

Gama Explorations Inc.

Consolidated Financial Statements

For the year ended January 31, 2023 and 2022

(Expressed in Canadian dollars)



INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Gama Explorations Inc.

Opinion

We have audited the consolidated financial statements of Gama Explorations Inc. (the "Company"), which comprise the consolidated statement of financial position as at January 31, 2023, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (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, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 the financial statements, which indicates that the Company incurred significant operating losses since inception and has an accumulated deficit of \$1,335,140 as at January 31, 2023. For the year ended January 31, 2023, the Company incurred a net and comprehensive loss of \$1,217,155. As stated in Note 1, these events or conditions indicate that material uncertainties exist 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.

Other Matter

The financial statements of the Company for the year ended January 31, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on March 31, 2022.

Other Information

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

- Management's Discussion and Analysis

Our opinion on the financial statements does not cover the other information and we do not and will 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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

Gama Explorations Inc.

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

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 GAAS 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 GAAS, 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.

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

B F Borgers CPA PC

May 31, 2023

Lakewood, Colorado, USA

Gama Explorations Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	January 31, 2023	January 31, 2022
	\$	\$
ASSETS		
Current assets		
Cash	1,749,133	456,377
GST receivable	37,772	-
Prepaid expenses	337,879	-
Total current assets	2,124,784	456,377
Exploration and evaluation asset (Note 6)	4,281,486	170,595
TOTAL ASSETS	6,406,270	626,972
LIABILITIES		
Current liabilities		
Accounts payable	18,903	31,319
Accrued liabilities	49,023	20,188
Total liabilities	67,926	51,507
Equity		
Common shares (Note 7)	6,660,698	693,450
Obligation to issue shares (Note 12)	523,407	-
Reserves (Note 7)	489,379	-
Deficit	(1,335,140)	(117,985)
Total equity	6,338,344	575,465
TOTAL LIABILITIES AND EQUITY	6,406,270	626,972

Going concern (Note 1)
Subsequent event (Note 12)

APPROVED BY THE BOARD:

"Allan Larmour"
Director

"Jason Riley"
Director

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

Gama Explorations Inc.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	January 31, 2023 \$	January 31, 2022 \$
For the year ended,		
Operating expenses		
Advertising and marketing	103,771	5,250
Bank charges and interest	1,646	293
Consulting fees (Note 11)	413,341	-
Exploration expenditures	2,250	16,405
Listing fees	41,072	26,287
Office and administrative	37,394	883
Professional fees	174,748	44,007
Stock-based compensation (Note 7 and 11)	426,813	-
Travel and entertainment	16,120	-
Net loss and comprehensive loss	(1,217,155)	(93,125)
Loss per share – basic and diluted	(0.04)	(0.00)
Weighted average number of		
common shares outstanding – basic and diluted	34,100,321	25,513,660

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

Gama Explorations Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Number of shares	Common shares \$	Reserves \$	Obligation to issue shares \$	Deficit \$	Total \$
Balance January 31, 2021 (Note 7)	24,022,800	539,750	-	-	(24,860)	514,890
Shares issued for property purchase (Notes 6 and 7)	1,300,000	100,000	-	-	-	100,000
Shares issued for cash (Note 7)	2,148,000	53,700	-	-	-	53,700
Net loss for the year	-	-	-	-	(93,125)	(93,125)
Balance January 31, 2022	27,470,800	693,450	-	-	(117,985)	575,465
Shares and warrants issued for cash (Note 7)	8,498,366	2,168,748	62,566	-	-	2,231,314
Shares issued for acquisition of Tyee Nickel Corp. (Note 5 and 7)	9,000,000	3,465,000	-	-	-	3,465,000
Shares issued for Tyee Nickel Corp. acquisition finder's fees (Note 5 and 7)	400,000	154,000	-	-	-	154,000
Shares issued for Saint-Pierre Anorthosite Complex purchase (Note 7)	50,000	19,500	-	-	-	19,500
Finder's fee for Muskox Lithium Property (Note 7)	200,000	160,000	-	-	-	160,000
Stock-based compensation (Note 7)	-	-	426,813	-	-	426,813
Proceeds received for subsequent financing (Note 12)	-	-	-	523,407	-	523,407
Net loss for the year	-	-	-	-	(1,217,155)	(1,217,155)
Balance January 31, 2023	45,619,166	6,660,698	489,379	523,407	(1,335,140)	6,338,344

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

Gama Explorations Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	January 31, 2023	January 31, 2022
For the year ended	\$	\$
OPERATING ACTIVITIES		
Net loss	(1,217,155)	(93,125)
Items not affecting cash:		
Stock-based compensation	426,813	-
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	(26,303)	44,007
Prepaid expenses	(337,879)	-
GST Receivable	(37,772)	394
Cash used in operating activities	(1,192,296)	(48,724)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(162,500)	(50,000)
Cash transaction costs from acquisition of Tyee Nickel Corp. (Note 5)	(8,163)	-
Cash assumed on acquisition of Tyee Nickel Corp. (Note 5)	127,390	-
Exploration costs on exploration and evaluation asset	(226,396)	(20,595)
Cash used in investing activities	(269,669)	(70,595)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	2,292,260	53,700
Share issuance costs	(60,946)	-
Proceeds from common shares issued subsequent to year-end	523,407	-
Cash from financing activities	2,754,721	53,700
Net change in cash	1,292,756	(65,619)
Cash, beginning of year	456,377	521,996
Cash, end of year	1,749,133	456,377

	January 31, 2023	January 31, 2022
Supplemental Cashflow Disclosures	\$	\$
Shares issued for acquisition of Tyee Nickel Corp. (Note 5)	3,465,000	-
Shares issued for acquisition of Saint-Pierre Anorthosite (Note 6)	19,500	-
Shares issued for Muskox Lithium acquisition finder's fee (Note 7)	160,000	-
Shares issued for Tyee Nickel Corp acquisition finder's fee (Note 5)	154,000	-
Exploration and evaluation assets in accounts payable and accrued liabilities	9,465	-
Warrants issued for finders' fees (Note 6)	62,566	-

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

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(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 commenced trading on the Canadian Securities Exchange on April 7, 2022 under the trading symbol “GAMA”.

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 consolidated 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.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The Company had a loss of \$1,217,155 for the year ended January 31, 2023.

The Company had cash of \$1,749,133 at January 31, 2023, 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.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated 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 for all periods presented. The consolidated financial statements were approved by the Board of Directors of the Company on May 31, 2023.

Basis of measurement and consolidation

These consolidated financial statements have been prepared on an accrual basis and are based on historical cost, except for certain financial instruments measured at fair value, as set out in the accounting policies in note 3. The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiaries, Tyee Nickel Corp (formerly Miata III Capital Corp), from the date of acquisition. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. 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 19, 2022.

The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

Costs incurred prior to obtaining the legal rights to explore a property are recognized as an expense in the period in which they are incurred.

Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option. Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Exploration and evaluation assets (cont'd)

Exploration and evaluation expenditures are capitalized. The Company capitalizes costs to specific blocks of claims or areas of geological interest. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

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 in the specific area; and
- sufficient data exist to indicate that, although a 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.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

Impairment of non-financial assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Impairment of non-financial assets (cont'd)

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately on the statement of comprehensive loss/income.

Income Taxes

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of each reporting date.

Tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The calculation of diluted earnings per share takes into account the potential impact of the exercise of all dilutive instruments. If necessary, net profit is also adjusted for the interest expense, net of tax, relating to these instruments.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are not offset unless the Company has the legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously.

Financial instruments are classified as either fair value through profit or loss ("FVTPL"), fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets consist of cash in the bank.

Measurement

Financial assets at FVTOCI

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded in the statements of net loss in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognized 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's credit risk 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 shall recognize in the statements of net 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.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial instruments (cont'd)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of net loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of net loss, unless the transaction is with a party acting in the capacity of a shareholder.

Share capital

Share capital is presented at the value of the shares issued. Costs related to issuing shares are reported net of tax as a deduction of the proceeds from the issue. Transactions with shareholders are disclosed separately in equity.

Share-based payments

The grant date fair value of share-based payment awards granted to employees is recognized as stock-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Share-based payments (cont'd)

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both. Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below.

Estimates

Stock-based compensation

The fair value of stock-based compensation is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices and forfeiture rates, changes in subjective input assumptions can materially affect the fair value estimate.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONT'D)

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities. In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable income will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Judgements

Title to exploration and evaluation assets

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing historical characteristic of many properties. The Company has investigated title to its mineral properties and, to the best of its knowledge title to all of its properties is in good standing. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONT'D)

Going Concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short- and long-term operating budget, expected profitability, investing and financing activities, and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

5. ACQUISITION OF TYEE NICKEL CORP.

On September 19, 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 19, 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.

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

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSET

	Golden Wonder Project \$	Big Onion Property \$	Gatineau Ni- Cu Property \$	Saint-Pierre Anorthosite Complex \$	Muskox Lithium Property \$	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 costs – cash	-	-	-	12,500	150,000	162,500
Acquisition costs – shares	-	-	-	19,500	160,000	179,500
Acquisition of Tyee Nickel Corp. (Note 5)	-	-	3,533,030	-	-	3,533,030
Exploration costs	-	155,537	75,463	-	4,861	235,861
Balance at January 31, 2023	-	326,132	3,608,493	32,000	314,861	4,281,486

Gama Explorations Inc.

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6. EXPLORATION AND EVALUATION ASSET (CONT'D)

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 Property.

Big Onion Property

On December 6, 2021, the Company entered into a property option agreement with Lloyd Minerals Inc, 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, subject to a 3% NSR. The royalties may be reduced by 0.25% increments in exchange for payment of \$250,000 per increment.

In order to complete the acquisition of the Big Onion Property, the Company is required to make cash and share payments to Lloyd Minerals Inc, and incur property expenditures on the Big Onion Property as follows:

On or prior to the execution of the agreement

- Make a cash payment of \$50,000 (assigned from the Golden Wonder Project)
- Issue 1,000,000 shares (assigned from the Golden Wonder Project) (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 (paid May 25, 2023)
- Incur \$250,000 of expenditures on the Big Onion 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 Big Onion 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 Big Onion Property

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

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6. EXPLORATION AND EVALUATION ASSET (CONT'D)

Big Onion Property (cont'd)

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 Big Onion Property

Gatineau Ni-Cu Property

On September 19, 2022, the Company closed the acquisition agreement with Tyee Nickel Corp. (Note 5) for total consideration of \$3,627,163 and became the beneficial owner of Gatineau Ni-Cu Property located 130 km north of Havre St. Pierre, Quebec, and 12 km north of Romaine IV Hydroelectric Dam.

Saint-Pierre Anorthosite Complex

On December 16, 2022, the Company closed the asset acquisition agreement with 1380749 BC Ltd. and became the beneficial owner of Odin East Mineral Claims located in the Saint-Pierre Anorthosite Complex. The additional mineral claims acquired span 32.15 km² contiguous to the current footprint of the Gatineau Ni-Cu Project in south-eastern Quebec. Consideration paid for the acquisition of the property included \$12,500 cash on the execution date of the acquisition agreement and 50,000 common shares at a deemed price of \$0.39, for a total consideration of \$19,500.

Muskox Lithium Property

On January 19, 2023, the Company entered into an agreement with RGV Lithium Explorations Inc. for the option to purchase 100% undivided interest in the Muskox Lithium Property located in Northwest Territories, approximately 40 km east of Yellowknife and spans an area of 50 km². The Muskox Lithium Property is subject to a 2.5% NSR which may be reduced to 1.5% for cash consideration of \$2,000,000.

In order to complete the acquisition of the Muskox Lithium Property, the Company is required to make cash and share payments to the RGV Lithium Explorations Inc., and incur property expenditures on the Muskox Lithium Property as follows:

On or prior to the execution of the agreement

- Make a cash payment of \$150,000 (paid January 13, 2023)

On or prior to the date that is six months following January 13, 2023, the signing date of the agreement (the "Signing Date")

- Make a cash payment of \$250,000 (paid February 8, 2023)

On or prior to the date that is twelve months from the Signing Date

- Issue 100,000 shares
- Incur \$250,000 of expenditures on the Muskox Lithium Property

Gama Explorations Inc.

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(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSET (CONT'D)

Muskox Lithium Property (cont'd)

On or prior to the date that is twenty-four months from the Signing Date

- Issue 200,000 shares
- Incur \$350,000 of expenditures on the Muskox Lithium Property

On or prior to the date that is thirty-six months from the Signing Date

- Issue 300,000 shares
- Incur \$400,000 of expenditures on the Muskox Lithium Property

On or prior to the date that is forty-eight months from the Signing Date

- Issue 400,000 shares
- Incur \$500,000 of expenditures on the Muskox Lithium Property

In addition, the Company issued 200,000 shares with a fair value of \$0.80 per share for a total value of \$160,000 as a finders' fee in connection with the closing of the purchase agreement for the Muskox Lithium Property.

7. 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 year ended January 31, 2023

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 Property. 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.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

7. SHARE CAPITAL AND RESERVES (CONT'D)

For the year ended January 31, 2023 (cont'd)

On September 19, 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.

On November 14, 2022, the Company closed a private placement offering of 3,353,366 common shares at a price of \$0.30 per share for gross proceeds of \$1,006,010. In connection with the private placement, the Company paid cash finders fees of \$39,334 and issued 129,362 finder warrants. Each finder's warrant may be exercised at a price of \$0.30 per share until November 14, 2024. The fair value of the broker warrants was \$29,510 and was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 90%, risk-free interest rate of 3.87 %, expected life of 2 years, exercise price of \$0.30, a dividend yield of 0%, and a share price of \$0.40.

On December 16, 2022, the Company issued 50,000 shares with a fair value of \$0.39 per share for a total value of \$19,500, as consideration for the acquisition of the Saint-Pierre Anorthosite Complex.

On January 19, 2023, the Company issued 200,000 shares with a fair value of \$0.80 per share for a total value of \$160,000 as a finders' fee in connection with the closing of the purchase agreement for the Muskox Property.

For the year ended January 31, 2022

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 \$0.04 per share for cash proceeds of \$3,700.

On January 17, 2022, the Company issued 2,000,000 common shares at \$0.04 per share for cash proceeds of \$50,000.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

For the year ended January 31, 2023

(Expressed in Canadian dollars)

7. 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, 2022	-	-	-
Granted	3,200,000	-	0.31
Balance, January 31, 2023	3,200,000	-	0.31

Details of stock options outstanding and exercisable as at January 31, 2023 are as follows:

	Number of Stock Options Outstanding	Number of Stock Options Vested	Exercise price
Expiry date			
September 19, 2027	3,100,000	-	0.30
January 9, 2026	100,000	-	0.52
Total	3,200,000	-	0.31

As of January 31, 2023, the weighted average remaining life for the outstanding options was 4.59.

On September 19, 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 year ended January 31, 2023, the Company recognized stock-based compensation expense of \$422,810 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.

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7. SHARE CAPITAL AND RESERVES (CONT'D)

STOCK OPTIONS (CONT'D)

On January 9, 2023, the Company issued 100,000 options to a consulting firm in exchange for services. The options are exercisable at a price of \$0.52 per option and vest quarterly over the following 12 months, with an expiration date of 3 years.

During the year ended January 31, 2023, the Company recognized stock-based compensation expense of \$4,003 for the vesting of these stock options. The fair value of the options was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 101%, risk-free interest rate of 3.66%, expected life of 3 years, exercise price of \$0.52, a dividend yield of 0%, and a share price of \$0.50.

WARRANTS

Warrant activities are summarized below.

	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, January 31, 2022	-	-
Issued	215,812	0.30
Balance, January 31, 2023	215,812	0.30

Details of warrants outstanding and as at January 31, 2023 are as follows:

	Number of Warrants Outstanding	Exercise price
Expiry date		
June 10, 2024	86,450	0.30
November 14, 2024	129,362	0.30
Total	215,812	0.30

As of January 31, 2023, the weighted average remaining life for the outstanding warrants was 1.62.

During the year ended January 31, 2023, the Company issued 86,450 warrants as finders' fees in connection with the private placement that 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 \$0.30, a dividend yield of 0%, and a share price of \$0.50.

During the year ended January 31, 2023, the Company issued 129,362 warrants as finders' fees in connection with the private placement that closed on November 14, 2022. Each finder's warrant may be exercised at a price of \$0.30 per share until November 14, 2024. The fair value of the broker warrants was \$29,510 and was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 90%, risk-free interest rate of 3.87 %, expected life of 2 years, exercise price of \$0.30, a dividend yield of 0%, and a share price of \$0.40.

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8. INCOME TAXES

Year ended January 31,	2023 \$	2022 \$
Loss before tax	1,217,155	(93,125)
Statutory tax rate	27%	27%
Expected tax recovery	(329,000)	(25,000)
Permanent differences	114,000	-
Share issuance costs	(16,000)	-
Other	(3,000)	1,000
Change in valuation allowance	234,000	24,000
Tax recovery for the year	-	-

The temporary differences are as follows:

As at January 31,	2023 \$	2022 \$
Non-capital losses	239,526	27,397
Share issuance costs	13,164	-
Exploration and evaluation assets	12,531	3,076
Less: valuation allowance	(265,221)	(30,473)
Unrecognized deferred tax assets	-	-

At January 31, 2023, the Company has non-capital losses of \$887,000 (2022 - \$101,000) which may be applied against future Canadian taxable income for Canadian income between 2039 and 2043.

9. 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 January 31, 2023, 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 January 31, 2023, the Company's available capital resources, consists of cash of \$1,749,133 to settle total current liabilities of \$67,926.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets consist of cash in the 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.

Financial instrument classification

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

	Level in fair value hierarchy	January 31, 2023 \$	January 31, 2022 \$
FVTPL:			
Cash	Level 1	1,749,133	456,377
		1,749,133	456,377

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

	Level in fair value hierarchy	January 31, 2023 \$	January 31, 2022 \$
Amortized cost:			
Accounts payable		18,903	31,319
Accrued liabilities		49,023	20,188
		67,926	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.

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

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 January 31, 2023, the Company has cash of \$1,749,133 to settle current liabilities of \$67,926. All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

11. 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.

During the year ended January 31, 2023, share based compensation included \$177,308 to the Company's directors and corporate officers.

During the year ended January 31, 2023, consulting fees included \$39,750 (2022 – \$nil) incurred to an entity controlled by the Chief Executive Officer of the Company.

During the year ended January 31, 2023, an officer of the Company subscribed to 70,000 common shares at a price of \$0.30 for gross proceeds of \$21,000, as part of the first tranche of a private placement financing that closed on November 16, 2022.

12. SUBSEQUENT EVENTS

On February 7, 2023, the Company closed the second tranche of a private placement financing issuing 12,010,214 units at a price of \$0.45 for gross proceeds of \$5,404,596 of which \$523,407 had been received as of January 31, 2023. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.80 for a period of 36 months. In connection with the private placement, the Company paid a cash finder's fee of \$221,359 and issued 401,532 finder's warrants. Each finder's warrant is exercisable into one common share at an exercise price of \$0.80 per common share for a period of 36 months from the closing date.

Gama Explorations Inc.

Notes to the Consolidated Financial Statements

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12. SUBSEQUENT EVENTS (CONT'D)

On February 13, 2023, the Company entered into an agreement with 1380749 BC Ltd. to acquire an additional 78 Odin East Mineral Claims contiguous to the current project in the Saint-Pierre Anorthosite Complex, increasing the footprint of the project by 41.8 km². Upon execution of the agreement, the Company paid cash consideration of \$50,000, plus applicable sales tax, and the issued 60,000 common shares of the Company to 1380749 BC Ltd.

On March 15, 2023, the Company entered into an agreement with 1290480 BC Ltd. to acquire an additional 147 mineral claims contiguous to the current project in the Saint-Pierre Anorthosite Complex, increasing the footprint of the project by 78.8 km². Upon execution of the agreement, the Company paid cash consideration of \$50,000.

On April 11, 2023, the Company issued 30,450 common shares upon the exercise of warrants for proceeds of \$9,135.

On April 21, 2023, the Company closed a non-brokered private placement financing issuing 568,182 flow-through shares and 543,478 Quebec flow-through shares at a price of \$0.88 and \$0.92 per flow-through share, respectively. The total aggregate gross proceeds amounted to \$1,000,000. In connection with the non-brokered private placement, the Company paid \$60,000 in cash and issued 66,699 finder's warrants. The finder's warrants are exercisable into one common share of the Company at a price of \$0.88 for a period of 24 months.

On April 28, 2023, the Company closed an additional non-brokered private placement financing issuing 326,087 Quebec flow-through shares at a price of \$0.92 per share for aggregate gross proceeds of \$300,000. In connection with the non-brokered private placement, the Company paid \$18,000 in cash and issued 19,565 finder's warrants to an arm's length finder. Each finder's warrant is exercisable into one common shares of the Company at a price of \$0.88 for a period of 24 months.

On April 28, 2023, the Company entered into a consulting agreement for capital markets advisory services. Upon execution of the agreement, the Company issued 150,000 common shares to the consulting firm as consideration.