

**TEMAS RESOURCES CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS**  
**FOR THE PERIODS ENDED MARCH 31, 2024 AND 2023**

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The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Temas Resources Corp. (hereinafter "Temas" or the "Company") for the periods ended March 31, 2024 and 2023 and the notes thereto. The MD&A should be read in conjunction with the unaudited financial statements for the period ended March 31, 2024 and 2023. The MD&A has been prepared as at May 30, 2024.

**SCOPE OF ANALYSIS**

The following is a discussion and analysis of Temas Resources Corp. The Company reports its financial results in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

**FORWARD LOOKING STATEMENTS**

*The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guaranteeing of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.*

**TRENDS**

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

**GENERAL BUSINESS AND DEVELOPMENT**

Temas Resources Corp. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on June 25, 2018, under the name "Clean Earth Chemical Corp." On August 12, 2019, the Company changed its name to Temas Resources Corp. The Company is in the exploration stage with respect to its mineral property interest and has not yet achieved commercial production. The Company commenced trading on the Canadian Stock Exchange (CSE) on May 19, 2020, under the ticker TMAS and on OTCQB under the ticker TMA5F on August 5, 2020.

The Company's head office and registered and records office is located at 309 – 2912 West Broadway, Vancouver, British Columbia, V6K 0E9.

The Company is a reporting issuer in the Province of British Columbia. All public filings for the Company can be found on the SEDAR website [www.sedar.com](http://www.sedar.com).

## HIGHLIGHTS

### La Blache Project

During the period ending March 31, 2024, the Company completed its Preliminary Economic Assessment Report for the wholly-owned La Blache project.

## LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2024, the Company has a cash balance of \$135,908 compared to a cash balance of \$271,236 at December 31, 2023. The Company had a working capital deficit of \$1,952,417 as at March 31, 2024 (December 31, 2023 - \$1,583,101).

The continuation of the Company as a going concern is dependent on its ability to raise additional capital or debt financing, including on reasonable terms, to meet business objectives toward achieving profitable business operations.

On March 27, 2024, the Company issued 200,000 common shares for gross proceeds of \$30,000 in connection with the exercise of warrants at \$0.15 per common share.

On February 27, 2024, the Company issued 14,000 common shares for gross proceeds of \$2,100 in connection with the exercise of warrants at \$0.15 per common share.

On January 3, 2024, the Company issued 75,000 common shares for gross proceeds of \$7,875 in connection with the exercise of options at \$0.105 per common share.

On November 21, 2023, the Company completed a non-brokered private placement whereby the Company issued 3,050,000 units at a price of \$0.10 per unit for gross proceeds of \$305,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.15 expiring on November 21, 2025. Cash finder's fee of \$2,100 was paid.

On October 23, 2023, the Company completed a non-brokered private placement whereby the Company issued 3,180,000 units at a price of \$0.10 per unit for gross proceeds of \$318,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.15 expiring on October 23, 2025. Cash finder's fee of \$1,400 was paid. The Company also issued 14,000 agent warrants at \$0.15.

On February 28, 2023, the Company issued 100,000 common shares at \$0.225 for proceeds of \$22,500 in connection with the Crescita Capital equity investment facility.

On December 19, 2022, the Company issued 208,333 flow-through units at a price of \$0.72 per unit for gross proceeds of \$150,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$7,500 and issued 18,750 finder's warrants, exercisable at \$0.90 per common share, and expire two years from the grant date. The finder's warrants have a fair value of \$3,868.

On November 22, 2022, the Company issued 27,777 common shares for gross proceeds of \$14,625 in connection with the Equity Investment Facility.

On November 22, 2022, the Company issued 486,111 flow-through units at a price of \$0.72 per unit for gross proceeds of \$350,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$21,500, issued 19,444 finder's warrants, exercisable at \$0.72 per common share, and expire three years from the grant date, and issued 18,750 finder's warrants, exercisable at \$0.90 per common share, and expire two years from the grant date. The finder's warrants have a combined fair value of \$11,916.

On November 1, 2022, the Company issued 22,222 common shares for gross proceeds of \$12,240 in connection with the Equity Investment Facility.

On October 12, 2022, the Company issued 77,777 common shares for gross proceeds of \$44,100 in connection with the Equity Investment Facility.

On August 31, 2022, the Company issued 847,222 flow-through units at a price of \$0.72 per unit for gross proceeds of \$610,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$30,500 and issued 76,250 finder's warrants, exercisable at \$0.90 per common share, and expire three years from the grant date. The finder's warrants have a fair value of \$43,709.

On August 22, 2022, the Company issued 111,111 common shares for gross proceeds of \$57,000 in connection with the Equity Investment Facility.

On August 8, 2022, the Company issued 55,555 common shares for gross proceeds of \$29,250 in connection with the Equity Investment Facility.

#### Equity Investment Facility

On November 18, 2020, the Company entered into a \$5,000,000 equity investment facility with Crescita Capital. The Company can draw down funds from the \$5,000,000 equity investment facility from time to time during the three-year term at the Company's discretion by providing a drawdown notice to Crescita Capital, and in return for each drawdown notice funded by Crescita Capital, the Company will allot and issue fully paid common shares to Crescita Capital.

The shares issued in connection with any drawdown notice will be priced at the higher of (i) the floor price set by the Company and (ii) 90% of the average closing bid price resulting from the following ten days of trading after the drawdown notice ("Pricing Period"). The drawdown notice amount requested by the Company cannot exceed 700% of the average daily trading volume of the Pricing Period.

In connection with the equity investment facility, the Company paid a commitment fee. This fee consisted of a 3% commission to be paid in common shares, at a price of \$2.25 per share (67,777 shares valued at \$150,000), and warrants equal to 8% of the outstanding common shares of the Company (515,364 warrants valued at \$2,560,331). The warrants have an exercise price of \$2.25 per common share and expire three years from the grant date. The warrants were fair valued using the Black-Scholes Option Pricing Model using the following assumptions average risk-free interest rate - 0.29%; expected life - 3 years; expected volatility - 100.00%; forfeiture rate - Nil and expected dividends - Nil.

The value of the commitment fee was recorded as a deferred financing charge and is being amortized as share issue costs over the term of the equity investment facility, with amortization charges amounting to \$821,762 for the year ended December 31, 2023 (2022 - \$891,068). As at December 31, 2023, the carrying amount of the deferred financing charges was \$Nil (December 31, 2022 - \$821,762).

In November 2023, the three-year term with Crescita ended.

#### **Liability and Income Tax Effect on Flow-through Shares**

Funds raised through the issuance of flow-through common shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

In December 2020, the Company issued 402,777 flow-through common shares at \$9.00 per share for gross proceeds of \$3,625,000 and recognized an initial liability for flow-through shares of \$606,250. During the years ended December 31, 2021 and 2022, the Company has completed its flow-through spending obligations and has recognized a flow-through recovery of \$606,250.

During the 2022 year, the Company issued 1,541,666 flow-through common shares at an average price of \$0.72 for gross proceeds of \$1,110,000 and recognized an initial liability for flow-through shares of \$143,750. The \$1,110,000 flow-through funds were required to be incurred by December 31, 2023. As at December 31, 2023, the Company had spent \$405,185 of the \$1,110,000 flow-through obligation leaving a shortfall of \$704,815. The Company will incur income tax and penalties associated with this shortfall for itself and for investors. As at March 31, 2024 and December 31, 2023, the Company has accrued \$671,869 in estimated taxes payable.

## **EXPLORATION AND PROPERTY**

### **La Blache Property, Quebec, Canada**

On September 23, 2020, the Company purchased a 100% interest in the La Blache property in Core-Nord, Quebec from Cloudbreak Discovery Corp. and Cronin Services Ltd. (collectively known as “Vendors”) for an aggregate of 2,222,222 shares in the Company, \$60,000 in cash payments and delivery of an NSR royalty of 2%, subject to the right of the Company to repurchase one-half of the NSR royalty (1%) for \$2,500,000 at any time.

On March 27, 2024, the Company entered into an option agreement to earn 100% interest in the La Blache Lake Extension Property. Pursuant to the option agreement, the Company must issue an aggregate of \$275,000 in common shares and pay an aggregate of \$350,000 in cash over a 48<sup>th</sup> month period. On April 11, 2024 the Company paid \$50,000 in cash and issued 357,142 common shares at a deemed price of \$0.21 in accordance with the option agreement (deemed value of \$75,000).

### **DAB Property, Quebec, Canada**

On January 15, 2020, the Company entered into an option agreement with Contigo Resources Ltd. (“Contigo”) to acquire a 100% interest in the 124 claims comprising the DAB property. Under the terms of the option agreement, the Company needs to undertake the following to exercise its option:

- make cash payments of \$25,000 (paid) on January 15, 2020 and \$50,000 (paid) on January 15, 2021 (paid); and
- issue 1,111,111 common shares of the Company to Contigo on January 15, 2020 (issued).

Per the terms of the option agreement, Contigo retains a 2% net smelter royalty (“NSR”) on the DAB property. The Company can purchase 50% of the NSR at any time for a cash payment of \$1,500,000.

### **Piskanja Borate Project, Serbia**

On June 16, 2021, the Company entered into an option and joint venture agreement with Erin Ventures Inc. and Balkan Gold D.O.O. Temas has the right and option to earn up to a 50% undivided interest in the Piskanja Borate Project located in Serbia by incurring €10,500,000 in work expenditures on the project. As initial consideration for the option, the Company issued 27,777 common shares, valued at \$103,750, and 27,777 common share purchase warrants with an exercise price of \$2.88 per share expiring August 4, 2025, valued at \$75,425. On December 23, 2022, the Company terminated the option and joint venture agreement, therefore, no longer has an interest in this project.

### **Lac Brule, Quebec, Canada supplemental**

To augment the Company’s claims acquired through staking, on August 19, 2021, the Company had entered into a purchase agreement to acquire a 100% interest in an additional mineral claim comprising the Lac Brule property. Under the terms of the agreement, the Company made a cash payment of \$10,000 and issued 5,555 common shares of the Company to the seller at a value of \$19,000. Per the terms of the option agreement, the seller retains a 1% net smelter royalty (“NSR”) on the additional mineral claim. The Company can purchase 50% of the NSR at any time for a cash payment of \$500,000.

The carrying value of the Company’s mineral properties is as follows:

	Lac Brule	La Blache	DAB	Piskanja	Total
<b>December 31, 2021</b>	\$ 29,000	\$ 5,827,721	\$ 550,000	\$ 179,175	\$ 6,585,896
Technical services	-	-	-	127,638	127,638
Impairment provision	-	-	-	(306,813)	(306,813)
<b>December 31, 2022</b>	\$ 29,000	\$ 5,827,721	\$ 550,000	\$ -	\$ 6,406,721
Renew claims		20,317			20,317
<b>December 31, 2023</b>	\$ 29,000	\$ 5,848,038	\$ 550,000	\$ -	\$ 6,427,038
<b>March 31, 2024</b>	\$ 29,000	\$ 5,848,038	\$ 550,000	\$ -	\$ 6,427,038

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims and problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated the titles to its exploration and evaluation assets and, to the best of its knowledge, the titles to its property are in good standing.

### Supplemental Information (Annual)

	Exploration Expenditures					
	Year ended December 31, 2023			Year ended December 31, 2022		
	La Blache	Lac Brule	Total	La Blache	Lac Brule	Total
<b>Exporation Drilling (recovery)</b>	<b>-355,906</b>	-	<b>-355,906</b>	1,382,349	-	1,382,349
<b>Assaying</b>	<b>159,534</b>	-	<b>159,534</b>	228,760	-	228,760
<b>Metallurgical testing</b>	-	-	-	123,278	-	123,278
<b>Technical Services</b>	<b>263,421</b>	-	<b>263,421</b>	574,411	613,961	1,188,372
<b>Geological Consulting</b>	-	-	-	40,000	20,000	60,000
	\$ 67,049	\$ -	\$ 67,049	\$ 2,348,798	\$ 633,961	\$ 2,982,759

### INVESTMENTS

#### ORF Technologies

On March 26, 2021, the Company purchased a 50% interest in ORF Technologies Inc. ("ORF") for \$600,000. ORF Technologies Inc. holds a portfolio of patents related to mineral extraction. The Company has accounted for the investment in ORF using the equity method of accounting.

Temas has finalized a 50% acquisition of ORF Technologies Inc. ORF has developed several patented, innovative leaching and solvent extraction processes. With the ORF transaction, in conjunction with MetaLeach™, Temas believes that these combined technologies will make a difference in helping to alleviate the significant environmental impact that results from present-day mineral processing.

Pursuant to the Acquisition, Temas acquired 50% of the outstanding shares of ORF in exchange for a cash payment of \$600,000. In closing, the parties entered into a shareholders' agreement governing their rights and obligations going forward, including development and dividend policies, and pre-emptive rights to existing shareholders to acquire positions of other existing shareholders. With the 50% acquisition of ORF, Temas' objectives are to achieve and provide the lowest cost processing alternative for specialty, strategic and rare earth metals producers.

#### Transaction Highlights:

- **COST-EFFICIENCIES:** TiO<sub>2</sub> technology developed by ORF proved 144.8% more cost-efficient than conventional processes. The Company anticipates comparable cost efficiencies in the production of nickel, iron, gold, rare earth metals and many more.
- **MORE ENVIRONMENTALLY FRIENDLY:** The Recovery Technologies offer a significant reduction in carbon footprint when compared to conventional processing methods.
- **COMPLEMENTARY ACQUISITIONS:** ORF provides a suite of technologies that will complement and work alongside the licensing agreement with Metaleach™. The ORF technology suite is also capable of supporting Temas Resources' internal La Blache projects as well as unrelated third-party mining projects.

The Company structured the acquisition to ensure the existing principals responsible for developing the technologies at ORF would have a significant vested interest in the ongoing commercial success of the technologies. ORF was established as a holding company for intellectual property developed by Process Research Ortech ("PRO"), a company established in 1990 during the privatization of the Ontario Research Foundation's ("ONT") metallurgical testing facilities. ONT was created as an independent corporation by a provincial Act in 1928.

For the year ended December 31, 2023, the Company recorded an equity loss of \$8,635 (2022 - \$17,408) relating to its investment in ORF. Due to minimal activity and the lack of necessary cash flow, the Company recorded an impairment of \$563,116 during the year ended December 31, 2023.

## **SHARE CAPITAL AND OUTSTANDING SHARE DATA**

### Common Shares

Authorized – Unlimited Common shares without par value.

Issued and Outstanding as at date of this MD&A: 26,206,130, March 31, 2024: 16,351,386 (December 31, 2023: 16,062,386

On March 27, 2024, the Company issued 200,000 common shares for gross proceeds of \$30,000 in connection with the exercise of warrants at \$0.15 per common share.

On February 27, 2024, the Company issued 14,000 common shares for gross proceeds of \$2,100 in connection with the exercise of warrants at \$0.15 per common share.

On January 3, 2024, the Company issued 75,000 common shares for gross proceeds of \$7,875 in connection with the exercise of options at \$0.105 per common share.

On November 21, 2023, the Company completed a non-brokered private placement whereby the Company issued 3,050,000 units at a price of \$0.10 per unit for gross proceeds of \$305,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.15 expiring on November 21, 2025. Cash finder's fee of \$2,100 was paid.

On October 23, 2023, the Company completed a non-brokered private placement whereby the Company issued 3,180,000 units at a price of \$0.10 per unit for gross proceeds of \$318,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.15 expiring on October 23, 2025. Cash finder's fee of \$1,400 was paid. The Company also issued 14,000 agent warrants at \$0.15.

On March 27, 2023, the Company settled outstanding fees of \$25,000 for 55,555 common shares with an issue price of \$0.45.

On February 28, 2023, the Company issued 100,000 common shares at \$0.225 for proceeds of \$22,500 in connection with the Crescita Capital equity investment facility.

On December 19, 2022, the Company issued 208,333 flow-through units at a price of \$0.72 per unit for gross proceeds of \$150,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$7,500 and issued 18,750 finder's warrants, exercisable at \$0.90 per common share, and expire two years from the grant date. The finder's warrants have a fair value of \$3,868.

On November 22, 2022, the Company issued 27,777 common shares for gross proceeds of \$14,625 in connection with the Equity Investment Facility.

On November 22, 2022, the Company issued 486,111 flow-through units at a price of \$0.72 per unit for gross proceeds of \$350,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each

whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$21,500, issued 19,444 finder's warrants, exercisable at \$0.72 per common share, and expire three years from the grant date, and issued 18,750 finder's warrants, exercisable at \$0.90 per common share, and expire two years from the grant date. The finder's warrants have a combined fair value of \$11,916.

On November 1, 2022, the Company issued 22,222 common shares for gross proceeds of \$12,240 in connection with the Equity Investment Facility.

On October 12, 2022, the Company issued 77,777 common shares for gross proceeds of \$44,100 in connection with the Equity Investment Facility.

On August 31, 2022, the Company issued 847,222 flow-through units at a price of \$0.72 per unit for gross proceeds of \$610,000. Each unit is comprised of one flow-through share and one half-share purchase warrant, each whole warrant is exercisable at \$0.90 per common share, and expires three years from the date of issuance. The Company paid cash share issuance costs of \$30,500 and issued 76,250 finder's warrants, exercisable at \$0.90 per common share, and expire three years from the grant date. The finder's warrants have a fair value of \$43,709.

On August 22, 2022, the Company issued 111,111 common shares for gross proceeds of \$57,000 in connection with the Equity Investment Facility.

On August 8, 2022, the Company issued 55,555 common shares for gross proceeds of \$29,250 in connection with the Equity Investment Facility.

#### Stock Options

As at the date of this MD&A the Company had 1,403,167 options outstanding and at March 31, 2024, the Company had 1,403,167 stock options outstanding (December 31, 2023: 1,478,167) outstanding with 877,042 stock options exercisable.

Number of Options	Weighted Average Exercise Price	Remaining Life (In Years)	Expiry Date
16,667	\$ 1.08	0.95	March 14, 2025
685,000	\$ 0.11	2.34	August 2, 2026
300,000	\$ 0.13	4.65	November 21, 2028
401,500	\$ 0.20	4.67	November 29, 2028
<b>1,403,167</b>	<b>\$ 0.15</b>	<b>3.48</b>	

On January 3, 2024, the Company issued 75,000 common shares for gross proceeds of \$7,875 in connection with the exercise of options at \$0.105 per common share.

On November 29, 2023, the Company granted 401,500 stock options to the CEO of the Company exercisable at \$0.20 per option for a period of 4 years. The options vest over two years from issuance (fully vested by May 29, 2025). The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 3.60%; expected life – 5 years; expected volatility – 182.93%; forfeiture rate - Nil and expected dividends – Nil.

On November 21, 2023, the Company granted 300,000 stock options to a consultant of the Company exercisable at \$0.125 per option for a period of 5 years. The options vest over one year from issuance (fully vested by November 21, 2024). The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 3.74%; expected life – 5 years; expected volatility – 183.46%; forfeiture rate - Nil and expected dividends – Nil.

On August 2, 2023, the Company granted 760,000 stock options to consultants, directors and officers of the Company exercisable at \$0.105 per option for a period of three years. The options are vested immediately. The

options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 4.43%; expected life – 3 years; expected volatility – 187.79%; forfeiture rate - Nil and expected dividends – Nil.

On March 14, 2022, the Company granted 16,667 stock options to an officer of the Company exercisable at \$1.08 per option for a period of three years. The options are vested immediately. The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 1.94%; expected life – 3 years; expected volatility – 99.77%; forfeiture rate - Nil and expected dividends – Nil.

On February 2, 2022, the Company granted 72,222 stock options to various directors, officers, and consultants of the Company at an exercise price of \$1.26 per option. The options will expire in five years and vest immediately on the grant date. The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 1.61%; expected life – 5 years; expected volatility – 100.00%; forfeiture rate - Nil and expected dividends – Nil.

#### Share Purchase Warrants

As at the date of this MD&A the Company had 10,347,073 warrants outstanding and at March 31, 2024, the total share purchase warrants outstanding are as follows:

<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>	<b>Remaining Life (In Years)</b>	<b>Expiry Date</b>
499,861	\$ 0.90	1.42	August 31, 2025
281,250	\$ 0.90	1.64	November 21, 2025
104,167	\$ 0.90	1.72	December 19, 2025
18,750	\$ 0.90	0.72	December 19, 2024
2,980,000	\$ 0.15	1.56	October 23, 2025
3,050,000	\$ 0.15	1.64	November 21, 2025
<b>6,934,028</b>	<b>\$ 0.25</b>	<b>1.59</b>	

## **RESULTS OF OPERATIONS**

### **SELECT FINANCIAL INFORMATION**

During the period ended March 31, 2024, the Company incurred a net loss of \$540,541 (2023 - \$227,430 net loss). Included in the period ended March 31, 2024 loss was \$86,750 (2023 – \$47,503) for consulting fees which increased as the Company hired a new CEO at the end of 2023 increasing Q1 2024 fees. Exploration expenditures for the period were \$62,340 (2023 - \$200,866), decreasing over last year due to less active field exploration. Investor relation fees of \$341,145 were also incurred (2023 – \$4,721) which increased as new programs were initiated in conjunction with the recent capital raises.

The Company’s loan to ORF Technologies was impaired during the year causing a \$2,609 write down.

### **SUMMARY OF FINANCIAL RESULTS FOR MOST RECENTLY COMPLETED YEAR**

The following table summarizes the financial results of operations for the period ended December 31, 2023 and 2022:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>
Expenses	<b>(2,233,150)</b>	<b>(4,024,414)</b>
Net loss	<b>(2,233,150)</b>	<b>(4,024,414)</b>
Loss per share - basic & diluted	<b>(0.21)</b>	<b>(0.49)</b>



## RELATED PARTY TRANSACTIONS

Key management personnel at the Company are the directors and officers of the Company.

During the period ended March 31, 2024, the Company incurred:

- Consulting fees of \$48,000 (2023 - \$103,000) to a company owned by a director of the Company
- Exploration technical services of \$22,350 (2023 - \$Nil) to a company owned by a director of the Company
- Consulting fees of \$31,250 (2023 - \$Nil) to a company owned by CEO
- Share-based payments of \$Nil (2023 - \$25,000) to officers, directors and companies with common officers and directors.

As of March 31, 2024, loans and receivable includes:

- \$67,500 (December 31, 2023 - \$67,500) prepaid deposit paid to a company owned by a director of the Company
- \$528,629 (December 31, 2023 - \$300,300) payable to a company owned by a director of the Company
- \$15,018 (December 31, 2023 - \$Nil) is due to a company owned by a director of the Company
- \$26,041 (December 31, 2023 - \$Nil) is due to a company owned by the CEO of the Company
- \$135,000 (December 31, 2023 - \$135,000) due to a former officer of the Company

On July 14, 2023, the Company entered a \$140,000 secured loan agreement (“Secured Loan”) with a company controlled by a director of the Company. The Secured Loan carries an interest rate of 12% per annum, paid in advance quarterly with a maturity date of July 13, 2024, and secured by the assets of the Company. During the period ended March 31, 2024, the Company accrued interest of \$4,331 (2023 - \$Nil). As at March 31, 2024 the balance owing on the Secured Loan is \$120,738.

## SUBSEQUENT EVENTS

On April 1, 2024, the Company issued 75,000 common shares for gross proceeds of \$11,250 in connection with the exercise of warrants at \$0.15 per common share.

On April 8, 2024, the Company completed the first tranche of a non-brokered private placement whereby the Company issued 5,943,690 units at a price of \$0.20 per unit for gross proceeds of \$1,188,738. Each unit is comprised of one common share and one-half common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.40 expiring on April 8, 2026. As at March 31, 2024, \$131,250 receipts have been received in advance.

On May 6, 2024, the Company issued 275,000 common shares for gross proceeds of \$41,250 in connection with the exercise of warrants at \$0.15 per common share.

On May 10, 2024, the Company completed the second tranche of a non-brokered private placement whereby the Company issued 2,655,000 units at a price of \$0.20 per unit for gross proceeds of \$531,000. Each unit is comprised of one common share and one-half common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of \$0.40 expiring on May 10, 2026.

On May 14, 2024, the Company issued 500,000 common shares for gross proceeds of \$75,000 in connection with the exercise of warrants at \$0.15 per common share.

On May 16, 2024, the Company issued 48,900 common shares for gross proceeds of \$7,335 in connection with the exercise of warrants at \$0.15 per common share.

## CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

The Company’s significant accounting policies applied in these condensed interim financial statements are the same applied in Note 3 to the Company’s annual audited financial statements as at and for the year ended

December 31, 2023. These condensed interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

**OTHER INFORMATION**

Additional information on the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).