SILVERFISH RESOURCES INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Silverfish Resources Inc.:

Opinion

We have audited the financial statements of Silverfish Resources Inc. (the "Company"), which comprise the statements of financial position as at June 30, 2023, and the statements of loss and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 audits 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 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 financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended June 30, 2023. 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. In addition to the matter described in the *Material*

Uncertainty Related to Going Concern section of our auditor's report, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of the existence of impairment indicators for exploration and evaluation assets	
Refer to note 4	Our approach to addressing the matter involved the following procedures, among others:
As at June 30, 2023, the carrying amount of the Company's exploration and evaluation assets was $314,229. At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Management assesses exploration and evaluation assets for impairment based on, at minimum, the presence of any one of the following facts and circumstances: (i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or, (iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at June 30, 2023. We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of impairment indicators related to exploration and evaluation assets. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.	Evaluating the judgments made by management in determining presence of impairment indicators, which included the following: • Obtained evidence to support (i) the right to explore the area and (ii) claim expiration dates. • Read the board of directors' minutes and resolutions, and observed evidence supporting the continued and planned exploration expenditures, • Assessed whether available data indicates the potential for commercially viable mineral resources. • Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

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 and remain alert for indications that the other information appears to be materially misstated. 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 in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
October 20, 2023

SILVERFISH RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2023 AND 2022
(Expressed in Canadian dollars)

	June 30, 2023	June 30, 2022
ASSETS		
Current assets		
Cash	$ 138,484	$ 48,052
Amounts receivable	46,666	18,629
Prepaid expenses	20,691	3,938
Deferred financing costs	-	123,203
	205,841	193,822
Non-current assets		
Exploration and evaluation assets (note 4)	314,229	166,112
	$ 520,070	**$ 359,934**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	$ 40,890	$ 176,527
SHAREHOLDERS' EQUITY		
Share capital (note 5)	1,330,870	454,250
Reserves (note 5)	57,178	-
Deficit	(908,868)	(270,843)
	479,180	183,407
	$ 520,070	**$ 359,934**

NATURE OF BUSINESS AND CONTINUING OPERATIONS (note 1)
COMMITMENTS (note 11)
SUBSEQUENT EVENT (note 12)

Approved on behalf of the Board:

"Michael Romanik"
Director

"Joseph Cullen"
Director

The accompanying notes are an integral part of these financial statements

SILVERFISH RESOURCES INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022
(Expressed in Canadian dollars)

	Year ended June 30, 2023	Year ended June 30, 2022
EXPENSES		
Consulting fees	$ 106,500	$ -
General and administration	56,078	9,142
Listing fees	127,697	17,380
Management fees (note 6)	178,500	56,500
Professional fees (note 6)	143,000	125,793
Rent	26,250	9,000
NET LOSS AND COMPREHENSIVE LOSS	**$ (638,025)**	**$ (217,815)**
LOSS PER SHARE – BASIC AND DILUTED	**$ (0.05)**	**$ (0.02)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	**13,389,589**	**9,950,000**

The accompanying notes are an integral part of these financial statements

SILVERFISH RESOURCES INC.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022
(Expressed in Canadian dollars)

	Common shares								
	Number of shares		**Amount**		**Reserves**		**Deficit**		**Total equity**
As at July 1, 2021	**9,950,000**	**$**	**454,250**	**$**	**-**	**$**	**(53,028)**	**$**	**401,222**
Net loss and comprehensive loss	-		-		-		(217,815)		(217,815)
As at June 30, 2022	**9,950,000**	**$**	**454,250**	**$**	**-**	**$**	**(270,843)**	**$**	**183,407**
Shares issued for initial public offering	4,000,000		1,000,000		-		-		1,000,000
Share issuance costs	-		(256,880)		57,178		-		(199,702)
Shares issued for exploration and evaluation assets	650,000		133,500		-		-		133,500
Net loss and comprehensive loss	-		-		-		(638,025)		(638,025)
As at June 30, 2023	**14,600,000**	**$**	**1,330,870**	**$**	**57,178**	**$**	**(908,868)**	**$**	**479,180**

The accompanying notes are an integral part of these financial statements

SILVERFISH RESOURCES INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022
(Expressed in Canadian dollars)

	Year ended June 30, 2023	Year ended June 30, 2022
OPERATING ACTIVITIES		
Net loss and comprehensive loss	$ (638,025)	$ (217,815)
Changes in non-cash working capital balances:		
Amounts receivable	(28,037)	(11,295)
Prepaid expenses	(16,753)	-
Accounts payable and accrued liabilities	(135,637)	151,873
Deferred financing costs	123,203	-
Cash used in operating activities	(695,249)	(77,237)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(14,617)	(19,822)
Cash used in investing activities	(14,617)	(19,822)
FINANCING ACTIVITIES		
Deferred financing costs	-	(123,203)
Proceeds from initial public offering, net	800,298	-
Cash provided by financing activities	800,298	(123,203)
CHANGE IN CASH	90,432	(220,262)
CASH, BEGINNING OF YEAR	48,052	268,314
CASH, END OF YEAR	$ 138,484	$ 48,052

Non-cash investing activity:	**2023**	**2022**
Exploration and evaluation assets included in accounts payable and accrued liabilities	$ -	$ 9,829

Supplemental cash flow information:	**2023**	**2022**
Interest paid (received)	$ -	$ -
Income taxes paid	$ -	$ -

The accompanying notes are an integral part of these financial statements

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Silverfish Resources Inc. (the "Company") was incorporated on August 18, 2020 under the laws of the Province of British Columbia. The Company's corporate office and its principal place of business is 700-838 W Hastings Street, Vancouver, British Columbia, Canada. On January 5, 2021, the Company changed its name from Silver Surfer Mining Corp. to Silverfish Resources Inc.

The Company's principal business activity is the acquisition and exploration of mineral property assets. At June 30, 2023, the Company has yet to determine whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company has a deficit of $908,868 at June 30, 2023, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These conditions indicate the existence of a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in financial statements.

2. BASIS OF PREPARATION

Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Approval of the financial statements

The financial statements of the Company for the years ended June 30, 2023 and 2022 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on October 20, 2023.

Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of June 30, 2023 and 2022, the Company held no cash equivalents.

Significant accounting estimates and judgments

The preparation of these 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 financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, 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:

Significant accounting estimates

The measurement of deferred tax assets and liabilities. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it’s probable that future taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax assets and unused tax losses can be utilized.

Significant accounting judgments

The assessment of indications of impairment of the Company’s exploration and evaluation assets and related determination of the recoverable amount and write-down of the Company’s exploration and evaluation assets where applicable.

Income taxes

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred taxes are recorded using the liability method 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.

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.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the 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. Basic and diluted loss per share excludes all of the Company's common shares from the weighted average shares calculation that are contingently returnable.

Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

Share capital

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

The Company bifurcates units which consist of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using the trading price and then allocates the residual value, if any, of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to reserves. When warrants are exercised, the corresponding value is transferred from reserves to share capital. When warrants expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

Warrants issued as finders' and agents' fees, including agents' compensation options issued during the initial public offering, are recorded at fair value measured using the Black-Scholes option pricing model.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Company may grant stock options to acquire common shares to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options granted to employees and others providing similar services is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized in expense and reserves over the vesting period. Consideration paid for the shares along with the fair value recorded in reserves on the exercise of stock options is credited to share capital. When stock options expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the entity cannot be estimated reliably, the equity instruments are measured at the fair value of the share-based payment. Otherwise, share-based payment transactions are measured at the fair value of goods or services received.

Where the terms and conditions of options are modified, 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.

Financial Instruments

<u>Financial assets</u>

When the Company becomes party to a contract, financial assets are classified as measured at:

a) Amortized cost;
b) Fair value through other comprehensive income ("FVOCI"); and
c) Fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets (continued)

Subsequent measurement of financial assets depends on their classification:

a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

b) FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

c) FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss in the statement of loss and comprehensive loss in the period in which it arises.

The Company's cash is classified at FVTPL.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, including reasonable and supportive forward-looking information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial Liabilities and Equity

When the Company becomes party to a contract, debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and are measured at their fair value. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (a) FVTPL; (b) FVOCI; or (c) amortized cost.

a) FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred.

The Company does not classify any financial liabilities at FVTPL.

b) FVOCI

The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVOCI.

c) Amortized cost

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable and accrued liabilities at amortized cost.

Derecognition of financial assets and liabilities

Financial assets are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation assets

Pre-exploration costs or property investigation costs are expensed in the period in which they are incurred. Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation are capitalized by property. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

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, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

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 “mines under construction”. Exploration and evaluation assets are tested for impairment before the assets are transferred to mines under construction.

Exploration and evaluation expenditures are classified as intangible assets.

Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the property is located.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Flow-through shares

Resource expenditure deductions for income tax purposes may be renounced to investors in accordance with income tax legislation for flow-through share arrangements. On issuance of flow-through common shares, the Company bifurcates the flow-through share proceeds into: (i) share capital, for the fair value of common shares without a flow-through feature (based on quoted trading prices), and (ii) a flow-through share premium liability, for the amount investors pay for the flow-through feature (in excess of the quoted trading price of the common shares). As resource expenditures are incurred, the Company derecognizes the liability and recognizes other income.

Proceeds from the issuance of flow-through shares are restricted, to be used only for Canadian resource expenditures, and must be incurred within a two-year period before a 10% penalty tax applies on any unspent amount that has been renounced.

Adoption of new accounting standards, interpretations and amendments

New standards, interpretations, amendments and improvements to existing standards with future effective dates have been reviewed by management and are either not applicable or not expected to have a significant impact on the Company's financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Eastmain Property

On October 8, 2020 and amended on September 23, 2021 and December 31, 2021, the Company entered into a Mineral Property Option Agreement (the "Option Agreement") with Blair Naughty (the "Optionor") pursuant to which the Company has an option to acquire a 100% interest in 42 mineral claims known as the Eastmain Property located in the Province of Québec (the "Claims"). Under the terms of the Option Agreement, in order to earn the 100%, the Company has to make cash payments totaling $35,000, issue 600,000 common shares and incur $225,000 of exploration expenditures on the Claims as follows:

a. make a cash payment of $15,000 on signing of the Option Agreement (paid);
b. issue 250,000 common shares to the Optionor on or before June 30, 2023 (issued);
c. incurring $75,000 of exploration expenditures on the Claims, making a further cash payment to the Optionor of $20,000 and issuing a further 350,000 common shares to the Optionor on or before December 30, 2023; and
d. incurring an additional $150,000 of exploration expenditures on the Claims on or before June 30, 2024.

Under the terms of the Option Agreement, the Optionor has granted the Company the option to acquire all rights, title and interest in the Claims. In addition, the Claims are subject to a Net Smelter Return royalty (the "NSR") of 3% subject to the Company's right to purchase, at any time, a two-thirds interest in the Optionor's NSR for cash consideration of $2,000,000, leaving the Optionor with a 1% NSR.

4. EXPLORATION AND EVALUATION ASSETS (continued)

Summit Old Timer Property

On December 16, 2021 and as amended on October 25, 2022, the Company entered into a mineral property option agreement (the "Option Agreement") with Rockland Resources Ltd. (the "Optionor") pursuant to which the Company has an option to acquire 75% interest in the Summit Old Timer Property located in the Province of British Columbia (the “Claims”). The Option Agreement makes reference to a mineral property option agreement dated May 21, 2020, and amended November 9, 2021 and December 4, 2021, between Brian William Scott (the “Head Optionor”) and the Optionor (the “Head Option Agreement”). Under the terms of the Option Agreement, in order to earn the 75%, the Company has to make cash payments totaling $72,500 issue 1,350,000 common shares and incur $1,350,000 of exploration expenditures on the Claims as follows:

a. a payment of $7,500 and issue 100,000 common shares on the earlier of: (i) listing of the Optionee’s common shares on the Canadian Securities Exchange, and (ii) June 30, 2022 (paid and issued);
b. make a further cash payment of $15,000 and issue 250,000 common shares on or before December 15, 2022 (paid and issued);
c. make a further cash payment of $50,000 and issue 1,000,000 common shares on or before December 15, 2023;
d. incurring $100,000 of expenditures on the Claims by September 30, 2023; and
e. incurring a further $1,250,000 of expenditures on the Claims by September 30, 2024.

Under the terms of the Head Option Agreement, the Head Optionor will be entitled to a 2% net smelter returns royalty, as defined in the Head Option Agreement (the “Royalty”), subject to the Optionor’s right to purchase a one-half interest in the Royalty in accordance with the terms of the Head Option Agreement.

Upon the Company acquiring a 75% undivided interest in the Summit Old Timer Property pursuant to the terms of the Head Option Agreement and the Option Agreement, the Company and the Head Optionor will be deemed to have formed a joint venture for the purposes of the continued exploration of the Summit Old Timer Property.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

	Eastmain	Summit Old Timer	Total
	$	$	$
Balance, June 30, 2021	**136,461**	**-**	**136,461**
Acquisition costs			
Cash	-	7,500	7,500
Exploration costs			
Geological consulting	-	15,477	15,477
Prospecting	6,674	-	6,674
Balance, June 30, 2022	**143,135**	**22,977**	**166,112**
Acquisition costs			
Cash	-	15,000	15,000
Other	602	1,041	1,643
Shares	-	133,500	133,500
Exploration costs			
Prospecting	(2,026)	-	(2,026)
Balance, June 30, 2023	**141,711**	**172,518**	**314,229**

5. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

As of June 30, 2023 there were 14,600,000 (June 30, 2022 - 9,950,000) common shares issued and outstanding.

Escrow

As of June 30, 2023, included in the shares outstanding, there were 3,112,500 (2022 - 4,150,000) common shares and 1,800,000 (2022 – 2,400,000) warrants held in escrow. The shares and warrants held in escrow are released over a period of 36 months following the initial public offering.

During the year ended June 30, 2023:

I. On September 13, 2022, the Company issued 4,000,000 common shares at a price of $0.25 per share for gross proceeds of $1,000,000 in connection with the initial public offering.
II. On September 13, 2022, the Company issued 100,000 common shares with a fair value of $0.25 per share ($25,000 total) pursuant to the Summit Old Timer Property option agreement (note 4).
III. On November 1, 2022, the Company issued 50,000 common shares with a fair value of $0.27 per share ($13,500 total) in consideration of the October 25, 2022 amendment to the Summit Old Timer Property option agreement (note 4).
IV. On December 13, 2022, the Company issued 250,000 common shares with a fair value of $0.20 per share ($50,000 total) pursuant to the Summit Old Timer Property option agreement (note 4).
V. On June 30, 2023, the Company issued 250,000 common shares with a fair value of $0.18 per share ($45,000 total) pursuant to the Eastmain Property option agreement (note 4).

During the year ended June 30, 2022:

I. The Company did not have any share transactions.

Stock options

The Company has an incentive stock option plan (the "Plan") pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Company. The number of common shares granted under each option and the vesting terms thereof are at the discretion of the Board after discussion with management. Options granted under the Plan must have a term of no more than ten years from the date of grant. The exercise price of each option granted under the Plan is at the discretion of the Board, provided that the exercise price cannot be below the market price on the date of grant. The number of common shares that may be optioned under the Plan is limited to 10% of the outstanding common shares from time to time; provided, that any one participant under the Plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (10% in the case of insiders, 2% in the case of consultants and 2% in the case of those providing investor relations services) of the outstanding common shares in any 12-month period.

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

Compensation options

A continuity schedule of outstanding compensation options is as follows:

	Number Outstanding	Weighted Average Exercise Price
		$
Balance as at June 30, 2021	-	-
Balance as at June 30, 2022	-	-
Issued	360,000	0.25
Balance as at June 30, 2023	360,000	0.25

As of June 30, 2023, the Company had compensation options outstanding and exercisable to acquire common shares of the Company as follows:

Expiry Date	Number of compensation options	Exercisable	Exercise Price
September 13, 2024	360,000	360,000	$ 0.25
	360,000	360,000	$ 0.25

On September 13, 2022, the Company issued 360,000 compensation options with a fair value of $57,178 pursuant to the initial public offering. The value of the compensation options has been included in share issuance cost. The compensation options are exercisable for $0.25 per common share expiring on September 13, 2024. The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The assumptions used in this pricing model, and the resulting fair values per option, for the options granted are (i) stock price on grant date of $0.25, (ii) expected life of 2 years, (iii) expected volatility of 125%, (iv) expected dividend rate of 0%, (v) risk-free interest rate of 3.25%, (vi) expected forfeiture rate of 0%, and (vii) fair value per option of $0.16.

Warrants

A continuity schedule of outstanding warrants is as follows:

	Number Outstanding	Weighted Average Exercise Price
		$
Balance as at June 30, 2021	2,400,000	0.03
Balance as at June 30, 2022	2,400,000	0.03
Balance as at June 30, 2023	2,400,000	0.03

As of June 30, 2023, the Company had warrants outstanding and exercisable to acquire common shares of the Company as follows:

Expiry Date	Number of warrants	Exercisable	Exercise Price
			$
January 26, 2026	2,400,000	600,000	$ 0.03

(Expressed in Canadian dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be 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 considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Key management personnel includes directors and key officers of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

The Company had incurred the following key management personnel costs:

	Year ended June 30, 2023	Year ended June 30, 2022
Management fees	$ 120,000	$ 20,500
Accounting fees included in professional fees	44,738	18,025
	$ 164,738	$ 38,525

As at June 30, 2023, accounts payable and accrued liabilities includes $8,000 (2022 – $21,613) due to key management personnel and $401 (2022 – $8,025) due to accompany controlled by the prior CFO. The amounts payable is unsecured, non-interest bearing and due on demand.

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification, evaluation and acquisition of its exploration and evaluation assets. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of shareholders' equity in the amount of $479,180 at June 30, 2023 (2022 - $183,407). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

The Company's strategy for managing capital did not change during the year ended June 30, 2023.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 13, Fair Value Measurement, establishes 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 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair value of financial instruments

The carrying value of accounts payable and accrued liabilities approximates its fair value due to the relatively short period of maturity. The Company has classified cash measured at fair value on a recurring basis presented on the statements of financial position using level 1 inputs.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable and accrued liabilities. The risks associated with these financial instruments and any mitigating factors are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There were no changes to the Company's risk exposures during the year ended June 30, 2023.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk is the carrying amount of cash. To minimize the credit risk, the Company places its cash with a high-quality financial institution.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. All of the Company's accounts payable and accrued liabilities are due within 30 days and are subject to normal trade terms. The Company had cash at June 30, 2023 in the amount of $138,484 (2022 – $48,052) in order to meet short-term business requirements. At June 30, 2023, the Company had current liabilities of $40,890 (2022 – $176,527).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

(Expressed in Canadian dollars)

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short- term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to material other price risk at June 30, 2023.

9. INCOME TAXES

	2023	2022
Net loss before tax	$ (638,025)	$ (217,815)
Statutory income tax rate	27%	27%
Tax recovery at statutory rate	$ (172,000)	(59,000)
Non-deductible items and other	$ (1,000)	318
Share issuance cost	$ (69,000)	-
Change in estimate	-	26,000
Change in deferred tax assets not recognized	$ 242,000	32,682
Tax expense (recovery)	$ -	$ -

Significant components of the Company's unrecognized net deferred tax assets are shown below:

	2023	2022
Non-capital loss carry forwards	$ 259,000	$ 73,000
Share issuance cost	$ 55,000	-
Exploration and evaluation assets	$ (25,000)	(26,000)
	$ 289,000	47,000
Deferred tax assets not recognized	$ (289,000)	(47,000)
	$ -	$ -

As at June 30, 2023, the Company had approximately $959,000 in non-capital loss carry forward available to reduce taxable income for future years. The non-capital losses expire in 2041 ($53,000), 2042 ($218,000) and 2043 ($688,000).

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segment being the acquisition, exploration and evaluation of exploration and evaluation assets in Canada.

11. COMMITMENTS

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 4.

12. SUBSEQUENT EVENT

On March 6, 2023, the Company entered into a share purchase agreement with One Bullion Ltd. and its wholly owned Botswana subsidiary Red Ridge Mining Pty Ltd. pursuant to which the Company will acquire a 100% interest in the Aruba Project, consisting of five (5) prospecting licenses covering approximately 4,663 km2, located in Botswana in exchange for 13 million common shares of the Company. The transaction closed on September 18, 2023 and the Company’s stock price was $0.19. The fair value of the common shares was determined to be $2,470,000.