EARTHWISE MINERALS CORP.

FINANCIAL STATEMENTS

For the years ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

Crowe

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Independent Auditor's Report

To the Shareholders of Earthwise Minerals Corp.

Opinion

We have audited the financial statements of Earthwise Minerals Corp. (the "Company"), which comprise the statements of financial position as at March 31, 2024 and March 31, 2023 and the statements of loss and comprehensive loss, changes in shareholders' deficit and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which describes the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no key audit matters to be communicated in our report.

Other Information

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

- Management's Discussion and Analysis

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Diana Huang.

Crowe MacKay LLP

Chartered Professional Accountants
Vancouver, Canada
July 29, 2024

EARTHWISE MINERALS CORP.
STATEMENTS OF FINANCIAL POSITION
As at March 31, 2024 and 2023
(Expressed in Canadian Dollars)

		2024		2023
ASSETS				
Current				
Cash	$	70,914	$	42,029
Amounts receivable		23,668		130,577
Prepaid expenses and deposits (Note 7)		31,500		20,978
		126,082		193,584
Exploration and evaluation asset (Note 5)		-		475,500
	$	126,082	$	669,084
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Notes 7 and 11)	$	942,656	$	849,144
SHAREHOLDERS' DEFICIT				
Share capital (Note 6)		5,392,646		5,288,146
Share subscriptions receivable (Note 6)		(5,000)		(40,790)
Contributed surplus (Note 6)		595,709		583,709
Accumulated deficit		(6,799,929)		(6,011,125)
		(816,574)		(180,060)
	$	126,082	$	669,084

Going concern (Note 2)
Commitments and contingency (Note 11)
Subsequent events (Notes 6, 11 and 13)

APPROVED ON BEHALF OF THE BOARD:

"Patrick Morris"	Director	*"Mark Luchinski"*	Director
Patrick Morris		Mark Luchinski	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

EARTHWISE MINERALS CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended March 31, 2024 and 2023
(Expressed in Canadian Dollars)

	2024	2023
Expenses		
Consulting fees (Note 7)	$ 256,000	$ 288,918
Exploration costs (recovery) (Notes 5 and 7)	(347,916)	499,663
Filing and transfer agent fees	17,700	42,405
Investor relations	5,920	163,308
Marketing	24,000	121,866
Office and general	2,941	16,556
Professional fees	64,441	150,568
Rent (Note 7)	-	14,100
Share-based payments (Notes 6 and 7)	54,500	104,685
Travel and conferences	41,480	24,339
Website	6,600	11,280
Write-off of exploration and evaluation asset (Note 5)	527,500	163,269
Write-off of prepaid expenses	8,186	-
Write-off of receivables (Notes 6 and 7)	-	67,391
	661,352	1,668,348
Loss before other items	(661,352)	(1,668,348)
Other items:		
Interest income	1,377	-
Penalties and other interest charges (Note 11)	(128,829)	(558,700)
Other income (Note 11)	-	55,077
	(127,452)	(503,623)
Net loss and comprehensive loss for the year	$ (788,804)	$ (2,171,971)
Basic and diluted loss per share	$ (0.07)	$ (0.29)
Weighted average number of common shares outstanding	11,101,036	7,608,292

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

EARTHWISE MINERALS CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
For the years ended March 31, 2024 and 2023
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share Subscriptions Receivable	Contributed Surplus	Accumulated Deficit	Total Shareholders' Equity (Deficit)
Balance, March 31, 2022	7,051,133	$ 4,888,794	$ (48,065)	$ 305,630	$ (3,839,154)	$ 1,307,205
Private placement	1,957,500	251,625	(31,500)	60,375	-	280,500
Share issue cost – cash	-	(15,205)	-	-	-	(15,205)
Finder's warrants issued	-	(11,311)	-	11,311	-	-
Shares issued for exploration and evaluation asset	403,000	74,700	-	-	-	74,700
Shares issued for Restricted Share Units ("RSU")	42,750	53,292	-	(53,292)	-	-
Warrant private placement	-	-	-	155,000	-	155,000
Share-based payments for RSU's granted	-	-	-	4,685	-	4,685
Share-based payments for stock options granted	-	-	-	100,000	-	100,000
Reversal of flow-through premium	-	85,026	-	-	-	85,026
Write-off of share subscriptions receivable	-	(38,775)	38,775	-	-	-
Net loss for the year	-	-	-	-	(2,171,971)	(2,171,971)
Balance, March 31, 2023	9,454,383	5,288,146	(40,790)	583,709	(6,011,125)	(180,060)
Shares issued for exploration and evaluation asset	1,600,000	62,000	-	-	-	62,000
Shares issued for RSU	850,000	42,500	-	(42,500)	-	-
Share subscriptions received	-	-	35,790	-	-	35,790
Share-based payments for RSU's granted	-	-	-	42,500	-	42,500
Share-based payments for stock options granted	-	-	-	12,000	-	12,000
Net loss for the year	-	-	-	-	(788,804)	(788,804)
Balance, March 31, 2024	11,904,383	$ 5,392,646	$ (5,000)	$ 595,709	$ (6,799,929)	$ (816,574)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

EARTHWISE MINERALS CORP.
STATEMENTS OF CASH FLOWS
For the years ended March 31, 2024 and 2023
(Expressed in Canadian Dollars)

	2024	2023
Operating Activities		
Net loss for the year	$ (788,804)	$ (2,171,971)
Items not affecting cash:		
Other income	-	(55,077)
Share-based payments	54,500	104,685
Write-off of exploration and evaluation asset	527,500	163,269
Write-off of prepaid expenses	8,186	-
Write-off of receivables	-	67,391
Changes in non-cash working capital items related to operations:		
Amounts receivable	106,909	(16,905)
Prepaid expenses and deposits	(18,708)	43,845
Accounts payable and accrued liabilities	89,302	679,928
Cash used in operating activities	(21,115)	(1,184,835)
Investing Activities		
Acquisition of exploration and evaluation assets	-	(231,569)
Proceeds from the sale of exploration and evaluation asset	10,000	-
Cash provided by (used in) investing activities	10,000	(231,569)
Financing Activities		
Shares issued for cash	-	280,500
Share issue cost	-	(15,205)
Share purchase warrants issued for cash	-	155,000
Share subscriptions received	40,000	-
Cash provided by financing activities	40,000	420,295
Change in cash during the year	28,885	(996,109)
Cash, beginning of year	42,029	1,038,138
Cash, end of the year	$ 70,914	$ 42,029
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year:		
Interest	$ -	$ -
Income taxes	$ -	$ -

Non-cash transactions – (Note 12)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Earthwise Minerals Corp. (the "Company") is a mineral property exploration company whose common shares trade on the Canadian Securities Exchange ("CSE"). On April 15, 2021, the Company was listed and commenced trading on the CSE on April 19, 2021 under the trading symbol "HM". On April 18, 2023, the Company changed the name to 'Earthwise Minerals Corp.' The Company commenced trading on CSE under the new trading symbol "WISE" on April 21, 2023.

On December 14, 2022, the Company completed a share consolidation on the basis of one-post consolidation common share for every ten pre-consolidation common shares (the "Share Consolidation"). The exercise price of the outstanding stock options, warrants, RSUs and the number of options, warrants and RSUs were proportionately adjusted upon the Share Consolidation. All historical information presented in the financial statements have been adjusted to reflect the Share Consolidation.

The Company was incorporated on April 26, 2019 in British Columbia. The head office and registered and records office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

These financial statements were approved and authorized for issue by the Board of Directors on July 29, 2024.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, unless otherwise noted.

(c) Going Concern

These 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. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At March 31, 2024, the Company has not achieved profitable operations, has accumulated losses of $6,799,929 (2023 - $6,011,125) since inception and expects to incur further losses in the development of its business.

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

2. BASIS OF PREPARATION – (cont'd)

(c) Going Concern – (cont'd)

The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in the financial statements, unless otherwise indicated.

<u>Exploration and Evaluation Assets</u>

Exploration and evaluation rights to explore

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to "property, plant and equipment" on the statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Exploration and evaluation expenditures

Exploration and evaluation ("E & E") expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment.

<u>Impairment of Assets</u>

The Company's assets are reviewed for an indication of impairment at each statement of financial position date and whenever events suggest that the carrying amounts may not be recoverable. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit or loss for the period.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3. MATERIAL ACCOUNTING POLICIES – (cont'd)

Financial Instruments

Financial Assets

The Company initially measures cash at fair value and subsequently measures it at amortized cost.

Financial Liabilities

The Company initially measures its accounts payable and accrued liabilities at fair value and subsequently measures it at amortized cost.

Provisions

Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

Other Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

3. MATERIAL ACCOUNTING POLICIES – (cont'd)

Share Capital

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements is determined to be the more easily measurable component and is valued at their fair value, as determined by the closing quoted bid price on the date of issuance once the shares are listed on a stock exchange. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to contributed surplus.

Mining tax credit

Mining tax credits are recorded when there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits and collectability is assured.

Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date. The equity portion is measured at the market value and the residual is allocated as a liability. This is effectively the "premium" the investor attributes to a flow-through share versus an ordinary share. Upon qualifying expenditures being incurred, the Company derecognizes the liability and recognizes the premium as other income.

The flow-through share program requires the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures within the timeline specified by the Government of Canada flow-through regulations. If this deadline has passed, the Company would need to amend the tax forms for any unspent exploration expenditures renounced and the related flow-through premium will be reversed to share capital. The Company may be required to indemnify the flow-through shareholders for any tax and other costs payable by them if the required exploration expenditures are not incurred before the deadline. The Company will also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Government of Canada flow-through regulations. The related interest and penalties for the Part XII.6 tax and any potential costs to indemnify the shareholders is recorded into penalties and other interest charges on the statements of loss and comprehensive loss.

Share-based Payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant using the Black-Scholes valuation model and recorded as compensation expense in profit or loss, with a corresponding increase to contributed surplus. The fair value determined at the grant date of the equity-settled share based payments is expensed on a graded vesting basis over the vesting period based on the Company's estimate of stock options that will eventually vest. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share-based payments, along with the amounts reflected in contributed surplus, is credited to share capital. Shares are issued from treasury upon the exercise of the equity-settled share based instruments.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the

3. MATERIAL ACCOUNTING POLICIES – (cont'd)

Share-based Payments – (cont'd)

fair value is measured by the use of the Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

The Company measures the cost of equity-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted. For RSUs, the fair value of the grant is determined by multiplying the Company's share price at grant date by the number of RSU's granted. The resulting fair value of the RSU's is then adjusted for an estimated forfeiture rate which is determined based on historical data and is recognized over the vesting period. Actual number of RSU's that will eventually vest is likely to be different from estimation.

Recent accounting pronouncements

The following new standards and amendments are not yet effective and have not been applied in preparing these financial statements.

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

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024 and are not expected to have a material impact on the Company.

IFRS 18 Presentation and Disclosure in Financial Statements

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

1. Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit;
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement; and
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its financial statements.

3. MATERIAL ACCOUNTING POLICIES – (cont'd)

Recent accounting pronouncements – (cont'd)

The following new standard was adopted during the year:

Disclosure of accounting policies (Amendments to International Accounting Standard ("IAS") 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments)

As part of the new amendments, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. Management reviewed the accounting policies and made updates to the information disclosed in certain instances in line with the amendments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical Judgments, Estimates and Assumptions in Applying Accounting Policies

Information about judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgement. See Note 2(c).

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSET AND EXPENDITURES

The following tables summarize the Company's exploration and evaluation assets as at March 31, 2024 and 2023.

	Wilson Property	Lava Property	Barriere Property	Gilnockie Property	Bonanza Property	Total
Balance, March 31, 2022	$ 308,000	$ 49,500	$ -	$ -	$ -	$ 357,500
Cash - payment	150,000	33,000	42,144	21,425	10,000	256,569
Shares issued	31,500	13,200	-	-	30,000	74,700
Cash - received	-	(25,000)	-	-	-	(25,000)
Shares - receivable	-	(25,000)	-	-	-	(25,000)
Write-off of exploration and evaluation asset	(24,000)	(45,700)	(42,144)	(11,425)	(40,000)	(163,269)
Balance, March 31, 2023	465,500	-	-	10,000	-	475,500
Shares issued	62,000	-	-	-	-	62,000
Cash - received	-	-	-	(10,000)	-	(10,000)
Write-off of exploration and evaluation asset	(527,500)	-	-	-	-	(527,500)
Balance, March 31, 2024	$ -	$ -	$ -	$ -	$ -	$ -

During the year ended March 31, 2024, the Company received mining tax credits of $347,916 (2023 - $Nil) and incurred $Nil (2023 - $499,663) in exploration costs.

For the year ended March 31, 2023	Wilson Property	Barriere Property	Lava Property	Romeo Property	Total
Exploration expenditures					
Assays (recovery)	$ 24,219	$ 1,155	$ (1,783)	$ -	$ 23,591
Drilling (recovery)	334,577	-	(13,479)	-	321,098
Field expenses and miscellaneous (recovery)	16,848	-	(579)	(1,768)	14,501
Geological (recovery)	124,397	15,934	(2,842)	(1,573)	135,916
Transportation	4,557	-	-	-	4,557
	$ 504,598	$ 17,089	$ (18,683)	$ (3,341)	$ 499,663

5. EXPLORATION AND EVALUATION ASSET AND EXPENDITURES – (cont'd)

Wilson Gold Property

By a property option agreement with Cartier Resources Inc. dated on April 22, 2021, and as amended on April 20, 2023, the Company acquired 100% interest in the Wilson Gold property located in Verneuil township east of the town of Lebel-sur-Quevillon Quebec. As consideration, the Company is required to pay cash of $1,050,000, issue an aggregate of 2,020,000 common shares, incur not less than $6,000,000 in exploration expenditures and drill a minimum of 24,000 metres over a period of five years as follows:

a) Cash payment of $200,000 and issuance of 70,000 common shares upon execution of the agreement (paid and shares issued);
b) Cash payment of $150,000, issuance of 70,000 common shares, minimum exploration expenditures of $750,000 and drilling of 3,000m within the first anniversary date (paid, issued, incurred, and completed);
c) Issuance of 1,600,000 common shares and are subject to resale restrictions of 400,000 common shares (25%) that may be sold after the three-month hold period and an additional 25% may be sold every three months thereafter with the last 25% may be sold 12 months from the date of issuance (issued);
d) Minimum exploration expenditures of $750,000 and drilling of 3,000m within the second anniversary date (Incurred and completed);
e) Cash payment of $300,000, issuance of 80,000 common shares, minimum exploration expenditures of $1,000,000 and drilling of 4,000m within the third anniversary date;
f) Cash payment of $300,000, issuance of 100,000 common shares, minimum exploration expenditures of $1,500,000 and drilling of 6,000m within the fourth anniversary date;
g) Cash payment of $100,000, issuance of 100,000 common shares, minimum exploration expenditures of $2,000,000 and drilling of 8,000m within the fifth anniversary date.

The Company has commitment of royalties of 4.5% to various owners with the options to repurchase.

Upon exercise of the option, Cartier Resources Inc. will retain a 2% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $4,000,000.

During the year ended March 31, 2024, the Company decided not to proceed with the property option agreement with Cartier Resources Inc. and have recorded a write-off of $527,500 in acquisition costs.

On November 23, 2021, the Company entered into a purchase option agreement with three arm's length individuals (the "Optionors") to acquire 100% interest in six mining claims which is contiguous to the Wilson gold property known as the Wilson East Property. As consideration, the Company will pay cash of $86,000 over three years (paid $12,000 on signing) and issued 40,000 common shares over a three-year period of which 20,000 common shares had been issued as of March 31, 2022. Upon exercise of the option, the Optionors will retain 1.5% NSR of which 0.5% may be purchased by the Company for $600,000. During the year ended March 31, 2023, the Company decided not to proceed with this agreement and have recorded a write-off of $24,000 in acquisition cost.

5. EXPLORATION AND EVALUATION ASSET AND EXPENDITURES– (cont'd)

Lava Gold Property

On May 18, 2021, the Company entered into an option agreement with two arms length individuals (the "Vendors") to acquire 100% interest in the Lava gold property located in Latulipe-et-Gaboury township of western Quebec. As consideration, the Company will pay cash of $115,500, issue 132,000 common shares and complete $500,000 of work expenditures over a period of three years as follows:

a) Cash payment of $16,500, issuance of 33,000 common shares within five business days of exchange acceptance (paid and shares issued);
b) Cash payment of $33,000, issuance of 33,000 common shares and incur $100,000 in exploration expenditures on or before the first anniversary date (paid and issued and incurred);
c) Cash payment of $33,000, issuance of 33,000 common shares and incur an additional $200,000 in exploration expenditures on or before the second anniversary date;
d) Cash payment of $33,000, issuance of 33,000 common shares and incur an additional $200,000 in exploration expenditures on or before the third anniversary date;

Upon exercise of the option, the Vendors will retain a 3% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $1,000,000.

On September 1, 2022, the Company disposed of its Lava Gold Property to Elysian Capital Corp. ("Elysian") for consideration of $50,000 consisting of $25,000 in cash (received) and $25,000 in common shares of Elysian to be issued on or before the date (the "Listing Date") that Elysian completes a going public transaction, whereby the shares are successfully listed and trading on a Canadian securities exchange at a deemed price equivalent to the listing price. The shares will be subject to escrow and will be released in four tranches at 25% every three months following the listing date with the last release twelve months from listing. Due to the carrying amount being higher than the selling price, the Company recorded a write-down of $45,700 to impair the mineral property to $Nil. As at March 31, 2023 and 2024, Elysian had not successfully complete its going public transaction and the Company had not received the Elysian shares of $25,000. The shares receivable is likely not collectible and had been written off during the year ended March 31, 2023.

Barriere Property

On September 28, 2022, the Company entered into a land purchase and sale contract agreement with Strata GeoData Services Ltd. to acquire 100% interest in 12 mineral claims located in the Barriere property located in 21 kilometers northwest of the town of Barriere, British Columbia. As consideration, the Company paid a cash purchase price of $42,144.

During the year ended March 31, 2023, the Company decided not to proceed with this property and have recorded a write-off of $42,144 in acquisition cost.

5. EXPLORATION AND EVALUATION ASSETS – (cont'd)

Gilnockie Property

On November 14, 2022, the Company entered into a land purchase and sale contract agreement with Strata GeoData Services Ltd. to acquire 100% interest in 2 mineral claims, known as the Gilnockie property, located 40 kilometers south of Cranbrook, British Columbia. As consideration, the Company paid a cash purchase price of $21,425.

During the year ended March 31, 2023, the Company recorded a write-down of $11,425 to its recoverable amount of $10,000. During the year ended March 31, 2024, the Company disposed of the Gilnockie Property and received $10,000 in cash consideration.

Bonanza Property

On January 3, 2023, the Company entered into an option agreement with two arms length individuals to acquire 100% interest in the Bonanza property located in Northwestern Alberta. As consideration, the Company will pay cash of $100,000, issue 600,000 common shares and complete $400,000 of work expenditures over a period of three years.

During the year ended March 31, 2023, the Company decided not to proceed with this agreement and have recorded a write-off of $40,000 in acquisition costs.

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

On December 14, 2022, the Company consolidated its common shares on a ten old shares for one new share basis, accordingly, the financial statements have been retroactively restated.

(b) Issued

During the year ended March 31, 2024:

On April 22, 2023, pursuant to the terms of an option agreement, the Company issued 1,600,000 common shares fair valued at $62,000 (Note 5). The fair value of the 1,600,000 common shares issued to the optionor were estimated based on the trading price of the shares on the date of issuance of $0.083 per share, discounted by the put option, calculated using the Black-Scholes option-pricing model, for the length of the hold period. The weighted average of the inputs is as follows - Share price on date of grant of $0.083; Risk-free interest rate of 3.69%; Hold period of 0.63 years; and Expected volatility of 210%. The volatility was determined based on the historical trading prices of the Company.

During the year ended March 31, 2024, the Company issued an aggregate of 850,000 common shares upon the vesting of RSU and transferred $42,500 from contributed surplus.

During the year ended March 31, 2023:

On April 22, 2022, pursuant to the terms of an option agreement, the Company issued 70,000 common shares fair valued at $31,500.

On May 3, 2022, the Company issued 42,750 common shares upon the vesting of RSU and transferred $53,292 from contributed surplus.

On May 16, 2022, the Company completed a private placement of 300,000 units at a price of $0.50 per unit for total proceeds of $150,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.70 per share expiring on May 16, 2024. In connection with the private placement the Company paid cash finders fee of $12,005 and issued 56,000 finder's warrants exercisable at $0.70 per share expiring on May 16, 2024. These finder's warrants were fair valued at $8,911 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 2.53%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.40. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies. A fair value of $30,000 was allocated to the 300,000 warrants.

On May 30, 2022, pursuant to the terms of an option agreement, the Company issued 33,000 common shares fair valued at $13,200.

On July 20, 2022, the Company completed a private placement of 10,000 units at a price of $0.50 per unit for total proceeds of $5,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.70 per share expiring on July 20, 2024. A fair value of $2,500 was allocated to the 10,000 warrants.

6. SHARE CAPITAL – (cont'd)

(b) Issued – (cont'd)

During the year ended March 31, 2023: – (cont'd)

On July 26, 2022, the Company completed a private placement of 60,000 units at a price of $0.50 per unit for total proceeds of $30,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.70 per share expiring on July 26, 2024. A fair value of $12,000 was allocated to the 60,000 warrants.

On January 3, 2023, pursuant to the terms of an option agreement, the Company issued 300,000 common shares fair valued at $30,000.

On March 21, 2023, the Company completed a private placement of 1,587,500 units at a price of $0.08 per unit for total proceeds of $127,000 of which $31,500 is receivable as at March 31, 2023. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.10 per share expiring on March 20, 2025. In connection with the private placement the Company paid cash finders fee of $3,200 and issued 40,000 finder's warrants exercisable at $0.10 per share expiring on March 20, 2025. These finder's warrants were fair valued at $2,400 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 3.75%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.07. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies. A fair value of $15,875 was allocated to the 1,587,500 warrants.

As at March 31, 2023, the Company had written-off $38,775 in share subscriptions receivable as the amounts are not collectible.

(c) Share Purchase Warrants

On May 16, 2022, the Company completed its first tranche of the warrant offering of 420,000 share purchase warrants for total proceeds of $105,000. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.25 per share expiring on May 16, 2024.

On August 28, 2022, the Company completed its second tranche of the warrant offering of 200,000 share purchase warrants for total proceeds of $50,000. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.25 per share expiring on August 28, 2024. In connection with the warrant offering, the Company issued 16,000 finder's warrants exercisable at $0.70 per share expiring on August 28, 2024. The finder's warrants have $Nil impact on contributed surplus.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(c) Share Purchase Warrants – (cont'd)

The changes in share purchase warrants were as follows:

	2024	Weighted Average Exercise Price	2023	Weighted Average Exercise Price
Balance, beginning of year	6,775,000	$0.98	4,197,500	$1.45
Issued	-	-	2,577,500	0.22
Expired	(3,592,500)	1.44	-	-
Balance, end of year	3,182,500	$0.47	6,775,000	$0.98

As at March 31, 2024, the Company had 3,182,500 share purchase warrants outstanding as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average remaining life
*605,000	$1.50	April 19, 2024	
*300,000	$0.70	May 16, 2024	
*420,000	$0.25	May 16, 2024	
*10,000	$0.70	July 20, 2024	
*60,000	$0.70	July 26, 2024	
200,000	$0.25	August 28, 2024	
1,587,500	$0.10	March 20, 2025	
3,182,500			0.56 yrs.

*Subsequent to March 31, 2024, a total of 1,395,000 share purchase warrants expired unexercised.

(d) Finders' Warrants

The changes in finders' warrants were as follows:

	2024	Weighted Average Exercise Price	2023	Weighted Average Exercise Price
Balance, beginning of year	354,838	$1.02	242,838	$1.26
Issued	-	-	112,000	0.49
Expired	(242,838)	1.26	-	-
Balance, end of year	112,000	$ 0.49	354,838	$1.02

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(d) Finders' Warrants – (cont'd)

As at March 31, 2024, the Company had 112,000 finders' warrants outstanding as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average remaining life
*56,000	$0.70	May 16, 2024	
16,000	$0.70	August 28, 2024	
40,000	$0.10	March 20, 2025	
112,000			0.47 yrs.

*Subsequent to March 31, 2024, 56,000 finders' warrants expired unexercised.

(e) Escrow Shares

Pursuant to an escrow agreement dated March 5, 2021, an aggregate of 610,000 common shares were placed into escrow to be released as to 10% upon receipt of notice from the CSE confirming the listing of the Company's common shares on the CSE with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following receipt of such notice. As at March 31, 2024, the Company had 91,500 (2023 – 274,500) common shares held in escrow with the next escrow release on April 15, 2024.

(f) Stock Options

The Company adopted a stock option plan whereby the Board of Directors may, from time to time, grant incentive stock options or restricted stock units (collectively, the "Awards") to directors, officers, employees and consultants. Under the plan, Awards issued may not exceed 10% of the issued common shares of the Company. The term of stock options shall be ten years from the grant date unless otherwise determined by the Board. The exercise price shall be determined by the Board but shall not be less than the fair market value of the common shares on the grant date.

On February 14, 2024, the Company granted 400,000 stock options to a consultant of the Company. The stock options entitle the holder thereof the right to purchase one common share for each option at $0.05 per share expiring on February 14, 2029. These stock options vested at the date of grant with a fair value of $12,000 which was determined using the Black Scholes option valuation model with the following assumptions – Share price on date of grant of $0.05; Risk-free interest rate of 3.60%; Dividend yield of 0%; Expected life of 5 years; Forfeiture rate of 0% and Expected volatility of 100%. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable start-up companies.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(f) Stock Options – (cont'd)

On July 8, 2022, the Company granted 500,000 stock options to directors, officers and consultants. The stock options entitle the holders thereof the right to purchase one common share for each option at $0.50 per share expiring on July 7, 2027. These stock options vested at the date of grant with a fair value of $100,000 which was determined using the Black Scholes option valuation model with the following assumptions – Share price on date of grant of $0.30; Risk-free interest rate of 2.83%; Dividend yield of 0%; Expected life of 5 years; Forfeiture rate of 0% and Expected volatility of 100%. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable start-up companies.

The changes in stock options are as follows:

	2024	Weighted Average Exercise Price	2023	Weighted Average Exercise Price
Balance, beginning of year	671,000	$0.70	171,000	$1.30
Granted	400,000	0.05	500,000	0.50
Forfeited	(465,000)	0.70	-	-
Balance, end of year	606,000	$0.28	671,000	$0.70

As at March 31, 2024, the Company had 606,000 stock options outstanding as follows:

Number of Options	Exercise Price	Expiry Date	Weighted average remaining life
56,000	$1.30	May 3, 2025	
150,000	$0.50	July 7, 2027	
400,000	$0.05	February 14, 2029	
606,000			4.13 yrs.

(g) Restricted Share Unit

On August 29, 2023, the Company agreed to grant 850,000 RSU to directors, officers and consultants of the Company that vest at 50% on December 30, 2023, and the remaining 50% on February 29, 2024. During the year ended March 31, 2024, the Company recognized $42,500 as share-based payment and, as the Company intends to settle the RSU through equity settlement, recorded a corresponding credit to contributed surplus. As at March 31, 2024, the Company had issued 850,000 common shares upon the vesting of RSUs and transferred $42,500 from contributed surplus.

On May 3, 2021, the Company agreed to grant 171,000 RSU to directors, officers and consultants of the Company that vest at 25% every three months with the first vesting on August 3, 2021. During the year ended March 31, 2022, the Company recognized $208,772 as share-based payment and, as the Company intends to settle the RSU through equity settlement, recorded a corresponding credit to contributed surplus. As at March 31, 2022, the Company had issued 128,250 common shares upon the vesting of RSUs and transferred $160,313 from contributed surplus. During the year ended March 31, 2023, the Company recognized $4,685 as share-based payment. On May 3, 2022, the Company issued the remaining 42,750 common shares upon the vesting of RSUs and transferred $53,292 from contributed surplus.

(Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

		2024	2023
Consulting fees	Enermetal Ventures Inc., company controlled by CEO	$ 97,500	$ -
	Jasmine Cherian, Former CFO	7,000	-
	Branden Haynes, Former Director	-	130,000
	Olga Ankindinova, Former Director	-	8,000
	Abbey Olaiya, Director	-	20,000
	Company controlled by Geoff Balderson	-	36,000
		104,500	194,000
Rent	Company controlled by the Former Director	-	4,500
	Company controlled by Geoff Balderson	-	9,600
		-	14,100
Exploration costs	Company controlled by the Former Director	-	66,934
Share-based payments	Abbey Olaiya, Director	2,493	-
	George Yordanov, VP of Exploration and Director	2,493	-
	Patrick Morris, CEO	14,959	-
	Mark Luchinski, Director	2,493	-
	Jasmine Cherian, Former CFO	2,492	-
	Branden Haynes, Former Director	-	51,233
	Geoff Balderson, Former Director	-	1,233
	Hugh Oswald, Former Director	-	685
	Thomas Clark, Former Director	-	21,233
		24,930	74,384
		$ 129,430	$ 349,418

As at March 31, 2024, prepaid expenses and deposits includes $21,000 (2023 - $Nil) in prepaid consulting fees to the CEO.

Included in accounts payable and accrued liabilities at March 31, 2024 is $6,384 (2023 - $20,675) in unpaid expense reimbursement to a company controlled by the CEO. These amounts owing are unsecured, due on demand, and non-interest bearing.

During the year ended March 31, 2023, the Company written off $42,391 in receivable as the amount due from the former CEO of the Company was deemed uncollectible.

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and shareholders' deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year.

9. FINANCIAL INSTRUMENTS AND RISKS

The Company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities.

The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at March 31, 2024 the Company had a working capital deficiency of $816,574 (2023 working capital deficiency - $655,560). The Company has insufficient cash to meet its requirements for administrative overhead, to conduct due diligence on mineral property acquisition targets, and to conduct exploration of its mineral properties and mineral properties that may be acquired.

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Liquidity Risk – (cont'd)

The Company does not generate cash flows from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments at amortized costs include cash and accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate their fair values because of their current nature.

(Expressed in Canadian Dollars)

10. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

		2024		2023
Loss before income taxes	$	(788,804)	$	(2,171,971)
Statutory income tax rates		27%		27%
Expected tax recovery		(212,977)		(586,432)
Permanent differences		22,709		156,233
Change in unrecognized tax benefits not recognized		190,267		430,199
Total current and deferred income tax recovery	$	-	$	-

The significant components of the Company's deductible temporary differences, unused tax credits and unused tax losses that have not been included on the statements of financial position are as follows:

	Expiry		2024		2023
Non-capital losses	2039-2044	$	3,663,000	$	3,315,000
Share issue costs and other	2025-2027		153,000		247,000
Resource properties	None		1,448,000		997,000
Total		$	5,264,000	$	4,559,000

11. COMMITMENTS AND CONTINGENCIES

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them as the Company has not made the required exploration expenditures.

During the year ended March 31, 2022, the Company received $2,002,000 from the issuance of flow-through shares. The Company renounced $2,001,834 to the subscribers and has until December 31, 2022, to incur the qualifying expenditures. As at March 31, 2023, the deadline to incur the qualifying expenditures has passed and the Company did not fulfill its obligations of approximately $826,000. An amount totaling $543,700 was accrued for the indemnification of the shareholders for taxes and penalties related to the unspent portion of the commitment including Part XII.6 taxes and related interest and penalties. During the year ended March 31, 2024, the Company paid $32,993 (2023 - $Nil) in Part XII.6 taxes and penalties to Revenue Quebec and accrued an additional $50,505 (2023 - $24,407) in interest expense. Included in accounts payable and accrued liabilities at March 31, 2024 is $563,517 (2023 - $543,700) for the indemnification of the shareholders and Part XII.6 taxes and related interest and penalties. During the year ended March 31, 2024, flow-through premium of $Nil (2023 - $55,077) is recognized.

During the year ended March 31, 2023, the Order of Geologists of Quebec ("Order") filed a complaint that the Company's former chief geologist engaged in professional activities reserved for the members of the Order, while he was not a member of the Order nor otherwise authorized by the law to engage in such activities. As at March 31, 2023, the Company estimated that it would likely settle a potential obligation of $51,000 for $15,000, and recorded a $15,000 provision.

In June 2024, the Company received a Notice of Judgement from Ministère de la Justice Quebec related to the complaint for a total fine and contribution of $90,668 and is required to pay this amount by October 13, 2024. The Company recognized in penalties and other interest charges an additional cost of $75,668 in 2024. As at March 31, 2024, $90,668 was included in accounts payable and accrued liabilities.

12. NON-CASH TRANSACTIONS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. The following transactions have been excluded from the statements of cash flows:

During the year ended March 31, 2024:

The Company issued 1,600,000 common shares pursuant to the property option agreement fair valued at $62,000.
The Company issued an aggregate of 850,000 common shares to settle RSU fair valued at $42,500.
The Company reclassified $4,210 advances received from share subscriptions receivable to accounts payable and accrued liabilities.

During the year ended March 31, 2023:

The Company issued 403,000 common shares pursuant to option agreements fair valued at $74,700.
The Company issued an aggregate of 112,000 agent's warrants as finder's fees fair valued at $11,311.
The Company issued 42,750 common shares to settle RSU fair valued at $53,292.
The Company reclassified $38,775 from share subscriptions receivable to share capital.
The Company had $25,000 shares receivable from Elysian for the sale of exploration and evaluation asset.

13. SUBSEQUENT EVENT

On June 27, 2024, Amalfi Corporate Services Ltd. ("Amalfi") loaned $25,000 through a promissory note to the Company. 10% interest will accrue on the principal amount unless the Company is in default. If the Company is in default, then in addition to the other remedies available to Amalfi, interest at the rate of 10% shall apply to all outstanding balances (including accrued interest) until the amounts owing under this note are brought into good standing. The Company will not be required to make monthly payments, and the note is due on demand.