CMP MINING INC.

FINANCIAL STATEMENTS

YEARS ENDED MAY 31, 2024 and MAY 31, 2023

(Expressed in Canadian Dollars)

Crowe MacKay LLP
1100 - 1177 West Hastings Street
Vancouver, BC V6E 4T5
Main +1 (604) 687-4511
Fax +1 (604) 687-5805
www.crowemackay.ca

Independent Auditor's Report

To the Shareholders of CMP Mining Inc.

Opinion

We have audited the financial statements of CMP Mining Inc. (the "Company"), which comprise the statements of financial position as at May 31, 2024 and May 31, 2023 and the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2024 and May 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended May 31, 2024. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Exploration and Evaluation Asset

As disclosed in Note 4 to the financial statements, the carrying value of Exploration and Evaluation Asset represents a significant asset of the Company. Refer to Note 2 and Note 3 to the financial statements for a description of the accounting policy and significant judgments applied to Exploration and Evaluation Asset.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to the exploration and evaluation asset. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at May 31, 2024.

Why the matter was determined to be a key audit matter

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the judgments made by management in its assessment of indicators of impairment related to exploration and evaluation asset, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

How the matter was addressed in our audit

We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Reviewing the Company's rights to explore in the relevant exploration areas and assessing whether the rights to tenure remained current at balance date;

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;

- Assessing compliance with option agreements by reviewing agreements;

- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;

- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation assets is unlikely to be recovered through development or sale; and

- Assessing the adequacy of the related disclosures in Note 2, Note 3 and Note 4 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Diana Huang.

Crowe Mackay LLP

Chartered Professional Accountants
Vancouver, Canada
August 2, 2024

CMP Mining Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Note	May 31, 2024	May 31, 2023
		$	$
ASSETS			
CURRENT			
Cash		102,995	167,575
Prepaid expenses and deposits		-	9,696
Goods and Services Tax receivable		3,659	20,709
		106,654	197,980
Exploration and evaluation asset	4	27,700	27,700
Investment	5	34,802	-
TOTAL ASSETS		169,156	225,680
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	9	80,865	101,372
Loans payable	6	40,000	40,000
TOTAL LIABILITIES		120,865	141,372
SHAREHOLDERS' EQUITY			
Common shares	7	658,258	658,258
Share-based payments reserve	7	43,194	-
Deficit		(653,161)	(573,950)
TOTAL SHAREHOLDERS' EQUITY		48,291	84,308
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		169,156	225,680

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENT (Note 13)

Approved and authorized for issue on behalf of the Board on August 2, 2024:

"Norman Yurik" Director

"Terri Anne Welyki" Director

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

CMP Mining Inc.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended	Note	May 31, 2024	May 31, 2023
		$	$
EXPENSES			
Audit fees and tax compliance		21,416	25,500
Exploration and evaluation	4	10,210	231,658
Legal fees		935	68,217
Office and general administrative	9	20,590	34,648
Regulatory and transfer agent		15,637	32,251
Share based payments	7	43,194	-
LOSS BEFORE OTHER ITEMS		(111,982)	(392,274)
OTHER ITEMS			
Interest income		66	4,058
Interest expense	6	(2,097)	(786)
Gain on investment revaluation	5	34,802	-
Part XII.6 tax expense		-	(7,238)
Recovery on flow-through premium	4	-	86,772
TOTAL OTHER ITEMS		32,771	82,806
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(79,211)	(309,468)
Loss per share, basic and diluted		(0.01)	(0.02)
Weighted average number of common shares outstanding – basic and diluted		14,788,000	14,788,000

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

CMP Mining Inc.
Statements of Changes in Equity
For the years ended May 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Common Shares				
	Number of Shares	**Amount**	**Reserve**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance, May 31, 2022	14,788,000	658,258	-	(264,482)	393,776
Net loss for the year	-	-	-	(309,468)	(309,468)
Balance, May 31, 2023	14,788,000	658,258	-	(573,950)	84,308
Share based payments (Note 7)	-	-	43,194	-	43,194
Net loss for the year	-	-	-	(79,211)	(79,211)
Balance, May 31 2024	14,788,000	658,258	43,194	(653,161)	48,291

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

CMP Mining Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended	May 31, 2024	May 31, 2023
Cash provided by (used in):	**$**	**$**
OPERATING ACTIVITIES		
Net loss for the year	(79,211)	(309,468)
Items not affecting cash		
Gain on investment revaluation	(34,802)	-
Recovery of flow-through premium	-	(86,772)
Share based payments	43,194	-
Net changes in non-cash working capital items		
Prepaid expenses and deposits	9,696	(9,696)
Goods and Services Tax receivable	17,050	(13,348)
Accounts payable and accrued liabilities	(20,507)	(33,666)
Net cash used in operating activities	(64,580)	(452,950)
FINANCING ACTIVITY		
Loans payable	-	40,000
Cash provided by financing activity	**-**	40,000
Change in cash	(64,580)	(412,950)
Cash, beginning of year	167,575	580,525
Cash, end of year	102,995	167,575
Supplemental information		
Cash paid on interest	-	-
Cash paid on income taxes	-	-
Cash received from interest	66	4,058

During the years ended May 31, 2024 and 2023, there were no non-cash investing or financing activities.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

CMP Mining Inc., formerly known as Vanadium 23 Capital Corporation, (the "Company" or "CMP") was incorporated on January 30, 2018 as 1151139 BC Ltd. pursuant to the *Business Corporations Act* of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company's common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "CMP".

The head office, registered and records office and principal address of the Company is located at Suite 2820, 200 Granville Street, Vancouver, British Columbia, V6C 1S4.

The Company's financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. Such adjustments could be material.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including the relations between NATO and the Russian Federation regarding the situation in Ukraine, the Israeli-Palestinian conflict in the Middle East and potential economic global challenges, such as the risk of higher inflation and the energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 2, 2024.

b) Basis of presentation

These financial statements have been prepared on the historical cost basis with the exception of financial instruments that are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2. MATERIAL ACCOUNTING POLICIES (continued)

c) Financial instruments

The Company classifies its cash, loans payable, and accounts payable and accrued liabilities at amortized cost. Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Investment is classified at fair value through profit or loss ("FVTPL).

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data

Investment is classified at FVTPL under level 3 hierarchy.

d) Exploration and evaluation asset

Costs related to obtaining legal right to explore a property are recognized and capitalized. Exploration expenditures are expensed in the period in which they are incurred. These exploration expenditures can include such costs as wages and salaries, surveying, geological consulting and laboratory, field supplies, travel and administration.

Exploration and evaluation asset is not amortized during the exploration stage. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'.

e) Impairment of non-financial assets

Non-financial assets, including exploration and evaluation asset are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to profit or loss.

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

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units" or "CGU's"). These are typically the individual properties or projects.

2. MATERIAL ACCOUNTING POLICIES (continued)

f) Reclamation provisions

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets. The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. Additional environmental disturbances or changes in reclamation costs will be recognized as additions to the corresponding assets and reclamation provision in the year in which they occur. The Company has no material restoration, reclamation, rehabilitation or environmental obligation as the disturbance to date is minimal.

g) Share capital

The Company’s common shares, and any future offerings of share warrants and options are Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

Flow-through shares are a type of common share and are securities permitted by Canadian Income Tax Legislation whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby any premium paid for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to flow-through premium liability. The flow-through premium liability is included in profit or loss as the qualifying expenditures are incurred.

The Company may issue units consisting of common shares and common share purchase warrants. The Company estimates the fair value of the common shares based on their market price on the share issuance date. The residual difference, if any, between the unit price and the fair value of each common share represents the fair value attributable to each warrant.

h) Income taxes

Income taxes comprises both current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the income tax is also recognized in other comprehensive income or directly in equity.

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized.

2. MATERIAL ACCOUNTING POLICIES (continued)

i) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, computed by dividing the net earnings (loss) by the weighted average number of outstanding shares in issue during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss), except that the weighted average number of outstanding shares 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 the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. In a loss reporting period, potentially dilutive common shares are excluded from the loss per share calculation, as the effect would be anti-dilutive.

j) Share-based payments

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

For any vested options expire unexercised, the corresponding amount recorded to share-based payments reserve remains in the same account.

k) New accounting standards and amendments adopted

Amendments to IAS 8 – Definition of Accounting Estimates

These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The adoption of this standard on June 1, 2023 did not have a material measurement or disclosure impact on the Company's financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The adoption of this standard on June 1, 2023 had reduced the disclosures in the Company's financial statements.

2. MATERIAL ACCOUNTING POLICIES (continued)

l) New standards and amendments issued but not yet effective

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024 and are expected to have no significant impact upon adoption.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.

2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.

3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be assessing its impact on future financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Critical accounting estimates

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Valuation of investment

For equity investment not quoted in an active market, where Level 1 inputs are not available the Company estimates the fair value based on the information described under Note 5. Judgment or estimate is required to establish the fair value of the Company's investment in a non-public company.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Critical judgments in applying accounting policies

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include, but are not limited to, the following:

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Recoverability of the carrying value of the Company's exploration and evaluation asset

Evaluating for recoverability during the exploration and evaluation phase requires judgment in determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluations may be more complex where activities have not reached a stage that permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances, including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's intention and financial ability to continue exploration and evaluation activities, contractual issues with joint venture partners, the impact of government legislation and political stability in the region, and the impact of current and expected future metal prices on potential reserves.

4. EXPLORATION AND EVALUATION ASSET AND EXPENSE

On December 22, 2021, the Company entered into an option agreement (the "Agreement") with Cariboo Rose Resources Ltd. ("Cariboo") whereby the Company will (a) make option payments to Cariboo totalling (i) $250,000 cash; (ii) 200,000 common shares of CMP ("CMP Shares"); and (iii) an additional $250,000 in cash or, at the election of CMP, CMP Shares; and (b) incurring $2,000,000 in exploration expenditures on the 70% interest in a property located in Merritt, British Columbia, all over a period of four years.

During the year ended May 31, 2022, the Company made a $20,000 cash payment and issued 100,000 shares at $0.05 per share for a value of $5,000 to Cariboo according to the Agreement. In addition, it incurred $2,700 for staking claims for the year ended May 31, 2022.

As at May 31, 2024, the Company has exploration and evaluation asset of $27,700 (May 31, 2023 - $27,700).

On October 17, 2022, the Agreement was amended to delay the payment schedule by one year and to increase the size of the property. On December 19, 2022, the Agreement was amended to change the $30,000 payment due December 22, 2023 from a cash payment to a payment of cash or common shares at the election of the Company. On June 30, 2024, the Agreement was amended to delay the payment schedule by another one year and change the payment schedule (Note 13).

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSET AND EXPENSE (continued)

On June 30, 2024, the Agreement was amended to the following schedule:

Due Date	Cash	Common Shares	Cash or Common Shares (3)	Exploration Expenditures
	$	#	$	$
December 24, 2021	20,000 (1)	100,000 (2)	-	-
October 31, 2024	10,000	-	-	20,000
December 22, 2024	30,000	100,000	-	300,000
December 22, 2025	40,000	-	30,000 (3)	500,000
December 22, 2026	50,000	-	70,000 (3)	500,000
December 22, 2027	110,000	-	150,000 (3)	700,000
Total	260,000	200,000	250,000 (3)	2,020,000

(1) The Company has made the payment
(2) The Company has issued the common shares
(3) Payable in cash or equivalent market value of common shares, at the election of the Company

The following table summarizes the exploration and evaluation expenses incurred at the property:

	May 31, 2024	May 31, 2023
	$	$
Analytical and samples related	414	3,091
Drilling	-	132,263
Equipment and warehouse rental	-	10,084
Exploration travel and related	-	4,221
Geological and geoscience	9,796	72,999
Permitting	-	9,000
Total	10,210	231,658

During the year ended May 31, 2024, the Company recorded $nil (2023 - $86,772) on settlement of flow-through share premium liability pursuant to the incurrence of qualifying expenditures.

5. INVESTMENT

On July 6, 2021, the Company and FreePoint Technologies Inc. (“FreePoint”) agreed to convert a loan plus additional accrued interest into 1,160,078 units at $0.07 per unit. Each unit is comprised of one common share in the capital of FreePoint and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share at an exercise price of $0.07 per warrant for a term of 3 years. On May 31, 2022, the Company recorded an impairment on the investment as its recoverable amount was lower than the cost. During the year ended May 31, 2024, the Company revalued the investment at a fair value of $0.03 per unit based on the recent private placement subscription price and recorded $34,802 gain in the profit and loss (2023 - $nil).

(Expressed in Canadian Dollars)

6. LOANS PAYABLE

On January 9, 2023, the Company entered into unsecured demand loan agreements with three shareholders for total proceeds of $40,000. The demand loans bear interest at an annual rate of 5%, to be calculated and accrued monthly. The loans and their accrued interest have a maturity date that is the earlier of (i) one year from the date of listing of the Company's shares on the CSE, which is January 26, 2023; and (ii) January 31, 2024. For the year ended May 31, 2024, the Company incurred accrued interest of $2,097 (2023 - $786). During the year ended May 31, 2024, these loans matured and have become due on demand.

7. SHARE CAPITAL

Authorized

The Company's authorized capital consists of an unlimited number of common shares without par value.

Issued and outstanding

There was no change in share capital during the years ended May 31, 2024 and 2023.

As at May 31, 2024, there were 1,736,250 common shares held in escrow (May 31, 2023 - 2,604,375). Escrowed shares are to be released from escrow in six equal tranches commencing on July 26, 2023 and continuing every six months thereafter.

Stock options

The Company adopted the Stock Option Plan providing the granting of options to employees, officers, directors, consultants, and consulting companies. The maximum number of common shares issuable under Stock Option Plan shall not, in aggregate, exceed that number which is equal to 10% of the Shares which are issued and outstanding on the relevant Grant Date. The options can be granted for a maximum term of 10 years.

On May 8, 2024, the Company granted stock options to directors, officers, employees, and consultants of the Company to purchase up to an aggregate 1,150,000 common shares of the Company. These stock options are exercisable at a price of $0.04 per share, for a term of five years and vest immediately.

As at May 31, 2024, the Company had the following options outstanding and exercisable:

Date issued	Expiry date	Exercise price	Number of options outstanding	Number of options exercisable
May 8, 2024	May 8, 2029	$ 0.04	650,000	650,000

As at May 31, 2024, the weighted average remaining life of the exercisable options is 4.94 years.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Stock options (continued)

The following is a summary of the Company's stock option activities:

	Number of options	Weighted average exercise price
Balance, May 31, 2023 and 2022	-	$ -
Granted	1,150,000	$0.04
Canceled	(500,000)	$0.04
Balance May 31, 2024	650,000	$0.04

During the year ended May 31, 2024, the Company recognized share based payments of $43,194 (2023 - $nil) in the share-based payments reserve. Share based payments expense is determined using the Black-Scholes option pricing model. The expected volatilities used for the stock options granted were based on the historical share price of comparable companies. The options were valued using the Black-Scholes model under the following assumptions: a risk-free rate of 3.68%, an estimated annualized volatility of 163.88%, an expected life of 5 years, a nil dividend yield, a grant date share price of $0.04, and an exercise price of $0.04.

8. CAPITAL DISCLOSURE

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, reserve and deficit as capital. The Company manages the 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 attempt to issue new shares or dispose of assets or adjust the amount of cash. There has been no change to the Company's approach to capital management during the years presented.

9. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the year ended May 31, 2024, the Company incurred accounting and tax preparation fees of $20,116 (2023 - $32,300) included in office and general administrative expenses accrued to Fehr & Associates, a corporation that employs the chief financial officer for accounting and tax services. During the year ended May 31, 2024, the Company incurred share based payments of $24,414 (2023 - $nil) for the vesting of options granted to related parties.

As at May 31, 2024, the Company has included in accounts payable and accrued liabilities $25,904 (May 31, 2023 - $35,000) owing to Fehr & Associates. This amount is unsecured, non-interest-bearing and due on demand.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair value

The carrying values of cash, accounts payable and accrued liabilities, and loans payable approximate their fair values due to the short-term nature of these instruments or market rates of interest.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company limits its exposure to credit risk for cash by placing it with high quality Canadian financial institutions.

Liquidity risk

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 8. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required. As of May 31, 2024, the Company had a working capital deficit of $14,211 (May 31, 2023 – working capital surplus of $56,608).

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company’s future mining operations will be significantly affected by changes in the market price for precious metal. Precious metal prices fluctuate daily and are affected by numerous factors beyond the Company’s control. The supply and demand for commodities, level of interest rates, rate of inflation, investment decisions by large holders of commodities and stability of exchange rates can all cause significant fluctuations in commodity prices.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant cash flow fluctuations due to interest rate changes on its loans payable, as it bears interest at a fixed rate of 5%.

11. SEGMENTED INFORMATION

The Company’s reportable operating segments, which are components of the Company’s business where separate financial information is available and which are evaluated on a regular basis by the Company’s Chief Executive Officer, who is the Company’s chief operating decision maker, for the purpose of assessing performance. The Company’s operating segments are its exploration and evaluation assets and expenditures which are incurred in Canada.

(Expressed in Canadian Dollars)

12. INCOME TAX

In assessing deferred income tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment and concluding the deferred tax assets were not realized.

The following table reconciles the amount income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

For the years ending	May 31, 2024	May 31, 2023
Canadian statutory income tax rate	27%	27%
	$	$
Loss for the year before income taxes	(79,211)	(309,468)
Expected income tax recovery	(21,387)	(83,556)
Non-deductible (taxable) permanent differences	6,964	(23,428)
True-up	(29,814)	-
Unrecognized deductible temporary differences	44,237	106,984
Income taxes recoverable	-	-

The Company's unrecognized deductible temporary differences consist of the following amounts for the years ended May 31:

	2024	Expiry	2023	Expiry
	$		$	
Non-capital losses	486,000	2038-2044	299,000	2038-2043
Investment	46,000	None	81,000	None
Share issue costs	3,000	2045-2046	4,000	2044-2046
Exploration and evaluation expenditures and other	10,000	None	14,000	None
Unrecognized deductible temporary differences	545,000		398,000	

(Expressed in Canadian Dollars)

13. SUBSEQUENT EVENT

On June 30, 2024, the Company amended the Agreement with Cariboo to delay the payment schedule by another one year and change the payment schedule to the following schedule:

Due Date	Cash	Common Shares	Cash or Common Shares [3]	Exploration Expenditures
	$	#	$	$
December 24, 2021	20,000 [1]	100,000 [2]	-	-
October 31, 2024	10,000	-	-	20,000
December 22, 2024	30,000	100,000	-	300,000
December 22, 2025	40,000	-	30,000 [3]	500,000
December 22, 2026	50,000	-	70,000 [3]	500,000
December 22, 2027	110,000	-	150,000 [3]	700,000
Total	260,000	200,000	250,000 [3]	2,020,000

(1) The Company has made the payment
(2) The Company has issued the common shares
(3) Payable in cash or equivalent market value of common shares, at the election of the Company