EMPEROR METALS INC.

Financial Statements

For the year ended January 31, 2024

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Emperor Metals Inc.

Opinion

We have audited the financial statements of Emperor Metals Inc. (the "Company"), which comprise the statements of financial position as at January 31, 2024 and 2023, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

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

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 1 to the financial statements, which indicates that the Company incurred losses since inception and had an accumulated deficit of $2,641,693 as at the reporting date. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists 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.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 International Financial Reporting Standards, 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 David Goertz.

DMCL.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

May 30, 2024

EMPEROR METALS INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	January 31, 2024	January 31, 2023
Assets		
Current		
Cash	**$ 1,775,214**	$ 2,824,556
Short-term investment (Note 5)	**26,075**	25,000
Prepaids (Note 6)	**194,972**	95,750
Goods and services tax receivable	**250,459**	48,143
Share subscription receivable (Note 9)	**24,000**	-
	2,270,720	2,993,449
Non-current		
Exploration and evaluation assets (Note 7)	**4,817,696**	1,565,868
Right-of-use asset (Note 13)	**40,431**	-
Total assets	**$ 7,128,847**	$ 4,559,317
Liabilities and Equity		
Current		
Accounts payable and accrued liabilities (note 8)	**$ 532,839**	$ 123,394
Flow-through share premium liability (Note 10)	**303,425**	495,582
Current portion of lease liability (Note 13)	**36,963**	-
	873,227	618,976
Non-current		
Long-term portion of lease liability (Note 13)	**4,602**	-
Total liabilities	**877,829**	618,976
Equity		
Share capital (Note 9)	**8,289,208**	5,062,324
Reserves	**603,503**	456,402
Deficit	**(2,641,693)**	(1,578,385)
	6,251,018	3,940,341
Total liabilities and equity	**$ 7,128,847**	$ 4,559,317

Nature of operations and going concern – Note 1
Subsequent events – Note 15

Approved by the Board of Directors
Director (signed by) *"John Florek"*
Director (signed by) *"Sean Mager"*

The accompanying notes form an integral part of these financial statements.

EMPEROR METALS INC.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the year ended	January 31 2024	January 31 2023
Expenses		
Advertising and promotion	**$ 753,060**	$ 179,921
Consulting fees	**7,000**	82,500
Management fees (Note 12)	**402,500**	134,750
Office and administrative	**107,267**	98,142
Professional fees	**194,708**	105,420
Project evaluation	**-**	2,211
Regulatory and filing fees	**93,082**	25,249
Share based compensation (Note 9)	**32,421**	259,893
Write-down of mineral property (Note 7)	**193,909**	-
	(1,783,947)	(888,086)
Other		
Interest income	**115,568**	34,331
Settlement of flow-through liability (Note 10)	**605,071**	70,318
Net loss and comprehensive loss	**$ (1,063,308)**	$ (783,437)
Basic and diluted loss per common share	**$ (0.02)**	$ (0.02)
Basic and diluted weighted average number of common shares outstanding	**56,083,442**	33,227,365

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

(Expressed in Canadian Dollars)

	Number of shares	Share capital	Option and Warrant reserve	Deficit	Total equity
Balance at January 31, 2022	**30,656,000**	**$ 2,271,720**	**$ 132,448**	**$ (794,948)**	**$ 1,609,220**
Shares issued for private placement	15,384,228	3,224,662	-	-	3,224,662
Shares issued for exploration and evaluation asset	1,500,000	270,000	-	-	270,000
Exercise of warrants	624,800	81,224	(18,744)	-	62,480
Share issuance cost	-	(194,691)	-	-	(194,691)
Share issuance cost – Non-cash	24,000	(82,805)	82,805	-	-
Share based compensation	-	-	259,893	-	259,893
Flow-through share premium liability	-	(507,786)	-	-	(507,786)
Net loss	-	-	-	(783,437)	(783,437)
Balance at January 31, 2023	**48,189,028**	**$ 5,062,324**	**$ 456,402**	**$ (1,578,385)**	**$ 3,940,341**
Shares issued for private placement	31,686,177	3,519,390	53,950	-	3,573,340
Shares issued for exploration and evaluation asset	2,583,119	348,721	-	-	348,721
Share issuance cost	-	(167,583)	-	-	(167,583)
Share issuance cost – Non-cash	-	(60,730)	60,730	-	-
Share based compensation	-	-	32,421	-	32,421
Flow-through share premium liability	-	(412,914)	-	-	(412,914)
Net loss	-	-	-	(1,063,308)	(1,063,308)
Balance at January 31, 2024	**82,458,324**	**$ 8,289,208**	**$ 603,503**	**$ (2,641,693)**	**$ 6,251,018**

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

EMPEROR METALS INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

For the year ended	January 31, 2024	January 31, 2023
Cash provided by (used in):		
Operating activities		
Net loss for the year	**$ (1,063,308)**	$ (783,437)
Items not affecting cash:		
Settlement of flow-through liability	**(605,071)**	(70,318)
Share based compensation	**32,421**	259,893
Write-down mineral property	**193,909**	-
	(1,442,049)	(593,862)
Changes in non-cash working capital:		
Goods and services tax receivable	**(202,316)**	(11,606)
Accounts receivable and prepayments	**(99,222)**	(60,500)
Accounts payable and accrued liabilities	**71,238**	20,169
Cash used in operating activities	**(1,672,349)**	(645,799)
Investing activities		
Exploration and evaluation property acquisition expenditures	**(500,000)**	(519,460)
Exploration and evaluation property exploration expenditures	**(2,226,989)**	(143,593)
Purchase of short-term investments	**-**	(25,000)
Interest on short-term investments	**(1,075)**	-
Cash used in investing activities	**(2,728,064)**	(688,053)
Financing activities		
Proceeds from private placement	**3,549,340**	3,224,662
Proceeds from warrant exercises	**-**	62,480
Share issuance costs	**(167,583)**	(194,691)
Repayment of lease liability	**(30,686)**	-
Cash provided by financing activities	**3,351,071**	3,092,451
Net (decrease) increase in cash	**(1,049,342)**	1,758,599
Cash, beginning	**2,824,556**	1,065,957
Cash, ending	**$ 1,775,214**	$ 2,824,556

Supplemental cash flow information:	**January 31, 2024**	**January 31, 2023**
Exploration and evaluation property expenditures included in accounts payable and accrued liabilities	$ 375,443	$ 37,236
Shares issued for exploration and evaluation property acquisition expenditures	$ 348,721	$ 270,000
Cash interest received in the year	$ 115,568	$ 34,331

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

1. Nature of operations and going concern

Emperor Metals Inc. (“Emperor” or the “Company”) was incorporated under the Business Corporations Act (British Columbia) on September 22, 2020. The Company’s head office is at 250 South Ridge NW, Suite 300, Edmonton, Alberta T6H 4M9. The Company is listed on the Canadian Securities Exchange (the “Exchange” or “CSE”) under the symbol “AUOZ”. On May 24, 2023, the Company reported the secondary listing of its common shares in Germany on the Frankfurt Stock Exchange ("FSE") under the trading symbol "9NH”. The Company is also listed in the United States on the OTC Markets (“OTCPK”) under the trading symbol “EMAUF”.

The Company is engaged in the acquisition, exploration and development of mineral properties in Canada. At January 31, 2024, the Company had not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the exploration and evaluation assets or proceeds from the disposition of the exploration and evaluation asset.

These financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly will be able to realize its assets and discharge its liabilities in the normal course of operations. At January 31, 2024, the Company had an accumulated deficit of $2,641,693 and expects to incur further losses, and requires additional equity financing to continue developing its business and to meet its obligations. While the Company has been successful at raising additional equity financing in the past, there is no guarantee that it will continue to do so in the future, which results in a material uncertainty that may casts significant doubt on the Company’s ability to continue as a going concern.

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. These adjustments could be material.

2. Basis of presentation and measurement

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were approved by the Board of Directors of the Company on May 30, 2024.

These financial statements are presented in Canadian Dollars, unless otherwise stated. The Canadian dollar is the functional and presentation currency of the Company.

These financial statements have been prepared on historical cost basis, except for financial instruments which are classified as fair value through profit or loss. In addition, the financial statements have been prepared using the same basis of accounting except for cash flow information.

3. Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

In particular, judgements, assumptions and estimation uncertainties at January 31, 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year include:

Share-based payments

The fair value of share-based payments is determined using the Black-Scholes option pricing model based on estimated fair values at the date of grant. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility and expected life of the award. Changes in these assumptions can significantly affect the fair value estimate.

Flow-through shares

Recorded costs of flow-through share premium liabilities reflect the premium received by the Company on the issue of flow-through shares. The premium is subject to measurement uncertainly and requires the Company to assess the value of non-flow through shares. This determination is subjective and does not necessarily provide a reliable single measure of the fair value of the premium liability.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalized on the basis that the Company will commence commercial production in the future, from which time the costs will be amortized in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalized which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalized. In addition, costs are only capitalized that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes, and changes in commodity prices. To the extent that capitalized costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Impairment of exploration and evaluation assets

The Company evaluates each asset or cash generating unit every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use. The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, production budgets and forecasts, and life-of-mine estimates.

When required, the determination of fair value and value in use requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, mineral reserves, operating costs, closure and rehabilitation costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in profit or loss.

Going concern

The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

Deferred taxes

The Company recognizes the deferred tax benefit related to deferred tax assets to the amount that is probable to be realized. Assessing the recoverability of deferred tax assets requires management to make significant judgments in connection with future taxable profits. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred tax assets.

4. Material accounting policy information

a) Financial instruments

IFRS 9, Financial Instruments ("IFRS 9") provides three different measurement categories for non- derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost. The category into which a financial asset is placed, and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially recognized at fair value.

Financial Assets and Liabilities	Classification
Cash	FVTPL
Amounts receivable	Amortized Cost
Short-term investment	FVTPL
Accounts payable	Amortized Cost

Financial assets

The Company's financial assets at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of comprehensive loss in the period in which they arise.

Financial liabilities

The Company measures all of its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

The Company derecognizes financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

b) Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred. Costs incurred once the Company has obtained the legal rights to explore an area are capitalized. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

From time to time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs or recoveries when the payments are made or received.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities; and

- sufficient data exist to indicate that, although development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

c) Income taxes

Income tax expense or recovery comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.
Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset only if certain criteria are met.

d) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity, net of any tax effects. Warrants that are part of units are assigned value based on the residual value method.

Flow-through shares

The Company issues flow-through common shares to finance 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 issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as recovery from issuance of flow-through shares. Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures.

e) Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using the Black–Scholes Option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

f) Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a lease liability and a right-of-use asset at the lease commencement date. The lease liability is initially measured as the present value of future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s applicable incremental borrowing rate. The incremental borrowing rate is the rate which the Company would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the Company expects to exercise an option to terminate the lease.

The lease liability is subsequently measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

The right-of-use asset is initially measured at cost, which comprises the following:

- the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Company; and
- an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost, less any accumulated depreciation in accordance with the Company's accounting policy and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to net earnings over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

g) New and amended IFRS standards that are effective for the current year

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the IASB that were effective for annual periods that begin on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information." Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments were applied effective January 1, 2023 and did not have a material impact on the Company's financial statements.

(Expressed in Canadian Dollars)

h) Adoption of new accounting standards

Accounting Standards that have recently been issued or amended but are not yet effective, have not been early adopted by the Company for the period ended January 31, 2024. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

5. Short-term investments

On January 19, 2023, the Company invested $25,000 in Guaranteed Investment Certificates (GICs) with an interest rate of 4.3% annual. The Company earned interest of $1,075 as of January 19, 2024. On January 19, 2024, the Company renewed the GIC at an annual interest rate of 4.25% annual, maturing January 19, 2025.

6. Prepaid Expenses

A summary of the Company's prepaid expenses is as follows:

	January 31, 2024	**January 31, 2023**
Prepaid investor relations and marketing	**$ 176,334**	$ 83,000
Prepaid insurance	**12,937**	12,750
Other prepaids	**5,701**	-
	$ 194,972	$ 95,750

7. Exploration and evaluation assets

A summary of the Company's exploration and evaluation assets is as follows:

Year ended January 31,2024	**Hemlo North**	**Pine Grove**	**Pic River**	**Duquesne West**	**Total**
Acquisition costs					
Balance, January 31, 2023	$60,000	$224,414	$75,586	$789,459	$1,149,459
Cash	-	-	-	500,000	500,000
Shares issued	-	-	-	348,721	348,721
Write-down	(60,000)	-	(75,586)	-	(135,586)
Balance, January 31, 2024	-	224,414	-	1,638,180	1,862,594
Deferred exploration expenditures					
Balance, January 31, 2023	10,079	194,588	47,645	164,097	416,409
Drilling	-	-	-	1,096,167	1,096,167
Geologist fees and assays	-	-	-	1,236,763	1,236,763
Other exploration expenses	600	-	-	263,487	264,087
Write-down	(10,679)	-	(47,645)	-	(58,324)
Balance, January 31, 2024	-	194,588	-	2,760,514	2,955,102
Total E&E assets, January 31, 2024	$ -	**$419,002**	$ -	**$4,398,694**	**$4,817,696**

(Expressed in Canadian Dollars)

Year ended January 31, 2023	**Hemlo North**	**Pine Grove**	**Pic River**	**Duquesne West**	**Total**
Acquisition costs					
Balance, January 31, 2022	$60,000	$224,414	$75,586	$ -	$360,000
Cash	-	-	-	519,459	519,459
Shares issued	-	-	-	270,000	270,000
Balance, January 31, 2023	60,000	224,414	75,586	789,459	1,149,459
Deferred exploration expenditures					
Balance, January 31, 2022	7,200	185,523	42,854	-	235,577
Geologist fees and assays	2,879	9,065	4,019	138,691	154,654
Other exploration expenses	-	-	772	25,406	26,178
Balance, January 31, 2023	10,079	194,588	47,645	164,097	416,409
Total E&E assets, January 31, 2023	**$70,079**	**$419,002**	**$123,231**	**$953,556**	**$1,565,868**

Hemlo North Property

On December 7, 2020, the Company acquired 100% interest in mining claims in the Hemlo North Property by issuing 600,000 common shares at $0.10 per share. The property is comprised of 12 mining claims, located in Ontario. Certain mining claims are subject to two separate 1% Net Smelter Royalties (“NSR”).

The Company decided not to pursue the Hemlo North Property. As a result, the Company recorded a write-down of exploration and evaluation assets of $70,679 during the year ended January 31, 2024 (2023 - $Nil) as no future exploration expenditures are currently planned on this project.

Pine Grove and Pic River Property

On December 7, 2020, the Company acquired 100% interest in certain mining claims in the Pine Grove and Pic River Properties by issuing 3,000,000 common shares at $0.10 per share. The properties are comprised of 129 mining claims, located in Ontario. These mining claims are subject to a 2% NSR.

The Company decided not to pursue the Pic River Property, As a result, the Company recorded a write-down of exploration and evaluation assets of $123,231 during the year ended January 31, 2024 (2023 - $Nil) as no future exploration expenditures are currently planned at Pic River.

Duquesne West Gold Project

On October 20, 2022, the Company closed an option agreement (the "Option Agreement") with Globex Mining Enterprises Inc. (“Globex”) to acquire a 100% interest in the Duquesne West mineral claim package ("Duquesne West Property") from Globex's subsidiary, Duparquet Assets Ltd. ("Duparquet"), comprising of 38 claims located in the Duparquet Township of Quebec. The transaction was subject to the acceptance of the Canadian Stock Exchange (the "Exchange") and to Emperor completing a private placement of not less than $1,500,000 within 150 days of Exchange acceptance of the transaction, which were deemed to be October 20, 2022 and March 19, 2023 respectively.

To exercise the Option Agreement with Duparquet, the Company must make payments of cash and common shares of the Company with each installment of common shares being based upon the Company’s volume weighted average price (the “VWAP”) per share trading on the Exchange over a period of twenty (20) trading days prior to the date of payment as follows:

(Expressed in Canadian Dollars)

- within 3 days of Exchange acceptance on October 24, 2022, $50,000 cash was paid and 1,500,000 common shares issued at a fair value of $0.18 per common share;
- within 5 days of completed financing on December 23, 2022, $450,000 cash was paid;
- on first anniversary, January 20, 2024, $500,000 cash was paid, and 2,583,119 common shares issued at a fair value of $0.135 per common share;
- on second anniversary, $500,000 cash and 1,500,000 common shares if VWAP is greater than $0.20, or the number of shares equaling $300,000 if VWAP less than $0.20;
- on third anniversary, $1,000,000 cash and 3,000,000 common shares if VWAP greater than $0.20, or the number of shares equaling $600,000 if VWAP less than $0.20;
- on fourth anniversary, $2,500,000 cash and 3,500,000 common shares if VWAP greater than $0.20, or the number of shares equaling $700,000 if VWAP less than $0.20;
- on fifth anniversary, $5,000,000 cash and 4,000,000 common shares if VWAP greater than $0.20, or the number of shares equaling $800,000 if VWAP less than $0.20.

Emperor must also incur minimum annual exploration expenditures on the Duquesne Property as follows:

- $250,000 by October 31, 2023; (completed)
- $1,000,000 by October 31, 2024;
- $1,250,000 by October 31, 2025;
- $1,750,000 by October 31, 2026;
- $3,250,000 by October 31, 2027;
- $4,500,000 by October 31, 2028.

Emperor must complete a current mineral resource estimate on the Property (the “Resource Estimate”) by December 21, 2027. If the Resource Estimate includes at least 1 Moz Au Eq (one million ounces of gold or gold-equivalent) in aggregate that are in the measured, indicated and/or inferred categories in accordance with CIM guidelines, Emperor will pay Duparquet an additional 2,500,000 common shares of the Company.

During the option period Emperor must maintain at minimum, all taxes, assessments, rentals, renewals levies and other payments required to be made to any Government Authority to keep the property in good standing. If Emperor chooses to terminate the option it must ensure that required payments are made to ensure the property is in good standing with Government Authority for two years.

During the year ended January 31, 2024, the Company incurred $2,596,417 in exploration expenditures on the Duquesne Property and has already met the minimum requirement of spending $1,000,000 in annual exploration expenditures on the Duquesne Property by October 31, 2024.

8. Accounts payable and accrued liabilities

	January 31, 2024	January 31, 2023
Accounts payable	**$ 357,559**	$ 91,009
Accrued liabilities	**163,234**	32,385
Other payables	**12,046**	-
	$ 532,839	$ 123,394

9. Share capital

a) Common shares

Authorized

Unlimited number of common shares without par value and an unlimited number of preferred shares. All the common shares have the same rights in respect of the distribution of dividends and the repayment of capital. Each share confers the right to one vote at the annual general meeting.

Issued Share Capital

As at January 31, 2024, 82,458,324 common shares were issued and outstanding (January 31, 2023 – 48,189,028).

Share issuance

For year ended January 31, 2024

On December 20, 2023, the Company issued 6,600,000 flow-through common shares ("QFT Shares") at $0.125 per QFT Share to raise $825,000 in proceeds; and 3,436,362 flow-through common shares ("FT Shares") at $0.11 per FT Share to raise additional $378,000 in proceeds for Canadian exploration expenses on the Duquesne West Gold Project, Quebec. The Company also paid finders' fees of $72,180 and issued 672,181 finders' warrants to eligible finders for certain of the FT Shares sold. Each finders' warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.20 per share until two years from issuance. The fair value of the finders' warrants was $26,887, determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period until April 22, 2024.

On November 22, 2023 ("the November Unit Closing Date"), the Company issued 15,419,400 units at a price of $0.10 per unit to raise $1,541,940 in gross proceeds. Each unit consists of one common share and one warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.20 per share for a period of 24 months from the November Unit Closing Date. The warrants issued as part of the private placement units were allocated a fair value of $Nil calculated using the residual method. The Company also paid finders' fees of $41,576 and issued 415,758 finders' warrants to eligible finders for certain of the Units sold. Each finders' warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.20 per share until two years from issuance. The fair value of the finders' warrants was $29,103, determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period until March 25, 2024. $24,000 relating to this issuance was received subsequent to January 31, 2024.

On July 11, 2023 ("the July Unit Closing Date"), the Company issued 143,750 flow-through shares at $0.16 per FT Share and 591,667 non flow-through shares units at $0.12 per unit to raise $94,000 in gross proceeds. Each non-flow through shares unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.20 per share for a period of 24 months from the July Unit Closing Date. The residual value of the warrants attached to the non-flow-through units was determined to be $0.06 each, for an aggregate residual value of $17,750. The Company also paid finders' fees of $840 and issued 6,000 finders' warrants. Each finders' warrant is exercisable to acquire one additional non-flow through common share at $0.20 per share until two years from issuance. The fair value of the finders' warrants was $240, determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period until November 12, 2023.

On June 22, 2023 ("the June Unit Closing Date"), the Company issued 1,875,000 flow-through shares at $0.16 per FT Share and 3,619,998 non flow-through shares units at $0.12 per common share to raise $734,400 in gross proceeds. Each non flow-through shares unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.20 per share for a period of 24 months from the June Unit Closing Date. The residual value of the warrants attached to the non flow-through units was determined to be $0.02 each, for an aggregate residual value of $36,200. The Company also paid finders' fees of $1,800 and issued 75,000 finders'. Each finders' warrant is exercisable to acquire one additional non flow-through common share at $0.20 per share until two years from issuance. The fair value of the finders' warrants was $4,500, determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period until October 23, 2023.

On January 29, 2023, the Company issued 2,583,119 common shares issued at a fair value of $0.135 per common share, to Globex for Duquesne West Gold Project commitments (Note 7).

For year ended January 31, 2023

On December 21, 2022 ("the Unit Closing Date"), the Company completed the final tranche of its non-brokered private placement financing, consisting of 5,228,500 Units at a price of $0.17 per Unit for gross proceeds of up to $888,845, with each Unit consisting of one common share and one-half warrant (the "Units"). Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.30 for a period of 24 months. The Company paid finders fees of $55,784 in cash and issued 24,000 common shares of the Company and 226,110 finders' warrants exercisable to acquire one common share at $0.17 per share for a period of 24 months from the date of issue. The $22,470 fair value of the finders' warrants were determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period of four-month and a day from the Unit Closing Date.

On December 9, 2022, the Company completed the first tranche of its non-brokered private placement financing, consisting of 10,155,728 flow-through shares (the "FT Shares") at a price of $0.23 per FT Share for gross proceeds of $2,335,817. The Company recorded a flow-through share premium liability of $507,786 in connection with this financing. The Company paid finders fees of $138,907 and issued 603,943 finders' warrants, each exercisable to acquire one non-flow-through common share at $0.17 per share for a period of 24 months from the date of issue. The $60,335 fair value of the finders' warrants were determined using the Black Scholes Option Pricing Model. All securities issued were subject to a hold period of four-months and a day from the FT Shares Closing Date.

Escrowed common shares

4,850,000 common shares of the Company are subject to an escrow agreement. Under the agreement, 10% of the shares were released from escrow on the July 26, 2021 ("Initial Release") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. As of January 31, 2024, 727,500 common shares remained in escrow.

b) Stock options

Pursuant to the Company's stock option plan (the "Plan") for directors, officers, employees, and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares; the exercise price to be determined on the date of issuance of the options. The options are non-transferable and will expire, if not exercised, 90 days following the date the optionee ceases to be a director, officer, consultant or employee of the Company for reasons other than death, one year after the death of an optionee or on the tenth anniversary of the date the option was granted.

(Expressed in Canadian Dollars)

A summary of stock option activity in the period is as follows:

	Number of options	Weighted average exercise price
Outstanding options, January 31, 2022	2,725,000	$ 0.10
Issued	2,200,000	0.17
Expired	(50,000)	0.10
Cancelled	(200,000)	0.13
Outstanding options, January 31, 2023	4,675,000	$ 0.13
Issued	100,000	0.17
Outstanding options, January 31, 2024	4,775,000	$ 0.13

A summary of the options outstanding and exercisable at January 31, 2024 is as follows:

Date of expiry	Number of options	Weighted average exercise price	Remaining contractual life (years)
December 30, 2025	2,675,000	$ 0.10	1.9
December 9, 2027 (i)	400,000	0.18	3.9
January 19, 2028 (ii)	1,600,000	0.17	4.0
February 2, 2028 (iii)	100,000	0.17	4.0
	4,775,000	$ 0.13	2.8

i. On December 9, 2022, the Company granted stock options to acquire 400,000 common shares of the Company, of which 200,000 shares vested on December 16, 2022, and the balance of 200,000 shares vested on June 16, 2023, in accordance with the terms of the Plan. The stock options are exercisable at $0.18 per common share and have an expiry date of December 9, 2027. The fair value of these options of $62,322 was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.18; expected life, 5 years; expected volatility, 130%; risk-free rate 3.07%; and expected dividends, 0%. The options were issued with an exercise price equal to the value of the Company's common shares on the date of issuance. $39,900 was recognized as expense during the year ended January 31, 2023 and $22,421 was recognized as expense during the year ended January 31, 2024.

ii. On January 19, 2023, the Company granted stock options to acquire 1,600,000 common shares of the Company under the Plan, vesting immediately upon grant. The stock options are exercisable at $0.17 per common share and have an expiry date of January 19, 2028 or earlier in accordance with the terms of the Plan. The fair value of these options of $219,992 was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.16; expected life, 5 years; expected volatility, 130%; risk-free rate 2.82%; and expected dividends, 0%.

iii. On February 2, 2023, the Company granted stock options to acquire 100,000 common shares of the Company under the Plan, vesting immediately upon grant. The stock options are exercisable at $0.17 per common share and have an expiry date of February 2, 2028 or earlier in accordance with the terms of the Plan. The fair value of these options of $10,000 was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.13; expected life, 5 years; expected volatility, 125%; risk-free rate 2.92%; and expected dividends, 0%.

(Expressed in Canadian Dollars)

c) *Warrants*

A summary of share purchase warrant activity in the period is as follows:

	Number of warrants	Weighted average exercise price
Outstanding warrants, January 31, 2022	781,600	$ 0.10
Issued	3,444,303	0.27
Exercised	(624,800)	0.10
Expired	(156,800)	0.10
Outstanding warrants, January 31, 2023	3,444,303	$ 0.27
Issued	18,694,170	0.20
Outstanding warrants, January 31, 2024	22,138,473	$ 0.21

A summary of the warrants outstanding and exercisable at January 31, 2024 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Remaining contractual life (years)
December 9, 2024 (i)	603,943	$.............0.17	0.9
December 9, 2024	2,614,250	0.30	0.9
December 21, 2024 (ii)	226,110	0.17	0.9
June 22, 2025 (iii)	1,809,999	0.20	1.4
June 22, 2025 (iv)	75,000	0.20	1.4
July 11, 2025 (v)	295,832	0.20	1.4
July 11, 2025 (vi)	6,000	0.20	1.4
November 24, 2025	15,419,400	0.20	1.8
November 24, 2025 (vii)	415,758	0.20	1.8
December 21, 2025 (viii)	672,181	0.20	1.9
	22,138,473	**$ 0.21**	**1.6**

i. On December 9, 2022, 603,943 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $60,335 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.18; expected life, 2 years; expected volatility, 101%; risk free rate, 3.85%; and expected dividends, 0%.

ii. On December 21, 2022, 226,110 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $22,470 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.18; expected life, 2 years; expected volatility, 100%; risk free rate, 3.72%; and expected dividends, 0%.

iii. On June 22, 2023, 1,809,999 warrants were issued with an estimated value of $0.02 each, for an aggregate residual value of $36,200.

iv. On June 22, 2023, 75,000 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $4,500 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.11; expected life, 2 years; expected volatility, 125%; risk free rate, 4.74%; and expected dividends, 0%.

(Expressed in Canadian Dollars)

v. On July 11, 2023, 295,832 warrants were issued with an estimated value of $0.06 each, for an aggregate residual value of $17,750.

vi. On July 11, 2023, 6,000 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $240 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.09; expected life, 2 years; expected volatility, 125%; risk free rate, 4.80%; and expected dividends, 0%.

vii. On November 24, 2023, 415,758 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $29,103 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.125; expected life, 2 years; expected volatility, 126.50%; risk free rate, 4.45%; and expected dividends, 0%.

viii. On December 21, 2023, 672,181 warrants were issued to finders pursuant to the non-brokered private placement as compensation for services provided by the finders. The fair value of the finders' warrants of $26,887 was calculated using the Black Scholes Option Pricing Model with the following grant-date assumptions: grant date stock price $0.09; expected life, 2 years; expected volatility, 126.27%; risk free rate, 3.94%; and expected dividends, 0%.

10. Flow-through premium liability

A summary of the Company's flow through premium liability is as follows:

		Flow-through premium liability
Opening, January 31, 2022	$	58,114
Additions		507,786
Settlement		(70,318)
Balance, January 31, 2023	$	495,582
Additions		412,914
Settlement		(605,071)
Balance, January 31, 2024	$	303,425

On December 9, 2022, the Company completed a flow-through placement and issued 10,155,728 shares for gross proceeds of $2,335,817 and recognized a flow-through share premium liability of $507,786. As of January 31, 2024, the Company had incurred all eligible exploration expenditures relating to these flow-through shares. As a result, the amount of $495,582 (January 31, 2023 - $12,204) in connection with the settlement of the flow-through liability was recognized in other income.

On June 22, 2023, the Company completed a flow-through placement and issued 1,875,000 shares for gross proceeds of $300,000 and recognized a flow-through share premium liability of $103,125. As at January 31, 2024, the Company had incurred all eligible exploration expenditures relating to these flow-through shares. As a result, the amount of $103,125 in connection with the settlement of the flow-through liability was recognized in other income.

On July 11, 2023, the Company completed a flow-through placement and issued 143,750 shares for gross proceeds of $23,000 and recognized a flow-through share premium liability of $10,062. As January 31, 2024, the Company has incurred $14,547 of eligible exploration expenditures relating to these flow-through shares. As a result, the amount of $6,364 in connection with the settlement of the flow-through liability was recognized in other income.

On December 21, 2023, the Company completed a flow-through placement and issued 6,600,000 shares for gross proceeds of $825,000 and recognized a flow-through share premium liability of $231,000. As January 31, 2024, the Company has not incurred any eligible exploration expenditures relating to these flow-through shares and therefore, flow-through spending obligation remains unchanged at $825,000 before December 31, 2024.

On December 21, 2023, the Company completed a flow-through placement and issued 3,436,362 shares for gross proceeds of $378,000 and recognized a flow-through share premium liability of $68,727. As January 31, 2024, the Company has not incurred any eligible exploration expenditures relating to these flow-through shares and therefore, flow-through spending obligation remains unchanged at $378,000 before December 31, 2024.

As at January 31, 2024, the Company has not incurred $1,211,453 (2023 - $2,279,675) in gross flow-through eligible expenditures.

11. Financial instruments and risk management

The Company is exposed to the following financial risks:

i) Market risk
ii) Credit risk
iii) Liquidity 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.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The purpose of market risk management is to manage and control exposures to market risks, within acceptable parameters, while optimizing return. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian Dollars. The Company considers this risk to be minimal.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities; therefore, interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

Commodity price risk

Commodity price risk is the risk that the value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

Credit risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and accounts and other receivables. The Company considers credit risk with respect to its cash is minimal as cash is mainly held with financial institutions that are financially sound based on their credit rating.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. 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.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at January 31, 2024, all of the Company's financial liabilities are due within one year.

As at January 31, 2024, the Company had a working capital of $1,397,493 (January 31, 2023 - $2,374,473) and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or

(Expressed in Canadian Dollars)

indirectly; and

- Level 3 – Inputs that are not based on observable market data.

The Company's cash, short-term investments, shares subscription receivable, accounts payable and accrued liabilities, and amounts due to related parties approximate their current fair values because of their nature and anticipated settlement dates.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the objective of the Company. In the management of capital, the Company includes its components of shareholders' equity. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program.

The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year.

12. Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company or its subsidiaries, directly or indirectly. Key management personnel include the Company's directors and executive officers. A summary of the Company's related party transactions with directors and officers, or with companies associated with these individuals as follows:

For the year ended	**January 31, 2024**	**January 31, 2023**
Management fees paid to key management and directors	**$ 402,500**	$ 134,750
Capitalized consulting fees paid to key management	**92,500**	67,188
Investor relations fees paid to a director	**-**	5,000
Rent paid to a corporation controlled by officers and directors	**40,200**	40,200
	$ 535,200	$ 247,138

In the comparative year, there were 900,000 options issued to key management and directors resulting in a non-cash share-based compensation expense of $123,747.

As at January 31, 2024, accounts payable and accrued liabilities include $30,000 (2023 - $15,000) due to key management, directors of the Company and companies controlled by management or directors for services provided. These amounts are unsecured, non-interest bearing and have no specific terms of repayment. All amounts have been subsequently paid.

(Expressed in Canadian Dollars)

13. Right-of-use asset and lease liability

As at January 31, 2024 the Company was lessee to two automobile leases. The incremental rate of borrowing for both leases was 7.99% per annum.

(a) Right-of-Use Assets

The continuity of right-of-use assets is as follows:

		Right-of-use Assets
As at January 31, 2023 and 2022	$	-
Recognized during the year		72,251
Depreciation		(31,820)
Balance, January 31, 2024	$	40,431

For the year ended January 31, 2024, the depreciation of $31,820 is allocated to the Duquesne West Gold Project (Note 7).

(b) Lease Liabilities

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

		Amount
Undiscounted minimum lease payments		
Less than one year	$	38,950
Two years		4,642
		43,592
Effect of discounting		(2,027)
Premium value of minimum lease payments		41,565
Less current portion		(36,963)
Long term portion	$	4,602

(c) Lease Liability Continuity

The lease liability continuity is as follows:

		Lease Liability
As at January 31, 2023 and 2022	$	-
Recognized during the year		72,251
Deposits and principal repayments		(30,686)
Balance, January 31, 2024	$	41,565

(Expressed in Canadian Dollars)

14. Income taxes

A reconciliation of income tax at statutory rate is as follows:

For the year ended	January 31, 2024	January 31, 2023
Loss before income taxes	**$ (1,063,308)**	$ (783,437)
Statutory income tax rate	**27%**	27%
Computed income tax recovery	**(287,000)**	(212,000)
Change in statutory tax rates and other	**31,000**	63,000
Permanent differences	**62,000**	50,000
Impact of flow through share	**534,000**	32,000
Share issuance costs	**(45,000)**	(73,000)
Change in unrecognized deferred assets	**(295,000)**	140,000
Income tax recovery	**$ -**	$ -

Significant components of the Company's deferred tax assets and liabilities are as follows:

	January 31, 2024	January 31, 2023
Deferred income tax assets		
Share issuance costs	**$ 79,000**	$ 97,000
Exploration and evaluation assets	**(764,000)**	(88,000)
Property, plant and equipment	**24,000**	-
Non-capital loss carry-forwards	**767,000**	354,000
	106,000	363,000
Valuation allowance	**(106,000)**	(363,000)
Deferred income tax assets	**$ -**	$ -

The Company has non-capital losses of approximately $2,843,000 which may be carried forward to reduce taxable income in future years. The non-capital losses expire in 2044 and resource exploration and development pools of approximately $1,988,000 which may be carried forward indefinitely.

In assessing whether the deferred tax assets are realizable, management considers whether it is probable that some portion or all of the deferred tax assets will be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. As at January 31, 2024, the Company has not recognized any deferred tax assets (2023 - $nil).

15. Subsequent events

On March 28, 2024 ("the March 2024 Unit Closing Date"), the Company issued 18,148,000 units at a price of $0.125 per unit to raise $2,268,500 in gross proceeds. Each unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.25 per share for a period of 24 months from the March 2024 Unit Closing Date. The Company paid finders' fees of $16,020 and issued 128,160 finders' warrants to eligible finders for certain of the units sold. Each finders' warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.25 per share until two years from issuance. All securities issued are subject to a hold period until July 29, 2024.

On March 28, 2024, the Company granted 3,950,000 options in aggregate to directors, officers and consultants of the Company at an exercise price of $0.15, expiring on March 28, 2029.

On May 8, 2024, the Company issued 2,943,333 flow-through shares at a price of $0.267 per flow-through share to raise $785,870 in gross proceeds. All flow-through shares issued will be subject to a four-month hold period.