Teako Minerals Corp. (formerly 1111 Exploration Corp.)

Condensed Interim Consolidated Financial Statements

For the nine months ended

October 31, 2023

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW
OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying condensed interim consolidated financial statements of Teako Minerals Corp. (the "Company") as at and for the three and nine months ended October 31, 2023, have been prepared by management of the Company and approved by the Company's Board of Directors.

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

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of condensed interim financial statements by an entity's auditor.

Teako Minerals Corp. (formerly 1111 Exploration Corp.)
Condensed Interim Consolidated Statements of Financial Position
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

As at October 31, 2023 and January 31, 2023

	Note	**October 31, 2023 $**	January 31, 2023 $
Assets			
Current assets			
Cash		582,023	323,887
Receivables and prepayments	3	37,986	9,949
		620,009	333,836
Non-current assets			
Prepaid exploration expenditures		25,000	-
Marketable securities	4	1,546,289	-
Reclamation bonds	5(d)	61,000	22,600
Mineral property interests	5	1,892,245	440,763
		3,524,534	463,363
Total assets		**4,144,543**	797,199
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		62,345	23,702
Accounts payable to related parties	9	120,775	89,312
Flow-through premium liability	12	-	44,797
		183,120	157,811
Non-current liabilities			
Convertible loan	8	367,997	-
Total liabilities		**551,117**	157,811
Shareholders' equity			
Share capital	6	3,987,242	1,007,783
Commitment to issue shares	8	5,459	-
Reserves	6,8	428,760	51,500
Accumulated other comprehensive loss		(42)	-
Deficit		(827,993)	(419,895)
Total shareholders' equity		**3,593,426**	639,388
Total liabilities and shareholders' equity		**4,144,543**	797,199

Nature of operations and going concern	1
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Approved on behalf of the Board of Directors on December 13, 2023:

"Jerker Tuominen" **Director** *"Sven Gollan"* **Director**

Teako Minerals Corp. (formerly 1111 Exploration Corp.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

For the nine months ended October 31, 2023 and October 31, 2022

	Number of common shares #	Share capital $	Share subcriptions received $	Commitment to issue shares $	Reserves $	Accumulated other comprehensive loss $	Deficit $	Total shareholders' equity $
January 31, 2022	15,028,633	597,332	-	-	56,300	-	(279,181)	374,451
Exercise of warrants for services	200,000	10,000	-	-	-	-	-	10,000
Re-allocated on exercise of warrants	-	5,400	-	-	(5,400)	-	-	-
Shares issued for mineral property	300,000	16,500	-	-	-	-	-	16,500
Shares subscriptions received in advance	-	-	206,040	-	-	-	-	206,040
Loss and comprehensive loss for the period	-	-	-	-	-	-	(81,832)	(81,832)
October 31, 2022	15,528,633	629,232	206,040	-	50,900	-	(361,013)	525,159
January 31, 2023	23,372,433	1,007,783	-	-	51,500	-	(419,895)	639,388
Issue of shares for cash - private placement	5,762,999	460,370	-	-	-	-	-	460,370
Flow-through premium liability	-	(31,700)	-	-	-	-	-	(31,700)
Exercise of warrants	20,000	2,000	-	-	-	-	-	2,000
Shares issued for mineral property interests	24,300,001	1,002,500	-	-	-	-	-	1,002,500
Share issued pursuant to share exchange agreement	2,790,816	1,546,289	-	-	-	-	-	1,546,289
Commitment to issue shares for interest on convertible loan	-	-	-	5,459	-	-	-	5,459
Equity component of convertible loan	-	-	-	-	377,260	-	-	377,260
Foreign currency translation adjustment	-	-	-	-	-	(42)	-	(42)
Loss and comprehensive loss for the period	-	-	-	-	-	-	(408,098)	(408,098)
October 31, 2023	**56,246,249**	**3,987,242**	**-**	**5,459**	**428,760**	**(42)**	**(827,993)**	**3,593,426**

Teako Minerals Corp. (formerly 1111 Exploration Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)
For the three and nine months ended October 31, 2023 and October 31, 2022

		Three months ended		Nine months ended	
		October 31, 2023	October 31, 2022	**October 31, 2023**	October 31, 2022
	Note	**$**	$	**$**	**$**
Expenses					
Accretion expense	8	9,089	-	9,089	-
General and administrative expenses	9	18,664	2,226	29,047	7,693
Investor relations and shareholder information		33,292	847	54,872	1,772
Professional and consulting fees	9	137,009	37,323	324,438	89,335
Property investigation		28,042	-	29,526	-
Transfer agent, filing and exchange fees		7,291	2,701	28,127	9,880
		(233,387)	(43,097)	**(475,099)**	(108,680)
Interest income		2,408	-	2,408	-
Interest expense	8	(5,459)	-	(5,459)	-
Other expense	2	-	-	(6,445)	-
Settlement of flow-through premium liability	12	43,580	23,320	76,497	26,848
Loss for the period		**(192,858)**	(19,777)	**(408,098)**	(81,832)
Foreign currency translation adjustment		(227)	-	(42)	-
Loss and comprehensive loss for the period		**(193,085)**	(19,777)	**(408,140)**	(81,832)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #	7	**53,069,766**	15,449,512	**48,421,435**	15,238,523
- Diluted #	7	**53,069,766**	15,449,512	**48,421,435**	15,238,523
Basic loss per share $	7	**(0.00)**	(0.00)	**(0.01)**	(0.01)
Diluted loss per share $	7	**(0.00)**	(0.00)	**(0.01)**	(0.01)

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

Condensed Interim Consolidated Statements of Cash Flows

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

For the nine months ended October 31, 2023 and October 31, 2022

	Note	**October 31, 2023 $**	October 31, 2022 $
Operating activities			
Loss for the period		(408,098)	(81,832)
Adjustments for:			
Accretion expense		9,089	-
Interest expense accrued - commitment to issue shares		5,459	-
Settlement of flow-through premium liability		(76,497)	(26,848)
Other expense		6,445	-
Common shares issued for services - professional and consulting fees		-	10,000
Net change in non-cash working capital items	10	35,138	28,952
		(428,464)	(69,728)
Financing activities			
Issue of shares/units for cash		462,370	-
Share subscriptions received		-	206,040
Proceeds from convertible loan	8	750,000	-
Issuance costs		(13,832)	-
		1,198,538	206,040
Investing activities			
Reclamation bonds	5(d)	(38,400)	-
Mineral property acquisition costs	5	(72,928)	(40,316)
Deferred exploration and evaluation expenditures		(376,054)	(87,383)
Prepaid exploration expenditures		(25,000)	-
Cash acquired from acquisition of Valence	2	486	-
		(511,896)	(127,699)
Change in cash		**258,178**	8,613
Cash, beginning of period		**323,887**	262,819
Effect of foreign exchange on cash		**(42)**	-
Cash, end of period		**582,023**	271,432

Supplemental cash flow information 10

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

1. Nature of operations and going concern

Teako Minerals Corp. (formerly 1111 Exploration Corp.) (the "Company") was incorporated in British Columbia under the provisions of the British Columbia Business Corporations Act on February 21, 2020 as 1111 Acquisition Corp., then changed its name on August 3, 2021, to 1111 Exploration Corp., and again changed its name to Teako Minerals Corp., on February 17, 2023. The Company's registered and records office address is 1100 – 1111 Melville Street, Vancouver BC V6E 3V6.

The Company's common shares trade on the Canadian Securities Exchange ("CSE" or the "Exchange") under the symbol "TMIN" (effective March 3, 2023). The Company's common shares formerly traded under the symbol "ELVN".

The Company's principal business activity is the acquisition, exploration and evaluation of mineral property interests located in Canada and Europe. The Company is in the process of exploring its mineral property interests in British Columbia, and Norway, and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral property interests are based on costs incurred to date and do not necessarily represent present or future values.

During the nine months ended October 31, 2023, the Company acquired Valence Mining Services Ltd. (Note 2) an inactive company through which the Company acquired ownership of two newly incorporated companies in each of Finland and Norway for the purpose of acquiring exploration stage mineral property interests in those respective countries.

These condensed interim consolidated financial statements (the "financial statements") are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, has incurred losses since incorporation, and is reliant on equity financing and a convertible loan during the nine months ended October 31, 2023. As at October 31, 2023, the Company had working capital of $436,889 (January 31, 2023 – $176,025).

The Company's operations have been funded from equity financing and a convertible loan, which is dependent upon many external factors, and there is no assurance that such forms of financing will continue to be available with acceptable terms. The Company will continue to require additional capital to continue exploration programs and operations for the next fiscal year. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited consolidated financial statements for the period ended January 31, 2023, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited financial statements.

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts in these financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary Valence Mining Services Ltd. The functional currency of the Company's subsidiaries Teako Minerals Norway AS, and Teako Minerals Finland Oy, is the Norwegian Krone, and the Euro, respectively.

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Future accounting standards

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2024. The Company has reviewed these updates and determined that none are applicable or consequential to the Company and have been excluded from discussion within these significant accounting policies.

Principles of consolidation

These financial statements include the financial information of the Company and its subsidiaries.

These financial statements include the following entities:

Teako Minerals Corp.	100%	Parent and exploration company	Canada
Valence Mining Services Ltd. (“Valence”)	100%	Holding company	Canada
Teako Minerals Norway AS (“Teako Norway”)	100%	Exploration company	Norway
Teako Minerals Finland Oy (“Teako Finland”)	100%	Exploration company	Finland

On April 9, 2023, Teako Finland (Finland, Europe) was incorporated by a Director of the Company, and on July 5, 2023, ownership of Teako Finland was transferred to Valence. Teako Finland had been inactive since incorporation and had no assets or liabilities on the date it was acquired by the Company.

On May 4, 2023, the Company acquired Valence, a private company incorporated in the province of Alberta on May 25, 2022. Valence has been inactive since incorporation and had nominal assets and liabilities on the date of acquisition by the Company. For nominal consideration to acquire Valence, the Company acquired $486 in cash, sales tax receivable of $196, and accounts payable of $7,127, resulting in an excess of liabilities over assets acquired of $6,445 recognized as other expense.

The acquisition of Valence constitutes an asset acquisition and has been accounted for under the acquisition method in accordance with the guidance provided in *IFRS 3, Business Combinations* (“IFRS 3”). The assets acquired did not qualify as a business according to the definition in IFRS 3, and therefore the acquisition did not constitute a business combination. The allocation of the purchase price to the assets acquired and liabilities assumed is based on estimated fair values at the acquisition date.

On June 12, 2023, Teako Norway (Norway, Europe) was incorporated by Valence.

Subsidiaries are entities controlled by the Company and are included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company. Inter-company balances and transactions, and any unrealized income (loss) and expenses arising from inter-company transactions, are eliminated in preparing the financial statements.

3. Receivables and prepayments

Receivables and prepayments consists of the following:

	October 31, 2023	January 31, 2023
	$	$
Prepaid expenses	19,362	-
Sales tax recoverable	18,624	9,949
	37,986	9,949

(Expressed in Canadian Dollars)

4. Marketable securities

Private company shares – The Coring Company

On August 2, 2023, the Company executed a letter of intent which was superseded on September 29, 2023, by a Securities Exchange Agreement with The Coring Company AS ("TCC"), a private Norwegian company to acquire 4.9% of the issued and outstanding common shares of TCC in exchange for 4.9% of the issued and outstanding common shares of the Company (the "Share Swap"). The Share Swap facilitates the commitment of each party to their Strategic Partnership as detailed below.

On October 11, 2023, the Company issued 2,790,816 common shares to TCC (Note 6) and received in return, 626,521 common shares of TCC with a fair value of $1,546,289, representing the issuance of 4.9% of the Company's common shares in exchange for 4.9% of TCC's common shares.

In accordance with IFRS 2 – *Share-based Payment* ("IFRS 2"), the Company has measured this transaction in which a financial asset was received for consideration of the issuance of the Company's common shares, at the fair value of the financial asset received (TCC common shares). The fair value of the TCC common shares referenced above was estimated at the date of receipt. There was no change in fair value recognized from the date of receipt through to October 31, 2023.

The TCC common shares are classified as non-current as TCC is a private company and there is a lack of marketability and liquidity of the shares at this time. The valuation has been determined using Level 2 fair value inputs as further described in Note 11.

A summary of the marketable securities transactions is as follows:

	Private company marketable securities $
Cost	
January 31, 2023	-
Additions	1,546,289
October 31, 2023	**1,546,289**
Fair value	
January 31, 2023	-
Additions	1,546,289
October 31, 2023	**1,546,289**

Strategic Partnership – The Coring Company

On April 18, 2023, the Company executed a letter of intent ("LOI") with TCC on the Sample Control System Mining Product (the "SCS Mining Product") developed by TCC.

Pursuant to the terms of the LOI the parties will partner on the development of the SCS Mining Product related to mining exploration activities by way of entering into a Research and Development Agreement ("R&D Agreement") (not yet completed), which has the objective of bringing the exploration module of the SCS Mining Product – Exploration SCS Exploration Product") to the point of commercial use, and available for sublicence or resale to arm's length parties.

On June 22, 2023, the parties executed a License Agreement which does not supersede the LOI but encompasses the intentions and binding elements of the LOI. The License Agreement provides the Company with an exclusive two-year license for the SCS Exploration Product allowing it to use, sublicense, and resell the SCS Exploration Product. The License Agreement is part of a larger framework that includes a R&D Agreement (see above, not yet completed), and a Project Agreement (not yet completed). The two-year license provides the Company with exclusive rights in respect of certain software and hardware components of the SCS Exploration Product. The two-year license will commence on the date which the SCS Exploration Product is deemed by a third party to have reached technology readiness level 8 (TRL 8), according to the European Association of Research and Technology Organisations (EARTO).

As at October 31, 2023, the SCS Exploration product has not yet reached TRL 8 and therefore the Company's two-year license has not yet commenced, nor has the Company entered into any agreements to sublicense or resell the SCS Exploration Product to other parties. Accordingly, the Company has not yet capitalized any value in connection with the License Agreement.

(Expressed in Canadian Dollars)

5. Mineral property interests

The Company's mineral property interests consist of properties owned or under option located in British Columbia ("BC"), Canada, and Norway.

Changes in the project carrying amounts for the nine months ended October 31, 2023, and October 31, 2022 are summarized as follows:

	January 31, 2023 **$**	**Acquisitions / staking** **$**	**Exploration and evaluation** **$**	**October 31, 2023** **$**
Canada projects				
Pinnacle, BC	420,883	57,500	65,345	543,728
Wilcox, BC	19,880	-	1,166	21,046
Teako, BC	-	939,999	-	939,999
BQ, BC	-	1	21,646	21,647
Yellow Moose	-	13,350	287,897	301,247
Total	440,763	1,010,850	376,054	1,827,667
Norway projects				
Birtavarre	-	15,000	-	15,000
Vaddas	-	45,000	-	45,000
Total	-	60,000	-	60,000
Findland project				
Koski Gold	-	2,289	-	2,289
Salo Gold	-	2,289	-	2,289
Total	-	4,578	-	4,578
Total projects	**440,763**	**1,075,428**	**376,054**	**1,892,245**

	January 31, 2022 $	Acquisitions / staking $	Exploration and evaluation $	October 31, 2022 $
Canada projects				
Pinnacle, BC	213,364	52,273	107,390	373,027
Wilcox, BC	-	4,543	-	4,543
Total projects	213,364	56,816	107,390	377,570

Exploration and evaluation expenditures consisted of the following:

Nine months ended October 31, 2023	**Pinnacle** **$**	**Wilcox** **$**	**BQ** **$**	**Yellow Moose** **$**	**Total** **$**
Assays	327	-	-	19,499	19,826
Excavating and drilling	-	-	-	126,922	126,922
Field	25,327	-	900	12,501	38,728
Labour	24,926	1,166	19,706	128,975	174,773
Surveys	14,765	-	1,040	-	15,805
	65,345	**1,166**	**21,646**	**287,897**	**376,054**

Nine months ended October 31, 2022	Pinnacle $	Total $
Field	30,563	30,563
Labour	76,827	76,827
	107,390	107,390

5. Mineral property interests (continued)

(a) Canada projects

(i) Pinnacle project, BC

In 2020 and as amended on August 26, 2022, and terminated on November 27, 2023, the Company entered into an Option Agreement to earn a 70% interest in the copper-gold Pinnacle project from Pacific Empire Minerals Corp. ("PEMC"). Under the terms of the agreement, the Company could earn a 70% interest in the project by making cash payments and issuing common shares to PEMC and incurring cumulative exploration expenditures by August 25, 2024. Subsequent to October 31, 2023, the Company's Board of Directors made a decision to terminate the Option Agreement on the Pinnacle project and on November 27, 2023, the Company provided notice to PEMC of the termination of the Option Agreement (Note 13(a)).

During the term of the Option Agreement, the Company made cash payments of $110,000 ($35,000 paid during the nine months ended October 31, 2023), incurred $383,956 in exploration expenditures, and issued 800,000 common shares with an aggregate fair value of $49,000 (300,000 common shares issued during the nine months ended October 31, 2023 at a fair value of $22,500).

(ii) Wilcox project, BC

During the year ended January 31, 2023, the Company staked various copper-molybdenum-gold claims in northern BC. The Wilcox project is wholly-owned by the Company.

(iii) Teako project and BQ project, BC

On February 10, 2023, the Company executed a Mineral Property Purchase and Sale Agreement (superseding a letter of intent executed on January 12, 2023), to acquire a 100% interest in certain copper-gold mineral claims known as the Teako mineral claims located in northwestern BC, and certain gold mineral claims known as the BQ mineral claims located in north-central BC, from Teako Gold Corp. ("TGC"), a private company, for aggregate consideration of $940,000 paid by the Company as follows:

- A cash payment of $20,000 (paid);
- The issuance of 21,000,001 common shares (issued at a fair value of $840,000 ($0.04 each)); and
- The issuance of 2,000,000 common shares (issued at a fair value of $80,000 ($0.04 each)).

Except for $1 being allocated to the BQ project, the entirety of the consideration paid was allocated to the Teako project. The Teako claims within the project are subject to a 2% net smelter return royalty ("NSR") which can be reduced to 1% by way of making a $1,000,000 cash payment to the royalty holder, an arm's length party.

(iv) Yellow Moose project, BC

On July 18, 2023, and as amended on August 30, 2023, the Company executed a Purchase and Option Agreement with Cuprita Minerals Inc. ("Cuprita") a private company based in Ontario, to purchase a 100% interest in the Yellow Moose gold project located in north-central BC in exchange for the reimbursement of claims maintenance fees of $13,350 (paid, not reimbursable), and the issuance of 3,500,000 common shares of the Company (not yet issued).

Additionally, Cuprita will retain a 2% NSR which can be reduced to 1% by way of making a $1,000,000 cash payment to Cuprita. Completion of the transaction is subject to satisfaction of certain closing conditions by December 31, 2023.

5. Mineral property interests (continued)

(b) Norway projects

(i) Birtavarre and Vaddas projects

On July 12, 2023, the Company executed a Purchase and Option Agreement with Capella Minerals Limited ("Capella") which, through its wholly-owned subsidiary, Capella Minerals Norway AS ("Cappella Norway"), sold the Company a 50% interest in the Birtavarre and Vaddas copper-cobalt projects located in northern Norway (the "projects"), and has granted the Company the option to earn an additional 50% interest in the projects for consideration as set out below.

To acquire the initial 50% interest in the projects, the Company issued 1,000,000 common shares (fair value of $60,000 ($0.06 each)). To exercise the option to acquire an additional 50% interest in the projects, the Company is required to incur exploration expenditures of $100,000 by July 12, 2024, and issue Capella an additional 500,000 common shares of the Company (250,000 common shares on or before each of July 12, 2024, and July 12, 2025).

(c) Finland projects

(i) Koski and Salo projects

On October 19, 2023 the Company paid $4,578 in exploration license fees for the Koski and Salo gold projects which are located in southwest Finland.

(d) Reclamation bonds

The Company holds two reclamation bonds with the British Columbia Ministry of Energy, Mines and Low Carbon Innovation, which are invested in guaranteed investment certificates bearing variate rates of interest, with a one-year term that automatically renews. One bond is on the Pinnacle project for $22,600, and the other on Teako project in the amount of $38,400.

6. Share capital and reserves

The authorized share capital of the Company consists of unlimited common shares without par value and without special rights or restrictions attached. All issued shares are fully paid.

Transactions for the issue of share capital during the nine months ended October 31, 2023:

- On February 10, 2023, the Company completed a private placement comprising the issuance of 2,250,000 common shares at a price of $0.05 each for gross proceeds of $112,500. There were no finders' fees or other share issue costs recognized in connection with this placement.
- On February 10, 2023, the Company issued 21,000,001 common shares to TGC at a fair value of $840,000 ($0.04 each) in respect of the acquisition of the Teako property (Note 5(a)(iii)). On June 5, 2023, the Company issued an additional 2,000,000 common shares at a fair value of $80,000 ($0.04 each) to TGC to complete the acquisition of the Teako property.
- On March 8, 2023, the Company issued 20,000 common shares upon the exercise of warrants at a price of $0.10 each for proceeds of $2,000.
- On July 12, 2023, the Company issued 1,000,000 common shares at a fair value of $60,000 ($0.06 each) to Capella pursuant to the acquisition of two Norway projects (Note 5(b)(i)).
- On August 23, 2023, the Company issued 300,000 common shares at a fair value of $22,500 ($0.075 each) to PEMC pursuant to the Option Agreement on the Pinnacle project (Note 5(a)(i)).
- On August 25, 2023, the Company closed a non-brokered private placement for proceeds of $347,870 from the issuance of 1,585,000 flow-through common shares at a price of $0.11 each ($174,350), and 1,927,999 non-flow-through units ("NFT Unit") at a price of $0.09 each ($173,520).

  Each NFT Unit comprised of one common share and one-half of a share purchase warrant with each whole warrant exercisable into a common share at a price of $0.20 until August 25, 2026 (36 months). The warrants are subject to an accelerated exercise clause.

  The flow-through shares were issued at a premium to the trading value of the Company's common shares which is a reflection of the value of the income tax write-offs that the Company renounced to the flow-through shareholders. The premium was determined to be $31,700 and was recorded as a reduction of share capital with an offset to flow-through premium liability. The premium was reversed upon the required exploration expenditures being completed and recorded as income on settlement of the flow-through premium liability (Note 12).

  There were no finder's fees paid in respect of the placements, nor any share issue costs recognized.
- On October 11, 2023, the Company issued 2,790,816 common shares to TCC in respect of the Share Swap as detailed in Note 4, which was measured and recorded at the fair value of the TCC common shares received pursuant to the Share Swap, of $1,546,289.

Transactions for the issue of share capital during the nine months ended October 31, 2022:

- On April 28, 2022, 200,000 common shares were issued for services upon the exercise of warrants at $0.05 with a value of $10,000. Accordingly, $nil proceeds were received. In addition, $5,400 representing the fair value initially recognized on issuance of the warrants, was re-allocated from reserves to share capital.
- On August 25, 2022, the Company issued 300,000 common shares at a fair value of $16,500 ($0.055 each) to PEMC pursuant to the Option Agreement on the Pinnacle project (Note 5(a)(i)).
- As at October 31, 2022, the Company had received proceeds of $206,040 for subscriptions (share subscriptions received) in relation to the private placement financing which closed in November 2022.

(Expressed in Canadian Dollars)

6. Share capital and reserves (continued)

Escrowed Shares

Upon obtaining a public listing on the Exchange in August 2021, 3,673,333 common shares were subject to either an Escrow Agreement or Voluntary Pooling Agreement, (collectively, the “Escrowed and Pooled Shares”). The Escrowed and Pooled Shares are subject to a timed release in equal tranches over a period of 36 months with 10% (367,333) having been released upon listing on the Exchange. The remaining Escrowed and Pooled Shares will be released in equal tranches of 15% every 6 months thereafter.

As at October 31, 2023, 1,102,000 common shares (January 31, 2023 – 2,204,000) remain Escrowed or Pooled.

Stock options

The Company has adopted an incentive stock option plan (the “Plan”). The essential elements of the Plan provide that the aggregate number of common shares of the Company’s capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding common shares. Options granted under the Plan will have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the greater of the closing market price of the common shares on: (i) the last closing market price of the Company’s common shares immediately preceding the grant of the options; and (ii) the date of grant in respect of options granted to consultants, or such other price as may be agreed to by the Company and accepted by the Exchange. Vesting terms are determined by the Board of Directors at the time of grant.

A summary of the status of the Company’s stock options as at October 31, 2023 and January 31, 2023 and changes during the period/year then ended is as follows:

	Period ended October 31, 2023		Year ended January 31, 2023	
	Options #	Exercise price $	Options #	Exercise price $
Options outstanding, beginning of period/year	1,125,000	0.10	1,125,000	0.10
Options outstanding, end of period/year	**1,125,000**	**0.10**	1,125,000	0.10

As at October 31, 2023, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price $	Expiry date	Average remaining life (years)
225,000	225,000	0.10	April 25, 2024	0.48
150,000	150,000	0.10	August 29, 2024	0.83
750,000	750,000	0.10	October 7, 2026	2.94
1,125,000	**1,125,000**	**0.10**		**2.19**

There was no share-based payments expense recorded for the nine months ended October 31, 2023 and October 31, 2022.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements. Compensatory warrants may be issued as a private placement share issue cost (finders’ warrants), or for services, and are valued using the Black-Scholes option pricing model.

(Expressed in Canadian Dollars)

6. Share capital and reserves (continued)

Warrants (continued)

A summary of the status of the Company's warrants as at October 31, 2023 and January 31, 2023, and changes during the period/year then ended is as follows:

	Period ended October 31, 2023		Year ended January 31, 2023	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	7,354,000	0.10	7,530,000	0.10
Issued - attached to units	964,000	0.20	-	-
Issued - finders' warrants	-	-	24,000	0.05
Exercised	(20,000)	0.10	(200,000)	0.05
Expired	(7,310,000)	0.10	-	-
Warrants outstanding, end of period/year	**988,000**	**0.20**	7,354,000	0.10

As at October 31, 2023, the Company has warrants outstanding and exercisable as follows:

Warrants outstanding #	Warrants exercisable #	Exercise price $	Expiry date	Average remaining life (years)
8,000	8,000	0.05	November 7, 2024	1.02
16,000	16,000	0.05	December 20, 2024	1.14
964,000	964,000	0.20	August 25, 2026	2.82
988,000	**988,000**	**0.20**		**2.81**

The finders' warrants and compensatory warrants issued during the year ended January 31, 2023, were fair valued using the Black-Scholes option pricing model. The fair value is particularly impacted by the Company's stock price volatility and was determined using the following weighted average assumptions:

	January 31, 2023
Risk-free interest rate	3.85%
Expected life of warrants (years)	2.00
Expected volatility	100%
Dividend rate	0%
Weighted average fair value of per warrant issued	$ 0.03

Reserves

Reserves include the accumulated fair value of stock options recognized as share-based payments, and the fair value of compensatory warrants issued. Reserves is increased by the fair value of these items on vesting and/or issuance and is reduced by corresponding amounts when these items expire or are exercised or cancelled.

	Options $	Warrants $	Equity component of convertible loan $	Total $
January 31, 2022	50,900	5,400	-	56,300
Warrants exercised	-	(5,400)	-	(5,400)
October 31, 2022	50,900	-	-	50,900
January 31, 2023	50,900	600	-	51,500
Equity component of convertible loan	-	-	377,260	377,260
October 31, 2023	**50,900**	**600**	**377,260**	**428,760**

(Expressed in Canadian Dollars)

7. Loss per share

The calculation of basic and diluted loss per share for the nine months ended October 31, 2023, was based on the loss attributable to common shareholders of $408,098 (2022 - $81,832) and a weighted average number of common shares outstanding of 48,421,435 (2022 – 15,238,523).

8. Convertible loan

On August 25, 2023, the Company closed a Shareholder Loan Agreement with a private company, Fruchtexpress Grabher GmbH & Co KG ("FEx") under which the Company received proceeds of $750,000 from a convertible loan (the "loan"). The loan has a five-year term and bears interest at 4% per annum, payable annually in common shares of the Company. Pursuant to the terms of the loan, the Company pledges 50% of the TCC common shares it owns (Note 4). After 24 months (August 25, 2025), and on each subsequent anniversary date thereafter until maturity of the loan, FEx can demand repayment of the principal portion of the loan by one of the following methods at their discretion:

- Receiving 24.5% of the Company's 4.9% interest in the common shares of TCC;
- Converting the loan into common shares of the Company; or
- Receiving a cash payment, which is only an available option at the maturity of the loan (five years).

The Note was valued initially by measuring the fair value of the liability component using an 15% discount rate, and by allocating the residual (using the residual value method) to the equity conversion feature. Accordingly, the Company recognized a liability component of $358,908 ($372,740 less $13,832 in transaction costs allocated directly to the liability component), and an equity component of $377,260.

A reconciliation of the carrying amount of the convertible debenture for the nine months ended October 31, 2023 is as follows:

	Liability $	Reserves $	Commitment to issue shares $	Total $
Balance, January 31, 2023	-	-	-	-
Proceeds on issuance of convertible debenture	372,740	377,260	-	750,000
Issuance costs	(13,832)	-	-	(13,832)
Accretion expense	9,089	-	-	9,089
Interest expense - commitment to issue shares	-	-	5,459	5,459
Balance, October 31, 2023	**367,997**	**377,260**	**5,459**	**750,716**

(Expressed in Canadian Dollars)

9. Related party payables and transactions

Key management personnel are those persons who have the authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors, its Officers, and companies in which they have control or significant influence.

There were no stock options granted to key management personnel during the nine months ending October 31, 2023 and October 31, 2022.

The aggregate value of transactions for key management personnel remuneration and outstanding balances with related parties are as follows:

		Transactions nine months ended October 31, 2023	Transactions nine months ended October 31, 2022	**Balances outstanding October 31, 2023**	Balances outstanding January 31, 2023
		$	$	**$**	$
	DBM CPA	38,750	33,750	5,775	3,412
	Freeform Communications	22,900	24,926	-	37,000
	Element29 AS (Sven Gollan)	60,000	-	30,000	-
(1)	Infiniti Drilling	168,774	76,872	-	-
	Jennifer Shaigec	2,500	-	-	-
	Jerker Tuominen	6,000	-	6,000	-
	Kristian Whitehead	-	-	-	2,000
	MDS Management	-	-	-	5,400
	Owen Garfield	5,000	-	15,000	-
	Robert Cameron	25,000	18,300	64,000	41,500
		328,924	153,848	**120,775**	89,312

(1) Represents geological services within exploration (Note 5).

The transactions with key management personnel and Directors are included in operating expenses unless otherwise specified as follows:

(a) General and administrative expenses:

- Includes office rent charged to the Company by Freeform Communications Inc. ("Freeform Communications") (see below for details of related party relationship).

(b) Professional and consulting fees:

- Includes accounting and tax services charged to the Company by Donaldson Brohman Martin, CPA Inc. ("DBM CPA"), a firm in which Dan Martino, CFO of the Company, has significant influence.
- Includes advisory fees accrued to Jennifer Shaigec, Director of the Company (resigned effective September 12, 2023).
- Includes advisory fees accrued to Jerker Tuominen, Director of the Company.
- Includes advisory fees accrued to Owen Garfield, Director of the Company (effective August 29, 2023).
- Includes executive management services of Robert Cameron, President and a Director of the Company (subsequently resigned effective November 30, 2023).
- Includes executive management services provided by Scott Young, a Director of the Company charged to the Company by Freeform Communications (resigned effective August 29, 2023).
- Includes executive management services of Sven Gollan, CEO of the Company (appointed a Director of the Company effective September 12, 2023).

(Expressed in Canadian Dollars)

9. Related party payables and transactions (continued)

(c) Geological services:

- Includes services of Infiniti Drilling Corporation ("Infiniti Drilling") a company that provides geological services to the Company (included within mineral property interests (Note 5)). Infiniti Drilling is controlled by Kristian Whitehead, VP Exploration of the Company, and Director (appointed Director effective July 6, 2023).

10. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended October 31, 2023 and October 31, 2022 comprised of the following:

	October 31, 2023 $	October 31, 2022 $
Receivables and prepayments	(27,841)	(2,643)
Accounts payable and accrued liabilities	31,516	(7,510)
Accounts payable to related parties	31,463	39,105
Net change	**35,138**	28,952

The Company incurred the following non-cash investing and financing activities during the nine months ended October 31, 2023 and October 31, 2022:

	October 31, 2023 $	October 31, 2022 $
Non-cash investing activities:		
Mineral property acquisition costs paid by issuance of common shares	1,002,500	16,500
Deferred exploration costs included in accounts payable and accounts payable to related parties	-	32,578
Equity swap of common shares for private company marketable securities	1,546,289	-
Non-cash financing activities:		
Mineral property acquisition costs paid by issuance of common shares	(1,002,500)	(10,000)
Share capital reduced by flow-through share premium	31,700	-
Equity swap of common shares for private company marketable securities	(1,546,289)	-

Refer to Note 2 for assets and liabilities acquired from Valence for nominal consideration during the nine months ended October 31, 2023.

No amounts were paid for interest or income taxes during the nine months ended October 31, 2023 and October 31, 2022.

11. Financial risk management

Capital management

The Company is a junior exploration company and considers items included in shareholders' equity as capital. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares under additional equity financing arrangements or obtain debt financing. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at October 31, 2023 is comprised of shareholders' equity of $3,593,426 (January 31, 2023 - $639,388). There were no changes to the Company's approach to capital management during the nine months ended October 31, 2023.

(Expressed in Canadian Dollars)

11. Financial risk management (continued)

Capital management (continued)

The Company currently has no source of revenue. In order to fund future exploration programs and pay for operating expenses, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to raise additional financing from equity markets.

Financial instruments - fair value

The Company's financial instruments consist of cash, marketable securities, reclamation bonds, accounts payable and accrued liabilities, accounts payable to related parties, and convertible loan. The carrying value of accounts payable and accrued liabilities, and accounts payable to related parties approximates their fair value because of the short-term nature of these instruments. The carrying value of the Company's convertible loan approximates fair value as it was discounted on initial recognition using an interest rate commensurate with market rates.

Financial instruments measured at fair value on the condensed interim consolidated statements of financial position are summarized into the following fair value hierarchy levels:

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 (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	$	$	$	$
October 31, 2023				
Cash	582,023	-	-	582,023
Marketable securities	-	1,546,289	-	1,546,289
	582,023	**1,546,289**	**-**	**2,128,312**
January 31, 2023				
Cash	323,887	-	-	323,887
Marketable securities	-	-	-	-
	323,887	-	-	323,887

Financial instruments - classification

Financial assets:	**Classification:**	**Subsequent measurement:**
Cash	FVTPL	Fair value
Marketable securities	FVTPL	Fair value
Reclamation bonds	Amortized cost	Amortized cost

Financial liabilities:	**Classification:**	**Subsequent measurement:**
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Accounts payable to related parties	Amortized cost	Amortized cost
Convertible loan	Amortized cost	Amortized cost

(Expressed in Canadian Dollars)

11. Financial risk management (continued)

Financial instruments – risk (continued)

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, and liquidity risk.

a) Credit risk

The Company is exposed to credit risk by holding cash, receivables, and a reclamation bonds. The risk on cash is minimized by holding the funds in a Canadian bank. The Company has minimal exposure to its receivables and reclamation bond as they are comprised of amounts due from the Canadian government. The Company's maximum credit risk exposure is equal to the carrying value of these items.

b) Interest rate risk

The Company is exposed to interest rate risk to the extent that a portion of its cash is held in an interest bearing account at variable rates. The exposure would have an insignificant impact on loss for the period.

c) Market risk

The Company has exposure to market risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss, or ability to raise capital from equity markets due to movements in individual equity prices or general movements in the level of the stock market.

d) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. Refer to Note 1 for going concern details.

12. Commitment

Flow-through premium liability:

On December 20, 2022, the Company completed a private placement of flow-through shares for gross proceeds of $145,040. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2022. As at October 31, 2023, all of the funds had been spent.

On August 25, 2023, the Company completed a private placement of flow-through shares for gross proceeds of $174,350. The Company will renounce the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2023. As at October 31, 2023, all of the funds had been spent.

The Company's flow-through premium liability as at October 31, 2023 and January 31, 2023, and changes during the period/year then ended is as follows:

	October 31, 2023	January 31, 2023
	$	$
Balance, beginning of period/year	44,797	36,250
Additions	31,700	54,390
Reduction - pro rata based on eligible expenditures	(76,497)	(45,843)
Balance, end of period/year	-	44,797

13. Subsequent events

(a) On November 27, 2023, the Company provided PEMC with notice of termination of the Option Agreement on the Pinnacle project (Note 5(a)(i)).

(b) In November 2023, the Company received a refund of $25,000 on the return of a deposit recognized on the condensed interim consolidated statement of financial position as prepaid exploration expenditures as at October 31, 2023.