
CANADIAN COPPER INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

**Three Months Ended January 31, 2024
(Expressed in Canadian Dollars)**

(UNAUDITED)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed 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.

CANADIAN COPPER INC.

Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

As at	January 31, 2024	October 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 102,591	\$ 343,667
Sales tax receivable	51,894	131,875
Prepaid expenses	233,606	15,766
Total current assets	388,091	491,308
Exploration and evaluation assets (note 4)	3,920,656	3,210,651
Total Assets	\$ 4,308,747	\$ 3,701,959
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 113,160	\$ 175,500
Flow-through liability (note 7(b)(ii))	-	22,863
Loan payable to related party (note 6)	300,828	-
Total Liabilities	413,988	198,363
Shareholders' Equity		
Share capital (note 7)	6,943,236	6,496,014
Contributed surplus (note 7)	710,664	515,659
Accumulated deficit	(3,759,141)	(3,508,077)
Total shareholders' equity	3,894,759	3,503,596
Total Liabilities and Shareholders' Equity	\$ 4,308,747	\$ 3,701,959

Nature and going concern (note 1)

Commitments (note 10)

Subsequent event (note 11)

Approved by the Board of Directors:

Director: Simon Quick _____

Director: Andrew Elinesky _____

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

CANADIAN COPPER INC.

Condensed Interim Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

Three months ended January 31,	2024	2023
Expenses		
Exploration and evaluation expenditures (note 4)	\$ 183,183	\$ 271,510
Professional and regulatory fees	40,104	90,240
Salaries, benefits and consulting fees (note 5)	43,549	78,087
General and administrative	1,611	29,822
Communications	630	-
Stock-based payments (note 7)	-	12,313
Travel expenditure	5,953	1,633
Net loss for before other items:	(275,030)	(483,605)
Other items:		
Reversal of flow-through liability (note 7(b)(i))	22,863	7,846
Interest income	1,103	4,685
Net loss and comprehensive loss	\$ (251,064)	\$ (471,074)
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)
Weighted average number of shares outstanding - basic and diluted	85,370,849	68,337,609

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

CANADIAN COPPER INC.

Condensed Interim Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars) (Unaudited)

	Share Capital		Contributed surplus	Deficit	Total
	Number	Amount			
Balance, October 31, 2022	66,475,000	\$ 4,509,123	\$ 280,860	\$ (2,390,466)	\$ 2,399,517
Issuance of flow-through shares (note 7)	4,080,000	408,000	-	-	408,000
Share issuance costs	-	(13,336)	-	-	(13,336)
Flow-through liability (note 7)	-	(61,200)	-	-	(61,200)
Stock-based payments	-	-	12,313	-	12,313
Net loss and comprehensive loss for the period	-	-	-	(471,074)	(471,074)
Balance, January 31, 2023	70,555,000	\$ 4,842,587	\$ 293,173	\$ (2,861,540)	\$ 2,274,220
Balance, October 31, 2023	85,322,540	\$ 6,496,014	\$ 515,659	\$ (3,508,077)	\$ 3,503,596
Shares issued for prepaid interest expense	2,222,222	222,222	-	-	222,222
Shares and warrants issued for exploration and evaluation assets (note 4)	2,500,000	225,000	195,005	-	420,005
Net loss and comprehensive loss for the period	-	-	-	(251,064)	(251,064)
Balance, January 31, 2024	90,044,762	\$ 6,943,236	\$ 710,664	\$ (3,759,141)	\$ 3,894,759

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

CANADIAN COPPER INC.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Three months ended January 31,	2024	2023
Operating Activities		
Net loss	\$ (251,064)	\$ (471,074)
Items not affecting cash:		
Stock-based payment (note 7)	-	12,313
Reversal of flow-through liability	(22,863)	(7,846)
Interest expense accrued	828	-
Changes in non-cash operating working capital:		
Sales tax receivables	79,981	(57,734)
Prepaid	4,382	21,962
Accounts payable and accrued liabilities	(62,340)	(16,713)
Cash used in operating activities	(251,076)	(519,092)
Investing Activities		
Options payment on exploration and evaluation assets (note 4)	(290,000)	-
Cash used in investing activities	(290,000)	-
Financing Activities		
Net proceeds from issuance of shares, net of costs	-	394,664
Proceeds from loan payable to related party	300,000	-
Cash provided by financing activities	300,000	394,664
Change in cash and cash equivalent	(241,076)	(124,428)
Cash and cash equivalent, beginning	343,667	1,011,985
Cash and cash equivalent, ending	\$ 102,591	\$ 887,557
Non-cash investing and financing activities		
Shares and warrants issued for exploration and evaluation assets (note 7)	\$ 420,005	\$ -

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

CANADIAN COPPER INC.

Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

Canadian Copper Inc. ("Canadian Copper" or "the Company") was incorporated under the *Business Corporations Act* (Ontario) (the OBCA) on April 8, 2021, as Melius Capital 3 Corp. On July 27, 2021, Melius Capital 3 Corp. changed its name to Melius Metals Corp. On April 12, 2022 the Company's name was changed to Canadian Copper Inc. The Company was finally approved by the CSE on July 26, 2022 and the Company's shares became listed on the CSE under the ticker "CCI" on July 26, 2022.

The address of the Company's corporate office address is Canadian Venture Building, 82 Richmond Street East, Toronto ON, M5C 1P1.

The principal business of the Company is the identification, evaluation and acquisition of mineral properties in Canada. During the three months ended January 31, 2024, the Company has been active in investigating the viability of the Company's mineral properties (the "Properties"). The Company has not yet determined whether any of the properties it owns may contain a mineral resource that may eventually be economically recoverable. The economic viability of the Properties will depend on the establishment of ore reserves, the confirmation of the Company's interest in the mineral claims and the ability of the Company to obtain the necessary financing to complete its development and place it into commercial production.

These unaudited condensed interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future. During the three months ended January 31, 2024, the Company has incurred losses of \$251,064 (three months ended January 31, 2023 - \$471,074) and as at January 31, 2024, has an accumulated deficit of \$3,759,141 (October 31, 2023 - \$3,508,077) and working capital deficiency of \$25,897 (October 31, 2023 - working capital of \$292,945). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and generating profitable operations in the future. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms acceptable to the Company.

These factors give rise to a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

The unaudited condensed interim financial statements were approved and authorized for issue on March 25, 2024 by the Board of Directors of the Company.

CANADIAN COPPER INC.

Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

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2. Basis of preparation

(a) Statement of compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These unaudited condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements as at and for year ended October 31, 2023.

(b) Functional and presentation currency

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

(c) Measurement basis

These financial statements have been prepared on the historical cost basis except for where IFRS requires recognition at fair value.

3. Summary of significant accounting policies

(a) Significant accounting estimates and judgments

The preparation of these unaudited condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and may change if new information becomes available. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods if the revision affects both the current and future periods.

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 the following:

Critical accounting estimates

- i. Stock-based payments. To estimate expenses for stock-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the chosen valuation model. The Company estimated the volatility of shares of similar companies and the expected life and the exercise period of warrants and stock options granted. The model used by the Company is the Black-Scholes valuation model (see note 7).
- ii. Provisions and contingent liabilities. The judgment is used to determine whether a past event has created a liability that should be recorded in the financial statements or whether it should be presented as a contingent liability. Quantifying these liabilities involves judgments and estimates.

These judgments and estimates are based on several factors, such as the nature of the claim or dispute, legal procedures and the potential amount to be paid, legal advice obtained and the likelihood of the realization of a loss.

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Notes to Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

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3. Summary of significant accounting policies (continued)

Critical accounting judgments

i. Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year and to fund planned and contractual exploration and evaluation programs, involves judgments including expectations of future events that are believed to be reasonable under the circumstances.

ii. Impairment of Exploration and evaluation assets

Exploration and evaluation assets shall be assessed for an impairment test when facts and circumstances suggest that their carrying amount may exceed recoverable amount. To determine Indications of impairment of exploration and evaluation assets require significant judgment. Management considers various factors including, but are not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends and price of minerals.

iii. Deferred tax assets

The determination of whether it is likely that future taxable profits will likely be available to utilize against any deferred tax assets

(b) New standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company in the current or future reporting periods.

4. Exploration and evaluation assets

The continuity of exploration and evaluation assets are as follow:

As at	January 31, 2024	October 31, 2023
Opening balance	\$ 3,210,651	\$ 1,330,000
Additions	290,000	1,100,000
Additions from issuance of shares and warrants (note 7)	420,005	793,881
Impairment of exploration and evaluation assets	-	(13,230)
Ending balance	\$ 3,920,656	\$ 3,210,651

(i) On May 16, 2023, the Company applied and was approved for the the New Brunswick Junior Mining Assistance Program (NBJMAP) which is a financial assistance program for private-sector Junior companies. It provides up to 50% of eligible costs, within defined limits, for mineral exploration projects and is intended to increase the probability of finding economically viable mineral resources in New Brunswick. The total approved NBJMAP funding amount was \$35,000. During the year ended October 31, 2023, the Company received \$26,000 from the program funding which was recorded against the exploration and evaluation expenditures.

CANADIAN COPPER INC.

Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

Mineral interests:

	January 31, 2024	October 31, 2023
Turgeon Project		
Turgeon Project 1813	\$ 458,977	\$ 458,977
Turgeon Sud Property 5594	132,731	132,731
Murray Brook West Project		
Murray Brook West 7846	104,616	104,616
Murray Brook Project		
Murray Brook Project	2,149,152	1,439,147
Chester Project		
Chester Property 1571	567,638	567,638
Chester EAB Property 6003	197,482	197,482
Big Sveogle River Property 9026	14,311	14,311
Legacy Project		
Legacy Group Property 5443	65,893	65,893
McKenzie Gulch Property 6202	178,116	178,116
Brunswick Cards Project		
The North Sevogle Property 9302	51,740	51,740
Total	\$ 3,920,656	\$ 3,210,651

Mineral interests

On June 30, 2021, the Company entered into an Option Agreement (“Option Agreement”) with Puma Exploration Inc. (“Puma”), a Company listed on the TSX-V under the ticker PUMA. The Company is granted an option to acquire 100% of the following exploration projects (Collectively, the “Puma Projects”):

(a) Puma Projects

Under the terms of the Option Agreement dated on June 30, 2021, as amended on November 19, 2021, and amended again on April 29, 2022, the Company can acquire 100% interest in the Puma Projects located in New Brunswick and are subject to and conditional upon all of the following conditions being satisfied:

- Issue 6,000,000 common shares on the execution date (issued on June 30, 2021 for a fair value of \$300,000).
- The Company will compensate all the legal fees and disbursements required for Puma to complete a virtual extraordinary meeting of its shareholders to approve a capital reduction of up to \$2,100,000. (completed on March 9, 2022).
- The successful completion by the Company of one of more equity offerings by way of private placements for aggregate gross proceeds of at least \$2,250,000, following which at least 58,000,000 Company Shares will be issued and outstanding (completed on January 19, 2022).
- \$100,000 in cash (paid November 22, 2021) and incur \$500,000 (incurred by December 15, 2022) in exploration and evaluation work on Chester Optioned Project no later than January 17, 2022; Consent of Galleon Gold Corp. (formerly Explor Resources Inc.) to Puma’s assignment of rights to the Company (completed on November 18, 2021).
- The filing by the Company of a preliminary prospectus in any jurisdiction in Canada. (completed on January 27, 2022).
- The Company should obtain a receipt for a final prospectus by May 31, 2022 (completed on May 24, 2022).

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Notes to Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

(a) Puma Projects (continued)

- Receipt by Puma of final approval from the TSX Venture Exchange of the Puma Option Agreement (completed on June 9, 2022).
- Satisfaction of Puma that the Company will meet the conditions of closing the Puma Option Agreement including Listing on the CSE and issuance of shares (completed on July 26, 2022).

The Puma Option Agreement is closed as a result of the following conditions being satisfied:

- The closing of the Puma Option agreement is conditional upon the Company successfully listing on the CSE and the issuance of the remaining 6,000,000 shares (issued on July 12, 2022 for fair value of \$930,000) (completed).
- Successfully distributing the 6,000,000 shares issued on June 30 2021, to the shareholders of Puma. Record date set as June 17, 2022 and to be distributed on or before June 30, 2022 (completed on June 30, 2022).
- The Company shall use its best efforts to list the Company on the CSE at July 31, 2022 or such later date as may be agreed upon in writing by both parties (completed on July 26, 2022).

With the closing of the Puma Option Agreement, the Company maintains the following remaining conditions, in order to acquire and assume 100% interest in the Puma Projects:

- \$2,300,000 payable at the Company's option in cash or common stock, over the three annual anniversaries of the closing of the Puma Option Agreement. To be satisfied over the next three anniversaries from closing. These installments are payable in common stock or cash, at the option of the Company.

Upon fulfilment of all the conditions of the Puma Agreement, the Company will acquire and assume 100% interest in the 13 tenure blocks contained in the Puma Option Agreement subject to certain agreements, rights and encumbrances.

Subsequent to January 31, 2024, the Company signed definitive agreements to sell its Chester Project and Turgeon Project for cash and shares totalling \$1,395,000 and \$675,000 respectively (note 11).

The Company is further amending the Puma Option Agreement changing the terms of the remaining two anniversary payments to Puma Exploration Inc. to reflect the sale of the Chester and Turgeon Projects to Raptor (note 11).

(b) Murray Brook Project

On August 1, 2023, the Company acquired 72% of the Murray Brook Project ("Murray Brook Project or Murray Brook deposit") from Votorantim Metals Canada Inc. ("VM Canada"). In addition, the proposed Murray Brook Project abuts the Company Murray Brook West property enabling the consolidation of the 18 km Caribou Horizon.

Transaction summary details are highlighted below:

- \$250,000 deposit paid to Seller upon expiration of Right of First Refusal. (Paid).
- \$750,000 installment to be paid by the Company to the Seller. (Paid).
- Issue 2,000,000 units of Canadian Copper (issued) (note 7(b)(i)).
- A 0.25% net smelter return ("NSR") royalty on the Murray Brook asset.
- \$2,000,000 bond to be paid within three months of closing the transaction (see note 11).
- Final installment of \$2,000,000 to be paid by the Company to the Seller within 31 days of commercial production.

On September 11, 2023, the Company signed an agreement with MetalsQuest Mining Inc., an arm's length seller (Metals Quest") to acquire the remaining 28% of the Murray Brook Project.

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Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

(b) Murray Brook Project (continued)

On January 30, 2024, the Company entered into a one-third of production offtake agreement ("Offtake Agreement") for copper concentrates from the Murray Brook deposit and an unsecured credit facility ("the Credit Facility") of up to US\$1.5 million with Ocean Partners UK Ltd ("Ocean Partners"). The purpose of the Credit Facility is to satisfy the final Murray Brook acquisition condition and replace an existing \$2,000,000 environmental bond with the New Brunswick Government. Ocean Partners shall have the right to purchase a minimum of one third of the copper concentrate at market rates for the payable metals produced by the Murray Brook deposit and three other Right of First Refusal ("ROFR") conditions. The remaining ROFR conditions are: 1) Ocean Partners will have the right to match and purchase the remaining copper concentrate produced should a third party submit a bonafide offer, 2) Ocean Partners will have the right to provide offtake financing at the same terms should a third party submit a bonafide offer, and, 3) Ocean Partners will have the right to match and purchase other concentrates should a third party submit a bonafide offer. The Credit Facility is an aggregate amount of up to US\$1,500,000 for a period of one year with a single draw available following satisfaction of customary conditions precedent by the Company. Interest on the Credit Facility will be 10% per annum paid on execution of the Credit Facility. The interest payment consideration is the Company common shares at a fixed rate totaling 2,222,222 at a price of \$0.09 per share. On January 29, 2024, the shares were issued for the interest (note 7).

Royalties

The Puma Projects are subject to the following NSR Royalties:

Title	Royalty
Brunswick Card West	The Brunswick Card West Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000, with the Company retaining a right of first refusal on the remaining royalty
Brunswick Card East	The Brunswick Card East Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000, with the Company retaining a right of first refusal on the remaining royalty.
Murray Brook West	The Murray Brook Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000, with the Company retaining a right of first refusal on the remaining royalty.
Legacy Project	The Legacy Project is subject to a 2% NSR, half of which can be bought back by the Company for \$500,000. ("Legacy Royalties")
Turgeon Project	The Turgeon Project is subject to a 2% NSR royalty on gold and silver and 1% NSR on any other saleable production, half of which can be bought back by the Company for \$500,000.

CANADIAN COPPER INC.

Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Exploration and evaluation assets (continued)

Royalties (continued)

The Chester Project is subject to the following royalty:

Title	NSR Royalty
Chester Royalty	The Chester Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000.
Chester EAB Royalty	The Chester EAB Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000.
Big Sevogle Royalty	The Big Sevogle Royalty (7045) is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000. The Big Sevogle Royalty (9026) is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$1,000,000.
Ross Royalty	The Ross Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for \$900,000, with a right of first refusal on the remaining royalty.
Brook Royalty	The Brook Royalty is subject to a 1% NSR royalty, which can be bought back for \$1,000,000.
Northeast Royalty	The Northeast Royalty is subject to a 1% NSR royalty, which half can be bought back for \$500,000.
Granges Royalty	The Granges Royalty is subject to a 1% NSR royalty, which half can be bought back for \$500,000.
Puma Royalty	The Puma Royalty is subject to a 2% NSR royalty, of which half can be bought back by the Company for \$1,000,000.

The Murray Brook Project is subject to the following NSR royalty:

Title	Royalty
	A 0.25% net smelter return ("NSR") royalty on the Murray Brook asset. 50% of NSR can be repurchased by the Company for C\$1.0 M. The NSR has a zinc price sliding scale defined as: <US\$1.50/lb = 0.25%, US\$1.50-1.59/lb = 0.50%, US\$1.59-1.68/lb = 0.75%, >US\$1.68/lb = 1%.

CANADIAN COPPER INC.

Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

5. Related party transactions

Related party transaction

Key management includes current directors, CEO and President of the Company, the remuneration of key management personnel during the three months ended January 31, 2024 and 2023 is summarized below:

Three months ended January 31,	2024	2023
Salary paid to the CEO	\$ 40,549	\$ 39,750
Consulting fees to three directors (i)	-	3,750
Consulting fee paid for accounting and CFO services (ii)	9,393	15,735
Stock-based compensation (iii)	-	12,313
	\$ 49,942	\$ 71,548

(i) As at January 31, 2024, the Company owed to directors or their companies \$nil (October 31, 2023 - \$9,509) recorded in accounts payable and accrued liabilities, to related parties. These transactions took place in the normal course of business.

(ii) The Chief Financial Officer ("CFO") of the Company is an employee of Marrelli Support Services Inc. ("MSSI"). During the three months ended January 31, 2024, the Company incurred professional fees of \$9,393 (three months ended January 31, 2023 - \$15,735) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at January 31, 2024, MSSI was owed \$3,052 (October 31, 2023 - \$nil) with respect to services provided, and this amount was included in accounts payable and accrued liabilities.

(iii) During the year ended October 31, 2022 the Company issued 1,600,000 stock options to directors, vesting over a period of up to 18 months. The fair value of \$137,505 was determined using the Black-Scholes model – see Note 7. During the three months ended January 31, 2024, \$nil (three months ended January 31, 2023 - \$12,313) of stock-based compensation was recorded.

6. Loan payable to related party

On January 17, 2024, Simon Quick, the CEO and director of the Company, made an unsecured loan facility to the Company of \$300,000 at an interest rate of 7.20% per annum. Mr. Quick has personally secured the loan facility at an interest rate of 7.20% per annum and is not earning any interest from this facility. During the three months ended January 31, 2024, the Company accrued an interest expense of \$828.

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January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

7. Share capital

(a) Authorized

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

(b) Issued and outstanding - Common Shares

As at January 31, 2024, the issued share capital is comprised of 90,044,762 (October 31, 2023 - 83,322,540) common shares.

4,050,000 shares issued on January 19, 2022 were held in escrow as at January 31, 2024 (October 31, 2023 - 5,400,000) and are subject to a 36-month contractual escrow release period from their respective issuance, as follows: 10% on or before the listing and listing shares are issued and afterwards 15% every six months after the listing and issuance of listing shares.

2,700,000 shares issued on July 12, 2022 were held in escrow as at January 31, 2024 (October 31, 2023 - 3,600,000) and are subject to a 36-month contractual escrow release period from their respective issuance, as follows: 10% in November 2022 and 15% in January 2023 and afterwards 15% every six month.

i) Shares issued during the three months ended January 31, 2024:

On January 30, 2024, the Company entered into a one third of production offtake agreement for copper concentrates from the Murray Brook deposit and an unsecured Credit Facility of up to US\$1.5 million (\$2.01 million) with Ocean Partners UK Ltd. (note 4(b)). On January 29, 2024, the Company issued 2,222,222 common shares at a price of \$0.09 per share for one-time interest payment of \$222,222. As at January 31, 2024, the Company has not drawn down the credit facility and the interest payment with shares was included in the prepaid expenses on the unaudited condensed interim statement of financial position.

On January 31, 2024, the Company issued 2,500,000 common shares of the Company as part of the consideration for the purchase of Murray Brook Project (Note 4) with a fair value of \$225,000 based on the fair value of the Company's common shares on the date of issuance of \$0.09 per share. On January 31, 2024, the Company also issued 2,500,000 warrants. The fair value of the warrants granted was determined at \$195,005 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - \$0.09; Exercise price - \$0.13; expected life - 5 years, volatility - 139% and risk-free rate of 3.43%.

ii) Shares issued during the year ended October 31, 2023

On December 20, 2022, the Company closed a private placement consisting of 4,080,000 flow-through shares (the "FT Shares") at a price of C\$0.10 per FT Share for aggregate gross proceeds of \$408,000 (the "FT Offering"). There were no warrants issued as part of this financing. The Company paid finder's fees to certain arm's-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the FT Offering and other issuance costs for an aggregate amount of \$13,336. Certain directors and other insiders of the Company participated in the FT Offering and subscribed into the FT Offering for the maximum amount permissible under applicable securities laws and regulatory rules, acquiring an aggregate of 100,000 FT Shares. The Company recorded \$61,200 flow-through liability on the date of issuance. During the year ended October 31, 2023, the Company incurred qualifying expenditures of \$255,579 and recorded a reversal of flow-through liability of \$38,337.

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Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

7. Share capital (continued)

(b) Issued and outstanding - Common Shares (continued)

ii) Shares issued during the year ended October 31, 2023 (continued)

On July 31, 2023, the Company closed its oversubscribed non-brokered private placement consisting of 9,129,667 units at a price of \$0.12 per unit for gross proceeds of \$1,095,560. Each unit of the private placement consists of one common share of the Company and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of \$0.18 per share at any time within 2 years from the date of issuance. The warrants will be subjected to an accelerated exercise clause in the event the Company's share price exceeds \$0.30 for 10 consecutive trading days on a volume weighted average price basis. The Company paid finder's fees to certain arm's-length third parties consisting of a cash commission of up to 7% of the gross proceeds of the private placement for an aggregate amount of \$7,621 and up to 7% in finder warrants at the same terms of warrants issued as part of the Private Placement for an aggregate of 63,210 finder warrants. The fair value of the warrants granted was determined at \$91,297 using the residual method in which the fair value of the common shares issued of \$1,004,263 was deducted from the gross proceeds of the private placement to arrive at the fair value of the warrants issued in the units. The fair value of the broker warrants granted was determined at \$2,950 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - \$0.11; Exercise price - \$0.18; expected life - 2 years, volatility - 100% and risk-free rate of 4.67%.

On June 28, 2023, the Company issued 3,637,873 common shares at a price of \$0.125 per share pursuant to the terms of an option agreement (Note 4) with a fair value of \$454,734.

On August 1, 2023, the Company issued 2,000,000 common shares of the Company as part of the consideration for the purchase of Murray Brook Project (Note 4) with a fair value of \$220,000 based on the fair value of the Company's common shares on the date of issuance of \$0.11 per share. On August 1, 2023, the Company also issued 2,000,000 warrants. The fair value of the warrants granted was determined at \$119,147 using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - \$0.11; Exercise price - \$0.20; expected life - 5 years, volatility - 79% and risk-free rate of 3.98%.

Warrants and broker warrants

	Period ended January 31, 2024		Year ended October 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Opening	9,365,544	\$ 0.25	2,737,500	\$ 0.40
Issued	2,500,000	0.13	6,628,044	0.29
Ending	11,865,544	\$ 0.22	9,365,544	\$ 0.25

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Notes to Condensed Interim Financial Statements

January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

7. Share capital (continued)

Warrants and broker warrants (continued)

As at January 31, 2024, the Company had the following warrants outstanding:

Expiry date	Warrants outstanding	Exercise price (\$)	Weighted average remaining life (years)
January 19, 2025	2,737,500	0.40	0.97
July 31, 2025	4,564,834	0.18	1.50
July 31, 2025	63,210	0.18	1.50
August 1, 2028	2,000,000	0.20	4.50
January 31, 2029	2,500,000	0.13	5.01
	11,865,544	0.22	2.62

As at October 31, 2023, the Company had the following warrants outstanding:

Expiry date	Warrants outstanding	Exercise price (\$)	Weighted average remaining life (years)
January 19, 2025	2,737,500	0.40	1.22
July 31, 2025	4,564,834	0.18	1.75
July 31, 2025	63,210	0.18	1.75
August 1, 2028	2,000,000	0.20	4.76
	9,365,544	0.25	2.24

Stock options

On December 1, 2021, the Shareholders of the Company approved the Stock Option Plan, the "SOP". The purpose of the SOP is to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants, to reward those individuals from time to time for their contributions toward the long-term goals of the Company and to enable and encourage those individuals to acquire Common Shares as long-term investments. Upon becoming a reporting issuer, the Company will be required to obtain Shareholder approval of the SOP on a yearly basis in accordance with the policies of the CSE.

The Company grants stock options to directors, officers, employees and consultants and affiliates or any person deemed suitable by the board of directors, pursuant to its Incentive Share Option Plan, the "Plan". The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options issued under the Plan vest in six equal quarterly releases over a period of 18 months from award date and must have a term equal to or less than 10 years after the shares have been listed on the CSE.

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January 31, 2024

(Expressed in Canadian Dollars)

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7. Share capital (continued)

Stock options (continued)

	Period ended January 31, 2024		Year ended October 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Opening	1,600,000	\$ 0.156	1,600,000	\$ 0.156
Issued	-	-	-	-
Ending	1,600,000	\$ 0.156	1,600,000	\$ 0.156

As at January 31, 2024, the Company had the following stock options outstanding:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price (\$)	Weighted average remaining life (years)
December 1, 2026	1,000,000	1,000,000	0.100	2.84
January 24, 2027	600,000	600,000	0.250	2.98
	1,600,000	1,600,000	0.156	2.95

As at October 31, 2023, the Company had the following stock options outstanding:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price (\$)	Weighted average remaining life (years)
December 1, 2026	1,000,000	660,000	0.100	3.09
January 24, 2027	600,000	600,000	0.250	3.24
	1,600,000	1,260,000	0.156	3.14

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January 31, 2024

(Expressed in Canadian Dollars)

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7. Share capital (continued)

Stock options (continued)

The weighted average remaining life of outstanding stock options as at January 31, 2024 is 2.95 (October 31, 2023 - 3.14 years).

On December 1, 2021 the Company issued 1,000,000 stock options at \$0.10 expiring in five years and 33% of these options vest after 3 months, 33% after one year and 34% after two years.

On January 24, 2022 the Company issued 600,000 stock options at \$0.25 expiring in five years and vesting equally over six quarters to various directors of the Company.

During the three months ended January 31, 2024, \$nil (three months ended January 31, 2023 - \$12,313) stock-based payments was recorded in the statements of loss and comprehensive loss.

8. Management of capital

The Company defines capital as all accounts in equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

As at January 31, 2024, the Company had capital resources consisting of cash. 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 will continue to rely on capital markets to support continued growth. The Company is not subject to any externally imposed capital requirement.

9. Financial instrument and financial risk

The Company's financial instruments include cash and cash equivalent, accounts payable and accrued liabilities and loan payable to related party. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Financial risk management objectives and policies:

The Company's financial instruments include cash and cash equivalents, accounts payable and accrued liabilities and loan payable to related party. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and cash equivalent. To minimize the credit risk on cash and cash equivalent, the Company places the instrument with a high credit quality financial institution.

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(Expressed in Canadian Dollars)

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9. Financial instrument and financial risk (continued)

(ii) 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.

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalent and to ensure that the Company has financing sources such as private placements for a sufficient amount.

Contractual maturities of accounts payable and accrued liabilities are less than one year.

In the current period, the Company has financed its acquisitions of exploration and evaluation assets and working capital needs through private financings consisting of issuance of common shares. Management estimates that the cash as at January 31, 2024 will be insufficient to meet the Company's needs for cash during the year ending October 31, 2024 (see Note 1).

(iii) Market risk

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.

As at January 31, 2024, the Company's cash equivalents attract interest at a variable interest rate and at a fixed interest rate. A change of 100 basis points in the interest rates would not be material to the financial statements.

10. Commitments

As at January 31, 2024, the Company has commitments to MSSSI for accounting and CFO services.

The Company has the following commitments:

	Years ended October 31, 2024
Accounting services	\$ 18,000
CFO services	1,125
Total	19,125

11. Subsequent events

(i) On February 1, 2024, the Company announced that it satisfied all conditions required to acquire 100% of Murray Brook deposit and its surrounding prospective exploration property located in the prospective Bathurst Mining Camp in New Brunswick.

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Notes to Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

(Unaudited)

11. Subsequent events (continued)

(ii) On March 4, 2024, the Company signed definitive agreements to sell its Chester Project and Turgeon Project for cash and shares totalling \$1,395,000 and \$675,000 respectively.

The Company will sell and transfer its Chester Project option agreement rights to Raptor Resources Ltd. ("Raptor" or "Buyer") for the following consideration:

1. A non-refundable fee of \$90,000 paid by Raptor to the Company within 10 business days of definitive agreement execution.
2. A \$675,000 cash payment by Raptor to the Company on or before June 30, 2024. This payment is conditional on Raptor listing its company shares on the Australian Stock Exchange ("ASX").
3. The issuance of 4,000,000 Raptor shares to the Company on or before June 30, 2024.

The Company will sell and transfer its Turgeon Project option agreement rights to Raptor for the following consideration:

1. The Buyer incurring a minimum work commitment of \$450,000 on the Turgeon property within 12 months of definitive agreement execution. This condition can be waived with a cash payment of \$275,000 from Raptor to the Company.
2. A \$675,000 payment with a minimum cash component of \$270,000 by Raptor to the Company on or before March 4, 2025. This payment is conditional on Raptor listing its company shares on the ASX.

(iii) The Company is further amending the Puma Option Agreement changing the terms of the remaining two anniversary payments to Puma Exploration Inc. to reflect the sale of the Chester and Turgeon Projects to Raptor. The Company will pay a finder's fee to an arm's-length third party of 5% in cash at each successful milestone of the Chester and Turgeon transactions.