 common shares valued at \$7,250 pursuant to CAVU's option to acquire a 70% interest in the Hopper Property.

On October 6, 2023, the Company issued 567,537 common shares with an agreed upon value of \$500,000 pursuant to Alpha's option to acquired a 100% working interest in the Okeover 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 190,000 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: \$6.00; ii) share price: \$5.90; iii) term: 2 years; iv) volatility: 246%; v) discount rate: 1.08%.

On June 24, 2022, the Company granted 185,000 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: \$2.70; ii) share price: \$2.70; iii) term: 5 years; iv) volatility: 238%; v) discount rate: 3.19%.

On June 24, 2022, the Company granted 40,000 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: \$2.70; ii) share price: \$2.70; iii) term: 2 years; iv) volatility: 163%; v) discount rate: 3.12%.

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8. SHARE CAPITAL (continued)

On December 18, 2022, the Company issued 206,150 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: \$5.00; ii) share price: \$2.10; 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 December 31, 2023, is as follows:

	Number	Weighted Average Exercise Price
		\$
Balance, September 30, 2022	443,000	4.13
Issued on acquisition of CAVU	206,150	5.00
Balance, December 31, 2023 and September 30, 2023	649,150	4.41

The following stock options were outstanding as at December 31, 2023:

Expiry date	Number of options	Exercise price	Remaining life (years)
August 7, 2024	28,000	\$2.80	0.60
January 13, 2024*	190,000	\$6.00	0.04
June 24, 2024	140,000	\$2.70	0.48
June 24, 2027	185,000	\$2.70	3.48
January 24, 2025	92,750	\$6.70	1.07
July 6, 2026	4,900	\$5.90	2.52
October 1, 2024	3,500	\$8.10	0.75
February 24, 2026	105,000	\$3.40	2.15
Balance, September 30, 2023	649,150	\$4.41	1.58

*Subsequently expired unexercised.

Warrants

The continuity of share purchase warrants for the period ended December 31, 2023 is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance, September 30, 2022	3,129,485	5.83
Issued on acquisition of CAVU	1,367,324	5.45
Exercised	(595,000)	1.20
Expired	(255,105)	4.15
Balance, September 30, 2023	3,646,703	6.55
Expired	(994,650)	2.50
Balance, December 31, 2023	2,652,053	8.07

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8. SHARE CAPITAL (continued)

The following share purchase warrants were outstanding as at December 31, 2023:

Expiry date	Number of warrants	Exercise price	Remaining contractual life (years)
		\$	
February 22, 2024*	1,455,122	10.00	0.15
February 22, 2024*	39,712	10.00	0.15
September 29, 2025	315,000	0.40	1.75
January 21, 2024*	628,394	8.60	0.06
July 18, 2024	57,283	7.20	0.55
June 27, 2024	65,541	7.20	0.49
October 9, 2025	91,000	0.40	1.78
	2,652,053	8.07	0.39

*Subsequently expired unexercised.

On December 18, 2022, the Company issued 1,367,324 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: \$0.40 - \$8.60; ii) share price: \$2.10; iii) term: 0.16 – 2.81 years; iv) volatility: 90% - 215%; v) discount rate: 3.67%.

9. 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 three-months ended December 31, 2023, the Company paid a privately held company owned by the Chief Executive Officer \$45,000 (2022 – \$45,00) for consulting services. These amounts are included in consulting fees.

During the three-months ended December 31, 2023, the Company paid a privately held company owned by the Chief Financial Officer \$10,500 (2022 – \$9,000) for consulting services. These amounts are included in professional fees.

During the three-months ended December 31, 2023, the Company paid a privately held company owned by one of the Company directors nil (2022 – \$31,453) for geological consulting services. These amounts are included in exploration and evaluation assets.

As at December 31, 2023 and September 30, 2023, \$266,305 and \$225,724 were owed to related parties.

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

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Notes to the Consolidated Financial Statements
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(Stated Amounts in Canadian dollars)
(Unaudited)

10. 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	2023	2022
		\$	\$
Cash	1	12,026	34,379
Restricted cash	1	28,750	28,750
Reclamation bond	1	109,500	109,500

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.

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Notes to the Consolidated Financial Statements
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(Stated Amounts in Canadian dollars)
(Unaudited)

11. 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.