CONDENSED INTERIM FINANCIAL STATEMENTS
(Presented in Canadian Dollars)

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2023 AND 2022

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

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

The accompanying unaudited condensed interim condensed interim 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 condensed interim condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim condensed interim financial statements by an entity's auditor.

PROSPECT RIDGE RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars - Unaudited)
AS AT

	November 30, 2023	August 31, 2023
ASSETS		
Current		
Cash	$ 745,193	$ 1,394,027
Receivables	14,274	21,838
Refundable tax credit (Note 7)	518,143	452,605
Prepaid expenses	58,732	53,954
	1,336,342	1,922,424
Reclamation deposits (Note 8)	59,500	59,500
Equipment and right-of-use assets (Note 4)	527,784	571,612
Exploration and evaluation assets (Note 7)	4,459,750	4,459,750
Total Assets	$ 6,383,376	$ 7,013,286
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 93,910	$ 280,314
Current portion of lease liabilities (Note 5)	78,762	77,376
Current portion of loan payable (Note 6)	7,952	32,710
	180,624	390,400
Lease liabilities – non-current (Note 5)	101,719	122,391
Loan payable – non-current (Note 6)	57,157	59,190
Total Liabilities	339,500	571,981
Shareholders' Equity		
Share capital (Note 9)	12,011,129	11,945,415
Commitment to issue finder's shares (Note 7)	197,143	262,857
Contributed surplus (Note 9)	2,051,404	2,051,404
Deficit	(8,215,800)	(7,818,371)
Total Shareholders' Equity	6,043,876	6,441,305
Total Liabilities and Shareholders' Equity	$ 6,383,376	$ 7,013,286

Nature and continuance of operations (Note 1)
Subsequent event (Note 13)

Approved and authorized by the Board of Directors on January 26, 2024:

"Michael Iverson" Director *"Yan Ducharme"* Director

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

PROSPECT RIDGE RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Presented in Canadian Dollars - Unaudited)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

		2023		2022
EXPENSES				
Business development	$	7,425	$	-
Depreciation (Note 4)		43,828		38,564
Directors' fees (Note 10)		9,000		-
Exploration and evaluation expenditures (Notes 7, 10)		220,958		686,923
Finance expense		600		-
Insurance		11,071		6,655
Investor relations		26,063		112,305
Lease accretion (Note 5)		2,401		3,156
Management and consulting fees (Note 10)		92,000		89,500
Office and miscellaneous		21,962		24,288
Professional fees (Note 10)		10,187		24,973
Transfer agent and filing fees		7,999		4,521
Travel expense		9,412		13,193
Recovery of tax credits (Note 7)		(65,537)		(205,626)
Total operating expenses		(397,429)		(798,452)
Other income (expense)				
Gain on write-off of accounts payable		-		13,029
Gain on modification of lease liabilities		-		3020
Gain on sale of equipment		-		6,781
		-		22,830
Loss and comprehensive loss for the period	$	(397,429)	$	(775,622)
Basic and diluted loss per common share	$	(0.01)	$	(0.02)
Weighted average number of common shares outstanding – basic and diluted		52,125,949		51,484,340

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

PROSPECT RIDGE RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Presented in Canadian Dollars - Unaudited)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

		2023		2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(397,429)	$	(775,622)
Items not affecting cash:				
Depreciation		43,828		38,564
Finance expense		660		38,564
Gain on modification of lease liabilities		-		(3,020)
Gain on sale of equipment		-		(6,781)
Gain on write-off of accounts payable		-		(13,029)
Lease accretion		2,401		3,156
Changes in non-cash working capital items:				
Receivables		7,564		27,540
Refundable tax credit		(65,538)		(126,151)
Prepaid expenses		(4,778)		126,550
Accounts payable and accrued liabilities		(186,404)		(189,606)
Net cash used in operating activities		(599,696)		(918,399)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds on sale of equipment		-		59,000
Acquisition of exploration and evaluation assets		-		(100,000)
Acquisition of equipment		-		(8,509)
Net cash used in investing activities		-		(49,509)
CASH FLOWS FROM FINANCING ACTIVITIES				
Lease payments		(21,687)		(24,206)
Loan payments		(27,451)		-
Net cash used in financing activities		(49,138)		(24,206)
Change in cash during the period		(648,834)		(992,114)
Cash, beginning of period		1,394,027		3,168,488
Cash, end of period	$	745,193	$	2,176,374
Supplemental cash flow information:				
Termination of site lease	$	-	$	158,094
Shares issued for exploration and evaluation assets	$	65,714	$	455,464

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

PROSPECT RIDGE RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Presented in Canadian Dollars - Unaudited)

	Share capital					
	Number	Amount	Commitment to issue finder's shares	Contributed surplus	Deficit	Total
Balance, August 31, 2022	50,009,772	$ 11,473,154	$ 328,571	$ 2,057,709	$ (5,798,381)	$ 8,061,053
Shares issued for exploration and evaluation assets	1,892,857	455,464	(65,714)	-	-	389,750
Loss for the period	-	-	-	-	(775,622)	(775,622)
Balance, November, 2022	51,902,629	$ 11,928,618	$ 262,857	$ 2,057,709	$ (6,574,003)	$ 7,675,181
Balance, August 31, 2023	52,027,048	$ 11,945,415	$ 262,857	$ 2,051,404	$ (7,818,371)	$ 6,441,305
Shares issued for exploration and evaluation assets	142,857	65,714	(65,714)	-	-	-
Loss for the period	-	-	-	-	(397,429)	(397,429)
Balance, November 30, 2023	52,169,905	$ 12,011,129	$ 197,143	$ 2,051,404	$ (8,215,800)	$ 6,043,876

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Prospect Ridge Resources Corp. (the "Company") was incorporated under the laws of the Province of British Columbia on April 6, 2020. The Company is principally engaged in the acquisition and exploration of resource properties. The Company's head office is located at 700 West Georgia St, Suite 1500, Vancouver, BC V7Y 1C6, and its registered and records office is located at 625 Howe Street, Suite 1120, Vancouver, BC V6C 2T6. The Company's shares are publicly traded on the Canadian Securities Exchange ("CSE") under the symbol PRR.

The Company is in the process of exploring and evaluating its resource properties and investing in potential new acquisitions and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favorable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

Recent global issues, including the ongoing COVID-19 pandemic and geopolitical conflict have adversely affected workplaces, economies, supply chains and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of these issues and their effects on the Company's business or results of operations at this time.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and are compliant with IAS 34 "Interim Financial Reporting". These condensed interim financial statements do not include all of the information required for full annual financial statements.

Basis of Presentation

These condensed interim financial statements of the Company are presented in Canadian dollars, which is the functional currency. The condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PREPARATION (cont'd…)

Use of Estimate and Judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Critical accounting estimates

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Because the Company's options and warrants have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical accounting judgments

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project. Management has assessed these indicators and does not believe an impairment provision is required.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

The estimate for contingencies and settlement provisions require management to make judgments as to the likelihood of outcomes and estimates of the timing and the possible outflow of economic benefits.

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies are consistent with those applied in the Company's financial statements for the year ended August 31, 2023. These condensed interim financial statements should be read in conjunction with the Company's most recent annual financial statements for the year ended August 31, 2023.

(Presented in Canadian Dollars)

4. EQUIPMENT AND RIGHT-OF-USE ASSETS

	Right-of-Use Assets – Office	Right-of-Use Assets - Vehicles	Field Equipment	Vehicles	Drills	Office Equipment	Total
Cost							
Balance, August 31, 2022	$ 213,676	$ 143,009	$ 64,697	$ 159,934	$ 114,153	$ 31,827	$ 727,296
Additions	108,823	-	8,509	174,900	-	-	292,232
Derecognized / disposal	(213,676)	-	-	(69,391)	-	-	(283,067)
Balance, August 31, 2023 and November 30, 2023	$ 108,823	$ 143,009	$ 73,206	$ 265,443	$ 114,153	$ 31,827	$ 736,461
Accumulated Depreciation							
Balance, August 31, 2022	$ 42,280	$ 8,250	$ 8,191	$ 27,172	$ 25,208	$ 3,997	$ 115,098
Depreciation	38,995	23,833	12,152	28,035	17,789	8,348	129,152
Disposals	(58,603)	-	-	(20,798)	-	-	(79,401)
Balance, August 31, 2023	22,672	32,083	20,343	34,409	42,997	12,345	164,849
Depreciation	13,603	6,417	2,643	16,147	3,558	1,460	43,828
Disposals	-	-	-	-	-	-	-
Balance, November 30, 2023	$ 36,275	$ 38,500	$ 22,986	$ 34,409	$ 46,555	$ 13,805	$ 208,677
As at August 31, 2023	$ 86,151	$ 110,926	$ 52,863	$ 231,034	$ 71,156	$ 19,482	$ 571,612
As at November 30, 2023	$ 72,548	$ 104,509	$ 50,220	$ 214,887	$ 67,598	$ 18,022	$ 527,784

The Company's right-of-use assets relate to the leases on its office premises and vehicles (Note 5). During the year ended August 31, 2023, the Company also sold vehicles with an aggregate net book value of $48,593 for gross proceeds of $59,000 and recognized a gain of $10,407 in profit or loss.

5. LEASE LIABILITIES

During the year ended August 31, 2023, the Company terminated its office lease and entered into a new office lease. In association with the termination, the Company recognized a decrease of $158,093 to lease liabilities, $155,073 to right-of-use assets, and a corresponding gain on modification of lease liabilities of $3,020 in profit or loss. In association with the new office lease, the Company recognized a $108,823 right-of-use asset and a corresponding increase to lease liabilities.

In calculating present values, the Company used an annual discount rate of 10% for office leases and a monthly discount rate of 1.4% for vehicle leases.

(Presented in Canadian Dollars)

5. LEASE LIABILITIES (cont'd…)

The following summarizes the undiscounted minimum lease payments under the lease liabilities as at November 30, 2023:

Fiscal year		Payments
2024	$	63,145
2025		59,831
2026		24,831
2027		24,831
2028		16,237
Amount representing future lease accretion		(8,394)
Lease liabilities as at November 30, 2023	$	180,481

The following is a reconciliation of the changes in the lease liabilities:

Lease liabilities		November 30, 2023		August 31, 2023
Balance, beginning of period	$	199,767	$	308,462
Additions		-		108,823
Derecognized		-		(158,093)
Lease accretion		2,401		8,403
Lease payments		(21,687)		(67,828)
Balance, end of period	$	180,481	$	199,767
Represented as:				
Current portion of lease liabilities	$	78,762	$	77,376
Non-current portion of lease liabilities	$	101,719	$	122,391

6. LOAN PAYABLE

During the year ended August 31, 2023, the Company entered into a financing agreement to acquire a vehicle for a total purchase price of $91,900 (Note 4) at an interest rate of 5.99% per annum for a period of 84 months. During the three months ended November 30, 2023, the Company paid $25,500 in cash towards the loan.

Loan liabilities		November 30, 2023		August 31, 2023
Balance, beginning of period	$	91,900	$	-
Additions		-		91,900
Interest accrued		660		-
Payments		(27,450)		-
Balance, end of period	$	65,109	$	91,900
Represented as:				
Current portion of loan liabilities	$	7,952	$	32,710
Non-current portion of loan liabilities	$	57,157	$	59,190

(Presented in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

Mineral Property Acquisition Costs by Project

		Holy Grail Property		Knauss Creek Property		Total
Acquisition costs						
Balance, August 31, 2022	$	3,190,000	$	780,000	$	3,970,000
Cash		100,000		-		100,000
Shares		250,000		139,750		389,750
Balance, August 31, 2023 and November 30, 2023	$	3,540,000	$	919,750	$	4,459,750

Holy Grail Property

On August 26, 2021, the Company entered into an agreement (the "Holy Grail Option Agreement") with Loan Wolf Exploration Ltd. ("Loan Wolf"), whereby the Company had the option to acquire a 100% interest in the Holy Grail Property, including the placer claims comprising the Property, in north of Terrace, B.C.

On January 31, 2023, the Company and Loan Wolf entered into a settlement agreement ("the Holy Grail Settlement Agreement") to supersede the terms of the Holy Grail Option Agreement, whereby the Company finalized its acquisition of 100% of the Holy Grail property. Upon execution of the Holy Grail Settlement Agreement, there are no further payments or commitments with respect to the Holy Grail property.

Concurrently, on January 31, 2023, the Company also entered into a net smelter returns royalty agreement (the "NSR Royalty Agreement"), whereby the original terms of the NSR pursuant to the Holy Grail Option Agreement were amended. Pursuant to the NSR Royalty Agreement, the Holy Grail property is subject to a 3% NSR, comprised of 1.5% payable to Loan Wolf, of which 1% can be purchased by the Company, for $1,000,000, and 1.5% payable to Knauss Creek Mines Ltd. of which 1% can be purchased for $1,000,000. The NSR repurchase is available at any time prior to the date which is 180 days after commencement of commercial production.

Holy Grail Finder's Fees

In connection with the Holy Grail Option Agreement, the Company entered into a finder's fees agreement with Triple K Ventures Ltd., a company related to the Chief Executive Officer, pursuant to which the Company will pay finder's fees of 1,000,000 common shares in the capital of the Company (the "Finder's Shares"), upon the successful closing of the transaction in accordance with the following schedule:

(a) 285,715 Finder's Shares on the date that the Option Agreement is signed;
(issued with a fair value of $131,429)
(b) 142,857 Finder's Shares on the first anniversary of the Option Agreement;
(issued with a fair value of $65,714)
(c) 142,857 Finder's Shares on the second anniversary of the Option Agreement;
(issued with a fair value of $65,714)
(d) 142,857 Finder's Shares on the third anniversary of the Option Agreement;
(e) 142,857 Finder's Shares on the fourth anniversary of the Option Agreement; and
(f) 142,857 Finder's Shares on the fifth anniversary of the Option Agreement;

On entering into the finder's fee agreement, the Company recorded a commitment to issue finder's shares of $460,000. As at November 30, 2023, the commitment to issue finder's shares has been reduced to $197,143.

(Presented in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Knauss Creek Property

On November 3, 2021, the Company entered an agreement (the "Knauss Creek Agreement") with Loan Wolf and Knauss Creek Mines Ltd. ("Knauss") to acquire a 100% interest in the Knauss Creek Property, for a cash payment of $10,000 (paid), the issuance of 1,200,000 common shares (issued at a total value of $808,000) and incurring total exploration expenditures of $1,000,000 (incurred) on or before October 31, 2023. The Company completed the requirements during the year ended August 31, 2023, accordingly, has acquired 100% of the Knauss Creek Property.

On January 31, 2023, the Company entered into the NSR Royalty Agreement, pursuant to which the terms of the NSR on the Knauss Creek Property were amended to the same 3% NSR terms as the Holy Grail Property (as above). The NSR is comprised of 1.5% payable to Loan Wolf, of which 1% can be purchased for $1,000,000, and 1.5% payable to Knauss Creek Mines Ltd. of which 1% can be purchased for $1,000,000. The NSR repurchase is available at any time prior to the date which is 180 days after commencement of commercial production.

The Company has issued an aggregate of 100,000 common shares to Loan Wolf as finder's fees under the Knauss Creek Agreement. No further shares are issuable.

Exploration and evaluation expenditures

Exploration and evaluation expenditures for the three months ended November 30, 2023 are detailed below:

	Holy Grail	Knauss Creek	Project Evaluation	Total
Geology	$ 6,238	$ 12,644	$ -	$ 18,882
Prospection/Geochemistry	43,459	152,548	2,500	198,507
Drilling	-	2,305	-	2,305
Technical studies	-	1,264	-	1,264
	$ 49,697	$ 168,761	$ 2,500	$ 220,958

Exploration and evaluation expenditures for the year ended August 31, 2023 are detailed below:

	Holy Grail	Knauss Creek	Project Evaluation	Total
Claims	$ 6,370	$ 3,770	$ -	$ 10,140
Geology	83,968	53,105	-	137,073
Prospection/Geochemistry	618,359	278,131	1,838	898,328
Drilling	24,039	446,887	-	470,926
Stripping	4,189	-	-	4,189
	$ 736,925	$ 781,893	$ 1,838	$ 1,520,656

As at November 30, 2023, the Company has recorded a BC mineral exploration tax credit ("BC METC") receivable of $518,143 (August 31, 2023 - $452,605) for expenditures incurred in the three months ended November 30, 2023. The Company received $566,465 in BC METC refunds during the year ended August 31, 2023 in relation to expenditures incurred in the years ended August 31, 2022 and 2021.

8. RECLAMATION DEPOSITS

As at November 30, 2023, the Company held $59,500 (August 31, 2023 - $59,500) in deposits with a financial institution as security for reclamation requirements in relation to the Holy Grail and Knauss Creek properties.

(Presented in Canadian Dollars)

9. SHARE CAPITAL

Authorized Share Capital

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

Issued Share Capital

During the three months ended November 30, 2023, the Company issued 142,857 Finder's Shares with a fair value of $65,714 on the second anniversary of the Holy Grail Option Agreement (Note 7).

During the year ended August 31, 2023, the Company:

a) Issued 700,000 common shares valued at $133,000 and issued 50,000 Finder's shares valued at $6,750 for the Knauss Creek Property option agreement (Note 7).

b) Issued 1,000,000 common shares valued at $250,000 and issued 142,857 Finder's shares valued at $65,714 for the Holy Grail Property option agreement (Note 7).

c) Issued 124,419 common shares valued at $16,797 to settle debt of $24,884, of which $18,400 was owed to related parties (Note 10). Accordingly, the Company recognized a gain on settlement of accounts payable of $8,087.

Stock options and warrants

Stock option and warrant transactions are summarized as follows:

	Options			Warrants		
	Number of Shares		Weighted Average Exercise Price	Number of Shares		Weighted Average Exercise Price
Balance, August 31, 2022	3,675,000	$	0.50	9,528,543	$	0.76
Granted	1,600,000		0.20	-		-
Cancelled	(2,275,000)		0.47	(9,528,543)		0.76
Balance, August 31, 2023 and November 30, 2023, outstanding and exercisable	3,000,000	$	0.20	-	$	-

As at November 30, 2023, the following stock options were outstanding:

Number Outstanding	Number Outstanding and Exercisable		Exercise Price	Expiry Date	Remaining Life (years)
2,225,000	2,225,000	$	0.20	March 1, 2028	4.25
700,000	700,000	$	0.20	March 3, 2028	4.26
75,000	75,000	$	0.20	March 16, 2028	4.30
3,000,000	3,000,000				

As at November 30, 2023, there were nil warrants outstanding.

(Presented in Canadian Dollars)

9. SHARE CAPITAL (cont'd…)

Share-based payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years, with the exception of any options extended due to a Blackout Period. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's shares, forfeiture rate, and expected life of the options. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant.

The company did not grant stock options during the three months ended November 30, 2023, and 2022. Total share-based payments recognized in the statement of loss and comprehensive loss for the three months ended November 30, 2023, was $nil (2022 - $nil) for incentive options vested in the period.

10. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying condensed interim financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, Corporate Secretary, and President. Key management personnel payments for the three months ended November 30, 2023 and 2022, included:

		November 30, 2023		**November 30, 2022**
Directors' fees	$	9,000	$	-
Management and consulting fees		50,000		74,500
Exploration related and geological consulting fees		52,500		52,500
Professional fees		15,000		15,000
	$	126,500	$	142,000

As at November 30, 2023, $34,544 (August 31, 2023 – $70,966) was included in accounts payables and accrued liabilities for amounts owed to related parties.

During the year ended August 31, 2023, the Company issued 74,419 common shares valued at $10,047 to settle debt of $14,884 owing to related parties.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels.

The carrying values of cash, refundable tax credits, receivables and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The carrying value of the reclamation deposit approximates its carrying value due to the restricted nature of the financial instrument.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s receivables consist mainly of goods and services tax receivables due from the Government of Canada. As at November 30, 2023, the Company’s exposure to credit risk is minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2023, the Company had a cash balance of $745,193 to settle current liabilities of $180,624. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. Management monitors the Company’s contractual obligations and other expenses to ensure adequate liquidity is maintained.

Market risk

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

a) Interest rate risk

As at November 30, 2023, the Company was not subject to or exposed to significant interest rate risk.

b) Foreign currency risk

The Company’s operating costs are primarily in Canadian dollars. As at November 30, 2023, management believes the Company’s exposure to foreign currency risk is not significant.

c) 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. As at November 30, 2023, the Company was not exposed to any equity or commodity price risks.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns and/or benefits for shareholders. The Company considers its shareholders' equity to be its capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the administration of its corporate affairs and to provide funds for the development of its business. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company has no revenue-generating operations and as such is dependent upon external financing to fund activities. In order to develop its business and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as required. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the size of the Company.

There were no changes in the Company's approach to capital management during the three months ended November 30, 2023. The Company is not subject to externally imposed capital requirements.

13. SUBSEQUENT EVENT

Subsequent to November 30, 2023, the Company granted 500,000 stock options to a director, exercisable at a price of $0.20 per share for a period of 5 years.