MOLTEN METALS CORP.
(An Exploration Stage Company)
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MOLTEN METALS CORP.

Opinion

We have audited the consolidated financial statements of Molten Metals Corp. and its subsidiary (the "Company"), which comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in equity for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and 2022, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated 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 consolidated 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 audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $348,261 during the year ended December 31, 2023 and, as of that date, the Company had an accumulated deficit of $884,812. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated 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 consolidated 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 auditors' 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 Consolidated Financial Statements

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

In preparing the consolidated 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 auditors' report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

April 26, 2024

MOLTEN METALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	December 31, 2023	December 31, 2022
	$	$
Assets		
Current		
Cash	12,852	483,141
Amounts receivable	8,909	11,665
Prepaid expenses	12,062	9,300
Total current assets	33,823	504,106
Equipment (Note 5)	137,843	138,068
Exploration and evaluation assets (Note 4)	780,470	647,947
Prepaid expenses	-	17,661
Right of use asset (Note 6)	-	49,947
Total non-current assets	918,313	853,623
Total Assets	952,136	1,357,729
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	32,103	36,474
Due to related parties (Note 9)	24,570	17,241
Flow through liability (Note 10)	17,550	23,552
Current portion of lease liability (Note 6)	-	29,569
Total Current Liabilities	74,223	106,836
Lease liability (Note 6)	-	24,719
Total non-current liabilities	-	24,719
Total liabilities	74,223	131,555
Equity		
Share capital (Note 7)	1,551,551	1,551,551
Contributed Surplus (Note 7)	211,174	211,174
Accumulated Deficit	(884,812)	(536,551)
Total equity	877,913	1,226,174
Total liabilities and equity	952,136	1,357,729

Approved and authorized by the Board on April 26, 2024.

“Hugh Oswald”	“Lara Smith”
Director	Director and CEO

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

MOLTEN METALS CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the years ended December 31,	
	2023	**2022**
	$	**$**
Expenses		
Bank charges	1,731	1,462
Consulting (Note 8)	179,120	115,837
Depreciation (Note 5)	225	7,360
Gain on derecognition of lease liability (Note 6)	(4,342)	-
Exploration and evaluation assets impairment loss (Note 4)	-	17,890
Filing Fees	31,216	31,613
Lease interest	-	1,743
Office expenses	8,066	2,959
Professional fees	63,684	115,296
Shareholder communication and marketing	24,303	7,674
Stock based compensation (Notes 7 and 9)	-	178,520
Storage costs	-	-
Travel	12,100	5,533
Total expenses	(316,103)	(485,887)
Foreign exchange loss	(38,160)	(4,357)
Flow-through liability recovery (Note 12)	6,002	8,848
	32,158	4,491
Net loss and comprehensive loss for the year	(348,261)	(481,396)
Basic and diluted loss per share	(0.02)	(0.03)
Weighted average number of common shares outstanding	16,914,288	16,426,192

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

MOLTEN METALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the year ended December 31, 2023	For the year ended December 31, 2022
Cash Provided by (used in)		
Operating Activities		
Net loss for the year	(348,261)	(481,396)
Items not affecting cash:		
Depreciation	225	7,360
Flow-through liability recovery	(6,002)	(8,848)
Gain on derecognition of lease liability	(4,341)	-
Lease interest	-	1,743
Stock based compensation	-	178,520
Unrealized foreign exchange loss	-	3,682
Exploration and evaluation assets impairment loss	-	17,890
Changes in non-cash working capital balances:		
Amounts receivable	2,756	(5,587)
Prepaid expenses	14,899	(11,461)
Accounts payable and accrued liabilities	(4,371)	19,963
Due to related parties	7,329	15,141
	(337,766)	(262,993)
Investing Activities		
Purchase of equipment	-	(137,655)
Lease payments	-	(8,219)
Exploration and evaluation assets	(132,523)	(92,469)
	(132,523)	(238,343)
Decrease in cash	(470,289)	(501,336)
Cash, beginning of the year	483,141	984,477
Cash, end of the year	12,852	483,141

Supplemental cash flow disclosure (Note 10)

There were no cash financing activities during the years ended December 31, 2023 and 2022.

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

(Expressed in Canadian Dollars)

	Shares	Share Capital $	Contributed Surplus $	Deficit $	Total Equity $
Balance, December 31, 2021	15,309,288	1,229,551	354,654	(55,155)	1,529,050
Special warrants converted into common shares	1,605,000	322,000	(322,000)	-	-
Stock based compensation	-	-	178,520	-	178,520
Net loss for the year	-	-	-	(481,396)	(481,396)
Balance, December 31, 2022	16,914,288	1,551,551	211,174	(536,551)	1,226,174
Net loss for the year	-	-		(348,261)	(348,261)
Balance, December 31, 2023	16,914,288	1,551,551	211,174	(884,812)	877,913

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

1. Nature of Business and Going Concern

Molten Metals Corp. (the “Company” or “Molten”) was incorporated on September 2, 2020, under the Business Corporations Act of British Columbia. The Company is engaged in the business of exploring precious and base mineral properties in Canada and Slovakia. The Company is considered an exploration stage company. The registered and records office of the Company is Suite 600, 1090 West Georgia Street, Vancouver, BC.

On June 29, 2022, the Company changed its name from Battery Elements Corp. to Molten Metals Corp.

On August 8,2022, the Company’s common shares commenced trading on the Canadian Securities Exchange (the “Exchange”) under the symbol “MOLT”. The Company also trades on the Frankfurt Stock Exchange under the symbol “Y44”.

These consolidated financial statements have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a net loss of $348,261 for the year ended December 31, 2023 (2022 - $481,396), had an accumulated deficit of $884,812 at December 31, 2023 (2022 - $536,551), has a current ratio of 0.46 (2022 - 4.72) and has not yet determined whether its properties contain mineral reserves that are economically recoverable. The continuation of the Company is dependent upon the continuing financial support of shareholders, obtaining long-term financing to complete exploration and development, the existence of economically recoverable reserves, and upon future profitable production. While the Company is using its best efforts to achieve the above plans, there is uncertainty as to whether support from external funding sources will support a determination of the reserves contained in the Company’s existing property portfolio. Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. The Company expects that it may need to raise additional capital to accomplish its business plan over the next several years. The Company may seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might arise from this uncertainty. Such adjustments could be material.

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”).

2. Basis of Preparation

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit and loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Company and its subsidiary.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. A subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All material intercompany transactions and balances have been eliminated on consolidation.

The Company has one wholly owned subsidiary, Slovak Antimony Corporation s.r.o. ("Slovak Antimony"), which was incorporated under the laws of Slovakia during the year ended December 31, 2022.

Details of the Company's principal subsidiary as at December 31, 2023 are as follows:

Name	Place of incorporation	Ownership %	Principal activity
Slovak Antimony Corporation s.r.o.	Slovakia	100%	Slovakian Acquisition and Development Company

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of the subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The functional currency of the subsidiary is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

3. Material accounting policies

Significant Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future periods if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Accounting Estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The recoverable value of asset carrying values

At each reporting date, the Company assesses its exploration and evaluation assets and equipment for possible impairment to determine if there is any indication that the carrying amounts of the assets may not be recoverable. An assessment is also made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. Determination as to whether and how much an asset is impaired, or no longer impaired, involves management estimates on highly uncertain matters, such as future commodity prices, discount rates, production profiles, operating costs, future capital costs and reserves. A material adjustment to the carrying value of the Company's exploration and evaluation assets could arise as a result of changes to these estimates and assumptions. The Company performed an analysis on its property and equipment in Slovakia, valued at $137,655, and determined that there was no indication that the carrying value of the assets were not recoverable.

ii) The assumptions in the Black-Scholes option pricing model

The fair values of stock options and warrants granted are 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 future share prices, changes in subjective input assumptions can materially affect the fair value estimate.

3. Material accounting policies (continued)

Significant Accounting Estimates and Judgments (continued)

<u>Critical Accounting Estimates</u> (continued)

iii) Leases

The value of right-of-use assets and lease obligations require judgment in determining lease terms such as extension options, determining whether a lease contract contains an identified asset to which the Company has the right to use substantially all of the economic benefits from the use of that asset and the incremental borrowing rate applied. The Company estimates the incremental borrowing rate based on the lease term, collateral assumptions and the economic environment in which the lease is denominated. Renewal options are only included if management is reasonably certain that the option will be renewed.

<u>Critical Accounting Judgments</u>

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The Company's management made the following critical accounting judgments:

i) Indicators of impairment of mineral property interests

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities and existing permits.

ii) Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, 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.

iii) Determination of functional currency

The determination of the Company's subsidiary's functional currency is a matter of judgment based on an assessment of the specific facts and circumstances relevant to determining the primary economic environment of the Company.

3. Material accounting policies (continued)

Significant Accounting Estimates and Judgments (continued)

<u>Critical Accounting Judgments</u> (continued)

iv) Eligibility of flow through expenditures

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

v) Impairment related to Property, Plant and Equipment

The Company evaluates the recoverable amounts of property, plant and equipment which requires judgments regarding such factors as asset useful lives, future cash flows, discount rates and other inputs. Determining impairment indicators involves judgments related to economic conditions, technological advancements, market demand and other factors affecting the value. Given the subjective nature of these estimates, there exists a degree of uncertainty, which could give rise to adjustments.

Exploration and Evaluation Assets

The Company is in the exploration stage in respect to its exploration and evaluation assets.

Pre-exploration costs are expensed in the year in which they are incurred.

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, geological and geophysical evaluation, surveying costs, drilling costs, payments made to contractors and depreciation on property and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the year in which they occur.

Where the Company has entered into option agreements for the acquisition of an interest in exploration and evaluation assets which provided for periodic payments, such unpaid amounts are not recorded as a liability since they are payable entirely at the Company's discretion. Although the Company has taken steps to verify title to the exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. The exploration and evaluation assets may be subject to prior undetected agreements or transfers and title may be affected by such defects.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoverable value, are written-off to profit or loss. The Company assesses exploration and evaluation assets for impairment at each reporting date or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

(Expressed in Canadian Dollars)

3. Material accounting policies (continued)

Exploration and Evaluation Assets (continued)

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine development cost". Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized. However, for corporate income tax purposes, the Company has no right to claim these costs as tax-deductible expenses. Proceeds received from the issuance of flow through shares are restricted to be used only for Canadian exploration expenses. As of December 31, 2023, the Company has an unspent flow-through commitment of $27,300 (2022 - $36,636) and a corresponding flow through premium liability of $17,550 (2022 - $23,552).

Mining exploration tax credits for certain exploration expenditures incurred in Nova Scotia are treated as a reduction of the exploration and development costs of the respective resource property. The amounts are recorded in the year received.

Equipment

Equipment is recorded at cost less accumulated amortization and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any cost directly attributable to bringing the asset to the location and condition necessary for its intended use.

Amortization commences when the assets are available for their intended use and is calculated on the bases and rates designed to amortize the cost of the assets over their estimated useful lives as follows:

Computer equipment	30% straight-line basis
Mining equipment	15% straight-line basis

3. Material accounting policies (continued)

Leases

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

- The contract involves the use of an identified asset;
- The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use; and
- The Company has the right to direct the use of the identified asset.

The right-of-use asset and corresponding lease obligation is recognized at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease obligation adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term or its useful life, whichever is shorter. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is reduced by impairment losses and adjusted for certain remeasurements of the lease obligation, if any.

The Company has elected not to separate fixed non-lease components from lease components and instead account for each lease component and associated fixed non-lease components as a single lease component.

The Company has elected not to recognize right-of-use assets and lease obligations for short-term leases that have a lease term of 12 months or less and for leases of low value assets. The lease payments associated with those leases are recognized as an expense on a straight-line basis over the lease term.

Impairment of Non-Current Assets

Non-current assets are evaluated at each reporting date by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present the recoverable amount of an asset is evaluated at the level of a CGU, the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

3. Material accounting policies (continued)

Impairment of Non-Current Assets (continued)

In calculating recoverable amounts, if applicable, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement. The determination of discounted cash flows is dependent on a number of factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures, and site closure, restoration and environmental rehabilitation costs. Additionally, the reviews take into account factors such as political, social, legal, and environmental regulations. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects. Discounted cash flow techniques often require management to make estimates and assumptions concerning reserves and expected future production revenues and expenses.

Reversal of Impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Provision for Environmental Rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense. The Company does not have any provisions for reclamation obligations.

3. Material accounting policies (continued)

Income Taxes

Deferred income tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for which relate to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Flow-through Shares

The Company has, from time to time, issued flow-through common shares to finance its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. The Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon eligible expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability and deferred tax expense for the amount of tax reduction renounced to the shareholders. The reduction of the premium previously recorded is recognized as flow-through recovery.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian exploration expenses (as defined in the Tax Act).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with the Tax Act. When applicable, this tax is accrued as a financial expense until paid.

Share Capital

The proceeds from the exercise of warrants and escrow shares are recorded as share capital in the amount for which the warrant or escrow share enabled the holder to purchase a share in the Company. The Company’s common shares, share warrants and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company has adopted the residual value method with respect to the valuation of warrants issued as part of a private placement unit. The residual value method allocates the net proceeds to the common shares up to their fair value, as determined by the current quoted trading price on the announcement date, and the balance, if any, to the attached warrants.

3. Material accounting policies (continued)

Earnings (Loss) per Share

The Company applies the "Treasury Stock Method" to calculate loss per common share. Under this method, the basic loss per share is calculated based on the weighted average aggregate number of common shares outstanding during each period. The diluted loss per share assumes that the outstanding stock options and share purchase warrants had been exercised at the beginning of the period and proceeds from dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. The assumed conversion of outstanding common share warrants and options had an anti-dilutive impact in 2023 and 2022.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest.

Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management’s best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

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

3. Material accounting policies (continued)

Share-based Payments (continued)

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. In the event that options are forfeited after the vesting conditions are satisfied, the fair value of the equity instruments granted remains in contributed surplus.

Financial Instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The following table shows the classification of the Company’s financial instruments:

Financial assets/liabilities	**Classification and measurement**
Cash	FVTPL
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Lease liability	Amortized cost

Measurement

<u>Financial assets and liabilities at amortized cost</u>

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.

<u>Financial assets and liabilities at FVTPL</u>

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

(Expressed in Canadian Dollars)

3. Material accounting policies (continued)

Financial Instruments (continued)

Measurement **(continued)**

Impairment of financial assets at amortized cost

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows for the asset expire, or when it transfers the final asset and substantially all the risks and rewards of ownership to another entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or they expire.

4. Exploration and Evaluation Assets

	West Gore, Nova Scotia ($)	Grant-MacKinnon, Nova Scotia ($)	Slovakian Properties ($)	Total
Balance, December 31, 2021	**555,478**	**17,890**	**-**	**573,368**
Option payment	40,000	-	-	40,000
Geological consulting	3,243	-	31,127	34,370
Permits and licenses	1,768	-	3,181	4,949
Travel/Site Visit	6,223	-	-	6,223
Site preparation	-	-	4,397	4,397
Survey	2,530	-	-	2,530
Impairment	-	(17,890)	-	(17,890)
Balance, December 31, 2022	**609,242**	**-**	**38,705**	**647,947**
Option payment	60,000	-		60,000
Permits and licenses	-	-	2,024	2,024
Geological consulting	7,338	-	51,161	58,499
Option extension payment	12,000	-	-	12,000
Balance, December 31, 2023	**688,580**	**-**	**91,890**	**780,470**

4. Exploration and Evaluation Assets (continued)

West Gore Antimony Claims, Nova Scotia

On July 9, 2021, the Company entered into an option purchase and assignment agreement (the "1st Assignment Agreement") with a related party, Consolidated Mineral Estates Ltd. ("Consolidated"), a private company with a common director, whereby Consolidated assigned to the Company all of its right, title and interest in and to the option agreement entered into between Consolidated and an optionor dated April 8, 2021 (the "1st Underlying Agreement") for the acquisition of the West Gore Antimony property situated in Nova Scotia. Consideration paid by the Company under the 1st Assignment Agreement was 5,000,000 common shares issued at a fair value of $0.10 per share. Consideration payable under the 1st Underlying Agreement to acquire a 100% interest in the claims is as follows:

- $5,000 for grant of the option (paid);
- An additional $24,000 on or before August, 31, 2021 (paid);
- An additional $40,000 on or before April 8, 2022 (paid);
- An additional $60,000 on or before April 8, 2023 (paid); and
- An additional $5,000 (plus HST) Royalty Payment (advance) on or before April 8, 2024 (paid), and thereafter annually until the commencement of commercial production.

Upon successful exercise of the option, under the 1st Underlying Agreement the Company shall be required to pay a 3% net smelter return royalty ("NSR"). One-half of the NSR may be purchased by the Company (leaving a 1.5% NSR remaining) for $500,000.

Grant-MacKinnon Claims, Nova Scotia

On July 9, 2021, the Company entered into an option purchase and assignment agreement (the "2nd Assignment Agreement") with Consolidated, whereby Consolidated assigned to the Company all of its right, title and interest in and to the option agreement entered into between Consolidated and an optionor dated June 27, 2021 (the "2nd Underlying Agreement") for the acquisition of adjoining property claims to West Gore. Consideration paid by the Company under the 2nd Assignment Agreement was $1. Consideration payable under the 2nd Underlying Agreement to acquire a 100% interest in the property is as follows:

- $3,000 for grant of the option (paid);
- An additional $7,000 within 10 days of signing 2021 (paid);
- An additional $25,000 on or before August 27, 2022 (not paid);
- An additional $50,000 on or before June 27, 2023;
- An additional $125,000 on or before June 27, 2024; and
- An additional $5,000 (plus HST) Royalty Payment (advance) on or before June 27, 2025, and thereafter annually until the commencement of commercial production.

Upon successful exercise of the option, under the 2nd Underlying Agreement the Company shall be required to pay a 3% NSR. One-third of the NSR may be purchased by the Company (leaving a 2% NSR remaining) for $500,000, and a further one-third of the NSR may be purchased by the Company (leaving a 1% NSR remaining) for an additional $1,000,000.

4. Exploration and Evaluation Assets (continued)

Grant-MacKinnon Claims, Nova Scotia (continued)

In August 2022, following a strategic review of its holdings in Nova Scotia, the Company resolved to not proceed with the option on the Grant-Mackinnon property. As management terminated this option agreement, the value in use was determined to be $nil and accordingly, the previously capitalized amounts of $17,890 were written down as an impairment loss in accordance with level 3 of the fair value hierarchy.

Slovakia Claims

In April 2022, the Company was awarded the exploration license for the Antimony-Gold mine and surrounding areas at Tienesgrund Spisska Bane ("Tienesgrund"), in central Slovakia.

In September 2022, the Company was awarded the exploration license for the Bear Creek ("Medvedi Potok") tin mine in Hnilec, central Slovakia.

In October 2022, the Company was awarded the exploration license for the Trojarova license, covering historic mining works in the ore-district near Pezinok in eastern Slovakia.

The Company is committed to spending at minimum €2,200 ($3,000 CAD) annually to maintain the Slovakian exploration licenses Tienesgrund, Bear Creek and Trojarova.

(Expressed in Canadian Dollars)

5. Equipment

Cost	Computer Equipment ($)	Mining Equipment ($)	Total ($)
Balance, December 31, 2021	**750**	**-**	**750**
Additions	-	137,655	137,655
Balance, December 31, 2022 and 2023	**750**	**137,655**	**138,405**

Accumulated Amortization	Computer Equipment ($)	Mining Equipment ($)	Total ($)
Balance, December 31, 2021	**112**	**-**	**112**
Additions	225	-	225
Balance, December 31, 2022	**337**	**-**	**337**
Additions	**225**	**-**	**225**
Balance, December 31, 2023	**562**	**-**	**562**

Carrying Amounts	Computer Equipment ($)	Mining Equipment ($)	Total ($)
Balance, December 31, 2021	**638**	**-**	**638**
Balance, December 31, 2022	**413**	**137,655**	**138,068**
Balance, December 31, 2023	**188**	**137,655**	**137,843**

During the year ended December 31, 2022, the Company purchased equipment in Slovakia for €105,000 ($137,655 CAD). The equipment was not yet in use as of December 31, 2023, and accordingly no depreciation was recorded.

6. Right-Of-Use Asset and Lease Liability

In October 2022, the Company entered into a lease agreement for a processing facility at Svedlar in eastern Slovakia. The lease covers approximately 20% of the Svedlar complex, previously utilized to mine and process quartz. The lease has an initial term of two years.

Upon entering the lease, the Company measured the present value of the lease payments using an incremental borrowing rate of 12.5% per annum and recognized a right-of-use (“ROU”) asset in the amount of $57,082, and a corresponding lease liability in the same amount.

(Expressed in Canadian Dollars)

6. Right-Of-Use Asset and Lease Liability (continued)

The continuity of the ROU asset and lease liability for the years ended December 31, 2023 and 2022 is as follows:

Right-Of-Use Asset	Total ($)
Balance, December 31, 2021	**-**
Additions	57,082
Depreciation	(7,135)
Balance, December 31, 2022	**49,947**
Derecognition	(49,947)
Balance, December 31, 2023	**-**

Lease Liability	Total ($)
Balance, December 31, 2021	**-**
Additions	57,082
Lease payments	(8,219)
Lease interest	1,743
Foreign exchange	3,682
Balance, December 31, 2022	**54,288**
Current lease liability	**29,569**
Derecognition	**(29,569)**
Non-current lease liability	**24,719**
Derecognition	**(24,719)**
Balance, December 31, 2023	**-**

In January 2023, the Company derecognized its right-of-use asset and lease liability obligation, coinciding with the termination of the lease. There were no penalties for early termination of the lease.

7. Share Capital

a. Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

As at December 31, 2023, and 2022, there were 16,914,288 common shares issued and outstanding.

There were no share capital transactions during the year ended December 31, 2023.

During the year ended December 31, 2022:

On April 8, 2022, 1,605,000 special warrants previously issued by the Company were converted into common shares in accordance with the terms of the special warrants.

(Expressed in Canadian Dollars)

7. Share Capital (continued)

a. Stock options

The Company has adopted an incentive stock option plan on January 7, 2022, whereby options may be granted from time to time to directors, officers, employees, and consultants of the Company with common shares to be reserved for issuance as options not to exceed 10% of the issued and outstanding common shares with no one individual being granted options for more than 5% of the issued and outstanding common shares.

	Number of options	**Weighted Average Exercise Price**
		$
Balance outstanding at December 31, 2021	**-**	**-**
Issued	1,300,000	0.20
Forfeited	(80,000)	0.20
Balance outstanding and exercisable at December 31, 2022	1,220,000	0.20
Forfeited	(400,000)	0.20
Balance outstanding and exercisable at December 31, 2023	820,000	0.20

On September 8, 2022, the Company granted stock options to purchase an aggregate of 1,300,000 common shares to four directors, two officers, and seven consultants of the Company at an exercise price of $0.20 for a term of three years. The options fully vested on grant. The weighted average fair value of the 1,300,000 options was estimated at $0.14 per option at the grant date using the Black-Scholes pricing model using the following assumptions: no expected dividends to be paid; volatility of 153% based on comparable companies without a historical volatility; risk-free interest rate of 3.30%; and expected life of three years. The expected volatility is based on historical prices of the Company and comparable entities in similar industries. The risk-free rate of return is the yield on a zero-coupon Canadian treasury bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

In October 2022, 80,000 stock options issued to a previous officer expired.

During the year ended December 31, 2023, 400,000 stock options expired.

The weighted average remaining life for the outstanding and exercisable options at December 31, 2023 is 1.69 years (2022 - 2.69 years).

(Expressed in Canadian Dollars)

7. Share Capital (continued)

b. Warrants

Special Warrants

Special Warrants Outstanding

	Number of Warrants
Outstanding December 31, 2021	1,605,000
Converted	(1,605,000)
Outstanding December 31, 2022, and 2023	**-**

No special warrants were granted during the years ended December 31, 2023 and 2022.

On September 15, 2021, the Company completed a non-brokered private placement of 195,000 special warrants at a price of $0.10 per special warrant for gross proceeds of $19,500. Each special warrant was convertible into one common share (a) at any time, at the discretion of the Company, (b) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the special warrants, or (c) on the date that is 18 months from the date of issuance of the special warrants. 200,000 compensation fee special warrants were issued in connection with the non-brokered private placement. Each compensation fee special warrant is convertible into one common share under the same terms as the special warrants.

On December 7, 2021, the Company completed a non-brokered private placement of 1,210,000 special warrants at a price of $0.25 per special warrant for gross proceeds of $302,500. Each special warrant is convertible into one common share on the earlier of (a) the date that is four months and a day from the date of issuance of the special warrants, and (b) the third business day after a receipt is issued for a final prospectus by a Canadian securities regulatory authority qualifying the issuance of the common shares upon conversion of the special warrants. In connection with the private placement, the Company issued 84,000 finder’s warrants exercisable at $0.40 for a period of 36 months from the date of issuance.

(Expressed in Canadian Dollars)

7. Share Capital (continued)

b. Warrants (continued)

Warrants Outstanding

	Number of Warrants	Weighted Average Exercise Price
Outstanding December 31, 2022 and 2023	**96,600**	**$ 0.40**

No warrants were granted during the years ended December 31, 2023 and 2022.

A summary of the Company's warrants outstanding at December 31, 2023 is as follows:

Number of warrants outstanding	$ per share	Expiry date	Weighted average remaining contractual life (years)
84,000	$0.40	December 7, 2024	0.94
12,600	$0.40	December 31, 2024	1.00
96,600	**$0.40**		0.95

c. Escrow shares

As at December 31, 2023, the Company had 3,240,000 (2022 - 6,480,000) common shares subject to escrow. Under the escrow agreement, 10% of the total common shares to be released upon listing with the Canadian Securities Exchange and 15% of the remaining shares are to be released every six months following listing. The Company was listed on the Canadian Securities Exchange on August 8, 2022.

8. Capital Disclosures

The Company includes cash and equity, comprising issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. 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 properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or 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.

There were no changes in the Company's approach to capital management during the year ended December 31, 2023. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

9. Related Party Transactions

The following transactions with related parties have been valued in these consolidated financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Key management personnel compensation:

		2023		2022
Consulting fees	$	**109,421**	$	**75,055**
Stock-based compensation		**-**		**109,860**
	$	**109,421**	$	**184,915**

As at December 31, 2023, amounts due to related parties of $24,570 (2022 - $17,241). Amounts of $3,150 (2022 - $3,150) were owed to the Corporate Secretary and $3,675 (2022 - $7,350) to the CFO of the Company and $17,745 (2022 - $6,741) to a director of the Company. The amounts due are non-interest bearing, unsecured, and due on demand.

During the year ended December 31, 2023, the Corporate Secretary incurred $39,016 (2022 - $38,500) in consulting fees, the CFO incurred $42,000 (2022 - $8,635), and a director incurred $28,405 (2022 - $4,920) of consulting fees and a former CFO incurred $0 (2022 - $23,000) of consulting fees.

10. Supplemental Cash Flow Disclosure

	2023 ($)	2022 ($)
Reclassification of reserves on exercise of special warrant	-	322,000
Recognition of lease liability	-	57,082
Derecognition of lease liability	4,341	-

(Expressed in Canadian Dollars)

11. Commitments

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditure but have not yet been spent.

In connection with the flow-through shares issued during the year ended December 31, 2021, the Company has an obligation to incur qualified expenditures of $50,400 by December 31, 2023. During the year ended December 31, 2023, the Company incurred $9,336 (2022 - $13,764) in qualifying expenditures and recognized a flow-through liability recovery of $6,002 (2022 - $8,848). Flow-through liability after flow-through liability recovery is $17,550 as at December 31,2023 (2022 - $23,551).

12. Income Taxes

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

	2023	2022
Net loss for the year	$ (348,261)	$ (481,396)
Combined federal and provincial tax rate	27.00%	27.00%
Expected income tax expense (recovery) at statutory rates	(94,030)	(129,977)
Differences between Canadian and foreign tax rates	5,198	4,298
Items not deductible for tax purposes	-	48,546
Origination and reversal of temporary differences	-	416
Change in unrecognized deferred tax benefits	88,832	76,717
Deferred income taxes expense	$ -	$ -

(Expressed in Canadian Dollars)

12. Income Taxes (continued)

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

	December 31, 2023	December 31, 2022
Deferred income tax assets (liabilities)		
Share issue costs	7,638	11,457
Equipment	152	91
Exploration and evaluation assets	1,991	1,114
Leases	-	912
Non-capital losses	176,432	94,486
	186,213	108,060
Tax benefits not recognized	(186,213)	(108,060)
Net deferred income tax assets	$ -	$ -

As of December 31, 2021, the Company has available non-capital losses of approximately $586,073 (2022 - $295,512) for Canadian income tax purposes which may be carried forward to reduce taxable income in future years. If not utilized, the non-capital losses expire as follows:

2040	$ 2,224
2041	78,464
2042	236,115
2043	269,270
	$ 586,073

The Company has available mineral resource related expenditure pools totaling approximately $601,868 (2022 - $627,133) which may be deducted against future taxable income on a discretionary basis.

13. Financial Instruments

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk, and currency risk.

a. Credit risk

The Company is exposed to credit risk by holding cash. The maximum exposure to credit risk is equal to the carrying value of the financial assets. This risk is minimized by holding the majority of investments in large Canadian financial institutions or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments and accordingly, the Company has minimal credit risk.

b. Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations.

13. Financial Instruments (continued)

c. Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. As at December 31, 2023, the Company was holding cash of $15,011 (2022 - $483,141) to satisfy current liabilities of $74,223 (2022 - $106,836). The Company plans to obtain cash inflows from share capital financings. There can be no guarantee that management's efforts to raise additional funds will be successful. The Company's accounts payable and accrued liabilities and amounts due to related parties have contractual maturities of less than 30 days and are subject to normal trade terms.

d. Commodity price risk

The Company's ability to raise capital to develop its mineral properties is subject to risks associated with fluctuations in the market prices of precious metals, graphite, base metals, and rare earth elements.

e. Currency rate risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (Euros). As at December 31, 2023, the Company had exposure to foreign currency risk as cash of $3,151 was denominated in Euros (2022 - $10,533). The Company does not engage in any form of derivative or hedging instruments.

f. Fair value hierarchy

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
Level 3 – Input for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Management considers that due to their short-term nature, the carrying amounts of financial assets and financial liabilities, which include cash, accounts payables and accrued liabilities, and due to related parties are assumed to approximate their fair values (Level 1). There were no transfers between levels of the fair value hierarchy in the year ended December 31, 2023.

For lease liabilities (current and non-current), fair value is based on the present value of contractual cash flows, discounted at the Company's current incremental borrowing rate for similar types of borrowing arrangements (Level 3).

(Expressed in Canadian Dollars)

14. Segmented Information

The Company has two geographical reportable operating segments focused on the acquisition and exploration of mineral properties in Canada and Slovakia. The significant long-term asset categories identifiable with these geographical areas are as follows:

	Canada ($)	Slovakia ($)	Total ($)
December 31, 2023			
Exploration and evaluation assets	688,580	91,890	780,470
Equipment	188	137,655	137,843
Total	**689,768**	**228,545**	**918,313**
December 31, 2022			
Exploration and evaluation assets	609,242	38,705	647,947
Equipment	413	137,655	138,068
Prepaid expenses	-	17,661	17,661
Right of use asset	-	49,947	49,947
Total	**609,655**	**243,968**	**853,623**

15. Subsequent Events

On April 3, 2024, the Company entered into a loan agreement with a director of the Company pursuant to which the Company may borrow $100,000. Amounts borrowed will bear interest at a rate of 15% per annum and will be due and payable on March 7, 2025. In addition, the Company issued to the lender 800,000 bonus shares of the Company at a price of $0.025 per share.

An additional $5,000 (plus HST) Royalty Payment (advance) was paid on March 22, 2023 relating to the West Gore Antimony Claims – (Nova Scotia, Canada).