SILVERSTOCK METALS INC.

FINANCIAL STATEMENTS

MARCH 31, 2024

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Silverstock Metals Inc.

Opinion

We have audited the accompanying financial statements of Silverstock Metals Inc. (the "Company"), which comprise the statement of financial position as at March 31, 2024, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Other Matters

The financial statements of Silverstock Metals Inc. for the year ended March 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on July 26, 2023.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year ended. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

July 24, 2024

SILVERSTOCK METALS INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
As at March 31,

	2024	2023
ASSETS		
Current		
Cash	$ 842,064	$ 499,365
Receivables	6,524	19,558
Prepaid expenses	8,848	-
	857,436	518,923
Exploration and evaluation assets (Note 4)	247,817	209,817
	$ 1,105,253	$ 728,740
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Notes 5 and 8)	$ 44,861	$ 30,271
	44,861	30,271
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	1,553,120	945,242
Reserves (Note 6)	40,881	60,000
Deficit	(533,609)	(306,773)
	1,060,392	698,469
	$ 1,105,253	$ 728,740

Nature of operations and going concern (Note 1)

Approved on behalf of the Board of Directors:

/s/ *"Jonathan Fruchter"*
Jonathan Fruchter, Director

/s/ *"Gerald Shields"*
Gerald Shields, Director

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

SILVERSTOCK METALS INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
Year ended March 31,

	2024	2023
Expenses		
Administrative costs	$ 21,900	$ -
Consulting fees (Note 8)	25,000	60,000
Filing and regulatory fees	12,767	12,438
Management fees (Note 8)	27,098	-
Office and miscellaneous	12,990	8,154
Professional fees (Note 8)	54,773	44,368
Property investigation	7,757	-
Share-based compensation (Notes 6 and 8)	28,459	-
Shareholder communication	2,245	550
Transfer agent	1,910	2,601
Travel	48,776	-
	(243,675)	(128,111)
Interest income	16,839	-
Loss and comprehensive loss for the year	$ (226,836)	$ (128,111)
Loss per common share – basic and diluted	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	21,876,777	17,997,398

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

SILVERSTOCK METALS INC.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Share subscriptions received in advance	Reserves	Deficit	Total
March 31, 2022	16,250,001	$ 653,410	$ 270,000	$ 60,000	$ (178,662)	$ 804,748
Shares issued for exploration and evaluation assets	150,000	22,500	-	-	-	22,500
Shares issued for warrants exercise	2,700,000	270,000	(270,000)	-	-	-
Share issuance costs	-	(668)	-	-	-	(668)
Loss for the year	-	-	-	-	(128,111)	(128,111)
March 31, 2023	19,100,001	945,242	-	60,000	(306,773)	698,469
Shares issued for cash	5,200,000	520,000	-	-	-	520,000
Share issue costs	-	(24,122)	-	6,422	-	(17,700)
Shares issued for exploration and evaluation assets	100,000	13,000	-	-	-	13,000
Shares issued for warrant exercise	450,000	69,000	-	(24,000)	-	45,000
Reserve allocation to share capital	-	30,000	-	(30,000)	-	-
Share-based compensation	-	-	-	28,459	-	28,459
Loss for the year	-	-	-	-	(226,836)	(226,836)
March 31, 2024	24,850,001	$ 1,553,120	$ -	$ 40,881	$ (533,609)	$ 1,060,392

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

SILVERSTOCK METALS INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
Year ended March 31,

		2024		2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	$	(226,836)	$	(128,111)
Adjustment for item not involving cash:				
Share-based compensation		28,459		-
Changes in non-cash working capital items:				
Receivables		13,034		(5,777)
Prepaid expenses		(8,848)		-
Accounts payable and accrued liabilities		14,590		8,705
Net cash used in operating activities		(179,601)		(125,183)
CASH FLOWS FROM INVESTING ACTIVITY				
Exploration and evaluation assets		(25,000)		(15,000)
Net cash used in investing activity		(25,000)		(15,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from share issue		520,000		-
Proceeds from warrant exercise		45,000		-
Share issue costs		(17,700)		(668)
Net cash provided by (used in) investing activities		547,300		(668)
Change in cash		342,699		(140,851)
Cash, beginning of year		499,365		640,216
Cash, end of year	$	842,064	$	499,365

Supplemental cash flow information (Note 9)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Silverstock Metals Inc. (the "Company") is an exploration and evaluation stage corporation and is in the business of acquiring, exploring, and evaluating mineral properties in Canada. The Company was incorporated on September 1, 2020 under the laws of British Columbia. The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the symbol STK. The Company's head office is located at 1570 - 200 Burrard Street, Vancouver, BC, V6C 3L6. The Company's registered and records office is located at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, BC, V0N 1T0.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

The Company's continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations, which in turn is dependent upon the existence of economically recoverable reserves and market prices for the underlying minerals. The Company has not yet determined whether its exploration and evaluation assets contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves, and upon future profitable production.

While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company. The Company raised capital in the prior and current reporting periods through private placements of its common shares, with the result that the current working capital balance is an amount that management estimates is sufficient to further operations for the upcoming 12 months.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of the adverse results of these factors and their effects on the Company's business or results of operations or its ability to raise funds.

2. BASIS OF PRESENTATION

Statement of compliance

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

Approval of the financial statements

These financial statements were authorized by the Board of Directors of the Company on July 24, 2024.

2. BASIS OF PRESENTATION (cont'd…)

Basis of presentation

These financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information and certain financial assets that are measured at fair value as explained in the material accounting policy information set out in Note 3. The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative balances on the statements of loss and comprehensive loss have been reclassified to conform to the current year presentation.

Functional and presentation currency

These financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company.

Significant estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial position and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Areas of significant judgment and estimates affecting the amounts recognized in these financial statements include, but are not limited to, the following:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the next 12 months, and to fund planned and contractual exploration programs involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of exploration and evaluation assets

At the end of each reporting period, the Company assesses each of its mineral properties to determine whether any indication of impairment exists. Judgment is required in determining whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of mineral properties are budgeted or planned, and results of exploration and evaluation activities on the exploration and evaluation assets.

Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: amortized cost; fair value through other comprehensive income ("FVOCI"); or fair value through profit or loss ("FVTPL"). The classification of financial assets depends on the purpose for which the financial assets were acquired and is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets are measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Financial assets are classified as current assets or non-current assets based on their maturity date.

The Company's financial assets consist of cash and receivables and are classified as amortized cost. Cash was classified as FVTPL in the prior year; the change in the current year had no material impact on the financial statements.

Financial liabilities

Financial liabilities are designated as: FVTPL; or amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The Company's financial liabilities consist of accounts payable and accrued liabilities, which is classified as amortized cost.

Impairment of financial assets

An expected credit loss ("ECL") impairment model applies to financial assets classified and measured at amortized cost and contract assets and debt investments classified and measured at FVOCI, but not to investments in equity instruments. The ECL model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the financial asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the assets, discounted at the assets' original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development.

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd…)

Exploration and evaluation assets (cont'd…)

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

From time to time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded until the payments are made or received. Proceeds received on the sale or option of the Company's property interest is recorded as a reduction of the mineral property cost. When proceeds received in respect of a property exceed its carrying cost, such excess is recognized in net income (loss).

Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order 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 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 year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provisions

The Company recognizes liabilities for statutory, contractual, constructive, or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development, or normal operation of the assets. Initially, a liability for rehabilitation obligation is recognized at its fair value in the year in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with rehabilitation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these rehabilitation costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time and changes in the estimated future cash flows underlying any initial estimates.

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss.

The Company had no rehabilitation obligations for the period presented.

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd…)

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Unit offerings

The Company uses the residual value method to value units. Proceeds received on the issuance of units are first allocated to common shares based on the fair market value of the common shares at the time the units are issued, with the residual value being allocated to the warrants.

Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Share-based payments

The fair value of options or compensatory warrants granted is recognized as a share-based payments expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services like those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to share capital.

The fair value of options granted is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value is measured using the Black-Scholes option pricing model considering the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Share-based payments to non-employees, who are not providing similar services to employees, are measured at the grant date by using the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services received cannot be reliably measured and are recorded at the date the goods or services are received.

Related party transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

Income tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are provided for whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd…)

Income tax (cont'd…)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

New accounting policies

The following amendments to existing standards have been adopted by the Company commencing April 1, 2023:

IAS 1, Presentation of Financial Statements

The amendments changed the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policies'. Accounting policies are material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements. The adoption of these amendments did not materially impact these financial statements of the Company.

New standards, interpretations and amendments to existing standards not yet effective

A number of new standards and amendments to standards and interpretations have been issued by the IASB and are effective for annual periods beginning on or after April 1, 2024 which have not been applied in preparing these financial statements as they are not yet effective. The standards and amendments to standards that would be applicable to the financial statements of the Company are the following:

IAS 1, Presentation of Financial Statements

The amendments clarify the requirements for classifying liabilities as current or non-current. The amendments provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. This amendment is effective for financial statements beginning on or after January 1, 2024, with early adoption permitted.

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1; many of the existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7, Statement of Cash Flows. This amendment is effective for financial statements beginning on or after January 1, 2027, with early adoption permitted.

The Company is assessing the potential impact of the application of these standards

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

Property	**Gold Cutter**
March 31, 2022	$ 172,317
Acquisition costs	
Cash	15,000
Shares	22,500
	37,500
March 31, 2023	209,817
Acquisition costs	
Cash	25,000
Shares	13,000
	38,000
March 31, 2024	$ 247,817

Gold Cutter

Pursuant to an option agreement dated September 2, 2020, the Company was granted an option to acquire a 100% undivided intertest in the Gold Cutter property in the Kamloops Mining Division of British Columbia, Canada. To exercise the option the Company must pay $445,000 and issue 500,000 common share as follows:

	Acquisition in cash	**Acquisition in shares**
Upon signing of the agreement (completed)	$ 5,000	-
On or before the Company's common shares listed on the CSE (the "Listing") (completed)	10,000	-
Within 15 days of the Listing (completed)	-	150,000
On or before August 27, 2022 (completed)	15,000	150,000
On or before August 27, 2023 (completed)	25,000	100,000
On or before August 27, 2024	25,000	100,000
On or before August 27, 2025	40,000	-
On or before August 27, 2026	100,000	-
On or before August 27, 2027	225,000	-
Total	$ 445,000	500,000

Upon commencement of commercial production, the optionors will receive a 1.8% gross smelter returns royalty.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2024	**March 31, 2023**
Accounts payable	$ 27,361	$ 6,672
Accrued liabilities	17,500	23,599
	$ 44,861	$ 30,271

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

Authorized share capital

Unlimited number of shares without par value.

Issued share capital

During the year ended March 31, 2024, the Company issued:

i. 5,200,000 units at a price of $0.10 per unit by way of a non-brokered private placement for total proceeds of $520,000, with each unit consisting of one common share and one-half of one common share purchase warrant. Each whole share purchase warrant entitles the holder to acquire an additional common share at a price of $0.20 per common share, for a period of two years from the date of issue. The Company paid finders' fees of $17,700 and issued 162,000 finder warrants. Each finder warrant entitles the holder to acquire an additional common share at a price of $0.20 per common share, for a period of two years from the date of issue. The warrants were valued at $6,422, calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk-free interest rate of 4.85%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 104%;
ii. 100,000 common shares, with a fair value of $13,000, pursuant to the Gold Cutter option agreement (Note 4); and
iii. 450,000 common shares pursuant to the exercise of warrants, for proceeds of $45,000.

During the year ended March 31, 2023, the Company issued:

i. 150,000 common shares, with a fair value of $22,500, pursuant to the Gold Cutter option agreement (Note 4); and
ii. 2,700,000 common shares pursuant to the exercise of warrants, for proceeds of $270,000, received in fiscal 2022.

Escrow shares

On July 29, 2021, the Company entered into an escrow agreement pursuant to which 1,900,001 common shares were placed in escrow. These shares are subject to release in tranches over time; 10% of the securities were released on September 1, 2021 and the remaining escrowed securities were released in six tranches of 15% every six months thereafter. As at March 31, 2024, there are 285,001 (2023 - 855,001) shares held in escrow.

Warrants

During the year ended March 31, 2024, 450,000 (2023 - 2,700,000) warrants were exercised; accordingly, fair value associated with the warrants of $24,000 (2023 - $nil) was reclassified from reserves to share capital.

Warrant transactions are summarized as follows:

	Number of warrants		Weighted average exercise price
Balance as at March 31, 2022	3,150,000	$	0.10
Exercised	(2,700,000)		0.10
Balance as at March 31, 2023	450,000		0.10
Issued	2,762,000		0.20
Exercised	(450,000)		0.10
Balance as at March 31, 2024	2,762,000	$	0.20

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd…)

Warrants (cont'd…)

As at March 31, 2024, the Company had outstanding warrants enabling the holders to acquire common shares as follows:

Number of warrants		Exercise price	Weighted average remaining life (years)	Expiry date
2,762,000	$	0.20	1.54	October 13, 2025
2,762,000			1.54	

Stock options

On April 1, 2021, the Company adopted a stock option plan (the "Plan") for directors, officers, employees, and consultants, under which the Company may grant stock options to purchase common shares of the Company provided that the amount of incentive stock options which may be granted and outstanding under the Plan at any time shall not exceed 10% of the then issued and outstanding common shares of the Company.

During the year ended March 31, 2024, the Company granted 500,000 options (2023 - nil) and recorded share-based compensation of $28,459 (2023 - $nil). The options were valued at $38,865 calculated using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk-free interest rate of 3.81%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 104%.

Option transactions are summarized as follows:

	Number of options		Weighted average exercise price
Balance as at March 31, 2022 and 2023	200,000	$	0.10
Granted	500,000		0.10
Balance as at March 31, 2024	700,000	$	0.10
Exercisable as at March 31, 2024	366,666	$	0.10

As at March 31, 2024, the Company had outstanding options enabling the holders to acquire common shares as follows:

Number of options	Number of exercisable options		Exercise price	Weighted average remaining life (years)	Expiry date
200,000	200,000	$	0.10	2.03	April 12, 2026
500,000	166,666	$	0.10	4.28	July 12, 2028
700,000	366,666			3.64	

The weighted average remaining life of exercisable options is 3.06.

(Expressed in Canadian Dollars)

7. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

		Year ended March 31, 2024		Year ended March 31, 2023
Loss before income taxes	$	(226,836)	$	(128,111)
Expected income tax recovery	$	(61,000)	$	(35,000)
Permanent differences		8,000		-
Share issue costs		(5,000)		-
Adjustment to prior years provision versus statutory tax returns		(37,000)		-
Change in unrecognized deferred tax assets		95,000		35,000
Income tax expense (recovery)	$	-	$	-

The significant components of the Company's unrecognized deferred income tax assets are as follows:

		2024		2023
Share issue costs	$	27,000	$	-
Non-capital losses		139,000		71,000
		166,000		71,000
Unrecognized deferred tax assets		(166,000)		(71,000)
Net deferred tax assets	$	-	$	-

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

		2024	Expiry date range
Share issue costs	$	101,000	2025 to 2028
Non-capital losses	$	512,000	2041 to 2044

Tax attributes are subject to review and potential adjustments by tax authorities.

(Expressed in Canadian Dollars)

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 executive and non-executive members of the Company's Board of Directors and corporate officers. The following expenses were incurred in transactions with key management personnel:

		Year ended March 31, 2024		**Year ended March 31, 2023**
Consulting fees	$	10,000	$	24,000
Management fees		27,098		-
Professional fees		21,000		-
Share-based compensation		28,459		-
	$	86,557	$	24,000

As at March 31, 2024, included in accounts payable and accrued liabilities was $20,898 (2023 - $2,100) owing to a director and an officer.

9. SUPPLEMENTAL CASH FLOW INFORMATION

The significant non-cash financing and investing activities are as follows:

		Year ended March 31, 2024		**Year ended March 31, 2023**
Common shares issued for exploration and evaluation assets	$	13,000	$	22,500
Reclassification of reserves to share capital on exercise of warrants	$	24,000	$	-
Reclassification of reserves to share capital	$	30,000	$	-
Fair value of warrants issued as share issue costs	$	6,422	$	-

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Fair value hierarchy

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:
Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values.

Financial risk factors

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

<u>Credit risk</u>

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Management believes that the credit risk concentration with respect to cash is remote as cash are deposited in high credit quality financial institutions.

<u>Liquidity risk</u>

Liquidity risk is the risk the Company will not have sufficient liquidity to meet its ongoing liabilities. As of March 31, 2024, the Company had sufficient cash to settle its current liabilities, which are all due within three months.

<u>Interest rate risk</u>

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

<u>Foreign currency risk</u>

The Company's expenditures are denominated in Canadian dollars and current exposure to currency risk is minimal.

<u>Other price risk</u>

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

12. CAPITAL MANAGEMENT

The Company defines capital that it manages as the aggregate of share capital, reserves, and deficit. The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company relies on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is enough economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There has been no significant change in the Company's objectives, policies, and processes for managing its capital during the year ended March 31, 2024.