METALSOURCE MINING INC.

(Formerly Silverfish Resources Inc.)

Condensed Consolidated Interim Financial Statements

For the three and nine months ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)
(Unaudited)

Notice of No Auditor Review

The accompanying unaudited condensed consolidated interim financial statements were prepared by management and approved by the Board of Directors.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

METALSOURCE MINING INC.
(Formerly Silverfish Resources Inc.)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

		March 31, 2024		June 30, 2023
ASSETS				
Current assets				
Cash	$	9,921	$	138,484
Amounts receivable		8,743		46,666
Prepaid expenses		3,500		20,691
		22,164		205,841
Non-current assets				
Exploration and evaluation assets (note 5)		2,726,800		314,229
	$	**2,748,964**	**$**	**520,070**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (note 7)	$	143,690	$	40,890
SHAREHOLDERS' EQUITY				
Share capital (note 6)		4,111,020		1,330,870
Reserves (note 6)		57,178		57,178
Deficit		(1,562,924)		(908,868)
		2,605,274		479,180
	$	**2,748,964**	**$**	**520,070**

NATURE OF BUSINESS AND CONTINUING OPERATIONS (note 1)
COMMITMENTS (note 10)

Approved on behalf of the Board:

"Michael Romanik"
Director

"Joseph Cullen"
Director

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

METALSOURCE MINING INC.

(Formerly Silverfish Resources Inc.)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended March 31		Nine Months Ended March 31	
	2024	**2023**	**2024**	**2023**
EXPENSES				
Consulting fees	$ 36,000	$ 28,500	$ 108,000	$ 70,500
General and administration	2,401	15,822	20,413	31,939
Listing fees	6,928	37,652	21,227	91,784
Management fees (note 7)	75,000	54,000	192,000	128,500
Professional fees (note 7)	1,258	-	7,889	110,797
Rent	10,500	14,750	31,500	19,250
	(132,087)	(150,724)	(381,029)	(452,770)
OTHER INCOME (EXPENSE)				
Interest income	-	-	683	-
Write-down of exploration and evaluation assets	(273,710)	-	(273,710)	-
NET LOSS AND COMPREHENSIVE LOSS	**$ (405,797)**	**$ (150,724)**	**$ (654,056)**	**$ (452,770)**
LOSS PER SHARE (basic and diluted)	**$ (0.01)**	**$ (0.01)**	**$ (0.03)**	**$ (0.03)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (basic and diluted)	**28,466,920**	**14,350,000**	**23,916,375**	**13,069,708**

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

METALSOURCE MINING INC.
(Formerly Silverfish Resources Inc.)
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Common shares								
	Number of shares		Amount		Reserves		Deficit		Total equity
Balance, June 30, 2022	**9,950,000**	**$**	**454,250**	**$**	**-**	**$**	**(270,843)**	**$**	**183,407**
Shares issued for cash, net of transaction costs	4,000,000		743,120		57,178		-		800,298
Shares issued for exploration and evaluation assets	400,000		88,500		-		-		88,500
Net loss and comprehensive loss	-		-		-		(452,770)		(452,770)
Balance, March 31, 2023	**14,350,000**	**$**	**1,285,870**	**$**	**57,178**	**$**	**(723,613)**	**$**	**619,435**
Balance, June 30, 2023	**14,600,000**	**$**	**1,330,870**	**$**	**57,178**	**$**	**(908,868)**	**$**	**479,180**
Shares and warrants issued for cash	1,391,000		208,650		-		-		208,650
Shares issued for acquisitions of exploration and evaluation assets – Aruba Property (note 5)	13,000,000		2,470,000		-		-		2,470,000
Shares issued for exploration and evaluation assets	700,000		101,500		-		-		101,500
Net loss and comprehensive loss	-		-		-		(654,056)		(654,056)
Balance, March 31, 2024	**29,691,000**	**$**	**4,111,020**	**$**	**57,178**	**$**	**(1,562,924)**	**$**	**2,605,274**

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

METALSOURCE MINING INC.

(Formerly Silverfish Resources Inc.)

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)
(Unaudited)

	Nine Months Ended March 31	
	2024	**2023**
OPERATING ACTIVITIES		
Net loss and comprehensive loss	$ (654,056)	$ (452,770)
Adjustment for items not involving cash:		
Write-down of exploration and evaluation assets	273,710	-
	(380,346)	(452,770)
Changes in non-cash working capital balances:		
Amounts receivable	37,923	(22,016)
Prepaid expenses	17,191	3,938
Accounts payable and accrued liabilities	75,009	(155,593)
Deferred financing costs	-	123,203
Cash used in operating activities	(250,223)	(503,238)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(86,990)	(14,617)
Cash used in investing activities	(86,990)	(14,617)
FINANCING ACTIVITIES		
Proceeds from initial public offering, net	-	800,298
Proceeds from issuance of shares and warrants, net	208,650	-
Cash provided by financing activities	208,650	800,298
CHANGE IN CASH	(128,563)	282,443
CASH, BEGINNING OF PERIOD	138,484	48,052
CASH, END OF PERIOD	$ 9,921	$ 330,495

Non-cash investing activity:	**2024**	**2023**
Exploration and evaluation assets included in accounts payable and accrued liabilities	$ 27,791	$ -

Supplemental cash flow information:	**2024**	**2023**
Interest paid (received)	$ (683)	$ -
Income taxes paid	$ -	$ -

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Metalsource Mining Inc. (formerly 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.

The Company's principal business activity is the acquisition and exploration of mineral property assets. At March 31, 2024, 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 $1,562,924 at March 31, 2024, 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 condensed consolidated interim 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 the condensed consolidated interim financial statements.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board.

Approval of the financial statements

The condensed consolidated interim financial statements of the Company for the three and nine months ended March 31, 2024 and 2023 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on May 28, 2024.

Basis of measurement

These condensed consolidated interim 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 4.

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

2. BASIS OF PREPARATION (continued)

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned Botswana subsidiary Red Ridge Mining Proprietary Limited ("Red Ridge"). All intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

3. RECLASSIFICATIONS

Certain prior period amounts have been reclassified to conform to the current period presentation. The Company updated its statement of cash flows presentation for $123,203 of certain non-cash working capital balances within operating activities, reclassified from financing activities, and its schedule of exploration and evaluation assets (note 5) for $45,000 of certain acquisition costs reclassified from the Summit Old Timer Property to the Eastmain Property. These changes had no impact on the Company's net loss or financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim 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 condensed consolidated interim 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.

Significant accounting estimates and judgments

The preparation of these condensed consolidated interim 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 condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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:

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgments (continued)

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.

The valuation of options and warrants requires estimation and assumptions for valuation techniques. Changes in such assumptions and estimates could materially impact the recorded amounts.

Significant accounting judgments

The application of the Company's accounting policy for business combinations requires management to make certain judgments on a case-by-case basis as to the determination of the accounting method of an acquisition to determine if the assets acquired meet the definition of a business requiring the acquisition method of accounting for a business combination or an asset acquisition by application of the optional asset concentration test. Pursuant to this assessment, the acquisition of Red Ridge was determined to be an asset acquisition (note 11).

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.

Business combinations and asset acquisitions

The acquisition method of accounting is used to account for acquisitions of businesses and assets that meet the definition of a business under IFRS. Identifiable assets acquired and liabilities (including provisions) assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets acquired, the difference is recognized immediately in profit or loss. Business combination associated transaction costs are expensed when incurred. In determining whether an entity meets the definition of a business, there is an optional concentration test which is a simplified assessment that results in the acquisition being an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets. If an entity chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process, and the acquisition is accounted for as a business combination. The cost of an acquisition that does not meet the definition of a business under IFRS and does not qualify as a business combination is measured as the fair value of the consideration given and liabilities incurred or assumed at the date of exchange. No goodwill arises on an asset acquisition and the cost of the assets acquired and liabilities assumed are allocated to the assets and liabilities on the basis of their relative fair values at the date of purchase. Asset acquisition associated transaction costs are capitalized as a cost of the acquisition.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 March 31, 2024 and 2023, the Company held no cash equivalents.

Financial instruments

Financial assets

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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Income taxes

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

Deferred 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

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-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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

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.

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 condensed consolidated interim financial statements.

5. EXPLORATION AND EVALUATION ASSETS

Aruba Property

On September 26, 2023, the Company acquired a 100% interest in 5 prospecting licenses totaling approximately 4,663 km2 in South-Central Botswana, 200 km west of the coeval Busvhveld Complex in neighboring South Africa (see note 11).

Eastmain Property

On October 8, 2020 and amended on September 23, 2021, December 31, 2021 and December 11, 2023, 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"). In consideration of the Optionor agreeing to amend the option agreement, the Company issued 125,000 common shares. Under the terms of the Option Agreement, in order to earn the 100%, the Company has to make cash payments totaling $15,000, issue 725,000 common shares and incur $225,000 of exploration expenditures on the Claims as follows:

5. EXPLORATION AND EVALUATION ASSETS (continued)

Eastmain Property (continued)

a. pay $15,000 on signing of the option agreement (paid);
b. issue 250,000 common shares on or before June 30, 2023 (issued);
c. issue an additional 475,000 common shares on or before December 30, 2023 (issued);
d. incur $75,000 of exploration expenditures on or before December 30, 2024 (incurred); and
e. incur an additional $150,000 of exploration expenditures on or before June 30, 2025.

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.

During the nine months ended March 31, 2024, the Company wrote down the value of the Eastmain Property in the amount of $273,710, leaving a nominal value of $1.

Summit Old Timer Property

On December 16, 2021 and as amended on October 25, 2022 and December 11, 2023, 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"). In consideration of the Optionor agreeing to amend the option agreement, the Company issued 150,000 common shares. 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. pay $7,500 and issue 100,000 common shares on the earlier of: (i) listing of the Company's common shares on the Canadian Securities Exchange, and (ii) June 30, 2022 (paid and issued);
b. pay an additional $15,000 and issue an additional 250,000 common shares on or before December 15, 2022 (paid and issued);
c. incur $100,000 of expenditures on the claims by September 30, 2024 (incurred);
d. pay an additional $50,000 and issue and additional 1,000,000 common shares on or before December 15, 2024;
e. incur a further $250,000 of expenditures on the Claims by September 30, 2025; and
f. incur a further $1,000,000 of expenditures on the Claims by September 30, 2026.

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)

5. EXPLORATION AND EVALUATION ASSETS (continued)

	Aruba	Eastmain	Summit Old Timer	Total
		$	$	$
Balance, June 30, 2022	**-**	**143,135**	**22,977**	**166,112**
Acquisition costs				
Cash	-	-	15,000	15,000
Shares	-	45,000	88,500	133,500
Other	-	602	1,041	1,643
Exploration costs				
Prospecting	-	(2,026)	-	(2,026)
Balance, June 30, 2023	**-**	**186,711**	**127,518**	**314,229**
Acquisition costs				
Shares	2,470,000	87,000	14,500	2,571,500
Other	29,286	-	-	29,286
Exploration costs				
Prospecting	-	-	85,495	85,495
Write-down	-	(273,710)	-	(273,710)
Balance, March 31, 2024	**2,499,286**	**1**	**227,513**	**2,726,800**

6. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

As of March 31, 2024, there were 29,691,000 (2023 - 14,350,000) common shares issued and outstanding.

Escrow

As of March 31, 2024, included in the shares outstanding, there were 1,867,500 (2023 - 3,112,500) common shares and 1,080,000 (2023 – 1,800,000) warrants held in escrow. The shares and warrants held in escrow are released over a period of 36 months following the initial public offering.

6. SHARE CAPITAL (continued)

During the nine months ended March 31, 2024:

I. On September 26, 2023, the Company issued 13,000,000 common shares with a fair value of $0.19 per share ($2,470,000 total) in respect of the acquisition of Red Ridge in order to acquire exploration and evaluation assets (Aruba Property).
II. On December 20, 2023, the Company issued 475,000 common shares with a fair value of $0.145 per share ($68,875 total) pursuant to the Eastmain Property option agreement (note 5).
III. On December 20, 2023, the Company issued 125,000 common shares with a fair value of $0.145 per share ($18,125 total) in consideration of the December 11, 2023 amendment to the Eastmain Property option agreement (note 5).
IV. On December 20, 2023, the Company issued 100,000 common shares with a fair value of $0.145 per share ($14,500 total) in consideration of the December 11, 2023 amendment to the Summit Old Timer Property option agreement (note 5).
V. On February 28, 2024, the Company issued, pursuant to a private placement, 1,391,000 units at a price of $0.15 per unit for gross proceeds of $208,650. Each unit consists of one common share and one-half of a warrant. Each whole warrant allows the holder to purchase one additional common share at a price of $0.30 per share for a period of 24 months. The warrants were valued at $Nil using the residual value method.

During the nine months ended March 31, 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 5).
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 5).
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 5).

Stock options

The Company has an incentive Stock Option Plan (the "Option 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 Option 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 Option 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 Option Plan is limited to 10% of the outstanding common shares from time to time; provided, that any one participant under the Option 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)

6. SHARE CAPITAL (continued)

Restricted share units

The Company has a 10% rolling Restricted Share Unit Plan ("RSU Plan") whereby the Company may issue up to 10% of its issued capital as RSUs to eligible directors, officers and consultants of the Company.

Compensation options

A continuity schedule of outstanding compensation options is as follows:

	Number Outstanding	Weighted Average Exercise Price
		$
Balance, June 30, 2022	-	-
Issued	360,000	0.25
Balance, June 30, 2023	360,000	0.25
Balance, March 31, 2024	360,000	0.25

As of March 31, 2024, 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

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, June 30, 2022	2,400,000	0.03
Balance, June 30, 2023	2,400,000	0.03
Issued	695,500	0.30
Balance, March 31, 2024	3,095,500	0.09

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

Warrants (continued)

As of March 31, 2024, 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	1,320,000	$	0.03
February 28, 2026	695,500	695,500	$	0.30
	3,095,500	2,015,500		

7. 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:

		Nine months ended March 31, 2024		Nine months ended March 31, 2023
Management fees paid to the Company's CEO	$	129,000	$	63,000
Management fees paid to the Company's CFO		36,000		16,000
Accounting fees included in professional fees paid to a corporation controlled by the former CFO		-		44,738
	$	165,000	$	123,738

As at March 31, 2024, accounts payable and accrued liabilities include $48,586 (2023 – $Nil) due to key management personnel. Included in this amount was $31,700 (2023 - $Nil) due to the CEO, $4,200 (2023 - $Nil) due to the CFO, and $12,686 (2023 - $Nil) due to James Rogers, a director of the Company. The amount due to Mr. Rogers was for the reimbursement of company expenses. The amounts payable is unsecured, non-interest bearing and due on demand.

8. 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.

8. MANAGEMENT OF CAPITAL (continued)

The Company’s capital structure consists of shareholders’ equity in the amount of $2,605,274 at March 31, 2024 (2023 - $619,435). 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 period ended March 31, 2024.

9. 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).

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 changes to the Company’s currency risk exposure during the period ended March 31, 2024.

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.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies (continued)

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 March 31, 2024 in the amount of $9,921 (2023 – $330,495) in order to meet short-term business requirements. At March 31, 2024, the Company had current liabilities of $143,690 (2023 – $20,934).

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 of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's property interests in Botswana make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, financial performance and cash flows.

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 March 31, 2024.

(Expressed in Canadian dollars)

10. COMMITMENTS

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 5.

11. ASSET ACQUISITION

On March 6, 2023, the Company entered into a share purchase agreement with One Bullion Ltd. ("One Bullion") and its wholly owned Botswana subsidiary Red Ridge pursuant to which the Company agreed to purchase all of the issued and outstanding shares of Red Ridge from One Bullion in exchange for 13,000,000 common shares of the Company. The transaction closed on September 26, 2023 and the Company's stock price was $0.19. The fair value of the common shares was determined to be $2,470,000.

For accounting purpose, the acquisition is considered to be outside the scope of IFRS 3 Business Combinations as Red Ridge did not constitute a business prior to the transaction. As a result, the acquisition is accounted for in accordance with IFRS 2 Share-based Payment whereby the Company issued shares in exchange for the net assets of Red Ridge. At the acquisition date, Red Ridge did not have any assets other than evaluation and exploration assets and did not have any liabilities. The fair value of the evaluation and exploration assets acquired was measured by reference to the fair value of the equity instruments issued, plus any transaction costs incurred as the fair value of the evaluation and exploration assets could not be estimated reliably.

The fair values of the consideration, assets acquired, and liabilities assumed were as follows:

Consideration given:	**$**
13,000,000 common shares	2,470,000
Legal and other transaction costs	29,286
	2,499,286

Net assets acquired:	**$**
Exploration and evaluation assets	2,499,286
	2,499,286