

Gama Explorations Inc.

Condensed Consolidated Interim Financial Statements
For the three and nine months ended October 31, 2022 and 2021
(Expressed in Canadian dollars)

NOTE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these interim financial statements.

Gama Explorations Inc.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

As at	October 31, 2022 (Unaudited) \$	January 31, 2022 (Audited) \$
ASSETS		
Current assets		
Cash	1,029,303	456,377
GST receivable	26,033	-
Prepaid expenses	167,689	-
Total current assets	1,223,025	456,377
Exploration and evaluation asset (Note 4)	3,903,062	170,595
TOTAL ASSETS	5,126,087	626,972
LIABILITIES		
Current liabilities		
Accounts payable	44,957	31,319
Accrued liabilities	25,435	20,188
Total liabilities	70,392	51,507
Equity		
Common shares (Note 5)	5,544,032	693,450
Reserves (Note 5)	163,396	-
Deficit	(651,733)	(117,985)
Total equity	5,055,695	575,465
TOTAL LIABILITIES AND EQUITY	5,126,087	626,972

Going concern (Note 1)

Subsequent event (Note 9)

APPROVED BY THE BOARD:

"Allan Larmour"

Director

"Jason Riley"

Director

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

Gama Explorations Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Three months ended October 31,		Nine months ended October 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Operating expenses				
Advertising and marketing	43,616	-	63,741	5,250
Bank charges and interest	440	67	980	225
Consulting fees	33,817	-	158,817	-
Exploration expenditures	-	-	2,250	-
Listing fees	15,066	294	27,266	26,287
Office and administrative	5,801	300	11,283	490
Professional fees	34,642	6,926	128,567	31,319
Stock-based compensation (Note 5)	130,340	-	130,340	-
Travel and entertainment	8,860	-	10,504	-
Net loss and comprehensive loss	(272,582)	(7,587)	(533,748)	(63,571)
Loss per share – basic and diluted	(0.01)	-	(0.02)	-
Weighted average number of common shares outstanding – basic and diluted	36,954,262	24,160,089	34,061,954	24,068,060

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

Gama Explorations Inc.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian dollars)

	Number of shares	Common shares \$	Reserves \$	Deficit \$	Total \$
Balance January 31, 2021	24,022,800	539,750	-	(24,860)	514,890
Shares issued for property purchase (Notes 4 and 5)	1,300,000	100,000	-	-	100,000
Shares issued for cash (Note 5)	148,000	3,700	-	-	3,700
Net loss for the period	-	-	-	(63,571)	(63,571)
Balance October 31, 2021	25,470,800	643,450	-	(88,431)	555,019
Balance January 31, 2022	27,470,800	693,450	-	(117,985)	575,465
Shares issued for cash (Note 5)	5,145,000	1,231,582	33,056	-	1,264,638
Shares issued for acquisition of Tyee Nickel Corp. (Note 3 and 5)	9,000,000	3,465,000	-	-	3,465,000
Shares issued for Tyee Nickel Corp acquisition finder's fees	400,000	154,000	-	-	154,000
Stock-based compensation (Note 5)	-	-	130,340	-	130,340
Net loss for the period	-	-	-	(533,748)	(533,748)
Balance October 31, 2022	42,015,800	5,544,032	163,396	(651,733)	5,055,695

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

Gama Explorations Inc.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

	October 31, 2022 \$	October 31, 2021 \$
For the nine months ended		
OPERATING ACTIVITIES		
Net loss	(533,748)	(63,571)
Items not affecting cash:		
Stock-based compensation	130,340	-
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	(44,138)	-
Prepaid expenses	(167,689)	-
GST Receivable	(26,033)	26,554
Cash used in operating activities	(641,268)	(37,017)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation asset	(169,671)	-
Cash transaction costs from acquisition of Tyee Nickel Corp. (Note 3)	(8,163)	-
Cash assumed on acquisition of Tyee Nickel Corp. (Note 3)	127,390	(70,555)
Cash used in investing activities	(50,444)	(70,555)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	1,264,638	3,700
Cash from financing activities	1,264,638	3,700
Net change in cash	572,926	(103,872)
Cash, beginning of year	456,377	521,996
Cash, end of year	1,029,303	418,124
	October 31, 2022	October 31, 2021
Supplemental Cashflow Disclosures	\$	\$
Exploration and evaluation assets in accounts payable and accrued liabilities	29,766	-
Shares issued for acquisition of Tyee Nickel Corp.	3,465,000	-
Shares issued for Tyee Nickel Corp acquisition finder's fee	154,000	-
Warrants issued for finders' fees	33,056	-

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

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Gama Explorations Inc. (the “Company”) is a mining exploration company engaged in the identification, acquisition, evaluation, and exploration of mineral properties located in British Columbia, Canada. The head office of the Company is located at 2133 – 1177 West Hastings Street, Vancouver, V6E 2K3.

The Company is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration to potentially identify mineral resources and resources requiring development of its mineral properties. Management believes that financing is available for early-stage exploration and may be sourced in time to allow the Company to continue its current planned activities in the normal course.

These condensed consolidated interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. On March 11, 2020, the outbreak of the novel strain of coronavirus specifically identified as “COVID-19” was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Conditions surrounding COVID-19 continue to rapidly evolve and the efficacy of the government and central bank interventions is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

The Company had cash of \$1,029,303 at October 31, 2022, but management cannot provide any assurance that the Company will ultimately achieve profitable operations, become cash flow positive or raise additional equity and/or debt capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company is dependent on raising capital through share issuances.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended January 31, 2022.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (CONT'D)

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its unaudited condensed consolidated interim financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended January 31, 2022. In addition, other than noted below, the accounting policies applied in these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended January 31, 2022.

Share-based payments

Estimating fair value for share-based payment transactions, including stock options and compensatory warrants, requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, risk-free interest rate, expected forfeiture rate and dividend yield of the equity instruments.

Business Combinations

From time to time, the Company may acquire subsidiaries. At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets is acquired. More specifically, consideration is given to the extent to which significant processes are acquired. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized.

Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary Tyee Nickel Corp (formerly known as Miata III Capital Corp). Tyee Nickel Corp. was incorporated under the Business Corporations Act of British Columbia on March 1, 2022. The Company acquired Tyee Nickel Corp. on September 20, 2022.

All inter-company balances, transactions, income, and expenses have been eliminated upon consolidation.

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an entity, when the Company is exposed, or has rights, to variable returns from the entity, and

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (CONT'D)

when the Company has the ability to affect those returns through its power over the entity. Subsidiaries are included in the financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control.

Basis of Presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis and presented in Canadian dollars which is the functional currency of the Company. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information. The condensed consolidated interim financial statements have been prepared on a historical cost basis except for warrants and options, which are measured at fair value.

The Company's interim results are not necessarily indicative of its results for a full year.

These unaudited condensed consolidated interim financial statements were approved by the Board of Directors on December 30, 2022.

3. ACQUISITION OF TYEE NICKEL CORP.

On September 20, 2022, the Company and Tyee Nickel Corp. entered into an acquisition agreement (the "Acquisition Agreement"), whereby the Company would acquire all of the outstanding common shares of Tyee Nickel Corp.

On September 20, 2022 (the "Closing Date"), pursuant to the Acquisition Agreement:

- The Company issued 9,000,000 common shares valued at \$0.385 per share for total value of \$3,465,000 in exchange for all of the issued and outstanding shares of Tyee immediately prior to the Closing Date. The shares issued as consideration were valued using the closing price per common share of the Company on the Closing Date (Note 5).
- The Company issued 400,000 common shares as finder's fees in connection with the introduction of the parties and subsequent execution of the Acquisition Agreement. The common shares were valued at \$154,000 or \$0.385 per common share which was the closing price per common share of the Company on the Closing Date.

The Acquisition was determined to be an asset acquisition per IFRS 3 as no substantive processes were transferred to the Company. In connection with the Acquisition, the Company incurred additional transaction costs of \$8,163 composed of legal fees.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

3. ACQUISITION OF TYEE NICKEL CORP. (CONT'D)

Consideration paid:

Value of equity instruments (9,000,000 shares at \$0.385 per share)	\$	3,465,000
Finder's fee shares issued (400,000 shares at \$0.385 per share)		154,000
Transaction costs – legal fees		8,163
	\$	3,627,163

Net identifiable assets acquired:

Cash and cash equivalents	\$	127,390
Exploration and evaluation asset		3,533,030
Accounts payable and accrued liabilities		(33,257)
	\$	3,627,163

4. EXPLORATION AND EVALUATION ASSET

	Golden Wonder Project \$	Big Onion Project \$	Gatineau Ni-Cu Project \$	Total \$
Balance at January 31, 2021	-	-	-	-
Property payments – cash	50,000	-	-	50,000
Property payments – shares	100,000	-	-	100,000
Assignment of consideration	(150,000)	150,000	-	-
Exploration costs	-	20,595	-	20,595
Balance at January 31, 2022	-	170,595	-	170,595
Acquisition of Tyee Nickel Corp. (Note 3)	-	-	3,533,030	3,533,030
Exploration costs	-	144,916	54,521	199,437
Balance at October 31, 2022	-	315,511	3,587,551	3,903,062

Golden Wonder Project

On February 2, 2021, the Company entered into a property purchase agreement with Blue Lagoon Resources Inc., a related company as a result of common directorship, to acquire a 100% interest in five mineral claims located in Northern British Columbia that comprise the Golden Wonder Project. Consideration for the purchase was as follows:

- \$50,000 cash payment (paid February 17, 2021)
- Issuance of 1,000,000 common shares (issued pre-split)

The agreement is subject to a net smelter royalty (“NSR”) of 0.5%.

On November 12, 2021, this agreement was terminated, and the consideration paid was assigned to the option agreement for the Big Onion Project.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

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(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSET (CONT'D)

Big Onion Project

On December 6, 2021, the Company entered into a property option agreement with Lloyd Minerals Inc. (the “Vendor”), a subsidiary of Blue Lagoon Resources Inc, to acquire a 100% ownership and beneficial interest in thirteen mineral claims located in British Columbia that comprise the Big Onion property (the “Option”), subject to a 3% NSR (the “Property”). The royalties may be reduced by 0.25% increments in exchange for payment of \$250,000 per increment.

In order to exercise the Option, the Company is required to make cash and share payments to the Vendor, and incur property expenditures as follows:

On or prior to the execution of the agreement

- Make a cash payment of \$50,000 (assigned from Golden Wonder)
- Issue 1,000,000 shares (assigned from Golden Wonder) (issued pre-split and resulting in 1,300,000 post-split as per agreement with Blue Lagoon Resources Inc.)

On or prior to the date that is twelve months following April 11, 2022, the date in which the Company is listed on a Canadian stock exchange (the “Listing Date”)

- Make a cash payment of \$50,000
- Incur \$250,000 of expenditures on the Property

On or prior to the date that is twenty-four months following the Listing Date

- Make a cash payment of \$50,000
- Issue 250,000 shares
- Incur \$250,000 of expenditures on the Property

On or prior to the date that is thirty-six months following the Listing Date

- Make a cash payment of \$100,000
- Issue 250,000 shares
- Incur \$250,000 of expenditures on the Property

On or prior to the date that is forty-eight months following the Listing Date

- Make a cash payment of \$250,000
- Issue 500,000 shares
- Incur \$750,000 of expenditures on the Property

Gatineau Ni-Cu Project

On September 20, 2022, the Company closed the Acquisition Agreement with Tyee Nickel Corp. and became the beneficial owner of Gatineau Copper-Nickel Property (the “Property”). The Property is located 130 km north of Havre St. Pierre, Quebec, and 12 km north of Romaine IV Hydroelectric Dam.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND RESERVES

Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

Common Shares

For the nine months ended October 31, 2022

On April 27, 2022, the Company completed a forward split of its shares on the basis of 4 new shares for each one share outstanding (the “Forward Split”), with the exception of 900,000 of the pre-Forward Split common shares issued to Blue Lagoon for the acquisition of the Big Onion Project (Note 3). Prior to the Forward Split, the Company had 7,542,700 common shares issued and outstanding. Immediately following the Forward Split, the Company had 27,470,800 common shares issued and outstanding. Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retroactive basis to reflect the Forward Split.

On June 10, 2022, the Company closed a private placement offering of 5,145,000 common shares at a price of \$0.25 per share for gross proceeds of \$1,286,250. In connection with the private placement, the Company paid cash finders fees of \$21,612 and issued 86,450 finder warrants. Each finder’s warrant may be exercised at a price of \$0.30 per share until June 10, 2024. The fair value of the broker warrants was \$33,056 and was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 133%, risk-free interest rate of 0.44%, expected life of 2 years, exercise price of \$0.25, a divided yield of 0%, and a share price of \$0.50.

On September 20, 2022, the Company closed the Acquisition Agreement with Tyee Nickel Corp. (“Tyee”) and the shareholders of Tyee to acquire all of the issued and outstanding shares of Tyee in exchange for 9,000,000 common shares of the Company valued at \$0.385 per share for total value of share consideration of \$3,465,000. In connection with the transaction, the Company also issued a finder’s fee of 400,000 common shares to an arm’s length party valued at \$0.385 per share for total value of share finder’s fees of \$154,000.

For the nine months ended October 31, 2021

On February 7, 2021, the Company issued 1,300,000 common shares pursuant to the property purchase agreement with Blue Lagoon Resources Inc. for the Golden Wonder Project (Note 4). 1,000,000 pre-split shares were issued, which resulted in 1,300,000 post-split common shares

pursuant to an agreement between the Company and Blue Lagoon Resources Inc. The fair value of the shares was \$100,000.

On February 22, 2021, the Company issued 148,000 common shares at \$0.03 per share for cash proceeds of \$3,700.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND RESERVES (CONT'D)

STOCK OPTIONS

Stock option plan

On March 10, 2021, the Company adopted a Stock Option Plan (the "Plan"). The Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance, set aside, and made available for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date). The number of Common Shares which may be reserved in any 12-month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant.

Stock option activity

Stock option activities are summarized in the table below.

	Number of Stock Options Outstanding	Number of Stock Options Exercisable	Weighted Average Exercise Price
Balance, January 31, 2021 and 2022	-	-	-
Granted	3,100,000	-	0.30
Balance, October 31, 2022	3,100,000	-	0.30

Details of stock options outstanding and exercisable as at October 31, 2022 are as follows:

	Number of Stock Options Outstanding	Number of Stock Options Vested	Exercise price
Expiry date			
September 20, 2027	3,100,000	-	0.30
Total	3,100,000	-	0.30

As of October 31, 2022, the weighted average remaining life for the outstanding options was 4.89.

During the nine months ended October 31, 2022, the Company issued 3,100,000 incentive stock options to consultants, officers and directors of the Company. Each option is exercisable into one common share at \$0.30 per share for 5 years. The options vest over the first two years with 25% vesting every six months.

During the three and nine months ended October 31, 2022, the Company recognized stock-based compensation expense of \$130,340 for the vesting of these stock options. The fair value of the incentive stock options was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 97%, risk-free interest rate of 3.39%, expected life of 5 years, exercise price of \$0.30, a divided yield of 0%, and a share price of \$0.45.

Gama Explorations Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND RESERVES (CONT'D)

WARRANTS

Warrant activities are summarized below.

	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, January 31, 2021 and 2022	-	-
Granted	86,450	0.25
Balance, October 31, 2022	86,450	0.25

Details of warrants outstanding and as at October 31, 2022 are as follows:

	Number of Warrants Outstanding	Exercise price
Expiry date		
June 10, 2024	86,450	0.25
Total	86,450	0.25

As of October 31, 2022, the weighted average remaining life for the outstanding options was 1.61.

During the nine months ended October 31, 2022, the Company issued 86,450 warrants as finders' fees in connection with the private placement closed on June 10, 2022. Each finder's warrant may be exercised at a price of \$0.30 per share until June 10, 2024. The fair value of the broker warrants was \$33,056 and was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 133%, risk-free interest rate of 0.44%, expected life of 2 years, exercise price of \$0.25, a divided yield of 0%, and a share price of \$0.50.

6. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As at October 31, 2022, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

As at October 31, 2022, the Company's available capital resources, consists of cash of \$1,029,303 to settle total current liabilities of \$70,392.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets consist of cash in bank and its financial liabilities consist of accounts payable and accrued liabilities. The Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted due to their short-term nature.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended October 31, 2022

(Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Financial instrument classification

Financial assets included in the statement of financial position are as follows:

	Level in fair value hierarchy	October 31, 2022 \$	January 31, 2022 \$
FVTPL:			
Cash	Level 1	1,029,303	456,377
		1,029,303	456,377

Financial liabilities included in the statement of financial position are as follows:

	Level in fair value hierarchy	October 31, 2022 \$	January 31, 2022 \$
Amortized cost:			
Accounts payable		44,957	31,319
Accrued liabilities		25,435	20,188
		70,392	51,507

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. directly from prices);and

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

Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient working capital to meet liabilities when due. As at October 31, 2022, the Company has cash of \$1,029,303 to settle current liabilities of \$70,392. All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

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8. RELATED PARTY TRANSACTIONS

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 and corporate officers.

During the year-ended January 31, 2022, 1,300,000 common shares were issued (1,000,000 pre-split shares were issued, 900,000 of which were not subject to the Forward Split) and a \$50,000 cash payment was made to Blue Lagoon Resources Inc. in relation to the property purchase agreement (Note 3). Blue Lagoon Resources Inc. is a related company as a result of common directorship.

9. SUBSEQUENT EVENTS

On November 16, 2022, the Company closed the first tranche of a private placement financing issuing 3,353,336 common shares at a price of \$0.30 for gross proceeds of \$1,006,010. Of the total shares issued, 70,000 were subscribed to by an officer of the Company, resulting in a related party transaction. In connection with the private placement, the Company paid a cash finder's fee of \$39,334 and issued 129,362 finder's warrants. Each finder's warrant is exercisable into one common share at an exercise price of \$0.30 per common share for a period of 24 months from the closing date.