



INFLECTION RESOURCES LTD.
(An exploration stage company)

THIRD QUARTER REPORT
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2024 AND 2023

(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of Inflection Resources Ltd. (the "Company") for the three and nine months ended June 30, 2024 (the "Interim Financial Statements") have been prepared by and are the responsibility of the Company's management. The Interim Financial Statements are stated in terms of Canadian dollars, unless otherwise indicated, and are prepared in accordance with International Accounting Standards 34 ("IAS 34") *Interim Financial Reporting* under International Financial Reporting Standards ("IFRS").

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

INFLECTION RESOURCES LTD.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Notes	June 30, 2024	September 30, 2023
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 2,657,396	\$ 2,826,239
Receivables		61,479	140,806
Prepays		31,979	61,998
Total Current Assets		2,750,854	3,029,043
Non-Current Assets			
Refundable security deposits	6	246,920	251,361
Exploration and evaluation assets	7, 10	7,005,914	8,788,839
Total Non-Current Assets		7,252,834	9,040,200
Total Assets		\$ 10,003,688	\$ 12,069,243
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	8, 10	\$ 584,313	\$ 766,350
Advance for exploration projects	7(a)	225,519	208,433
Derivative liability	7(a)	172,136	171,937
Total Liabilities		981,968	1,146,720
Shareholders' Equity			
Share capital	9(b)	15,883,632	15,724,411
Common share subscription		3,525	-
Reserve for share-based payments	9(e)	1,758,024	1,535,278
Deficit		(8,623,461)	(6,337,166)
Total Shareholders' Equity		9,021,720	10,922,523
Total Liabilities and Shareholders' Equity		\$ 10,003,688	\$ 12,069,243

Nature of operations and going concern – Note 1

APPROVED ON BEHALF OF THE BOARD ON AUGUST 21, 2024:

/s/ "Alistair Waddell"

DIRECTOR

/s/ "Cecil R. Bond"

DIRECTOR

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

INFLECTION RESOURCES LTD.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars, except share amounts)

	Notes	Three Months ended June 30,		Nine Months ended June 30,	
		2024	2023	2024	2023
Expenses:					
Accounting and audit		\$ 421	\$ 21,446	\$ 24,241	\$ 42,288
Amortization	7	3,793	3,530	11,121	10,395
Legal		2,179	(41,199)	3,330	24,548
Office and administrative		21,775	(6,823)	56,967	57,204
Project generation		10,344	1,920	10,344	26,279
Regulatory		7,278	24,085	28,607	54,392
Salaries and benefits	10	101,086	161,783	315,305	437,231
Shareholder relations		43,343	34,263	219,535	147,697
Share-based payments	9(c)	211,239	72,111	232,106	155,580
Total expenses		(401,458)	(271,116)	(901,556)	(955,614)
Interest and other income		20,074	4,465	42,576	18,133
Derivative option cost	7(a)	-	-	(199)	-
Write off of mineral property interest	7(b)	(1,430,063)	-	(1,430,063)	-
Foreign exchange gain		35,466	28,952	2,947	62,188
Net loss and comprehensive loss for the period		\$ (1,775,981)	\$ (237,699)	\$ (2,286,295)	\$ (875,293)
Basic and diluted loss per share		\$ (0.02)	\$ -	\$ (0.02)	\$ (0.01)
Weighted average number of common shares outstanding		95,661,428	87,770,066	95,303,809	87,753,802

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

INFLECTION RESOURCES LTD.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars, except share amounts)

	Notes	Share Capital		Common Share Subscription	Reserve	Deficit	Total
		Number of Shares	Amount				
Balance, September 30, 2022		87,745,670	\$ 14,001,518	\$ -	\$ 1,334,815	\$ (4,905,387)	\$ 10,430,946
Private placement		7,107,000	1,776,750	-	-	-	1,776,750
Share issuance costs		-	(84,607)	-	27,536	-	(57,071)
Exercise of warrants		205,000	30,750	-	-	-	30,750
Share-based payments		-	-	-	172,927	-	172,927
Comprehensive loss for the year		-	-	-	-	(1,431,779)	(1,431,779)
Balance, September 30, 2023		95,057,670	15,724,411	-	1,535,278	(6,337,166)	10,922,523
Exercise of stock options	9(b) and (c)	125,000	24,360	-	(9,360)	-	15,000
Exercise of warrants		947,000	142,050	-	-	-	142,050
Common share subscription	9(b)(i)	-	-	3,525	-	-	3,525
Share issuance costs		-	(7,189)	-	-	-	(7,189)
Share-based payments		-	-	-	232,106	-	232,106
Comprehensive loss for the period		-	-	-	-	(2,286,295)	(2,286,295)
Balance, June 30, 2024		96,129,670	\$ 15,883,632	\$ 3,525	\$ 1,758,024	\$ (8,623,461)	\$ 9,021,720
Balance, September 30, 2022		87,745,670	\$ 14,001,518	\$ -	\$ 1,334,815	\$ (4,905,387)	\$ 10,430,946
Exercise of warrants		30,000	4,500	-	-	-	4,500
Share issuance costs		-	(3,367)	-	-	-	(3,367)
Share-based payments		-	-	-	155,580	-	155,580
Comprehensive loss for the period		-	-	-	-	(875,293)	(875,293)
Balance, June 30, 2023		87,775,670	\$ 14,002,651	\$ -	\$ 1,490,395	\$ (5,780,680)	\$ 9,712,366

Share capital – Note 9

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

INFLECTION RESOURCES LTD.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Nine months ended June 30,	
	2024	2023
Cash provided from (used by):		
Operations:		
Net loss for the period	\$ (2,286,295)	\$ (875,293)
Items not involving cash:		
Amortization	11,121	10,395
Share-based payments	232,106	155,580
Derivative option cost	199	-
Write off of mineral property interest	1,430,063	-
Foreign exchange gain	(52,332)	-
	(665,138)	(709,318)
Changes in non-cash working capital items:		
Receivables	(16,626)	(6,760)
Prepays and deposits	30,019	14,229
Accounts payable and accrued liabilities	(182,037)	165,417
Cash used by operating activities	(833,782)	(536,432)
Investing:		
Expenditures for exploration and evaluation assets	(6,049,555)	(765,370)
Recoveries from cash call from Farm In Agreement	5,694,830	-
Recoveries from management fee receipts from Farm In Agreement	569,483	-
Advance for exploration projects from Farm In Agreement	17,086	-
Receipt of government grants	222,936	-
(Payment) recovery of refundable security deposits	4,441	104,040
Cash provided from (used by) investing activities	459,221	(661,330)
Financing:		
Exercise of stock options	15,000	4,500
Exercise of warrants	142,050	-
Common share subscription from warrant exercise	3,525	-
Share issuance costs	(7,189)	(3,367)
Cash provided from financing activities	153,386	1,133
Foreign exchange gain (loss) effects	52,332	(1,897)
Decrease in cash and cash equivalents	(168,843)	(1,198,526)
Cash and cash equivalents, beginning of period	2,826,239	1,759,333
Cash and cash equivalents, end of period	\$ 2,657,396	\$ 560,807
Cash and cash equivalents consist of:		
Cash and cash equivalents	\$ 1,891,894	\$ 532,057
Restricted cash (AngloGold funds)	736,752	-
Restricted cash (other)	28,750	28,750
	\$ 2,657,396	\$ 560,807

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

INFLECTION RESOURCES LTD.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

		Nine months ended June 30,	
	Notes	2024	2023
Non-cash financing and investing activities:			
Fair value of stock options exercised	9(c)	\$ 9,360	\$ -

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

INFLECTION RESOURCES LTD.

(An Exploration Stage Company)

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Nine Months ended June 30, 2024**

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inflection Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on May 9, 2017, and its principal business activity is the exploration and evaluation of mineral properties located in New South Wales and Queensland, Australia. The Company's head office and registered and records office address is Suite 1210, 1130 West Pender Street, Vancouver, British Columbia, V6E 4A4. The Company's common shares were listed for trading on the Canadian Securities Exchange on July 21, 2020.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, to maintain and to advance its exploration and evaluation assets, and to pay its debts and liabilities. The recoverability of amounts shown for exploration and evaluation properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets may not reflect current or future values.

These unaudited condensed consolidated interim financial statements for the three and nine months ended June 30, 2024 and 2023 (the "Interim Financial Statements") have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. For the nine months ended June 30, 2024, the Company has not achieved profitable operations, had incurred a net loss of \$2,286,295 (June 30, 2023 - \$875,293), and as at June 30, 2024 had an accumulated deficit of \$8.62 million (September 30, 2023 - \$6.34 million). The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing; consequently, management continues to pursue various financing alternatives to fund operations and to advance its business plan.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption was not appropriate for these Interim Financial Statements, adjustments would be necessary to the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PRESENTATION**Statement of compliance**

These Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the interpretations of the International Financial Reporting Standards Interpretations Committee. These Interim Financial Statements do not include all of the information and disclosures required for full and complete annual financial statements, and accordingly should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2023. The Company has consistently applied the same accounting policies for all periods as presented.

Approval of the Interim Financial Statements

These Interim Financial Statements were approved by the Company's Board of Directors on August 21, 2024.

INFLECTION RESOURCES LTD.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months ended June 30, 2024

(Unaudited – Prepared by Management)

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2. BASIS OF PRESENTATION (continued)**Basis of consolidation and presentation**

The Interim Financial Statements incorporate the financial statements of the Company and its wholly-owned subsidiaries, Australian Consolidated Gold Holdings Pty Ltd, ACGH II Pty Ltd, and Romardo Copper (NSW) Pty Ltd ("Romardo Copper"), each of which is incorporated in Australia. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances have been eliminated.

Certain of the prior periods' comparative figures may have been reclassified to conform to the presentation adopted in the current period.

The Interim Financial Statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit and loss, which are stated at their fair value. In addition, the Interim Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

3. MATERIAL ACCOUNTING POLICY INFORMATION**Foreign currency translation**

The presentation currency of the Company is the Canadian dollar. The functional currency of the parent entity and each of its subsidiaries is the currency of the primary economic environment in which each entity operates. Management have determined that the Company and its Australian subsidiaries have a Canadian dollar functional currency. References to Australian dollars denoted as "AUD", and United States dollars as "USD".

The functional currency of the Company and its subsidiaries is the Canadian dollar, and accounts denominated in currencies other than the Canadian dollar have been translated as follows:

- monetary assets and liabilities at the exchange rate at the consolidated statement of financial position date;
- non-monetary assets and liabilities at the historical exchange rates, unless such items are carried at fair value, in which case they are translated at the date when the fair value was determined;
- shareholders' equity items at historical exchange rates; and
- revenue and expense items at the rate of exchange on the transaction date.

Exchange gains and losses are recorded in the statement of comprehensive loss in the period in which they occur.

Exploration and evaluation assets ("E&E")

Once the legal right to explore a property has been acquired, costs directly related to E&E expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling and assay costs and payments made to contractors during the exploration phase. Expenditures not directly attributable to E&E activities, including general and administrative overhead costs, are expensed in the period in which they occur. The costs are accumulated by exploration area and are not depleted pending determination of technical feasibility and commercial viability.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of property option agreements. Due to the fact that mineral property purchase options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Property option payments are recorded as E&E assets or recoveries when the payments are made or received.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**Exploration and evaluation assets ("E&E") (continued)**

The Company also recognizes and capitalizes the cost of capital equipment directly related to its mineral exploration properties as a component of E&E assets. Where the estimated useful life of such equipment is estimated to be less than the expected period of time to the potential commencement of production from the E&E asset, the charges for depreciation are reflected in the statement of loss and comprehensive loss. Otherwise, charges for the depreciation of long-lived equipment used in exploration and evaluation activities are included in the cost of the E&E asset.

The carrying value of all categories of E&E assets are reviewed at least annually by management for indicators that the recoverable amount may be less than the carrying value. When a project is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditures, in excess of estimated recoveries, are written off to the statement of comprehensive loss.

4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND RISKS

The preparation of the Interim Financial Statements requires management to make certain estimates, judgments and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period.

The Company bases its assumptions and estimates on parameters available when the financial statements were prepared, and to the extent possible, bases its estimates on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur; uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Although management used historical experience and its best knowledge of the amount, events, or actions to form the basis for judgements and estimates, actual results could differ from these estimates.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which has the most significant effect on the amounts recognized in the Interim Financial Statements.

- i) **Going concern assumption:** In determining whether it is appropriate for the Company to be reported as a going concern, management exercises judgement, having undertaken appropriate enquiries and having considered the business activities, principal risks and uncertainties.
- ii) **Functional currency:** Determination of functional currency involves certain judgments to determine the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.
- iii) **Accounting for mineral property interests:** The Company capitalizes mineral property acquisition and exploration costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The type and amount of exploration property acquisition and transaction costs eligible for capitalization can involve judgement to determine whether or not particular expenditures benefit and enhance the mineral property interests.

The carrying value of the Company's exploration and evaluation assets is then also reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

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Notes to the Condensed Consolidated Interim Financial Statements**For the Three and Nine Months ended June 30, 2024**

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4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND RISKS (continued)*Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, include: (i) provision for environmental rehabilitation; (ii) inputs used in the valuation of share-based payments; and (iii) the recognition of deferred tax assets.

The Company provides for such differences, where known, based on management's best estimate of the probable outcome of these matters.

Further information on management's judgments, estimates and assumptions and how they impact the various accounting policies are described in the relevant notes to these Interim Financial Statements.

5. FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. 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. Cash is deposited in bank accounts held with major banks in Canada and Australia. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

The significant market risk to which the Company is exposed is foreign exchange risk. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. The majority of the Company's mineral property expenditures are incurred in Australian dollars with a substantial portion being financed in Australian dollars by a third party (Note 7(a)). The fluctuation of the Canadian dollar in relation to the Australian dollar has an impact upon the financial results of the Company.

At June 30, 2024, the Company was exposed to currency risk for its Canadian dollar equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars as follows:

	Stated in Canadian Dollars		
	Held in		Total
	Australian Dollars	United States Dollars	
Cash	\$ 1,371,847	\$ 2,183	\$ 1,374,030
Accounts payable and accrued liabilities	(607,600)	-	(607,600)
Net financial assets, June 30, 2024	\$ 764,247	\$ 2,183	\$ 766,430

Based upon the above net exposure as at June 30, 2024 and assuming all other variables remain constant, a 5% depreciation or appreciation of the Canadian dollar relative to the Australian dollar could result in a decrease/increase of approximately \$38,320 in the Company's net losses.

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**Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Nine Months ended June 30, 2024**

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5. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)*Foreign Exchange Risk* (continued)

The Company has not entered into any derivative contracts to manage foreign exchange risk at this time. A significant portion of the Company's cash balance may be held in AUD in any given period.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

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. As the only interest-bearing financial instruments held by the Company consist of either higher-interest savings accounts, or short-term Guaranteed Investment Certificates held with major banks in Canada, the Company is not exposed to any significant interest rate risk.

Capital Management

The Company defines its capital as shareholders' equity. It manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is dependent upon external equity financings. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The approach to capital management has not changed since the prior year, and the Company is not subject to externally imposed capital requirements.

6. REFUNDABLE SECURITY DEPOSITS

As at June 30, 2024, the Company's refundable security deposits, each representing a mineral property exploration license ("EL"), including permitted disturbance thereon, are held with either the Governments of New South Wales, or of Queensland, as follows:

	NSW Project
Balance, September 30, 2022	\$ 358,833
Additions (recoveries)	(107,472)
Balance, September 30, 2023	251,361
Additions (recoveries)	(4,441)
Balance, June 30, 2024	\$ 246,920

Refundable security deposits consist of the basic security deposit required on issuance of each EL, as well as additional deposits for environmental related bonding amounts. Basic security deposits are each valued at AUD 10,000 (\$9,131) per EL held. Environmental related bonding amounts are based on the respective EL size and levels of disturbance contemplated under the specific exploration permit. From time to time the Company may increase the bonding it has in place, or, pursuant to having completed requisite remediation, see funds returned.

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Notes to the Condensed Consolidated Interim Financial Statements**For the Three and Nine Months ended June 30, 2024**

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(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ("E&E") ASSETS

The Company's exploration properties encompass the New South Wales ("NSW") Project, and an optioned interest in the Carron Project in north Queensland.

The carrying values of the Company's exploration and evaluation assets including cumulative expenditures incurred, net of recoveries, government grants and impairment charges, are as follows:

	Notes	<u>NSW Project</u>	<u>Carron Project</u>	<u>Total</u>
Acquisition Costs:				
Balance, September 30, 2022 and 2023		\$ 525,413	\$ 95,214	\$ 620,627
Write off of mineral property interest		-	(95,214)	(95,214)
Balance, June 30, 2024		525,413	-	525,413
Deferred Exploration Expenditures:				
Balance, September 30, 2022		6,658,836	1,041,008	7,699,844
Drilling and assays		1,520,981	-	1,520,981
Geological services	10	593,555	37,569	631,124
Claim maintenance fees		249,608	11,418	261,026
Administration and support		153,329	10,037	163,366
Geophysics		99,364	-	99,364
Depreciation of equipment		(14,006)	-	(14,006)
Recovery from government grants		(96,391)	-	(96,391)
Recovery from farm in agreement		(1,906,451)	-	(1,906,451)
Recovery from management fee receipts		(190,645)	-	(190,645)
Balance, September 30, 2023		7,068,180	1,100,032	8,168,212
Drilling and assays		4,176,627	317,277	4,493,904
Geological services	10	605,771	69,342	675,113
Claim maintenance fees		436,578	8,934	445,512
Administration and support		93,664	1,398	95,062
Geophysics		340,703	-	340,703
Depreciation of equipment		(11,121)	-	(11,121)
Recovery from government grants		(60,802)	(162,134)	(222,936)
Recovery from farm in agreement		(5,694,830)	-	(5,694,830)
Recovery from management fee receipts		(569,483)	-	(569,483)
Write off of mineral property interests		-	(1,334,849)	(1,334,849)
Balance, June 30, 2024		\$ 6,385,287	\$ -	\$ 6,385,287
Exploration and evaluation assets:				
Balance, September 30, 2023		\$ 7,593,593	\$ 1,195,246	\$ 8,788,839
Balance, June 30, 2024		\$ 6,910,700	\$ -	\$ 7,005,914

The Company holds 100% interest in the NSW Project located in the Lachlan Fold Belt region of New South Wales, Australia (the "LF Belt"). The NSW Project includes (i) multiple ELs acquired by the Company in 2018 (the "Acquired NSW Licenses"), (ii) two ELs (the "Romardo Licenses") acquired in February 2020, and (iii) several additional ELs staked by the Company directly. The Company has also recorded the value of certain depreciable vehicles and equipment in the carrying value of the NSW Project, reflective of the use of these assets, and the benefit to the project.

There is a 2% net smelter return royalty ("NSR") on the Acquired NSW Licenses payable on future production from the NSW Project, of which the Company may purchase 1% for AUD 3 million at any time. The Romardo Licenses are subject to a 2% NSR of which the Company may purchase 1% for AUD 2 million at any time, and the Company has the right of first refusal to purchase any royalty interest offered for sale by consideration payable in cash.

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**Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Nine Months ended June 30, 2024**

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7. EXPLORATION AND EVALUATION ("E&E") ASSETS (continued)**a) New South Wales Project (NSW Project) (continued)**

In addition, the Company has the following contingent payments payable, in cash or common shares, upon attainment of certain milestones at the Romardo Licenses:

- (i) AUD 500,000 upon completion of a pre-feasibility study;
- (ii) AUD 2 million upon completion of a feasibility study; and
- (iii) AUD 6 million upon the Company's decision to commence construction of a commercial mine.

In June 2023, the Company signed a Definitive Farm-in Agreement (the "AngloGold Farm-in Agreement") with AngloGold Ashanti Australia Limited ("AngloGold") that outlines the terms under which AngloGold may earn into a number of the Company's copper-gold projects in New South Wales, Australia. Summary highlights of the AngloGold Farm-in Agreement are as follows:

Phase I:

AngloGold will fund up to AUD10 million on exploration expenditures across a wide range of different intrusive related exploration targets within a 36-month period following the execution of the AngloGold Farm-in Agreement. AngloGold has committed to fund minimum expenditures of AUD6 million which was satisfied in February 2024. If Phase I Expenditures of AUD10 million are not incurred within the required time frame, then the Farm-in Agreement shall terminate and no interest in any of the properties will be earned by AngloGold. The Company will receive a 10% management fee for being the operator of Phase I. As at June 30, 2024, cumulative cash calls for AUD8.61 million have been received from AngloGold for Phase I. In May 2024, Phase I was modified between the Company and AngloGold whereby the Duck Creek project advanced to Phase II without the completion of Phase I as noted below.

Upon completion of Phase I exploration expenditures of AUD10 million, AngloGold retains the option to convert the expenditures into common shares of the Company equal to a maximum of 9.9% of the then issued outstanding common shares of the Company, post share issuance, at the time of completion of Phase I. The deemed price of the shares shall be calculated using the 30-day VWAP and the number to be issued shall be capped at the Canadian dollar equivalent of AUD10 million.

If the number of shares issued equals less than 9.9% of the Company's outstanding shares, then AngloGold shall retain the further option to purchase additional common shares from the treasury of the Company at a 10% premium to the 30-day VWAP, up to a combined maximum ownership interest of 9.9% of the then-outstanding common shares.

Phase II:

AngloGold may elect to earn an initial 51% interest in up to five Designated Projects individually by funding expenditures of AUD7 million on each project within 36 months. If AngloGold fails to complete the Phase II earn-in expenditure for a given Designated Project, the Company will retain 100% ownership with no interest earned by AngloGold.

Phase III:

AngloGold may elect to earn an additional 14% interest in each Designated Project individually, for a total 65% interest, by funding additional expenditures of AUD20 million per Designated Project within 24 months following completion of Phase II. If AngloGold initiates but does not complete Phase III, then its ownership interest in the Designated Project will revert to 49%, which the Company retains the right to purchase at a mutually agreed price or for fair value if a price cannot be mutually agreed within a specified period.

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7. EXPLORATION AND EVALUATION ("E&E") ASSETS (continued)

a) New South Wales Project (NSW Project) (continued)

Phase IV:

AngloGold retains an additional right to earn a further 10% interest in each Designated Project, bringing its potential ownership interest to 75%, by completing the following:

- Delivering to the Company a Pre-Feasibility Study in accordance with the CIM Definition Standards on Mineral Resources and Ore Reserves based on a minimum 2,000,000 ounces of gold or gold-copper equivalent Measured and Indicated resources within 36 months after AngloGold provides notice to move to Phase IV; and,
- Granting to the Company a 2% NSR on the applicable Designated Project; provided, however, that if the applicable Designated Project has any existing underlying royalties, the Company will be granted a 1% NSR. AngloGold will have the right to buy back 0.5% of any 2% NSR and 0.25% of any 1% NSR in respect of all or a portion of the respective Designated Project for fair value at any time.

In May 2024, AngloGold elected to designate the Company's Duck Creek project as a Phase II project pursuant to the terms of the AngloGold Farm-in Agreement. The Company will continue to operate the Duck Creek Phase II exploration program for a 10% management fee, although AngloGold retains the right to take over as project manager at any time. As part of Phase II at Duck Creek, AngloGold retains the right to earn an initial 51% interest in the project by investing AUD 7 million in exploration expenditures. Upon completion of Phase II, AngloGold retains the additional right, as part of a Phase III program, to earn up to a 65% interest by investing a further AUD 20 million in expenditures. Upon completion of Phase III, AngloGold retains the right to earn up to a 75% interest by completing a pre-feasibility study with a minimum two-million-ounce gold or copper-gold equivalent resource (Measured & Indicated category) and granting a 2% or 1% net smelter return ("NSR") royalty to the Company. AngloGold retains the right to designate four additional projects in addition to Duck Creek as Phase II projects upon completion of Phase I which continues with drilling programs at the Company's tenements. As at June 30, 2024, cumulative cash calls for AUD 992,685 have been received from AngloGold for Phase II.

As at June 30, 2024, cumulative funds of \$8.59 million (September 30, 2023 - \$2.31 million) were received from AngloGold, and the Company has incurred cumulative exploration expenditures of \$7.60 million (September 30, 2023 - \$1.91 million) and cumulative management fees of \$760,128 (September 30, 2023 - \$190,645). The remaining \$225,519 has been recorded as an advance for exploration projects recorded in liabilities (September 30, 2023 - \$208,433).

During the nine months ended June 30, 2024, funds of AUD 6.04 million were received from AngloGold for Phase I and funds of AUD 992,685 for Phase II. Subsequent to the third quarter of fiscal 2024, funds of AUD 339,385 were received from AngloGold for Phase I and funds of AUD 363,501 for Phase II.

AngloGold's option to acquire a 9.9% interest in the Company upon the completion of Phase 1 was determined to be a derivative liability as it will be settled with a variable number of shares. The Geometric Brownian Motion simulation model was used to determine future share prices of the Company and the Monte Carlo simulation to determine the fair value of the derivative liability. As at June 30, 2024, the fair value of the option was estimated to be \$172,136 (September 30, 2023 - \$171,937) using a volatility of 127.67%, risk free interest rate of 3.79% and expected life of 1.95 years. An increase or decrease of 10% in the expected volatility would not have a significant impact on the fair value of the liability.

In fiscal 2023, the Company had been approved for multiple grants from the Government of NSW's New Frontiers Cooperative Drilling Program (the "NFCDP Grants"), and New Frontiers Exploration Program ("2023 Grant Funding"), both administered by the Geological Survey of NSW. In December 2023, the Company received grants of \$130,445.

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7. EXPLORATION AND EVALUATION ("E&E") ASSETS (continued)**b) Carron Project (Queensland)**

On December 31, 2017, the Company took assignment of an Exploration Farm-In Agreement dated March 15, 2017, as subsequently amended (the "Carron Farm-In Agreement"). Pursuant to the Carron Farm-In Agreement, the Company had the right to earn up to a 100% participating interest to acquire, explore and develop an EL known as the Carron Project in Queensland, Australia.

The Company earned an initial 50% participating interest (the "Stage 1 Earn-in") in the Carron Project further to an amending agreement dated November 22, 2019 (the "Initial Earn-in Date") which was then amended on October 19, 2023 (the "Third Amendment").

The Carron Farm-In Agreement provided for incremental farm-in levels by incurring additional expenditures at the discretion of the Company as follows:

1. The Company had the right to earn a further 20% interest to bring its participating interest to 70% if it elected within three years of the Initial Earn-in Date to incur a further AUD 1,000,000 in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in").
2. Following the Stage 2 Earn-in, the Company had the right, at its sole discretion, to elect to complete a further earn-in as either:
 - i) Acquire a further 30% interest to bring its interest to 100% by issuing a number of common shares to the Optionor based on a formula determined by an independent valuator; or
 - ii) Acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study (the "Stage 3 Earn-in"). In the event that the Company achieved a Stage 3 Earn-in to a 90% interest, the Company would have entered into a royalty agreement with the Optionor. Within 60 days of the Stage 3 Earn-in Date, the Optionor could have elected to contribute to expenditures in proportion to its 10% participating interest in a bankable feasibility study, and if the Optionor did not make such election, then its 10% interest would have been converted into a 2% NSR.

The Third Amendment provided for the extension of the term for completion of the Stage 2 Earn-in to March 31, 2024, which expenditure commitment of AUD 1,000,000 was satisfied as at December 31, 2023.

On March 14, 2023, the Company was awarded \$162,134 (AUD 200,000) in eligible grant funding through the Queensland Government's Collaborative Exploration Initiative. Funding was recovered under the grant by reimbursement of 100% of the cost of eligible expenditures to drill four specified holes at Carron.

In the third quarter of fiscal 2024, the Company decided not to pursue the Carron project and wrote off \$1,430,063 in expenditures related to the project.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2024	September 30, 2023
Accounts payable	\$ 380,648	\$ 545,151
Accrued liabilities	203,665	221,199
	<u>\$ 584,313</u>	<u>\$ 766,350</u>

Included in accounts payable and accrued liabilities at June 30, 2024 is \$67,965 (September 30, 2023 - \$128,290) due to related parties (Note 10).

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9. SHARE CAPITAL

a) Authorized:

Unlimited number of common shares without par value.

b) Share Issued and Outstanding:

Issued and outstanding: as at June 30, 2024: 96,129,670 common shares
(September 30, 2023: 95,057,670 common shares).

Share capital transactions during the comparative periods were as follows:

(i) Nine months ended June 30, 2024:

During the nine months ended June 30, 2024, 125,000 common shares were issued from the exercise of stock options for gross proceeds of \$15,000 and have a fair value of \$9,360, and 947,000 common shares were issued from the exercise of warrants for gross proceeds of \$142,050. In late June 2024, proceeds of \$3,525 were received from the exercise of 23,500 warrants with the common shares issued in July 2024.

(ii) Year ended September 30, 2023:

On August 17, 2023, the Company closed a non-brokered private placement (the “August 2023 Offering”) for gross proceeds of \$1,776,750 through the issuance of 7,107,000 units priced at \$0.25 per unit. Each unit consisted of one common share and one-half of a warrant, with each whole warrant exercisable to acquire one common share at a price of \$0.40 until February 17, 2025. Cash finders’ fees of \$57,071 and 214,800 finders’ warrants exercisable at \$0.40 per common share until February 17, 2025 with a fair value \$27,536 were paid on a portion of the August 2023 Offering.

During the year ended September 30, 2023, 205,000 warrants with an exercise price of \$0.15 were exercised for gross proceeds of \$30,750, and 205,000 common shares were issued.

c) Stock Options

The Company has a stock option plan under which it is authorized to grant stock options of up to a maximum of 10% of the issued and outstanding common shares to executive officers, directors, employees and consultants enabling the holder to acquire common shares. Vesting is at the discretion of the Board of Directors. In the absence of a vesting schedule, such stock options shall vest immediately.

During the nine months ended June 30, 2024, the following stock options were granted:

- On March 27, 2024, 2,950,000 stock options were granted to directors, officers, employees and certain consultants to the Company. The stock options have an exercise price of \$0.20 per share, vest six months after the date of the grant, and expire on March 27, 2029.

During the year ended September 30, 2023, the following stock options were granted:

- On December 21, 2022, 1,975,000 stock options were granted to directors, officers, employees and certain consultants to the Company. The stock options have an exercise price of \$0.12 per share, vest six months after the date of the grant, and expire on December 21, 2027; and
- On June 1, 2023, 200,000 stock options were granted to a newly appointed officer of the Company. The stock options have an exercise price of \$0.22 per share, vest six months after the date of the grant, and expire on June 1, 2028.

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9. SHARE CAPITAL (continued)

c) Stock Options (continued)

The continuity of stock options for the nine months ended June 30, 2024 is as follows:

	June 30, 2024	
	Number of Shares	Weighted average exercise price
Outstanding balance, beginning of period	8,350,000	\$0.20
Granted	2,950,000	\$0.20
Exercised	(125,000)	\$0.12
Cancellations	(700,000)	\$0.25
Expiration	<u>(1,810,000)</u>	\$0.20
Outstanding balance, end of period	8,665,000	\$0.20

The following table summarizes information about stock options outstanding and exercisable at June 30, 2024:

Expiry Date	Weighted Average Exercise Prices	Options Outstanding		Options Exercisable	
		Number Outstanding at June 30, 2024	Weighted Average Remaining Contractual Life (Number of Years)	Number Exercisable at June 30, 2024	Weighted Average Remaining Contractual Life (Number of Years)
March 10, 2025	\$0.30	1,840,000	0.69	1,840,000	0.69
November 24, 2025	\$0.40	100,000	1.40	100,000	1.40
March 8, 2026	\$0.34	200,000	1.69	200,000	1.69
March 2, 2027	\$0.12	1,650,000	2.67	1,650,000	2.67
December 21, 2027	\$0.12	1,725,000	3.48	1,725,000	3.48
June 1, 2028	\$0.22	200,000	3.92	200,000	3.92
March 27, 2029	\$0.20	<u>2,950,000</u>	4.74	-	-
	\$0.19	8,665,000	3.10	<u>5,715,000</u>	2.54

The Company applies the fair value method in accounting for its stock options applying the Black-Scholes Option Pricing Model using the following estimates for stock options awarded in the respective periods:

	June 30,	
	2024	2023
Risk-free interest rate	3.40%	3.19%
Expected dividend yield	0%	0%
Expected stock price volatility	114.13%	109.00%
Expected option life in years	5.00	5.00

For the purposes of estimating the fair value of options using the Black-Scholes Option Pricing Model, certain assumptions are made such as expected dividend yield, volatility of the market price of the Company's shares, risk-free interest rates and expected average life of the stock options.

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9. SHARE CAPITAL (continued)

c) Stock Options (continued)

During the nine months ended June 30, 2024, the Company recognized \$232,106 (June 30, 2023 - \$155,580) in share-based compensation for the stock options during the vesting period. The value is captured in the equity reserves account until such time as the stock options are exercised, upon which the corresponding amount will be transferred to share capital.

d) Warrants

At June 30, 2024, the Company had outstanding warrants as follows:

Exercise Prices	Expiry Dates	Outstanding at September 30, 2023	Issued	Exercised	Expired	Outstanding at June 30, 2024
\$0.15	August 10, 2024	16,270,000	-	(947,000)	-	15,323,000
\$0.40	February 17, 2025	3,553,500	-	-	-	3,553,500
\$0.40	February 17, 2025 ⁽¹⁾	214,800	-	-	-	214,800
		20,038,300	-	(947,000)	-	19,091,300

⁽¹⁾ These finders fee warrants have a fair value of \$27,536 which was recorded as share issuance expense and applied to share capital with a corresponding credit to reserve for share-based payments calculated using the Black-Scholes option pricing model with the following assumptions: volatility 123%, risk-free rate 4.90%, expected life 1.5 years, and expected dividend yield 0%.

e) Reserve

The share based payment reserve account consists of amounts recognized as share-based compensation expense until such time as the stock options and warrants are exercised, upon which the corresponding amount will be transferred to share capital.

10. RELATED PARTY TRANSACTIONS

In addition to the officers and directors of the Company ("key management personnel"), the Company's related parties include (i) its subsidiaries; (ii) OCP Holdings Ltd. as a reflection of its approximate 15.3% ownership interest in the Company at June 30, 2024; and (iii) those legal entities which share certain common directors noted below to whom compensation is paid.

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10. RELATED PARTY TRANSACTIONS (continued)

Key management personnel compensation is comprised of the following:

	Nine months ended June 30,		Net balance payable	
	2024	2023	June 30, 2024	September 30, 2023
Key management compensation:				
Executive salaries and benefits ⁽¹⁾	\$ 230,800	\$ 306,480	\$ -	\$ 50,500
Geological consulting ⁽¹⁾	184,590	149,224	23,000	23,903
Directors fees	148,051	120,000	39,986	43,737
Share-based payments	194,151	155,580	-	-
	<u>\$ 757,592</u>	<u>\$ 731,284</u>	<u>\$ 62,986</u>	<u>\$ 118,140</u>
Net office, sundry, rent and salary allocations reimbursed to companies sharing certain common directors ⁽²⁾	\$ 101,073	\$ 57,756	\$ 4,979	\$ 10,150

(1) Includes key management compensation and geological consulting which are included in exploration and evaluation assets, employee remuneration and property investigation, if any.

(2) These companies include Headwater Gold Inc., NewQuest Capital Inc. and Red Canyon Resources Ltd.

The above related party transactions are incurred in the normal course of business and on a cost recovery basis. Amounts payable to related parties are unsecured non-interest bearing and due in less than 90 days (Note 8).

11. SEGMENTED INFORMATION

Reportable segments are those operations whose operating results are reviewed by the chief operating decision maker, being the individual(s) at the Company making decisions about resources to be allocated to a particular segment, and assessing performance provided those operations pass certain quantitative thresholds.

The Company undertakes administrative activities in Canada, and is engaged in the acquisition, exploration, and evaluation of certain mineral property interests in Australia. Accordingly, the Company's operations are in two geographic and only one commercial segments. The Company is in the exploration stage and accordingly, has no reportable segment revenues. Mineral property interests and refundable security deposits are held in Australia, and cash is held in Canada and Australia.

The net loss is distributed by geographic segment per the table below:

	Nine months ended June 30,	
	2024	2023
Canada	\$ (856,703)	\$ (856,834)
Australia	(1,429,592)	(18,459)
	<u>\$ (2,286,295)</u>	<u>\$ (875,293)</u>

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11. SEGMENTED INFORMATION (continued)

The Company's assets are distributed by geographic segment, as per the table below:

	June 30, 2024		
	Canada	Australia	Total
Current assets	\$ 1,375,276	\$ 1,375,578	\$ 2,750,854
Refundable security deposits	-	246,920	246,920
Exploration and evaluation assets	-	7,005,914	7,005,914
Total assets	\$ 1,375,276	\$ 8,628,412	\$ 10,003,688

	September 30, 2023		
	Canada	Australia	Total
Current assets	\$ 1,999,049	\$ 1,029,994	\$ 3,029,043
Refundable security deposits	-	251,361	251,361
Exploration and evaluation assets	-	8,788,839	8,788,839
Total assets	\$ 1,999,049	\$ 10,070,194	\$ 12,069,243

12. SUBSEQUENT EVENTS

a) Warrants

Subsequent to the nine months ended June 30, 2024, warrants with exercise price of \$0.15 for 4,995,500 common shares were exercised for gross proceeds of \$749,325.

On August 10, 2024, warrants with exercise price of \$0.15 for 10,327,500 common shares expired unexercised.

b) Stock options

In July 2024, the Company granted 200,000 stock options with an exercise price of \$0.20 and expiry date of July 10, 2027 were granted to a consultant.