ASHLEY GOLD CORP.

AUDITED FINANCIAL STATEMENTS

For the Years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

To the Shareholders of Ashley Gold Corp.:

Opinion

We have audited the financial statements of Ashley Gold Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and December 31, 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

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

Key Audit Matters

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

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

MNP LLP
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Impairment Indicator Assessment of Exploration and Evaluation Assets

Key Audit Matter Description

We draw attention to Notes 3 and 5 to the financial statements. The net book value of Exploration and Evaluation ("E&E") assets amounted to $387,954 as at December 31, 2023. At each reporting period, management assesses E&E assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit ("CGU") exceeds its estimated recoverable amount. Management assesses E&E assets for impairment based on the following indicators:

(i) the period for which the entity has the right to explore in the specific area has expired during the year or will expire in the near future;
(ii) substantive expenditure on further exploration for an evaluation of mineral resources in the specific area is neither budgeted nor planned;
(iii) sufficient data exists to determine that extracting the resources will not be technically feasible or commercially viable; and
(iv) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

The total impairment loss related to E&E assets is $588,393 for the year ended December 31, 2023, which pertained to an abandoned property option.

We considered this a key audit matter due to the significance of the E&E assets and the judgments made by management in their assessment of indicators of impairment related to E&E assets, and these have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

Audit Response

We responded to this matter by performing procedures in relation to the impairment indicator assessment of exploration and evaluation assets. Our audit work in relation to this included, but was not restricted to, the following:

- We assessed the judgments made by management in determining the impairment indicators, which included the following:

  - Obtained evidence to support the existence of the right to explore the area and the claim expiration by reference to public government registries;

  - Evaluated budget approvals and board minutes to obtain evidence of continuing and planned exploration expenditures and included evaluations of the work completed in the current year; and

  - Assessed whether there are any indications that extracting resources will not be technically feasible or commercially viable, or if other facts and circumstances exist that may suggest the carrying amount exceeds the recoverable amount, based on evidence obtained in other areas of the audit.

- We assessed the appropriateness of the related disclosures in the financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Calgary, Alberta

MNP LLP

April 29, 2024

Chartered Professional Accountants

ASHLEY GOLD CORP.

Statements of Financial Position
(Expressed in Canadian Dollars)

As at

	December 31, 2023	December 31, 2022
Assets	$	$
Current assets		
Cash	22,171	263,321
HST/GST receivable	48,901	29,026
Prepaid and other receivable (Note 4)	127,122	36,762
Due from related parties (Note 8)	3,220	-
	201,414	329,109
Exploration and evaluation assets (Note 5)	387,954	661,366
Total Assets	**589,368**	**990,475**
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	116,887	38,276
Flow-through share liabilities (Note 7)	10,326	-
Due to related parties (Note 8)	20,373	-
	147,586	38,276
Shareholders' equity		
Share capital (Note 6b)	1,423,834	1,168,837
Stock compensation reserves (Note 6d)	130,447	107,588
Warrants (Note 6e)	661,093	195,042
Deficit	(1,773,592)	(519,268)
Total shareholders' equity	441,782	952,199
Total liabilities and shareholders' equity	**589,368**	**990,475**

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 12)

On behalf of the Board of Directors:

Director (signed by) " George Stephenson"

Director (signed by) "Darcy Christian"

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

ASHLEY GOLD CORP.
Statements of Loss and Comprehensive Loss
For the years ended December 31,
(Expressed in Canadian Dollars)

	2023	2022
	$	$
Expenses		
Bank charges	1,038	1,100
Consulting fees	42,100	31,500
Marketing expenses	165,930	42,417
Impairment expenses (Note 5)	588,393	-
Office and administration	18,701	11,404
Professional fees	211,979	151,012
Stock-based compensation (Note 6d)	22,859	-
Stock transfer agent & filing fees	36,542	40,510
Travel expenses	13,545	14,084
	(1,101,087)	(292,027)
Other income		
Interest income	15	29
Revaluation of other receivable (Note 4)	(153,252)	-
Total other income	(153,237)	29
Net loss and comprehensive loss	(1,254,324)	(291,998)
Loss per common shares – basic and diluted	(0.05)	(0.02)
Weighted average number of common shares outstanding – basic and diluted	23,005,527	15,033,668

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

ASHLEY GOLD CORP
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share Compensation Reserves	Warrants	Accumulated Deficit	Total
		$	$	$	$	$
Balance at December 31, 2021	9,823,375	559,103	107,588	-	(227,270)	439,421
Unit issuance at $0.10 (Note 6-b-(1-3))	8,092,000	665,339	-	143,861	-	809,200
Share issuance for acquisition at $0.23 (Note 6-b-2)	300,000	69,000	-	-	-	69,000
Share issuance for acquisition at $0.085 (Note 6-b-4)	325,000	27,625	-	-		27,625
Unit issuance for flow-through shares at $0.12 (Note 6-b-5)	450,000	33,797	-	20,203	-	54,000
Share issuance costs – agent's warrants (Note 6-c-i)	-	(30,978)	-	30,978	-	-
Share issuance costs – cash (Note 6-b)	-	(155,049)	-	-	-	(155,049)
Net loss for the year	-	-	-	-	(291,998)	(291,998)
Balance at December 31, 2022	**18,990,375**	**1,168,837**	**107,588**	**195,042**	**(519,268)**	**952,199**
Stock options granted (note 6d)	-	-	22,859	-	-	22,859
Share issuance for acquisition at $0.07 (Note 6-b-6)	330,000	23,100	-	-	-	23,100
Unit issuance at $0.07 (Note 6-b-7)	5,162,915	208,835	-	152,569	-	361,404
Unit issuance for service at $0.075 (Note 6-b-8)	277,778	2,607	-	17,393	-	20,000
Unit issuance at $0.072 (Note 6-b-9)	4,166,667	52,906	-	247,094	-	300,000
Unit issuance for financing fee (Note 6-b-9)	333,333	4,225	-	19,775	-	24,000
Share issuance for acquisition at $0.065 (Note 6-b-10)	200,000	13,000	-	-	-	13,000
Unit issuance for flow-through unit at $0.075 (Note 6-b-11)	1,036,680	51,834	-	15,952	-	67,786
Unit issuance for flow-through unit at $0.075 (Note 6-b-12)	150,000	8,249	-	2,639	-	10,888
Unit issuance costs – agent's warrants (Note 6-e(ii))	-	(47,797)	-	10,629	-	(37,168)
Unit issuance costs – cash (Note 6-b)	-	(61,962)	-	-	-	(61,962)
Net loss for the year	-	-	-	-	(1,254,324)	(1,254,324)
Balance at December 31, 2023	**30,647,748**	**1,423,834**	**130,447**	**661,093**	**(1,773,592)**	**441,782**

The accompanying notes are an integral part of these financial statements

ASHLEY GOLD CORP.
Statements of Cash Flows
For the years ended December 31,
(Expressed in Canadian Dollars)

	2023	2022
	$	$
Operating Activities:		
Net loss for the year	(1,254,324)	(291,998)
Adjustment for items not involving cash:		
Impairment expenses (Note 5)	588,393	-
Revaluation of other receivable (Note 4)	153,252	-
Stock-based compensation (Note 6d)	22,859	-
Changes in working capital:		
HST/GST receivable	(19,875)	(10,417)
Prepaid and other receivable	(243,612)	(36,762)
Due from a related party	(3,220)	-
Accounts payable and accrued liabilities	78,611	3,613
Cash flow used in operating activities	**(677,916)**	**(335,564)**
Investing Activities:		
Acquisitions of exploration and evaluation assets (Note 5)	(278,881)	(264,945)
Cash flow used in investing activities	**(278,881)**	**(264,945)**
Financing activities:		
Cash proceeds from unit issuances (Note 6b)	757,237	863,200
Share issuance costs – cash (Note 6b)	(61,963)	(155,049)
Deferred share issuance costs	-	33,375
Proceeds from (to) related parties (Note 8)	20,373	28,551
Cash flow from financing activities	**715,647**	**770,077**
Increase (decrease) in cash during the year	(241,150)	169,568
Cash, beginning of the year	263,321	93,753
Cash, end of the year	**22,171**	**263,321**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Ashley Gold Corp. ("Ashley" or the "Company") was incorporated under the Business Corporations Act (Alberta) on July 15, 2020. The Company's registered and operating office is at Suite 1150, 707 – 7th Avenue SW, Calgary, Alberta T2P 3H6.

On April 29, 2022, the Company completed its initial public offering.

On May 2, 2022, the Common Shares of the Company commenced trading on the Canadian Stock Exchange ("CSE") under the trading symbol "ASHL".

The Company's principal business activity is the acquisition and exploration of mineral properties in the natural resource sector with the long-term goal of divesting its investment assets at a profit. Ashley's mandate is to acquire properties in mining natural resource opportunities, primarily in the Americas. As at December 31, 2023, the Company had not yet achieved profitable operations and had accumulated a deficit of $1,773,592 (2022 – $519,268), and for the year then ended, incurred a net loss of $1,254,324 (2022 - $291,998) and negative cash flows from operating activities of $677,916 (2022 - $335,564).

These financial statements have been prepared on the assumption that the Company will continue as a going concern in accordance with IFRS. The proposed business of the Company involves a high degree of risk and there is no assurance that the Company be successful in acquiring or divesting investment assets. The Company's ability to continue operations is not assured and is dependent upon the ability of the Company to obtain necessary financing to meet the Company's liabilities and commitments as they become due and the ability to identify and finance additional investments, generate future returns on investments, and achieve future profitable operations or obtain sufficient proceeds from the disposition of its investments. The outcome of these matters cannot be predicted at this time. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments might be material.

These financial statements were authorized for issue by the Board of Directors of the Company on April 29, 2024.

2. BASIS OF PRESENTATION

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements have been prepared on the historical cost basis except for share-based payments which were recorded at fair value. Furthermore, these financial statements are presented in Canadian dollars which is the functional currency of the Company, and all values are rounded to the nearest dollar.

3. MATERIAL ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash held in trust, deposits in banks and highly liquid investments with an original maturity of three months or less. As at December 31, 2023 and December 31, 2022, there were no cash equivalents and cash comprises deposits in banks.

b) Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in mineral interests. Accordingly, once a right to explore an area has been obtained, the Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of exploration and evaluation assets. Such costs, include, but are not limited to, geological and geophysical studies, exploratory drilling, and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable resources. The aggregate costs, related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

The Company assesses whether there is any indication of impairment. Indicators of impairment include, but are not limited to:

-The right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

-Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

-Exploration for and evaluation of mineral resources in the specific area have not led to the commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

-Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

c) Financial Instruments

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value and are subsequently measured at either (i) amortized cost; (ii) fair value through other comprehensive income, or (iii) fair value through profit or loss.

Financial assets at amortized cost
Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified at amortized cost are measured using the effective interest method.

Financial assets at fair value through other comprehensive income ("FVTOCI")
Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. This classification includes certain equity instruments where IFRS 9 allows an entity to make an irrevocable election to classify the equity instruments, on an instrument-by-instrument basis, that would otherwise be measured at fair value through profit or loss ("FVTPL") to present subsequent changes in FVTOCI.

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

c) Financial Instruments (Cont'd)

Financial assets at fair value through profit or loss ("FVTPL")
Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. This category includes debt instruments whose cash flow characteristics are not SPPI or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell the financial asset.

Financial liabilities at fair value through profit or loss ("FVTPL")
This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statements of loss and comprehensive loss.

Financial liabilities at amortized cost
Financial liabilities are generally classified and measured at fair value at initial recognition and subsequently measured at amortized cost using effective interest method.

The following table summarizes the classification of the Company's financial instruments:

	IFRS 9 Classification
Financial Assets	
Cash	Amortized cost
Other receivable	FVTPL
Due from related parties	Amortized cost
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

Financial assets

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred. Other receivable is recorded at FVTPL.

Subsequent to initial recognition, cash and due from related parties are classified and subsequently measured at amortized cost. Interest income is calculated using the effective interest method and gains or losses arising from impairment, foreignexchange and derecognition are recognized in profit or loss.

The Company reclassifies debt instruments only when its business model for managing those financial assets has changed. Reclassifications are applied prospectively from the reclassification date and any previously recognized gains, losses or interest are not restated.

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

c) Financial Instruments (Cont'd)

Financial liabilities

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains, and losses relating to a financial liability are recognized in profit or loss. Financial liabilities measured at amortized cost are comprised of accounts payable and accrued liabilities and due to related parties.

The Company derecognizes financial liability only when its contractual obligations are discharged, cancelled or expire.

d) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issuance of common shares and agent options are recognized as a deduction from equity, net of any tax effects. Where the Company issues units which include both common shares and share purchase warrants, the fair value of the warrants is determined using the Black-Scholes pricing model and the difference between the proceeds and the fair value of the share purchase warrants is allocated to common shares.

e) Share-based Payments

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Share-based payments for employees and others providing similar services are determined based on the grant date fair value. Share-based payments for non-employees are determined based on the fair value of the goods/services received or fair value of the share-based payment measured at the date on which the Company obtains such goods/services. The fair value of share-based payments is determined using the Black-Scholes valuation model. This model requires the Company to make estimates and assumptions, including, among other things, estimates regarding the length of time an employee will retain vested stock options before exercising them, the estimated volatility of the price of the Company's common shares and the number of options that will be forfeited prior to vesting. Compensation expense is recognized over each tranche's vesting period, in earnings or capitalized as appropriate, based on the number of awards expected to vest.

f) Flow-Through Shares

Under Canadian income tax legislation, a corporation is permitted to issue shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. To account for flow-through shares, the Company allocates total proceeds from the issuance of flow-through shares between the offering of shares and the sale of tax benefits.

The total amount allocated to the offering of shares is based on the quoted price of the underlying shares. In situations where there is an absence of compelling evidence supporting a comparable value of the underlying shares, the Company allocates management's estimate of the prevailing flow-through premium in current market conditions at the time of issuance to the sale of tax benefits. The amount which is allocated to the sale of tax benefits is recorded as a liability and is reversed proportionately and recognized as after-tax income when the tax benefits are renounced.The tax effect of the renunciation is recorded at the time the Company makes the renunciation, which may differ from the effective date of renunciation and on renunciation the value of the tax assets renounced is recorded as a deferred tax expense.

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

g) Income Taxes

Income tax on the profit or loss for the year presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. 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 reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference 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.

h) Loss per Share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted-average number of shares outstanding during the period. Diluted loss per share is determined using the treasury stock method, whereby net loss attributable to common shareholders and the weighted average number of common shares outstanding is adjusted for the effects of all dilutive potential common shares. The treasury stock method assumes any proceeds obtained on the exercise of equity-based compensation arrangements would be used to purchase common shares at the average market price during the period. The weighted average number of shares outstanding is then adjusted by the difference between the number of shares issued from the exercise of equity-based compensation arrangements and shares repurchased from the related proceeds. 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.

i) Related Party 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. Parties are also considered to be related if they are subject to common control. 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.

j) Deferred Share Issuance Costs

Costs directly attributable to financing transactions are recorded as deferred share issuance costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred.

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

k) Significant Accounting Judgments, Estimates and Assumptions

The preparation of these financial statements in conformity of IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Estimates:

Fair value calculation of share-based payments

The fair value of share-based payments in relation to the warrants and options granted is calculated using a Black Scholes option pricing model. There are a number of estimates used in the calculation such as the expected option life, rate of forfeiture of options granted, risk-free interest rate used and the future price volatility of the underlying security which can vary from actual future events. The factors applied in the calculation are management's best estimates based on industry average and future forecasts.

Valuation of deferred tax assets

Assessing whether deferred tax assets and liabilities are recognized in accordance with IAS 12, Income taxes. Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Judgements:

Impairment of exploration and evaluation assets (E&E assets)

In accordance with the Company's accounting policy, the Company's E&E assets are evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, metal prices, future plans for the Company's mineral properties and mineral resources and/or reserve estimates.

Management has assessed for impairment indicators for the Company's E&E assets and has concluded that no indicators of impairment were identified, and the Company plans to continue with its objective of developing its mineral properties.

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 ensuring year as they fall due, and to fund planned and contractual exploration programs, involves judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

l) New and Revised IFRS Standards Issued but Not Effective

The new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

4. PREPAID AND OTHER RECEIVABLE

		December 31, 2023		December 31, 2022
Prepaid expenses		9,350		36,762
Other receivable (Note 6b-9)		117,772		-
Balance, ending	**$**	**127,122**	**$**	**36,762**

On October 4, 2023, the Company closed a non-brokered private placement by issuing 4,166,667 Units with a fair value of $300,000 to Sorbie Capital Ltd ("the Investor"). The investor is to make monthly payments to the Company based on the trading price of the Company's shares in each of the next 12 months. As of December 31, 2023, the Company has received $28,976. Based on the trading price of the Company's shares at December 31, 2023, the fair value of the remaining consideration to be received is $117,772 which resulted in a fair value adjustment of $153,252.

5. EXPLORATION AND EVALUATION ASSETS

Ashley Property:

On July 22, 2020, the Company entered into a Property Option Agreement with David Lefort, Jacques Robert, 9640355 Canada Corp. and Randall Salo (together the "Vendors") where the Vendors granted Ashley the exclusive option to acquire 100% of the Ashley Property (the "Ashley Option") (the "Ashley Agreement"). The Ashley property consists of 115 claims (1,759.6 hectares) located in the Hincks, Montrose, Bannockburn, Argyle Township in Ontario about 21 kmWNW of Matachewan, in the Larder Lake Mining Division and registered with the Ontario Ministry of Energy, Northern Development and Mines (hereinafter known as the "Ashley Property"). If the Company fails to complete a liquidity event within 18 months of the grant of the Ashley Agreement, the Agreement will become null and void. The Vendors would retain 100% interest in the Ashley Property. A liquidity event is defined as all or substantially all the outstanding common shares of the Company is listed on a Designated Stock Exchange.

On January 12, 2022, and later on March 18, 2022, the Company entered into a first and second amendment agreement, respectively, to extend the liquidity event by sixty days to March 22, 2022 and May 22, 2022, respectively as per the Ashley Agreement. In consideration, the Company made a payment of $40,000 to the Property Owners, in accordance with the terms and conditions.

The Company is required to pay a quarterly-based royalty equals to 2% of Net Smelter Returns to the Vendors once the Company commences commercial production.

In consideration of the grant of the Ashley Option, Ashley must:

- Pay the Vendors $40,000 within 30 days of executing the Ashley Agreement (paid). An additional $30,000 will be paid if a liquidity event is not completed within 11 months of the date of the Ashley Agreement (paid);
- Complete a minimum of $100,000 of expenditures and obtain an independent technical report that meets the requirements of National Instrument 43-101 and that recommends further exploration on the Ashley Property within 12 months of execution of the Ashley Agreement (met);
- Pay the Vendors a royalty from any ores or minerals mined or extracted from the Ashley Property, including without limitations the approximately 100,000 tonnes of ore and 145,000 tonnes of tailings currently situated on the Ashley Property.

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Ashley Property (Cont'd):

In order to maintain the Ashley Option and to exercise the Ashley Option in force, Ashley must:

a. Issue 300,000 common shares of Ashley and pay $100,000 to the Vendors upon completion of a liquidity event (cash paid and shares issued (Note 5b));
b. Within 12 months of a liquidity event, issue 200,000 common shares of Ashley to the Vendors, pay $50,000 incash to the Vendors, and pay a further $50,000 (either in cash, common shares or a combination thereof);
c. Within 24 months of completion of a liquidity event, issue 250,000 common shares of Ashley to the Vendors, pay $200,000 in cash to the Vendors, and incur a minimum of $200,000 in property expenditures; and
d. Within 36 months of completion of a liquidity event, issue 400,000 common shares of Ashley to the Vendors, pay $300,000 in cash to the Vendors, and incur a minimum of $330,000 in property expenditures.

In 2023, the Company terminated the Ashley option agreement to discontinue the Ashley Property Option due to limited funds and difficulty in the precious metals market over the last year. The Company recorded $588,393 in impairment expenses on the Ashley property.

Santa Maria Property:

On August 2, 2022, the Company entered a non-arm's length transaction, an Asset Purchase Agreement with a related party, URSA Polaris Developments Corporation ("URSA"), incorporated in Calgary, Alberta to purchase a 100% interest in 48 mining claims, (1,008 hectares) (hereinafter known as the "Santa Maria Property") located SE of Dryden, Ontario.URSA is a related corporation as it is owned by an officer and director of the Company. The Company paid $10,000 in cash to the owner of the property and the claims are subject to a 1.75% Net Smelter Royalty ("NSR").

On September 26, 2022, the Company purchased a 26-claim block (546 hectares) located SE of Dryden, Ontario. Ashley paid $2,400 for a 100% interest in the property and there are no royalties attached to the property.

On April 22, 2023, the Company entered into a non-arm's length transaction with URSA to purchase a 100% interest in 11 claims located 40 km southeast of Dryden, Ontario for total consideration of $1,100, comprised of 1 Santa Maria Claim. Pursuant to the agreement, the Company is to pay $100 for each of the 11 claims on the properties. As of December 31, 2023, the Company had $1,100 payable outstanding.

The land position of the Santa Maria Property is now 1,554 hectares (3,840 acres).

Howie Lake Property:

On September 9, 2022, the Company purchased 64 claims (1,000 hectares) (hereinafter known as the "Howie Lake Property") located SE of Dryden, Ontario. The Howie Lake property is subject to a 0.5% royalty with a buyback option at any time for $500,000. Pursuant to the agreement, the Company paid $10,000 and issued 50,000 common shares of the Company with a fair value of $0.085 per share. (Note 5b).

On April 22, 2023, the Company entered into a non-arm's length transaction, a Sale of Mining Claims with URSA to purchase 100% interest in 11 claims located 40 km southeast of Dryden, Ontario for total consideration of $1,100, comprised of 5 Howie Lake Claims. Pursuant to the agreement, the Company is to pay $100 for each of the 11 claims on the properties. As of December 31, 2023, the Company had $1,100 payable outstanding.

The land position of the Howie Lake Property is now 4,396 hectares (10,863 acres).

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Alto-Gardnar Property:

On September 29, 2022, the Company purchased a 15-claim block (315 hectares) (hereinafter known as the "Alto-Gardnar Property") located 50 km east of Dryden, Ontario. The Alto-Gardnar Property is subject to a 0.5% royalty with a buyback option at any time for $500,000. Pursuant to the agreement, the Company issued 275,000 common shares of the Company with a fair value of $0.085 per share. (Note 5b)

On April 22, 2023, the Company entered into a non-arm's length transaction, a Sale of Mining Claims with URSA to purchase 100% interest in 11 claims located 40 km southeast of Dryden, Ontario for total consideration of $1,100, comprised of 5 Alto-Gardnar claims. Pursuant to the agreement, the Company is to pay $100 for each of the 11 claims on the properties. As of December 31, 2023, the Company had $1,100 payable outstanding.

The land position of the Alto-Gardnar Property is now 750 hectares (1,853 acres).

Tabor Lake Property:

On May 23, 2023, the Company closed the acquisition of the Tabor Lake Property for the asset purchase agreement dated October 13, 2022 to purchase 100% interest in a lease block located approximately 40 km SE of Dryden, known as the Tabor Lake Mine (257.1 hectares) and issued 330,000 common shares at a fair market value of $0.07 per share for total consideration of $23,100, on satisfaction of all closing conditions, subject to 1.5% royalty with a buyback option at any time for $750,000.

The land position of the Tabor Lake Property is now 257 hectares (635 acres).

On August 14, 2023, the Company obtained the Tabor Lake drilling permit and has executed the drilling program.

Sakoose Gold Project:

On October 6, 2023, the Company entered into an option agreement (the "Option") with Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. (collectively, the "Optionors") for the exclusive option to acquire a 100% undivided interest in 19 mining claims situated within the province of Ontario (the "Property"), subject to a 1.5% production royalty of the net smelter returns.

In consideration for the grant of the Option, the Company shall pay the Optionors a total of up to $68,000 in cash payments and issue to the Optionors, a total of 200,000 common shares of the Company with the following payment terms:

(i) pay $8,000 cash payment to the Property Owners upon execution of the Agreement and issue 200,000 Common Shares within 7 business days of signing the Agreement (Paid and issued);
(ii) pay $12,000 cash payment to the Property Owners on the first anniversary of signing the Agreement;
(iii) pay $18,000 cash payment to the Property Owners on the second anniversary of signing the Agreement; and
(iv) pay $30,000 cash payment to the Property Owners, OR, at the election of the Corporation, $14,000 cash payment and $20,000 payable in Common Shares based on the previous 20-day volume weighted average price on the 3rd anniversary of signing the Agreement.

The land position of the Sakoose Gold Project is now 2,704 hectares (6,682 acres).

Cost related to the Company's properties can be summarized as follows as of December 31 2023 and 2022:

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

	Ashley Property	Santa Maria Property	Howie Lake Property	Alto-Gardnar Property	Tabor Lake Property	Sakoose Gold Property	Total
	$	$	$	$	$	$	$
Balance, December 31, 2021	**299,796**	**-**	**-**	**-**	**-**	**-**	**299,796**
Acquisition cost addition	209,000	12,400	14,250	23,375	-	-	259,025
Exploration cost addition	74,847	17,584	9,114	1,000	-	-	102,545
Balance, December 31, 2022	**583,643**	**29,984**	**23,364**	**24,375**	**-**	**-**	**661,366**
Acquisition cost addition	-	700	500	700	23,100	21,000	46,000
Exploration cost addition	4,750	9,825	69,603	19,689	163,514	1,600	268,981
Impairment	(588,393)	-	-	-	-	-	(588,393)
Balance, December 31, 2023	**-**	**40,509**	**93,467**	**44,764**	**186,614**	**22,600**	**387,954**

Acquisition and exploration costs incurred during the year include $278,881 (2022 - $264,945) of cash expenditures and $36,100 (2022 - $96,625) through the issuance of common shares.

6. SHARE CAPITAL

a) Shares authorized

Unlimited number of common shares with no par value
Unlimited number of preferred shares

b) Shares issued:

(1) On April 29, 2022, the Company completed its initial public offering of 7,000,000 units, at a price of $0.10 per unit, for gross proceeds of $700,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant of the Company. Each common share purchase warrant is exercisable into one common share at an exercise price of $0.30. The Company paid the agent a cash commission equal to 10% of the gross proceeds and issued 700,000 agent's warrants which are exercisable into one common share of the Company at an exercise price of $0.10 and expire on October 29, 2023. The Company also incurred $68,201 in related share issuance costs related to the agent's expenses. Total net proceeds of the offering were $561,799.

(2) On May 12, 2022, Company issued 300,000 common shares of the Company with a fair value of $0.23 per share and paid $100,000 cash to the vendors of Ashley Gold Property upon completion of the liquidity eventpursuant to the property option agreement dated July 22, 2020.

(3) On September 26, 2022, the Company closed the first tranche of a non-brokered private placement of 792,000 units at $0.10 per unit for gross proceeds of $79,200. Each common share purchase warrant is exercisable into one common share at an exercise price of $0.20 for a period of 24 months.

In connection with the non-brokered private placement, the Company paid a 4.5% cash finders' fees totaling $3,536 and issued 35,360 agent's warrants. Each agent warrant is exercisable into one common share at an exercise price of $0.10 per agent's warrant for a period of 24 months.

(4) On October 11, 2022, the Company issued 275,000 and 50,000 common shares of the Company with a fair value of $0.085 per share valued at $23,375 and $4,250 for the acquisitions of the Howie Lake and Alto-Gardnar properties, respectively.

(5) On December 21, 2022, the Company closed its second tranche of a non-brokered private placement of units for gross proceeds of $84,000. The second tranche was comprised of:

a. 450,000 flow-through units $54,000 at a price of $0.12 per unit for gross proceeds of $54,000. Each Flow-Through Unit consists of one flow-through common share and one non-flow- through common share purchase warrant. Each non-flow-through common share purchase warrant is exercisable into one non-flow-through common share at an exercise price of $0.20 for a period of 24 months .

b. 300,000 non-flow-through units ("Non-Flow-Through Units") at a price of $0.10 per unit for gross proceeds of $30,000. Each Non-Flow-Through Unit consists of one non-flow-through common share and one non-flow-through common share purchase warrant. Each non-flow-through common share purchase warrant is exercisable into one non-flow-through common share at an exercise price of $0.20 for a period of 24 months.

In connection with the non-brokered private placement, the Company paid 8% cash finders' fees totaling $6,720, and issued 60,000 agent's warrants. 36,000 agent warrants are exercisable into one common share atan exercise price of $0.12 for a period of 24 months and 24,000 agent warrants are exercisable into one common share at an exercise price of $0.10 for a period of 24 months.

6. SHARE CAPITAL (Cont'd)

b) Shares issued (Cont'd):

(6) On May 23, 2023, the Company acquired the Tabor Lake Property through the issuance of 330,000 common shares with a fair value of $0.07 per share for total consideration of $23,100.

(7) On July 4, 2023, the Company closed a non-brokered private placement of 5,162,915 units for gross proceeds of $361,404. Each unit was comprised of one common share and one share purchase warrant exercisable at $0.12, expiring 24 months from the closing date of the private placement. The share purchase warrants were ascribed a value of $152,569.

In connection with the non-brokered private placement, the Company paid cash finders fees of $20,688 and issued 295,536 agent warrants. Each agent warrant is exercisable into one common share at exercise price of $0.12 for a period of 24 months.

(8) On September 21, 2023, the Company issued 277,778 units as payment for a due diligence fee. Each unit was comprised of one common share and one share purchase warrant exercisable at $0.12, expiring 36 months from the date issued.

(9) On October 4, 2023, the Company closed a non-brokered private placement of 4,166,667 units for gross proceeds of $300,000. Each unit was comprised of one common share and one share purchase warrant exercisable at $0.12, expiring 36 months from the closing date of the private placement. The share purchase warrants were ascribed a value of $247,094. Pursuant to the agreement, the proceeds are to be paid in installments over a 12-month period from the closing date (Note 4).

In connection with the non-brokered private placement, the Company incurred finders fees of $24,000 which were paid through the issuance of 333,333 units. Each unit was comprised of one common share and one agent warrant exercisable at $0.12, expiring 36 months from the closing date of the private placement. $19,775 was allocated to agent warrants and $4,225 was allocated to share capital.

(10) On November 8, 2023, the Company acquired an option in the Sakoose Gold Project through the issuance of 200,000 common shares with a fair value of $0.065 per share for total consideration of $13,000.

(11) On December 4, 2023, the Company closed a non-brokered private placement with 1,036,680 flow-through units at a price of $0.075 per unit for gross proceeds of $77,751. Each flow-through unit consists of one flow-through common share and one non-flow-through common share purchase warrant. Each non-flow-through common share purchase warrant is exercisable into one non-flow-through common share at an exercise price of $0.10 for a period of 24 months. The non-flow-through share purchase warrants were ascribed a value of $15,952 and $9,965 was allocated to the flow-through share premium liability.

In connection with the non-brokered private placement, the Company paid cash finders fees of $7,475 and issued 99,668 agent warrants. Each agent warrant is exercisable into one common share at exercise price of $0.075 for a period of 24 months.

(12) On December 29, 2023, the Company closed a non-brokered private placement with 150,000 flow-through units at a price of $0.075 per unit for gross proceeds of $11,250. Each flow-through unit consists of one flow-through common share and one non-flow-through common share purchase warrant. Each non-flow-through common share purchase warrant is exercisable into one non-flow-through common share at an exercise price of $0.10 for a period of 24 months. The non-flow-through share purchase warrants were ascribed a value of $2,639 and $361 was allocated to the flow-through share premium liability.

(Expressed in Canadian Dollars)

c) Escrow Shares

On September 20, 2021, the Company entered an escrow agreement between the Company, TSX Trust Company and the security holders. There were 4,940,249 common shares of the Company held in escrow. 10% of the escrowed securities shall be released on the listing date, the remaining 90% of the escrowed securities will be released from escrow in 15% tranches at six-month intervals over a 36-month period.

As at December 31, 2023, 2,223,118 (December 31, 2022 – 3,705,190) shares were held in escrow.

d) Stock options

On April 19, 2023, the Company granted incentive stock options to directors, officers, and consultants of the Company to purchase an aggregate of 350,000 common shares at an exercise price of $0.12 per option, pursuant to the Company's Incentive Stock Option Plan. The options vested immediately and are exercisable for a period of five years from the date of grant until April 19, 2028.

Using the Black-Scholes, the fair value of the stock options granted during the year ended December 31, 2023 was estimated to be $0.07 per option by using the following assumptions at the measurement date:

Date of Issuance	**April 19, 2023**
Dividend yield	0%
Expected volatility	120%
Risk-free interest rate	3.75%
Forfeiture rate	0%
Share price – on issuance	$0.08
Exercise price	$0.12
Term	60 months
Fair value per option	$0.07
Fair value of options	$22,859

During the year ended December 31, 2023, the Company recorded stock-based compensation of $22,859 (December 31, 2022 – $Nil).

A summary of stock option activity as at December 31, 2023 is as follows:

	Number of options - outstanding and exercisable	**Weighted average exercise price**	**Weighted Average Remaining Contractual Life (Years)**
Balance, December 31, 2021	1,382,337	$ 0.25	4.71
Balance, December 31, 2022	1,382,337	$ 0.25	3.71
Grant on April 19, 2023	350,000	$ 0.12	4.30
Balance, December 31, 2023	**1,732,337**	**$ 0.22**	**3.03**

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (Cont'd)

e) Warrants

(i) Share Purchase Warrants:

As at December 31, 2023 there were 12,058,262 (December 31, 2022 – 8,542,000) share purchase warrants outstanding and the fair value of the share warrants granted was estimated at the date of grant using Black-Scholes option pricing model with following assumptions:

Date of Issuance	**July 4, 2023**	**October 4, 2023**	**December 4, 2023**	**December 29, 2023**
Number of share purchase warrants	5,162,915	4,166,667	1,036,680	150,000
Dividend yield	0%	0%	0%	0%
Expected volatility	93.12%	123.88%	87.96%	86.11%
Risk-free interest rate	4.75%	4.75%	4.75%	4.75%
Forfeiture rate	0%	0%	0%	0%
Share price – on issuance	$0.075	$0.09	$0.05	$0.055
Exercise price	$0.12	$0.12	$0.10	$0.10
Term	24 months	36 months	24 months	24 months
Fair value per warrant	$0.0296	$0.0459	$0.0155	$0.0178
Fair value of warrants	$152,569	$247,094	$15,952	$2,639

Date of Issuance	**April 29, 2022**	**September 26, 2022**	**December 21, 2022**	**December 21, 2022**
Number of share purchase warrants	7,000,000	792,000	450,000	300,000
Dividend yield	0%	0%	0%	0%
Expected volatility	103%	109%	108%	108%
Risk-free interest rate	2.63%	3.83%	3.72%	3.72%
Forfeiture rate	0%	0%	0%	0%
Share price – on issuance	$0.08	$0.08	$0.11	$0.11
Exercise price	$0.30	$0.20	$0.20	$0.20
Term	18 months	24 months	24 months	24 months
Fair value per warrant	$0.02	$0.03	$0.04	$0.04
Fair value of warrants	$106,986	$23,406	$20,203	$13,469

	Number of warrants	**Weighted average exercise price**	**Weighted average remaining contractual life (Years)**
Balance, December 31, 2021	-	-	-
Issued on:			
April 29, 2022	7,000,000	$ 0.30	0.83
September 26, 2022	792,000	$ 0.20	1.74
December 21, 2022	750,000	$ 0.20	1.98
Balance, December 31, 2022	8,542,000	$ 0.28	1.01
Issued on:			
July 4, 2023	5,162,915	$ 0.12	1.51
October 4, 2023	4,166,667	$ 0.12	2.76
December 4, 2023	1,036,680	$ 0.10	1.93
December 29, 2023	150,000	$ 0.10	2.00
Expired	(7,000,000)	($ 0.10)	-
Balance, December 31, 2023	**12,058,262**	**$ 0.13**	**1.90**

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (Cont'd)

e) Warrants (Cont'd)

(ii) Agent's warrants:

As at December 31, 2023, there were 1,101,675 (December 31, 2022 – 795,360) agent's warrants outstanding and the fair value of the share warrants granted was estimated at the date of grant using Black-Scholes option pricing model with the following assumptions:

Date of Issuance	**July 4, 2023**	**September 21, 2023**	**October 4, 2023**	**December 4, 2023**
Number of agent's warrants	295,536	277,778	333,333	99,668
Dividend yield	0%	0%	0%	0%
Expected volatility	93.12%	123.88%	123.88%	87.98%
Risk-free interest rate	4.75%	4.75%	4.75%	4.75%
Forfeiture rate	0%	0%	0%	0%
Share price – on issuance	$0.075	$0.09	$0.09	$0.055
Exercise price	$0.12	$0.12	$0.12	$0.075
Term	24 months	36 months	36 months	24 months
Fair value per warrant	$0.0296	$0.0626	$0.0593	$0.0192
Fair value of warrants	$8,719	$17,393	$19,775	$1,910

Date of Issuance	**April 29, 2022**	**September 26, 2022**	**December 21, 2022**	**December 21, 2022**
Number of agent's warrants	700,000	35,360	36,000	24,000
Dividend yield	0%	0%	0%	0%
Expected volatility	103%	109%	108%	108%
Risk-free interest rate	2.63%	3.83%	3.72%	3.72%
Forfeiture rate	0%	0%	0%	0%
Share price – on issuance	$0.08	$0.08	$0.11	$0.11
Exercise price	$0.10	$0.10	$0.12	$0.10
Term	18 months	24 months	24 months	24 months
Fair value per warrant	$0.04	$0.04	$0.06	$0.06
Fair value of warrant	$25,970	$1,485	$2,053	$1,470

	Number of warrants	**Weighted average exercise price**	**Weighted average remaining contractual life (Years)**
Balance, December 31, 2021	-	-	-
Issued on:			
April 29, 2022	700,000	$ 0.10	0.83
September 26, 2022	35,360	$ 0.10	1.74
December 21, 2022	24,000	$ 0.10	1.98
December 21, 2022	36,000	$ 0.12	1.98
Balance, December 31, 2022	**795,360**	**$ 0.10**	**0.95**
Issued on:			
July 4, 2023	295,536	$ 0.12	1.51
September 21, 2023	277,778	$ 0.12	2.73
October 4, 2023	333,333	$ 0.12	2.76
December 4, 2023	99,668	$0.075	1.93
Expired	(700,000)	($0.10)	-
Balance, December 31, 2023	**1,101,675**	**$ 0.11**	**2.18**

As of December 31, 2023, the fair value of the outstanding warrants was $661,093 (December 31, 2022 - $195,042), comprised of $582,318 (December 31, 2022 - $164,064) for share purchase warrants granted and $78,775 for agent's warrants (December 31, 2022 - $30,978).

(Expressed in Canadian Dollars)

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

	December 31, 2023	December 31, 2022
Balance, beginning	$ -	$ -
Share premium liability on flow-through shares (Note 6b-11)	9,965	-
Share premium liability on flow-through shares (Note 6b-12)	361	-
Balance, ending	**$ 10,326**	**$ -**

8. RELATED PARTY TRANSACTIONS

Key management personnel consist of the officers and directors of the Company.

During the year ended December 31, 2023, an entity controlled by the CFO of the Company charged $24,000 (December 31, 2022 - $12,000) in management fees. As of December 31, 2023, the Company had an aggregate of $10,559 (December 31, 2022 - $Nil) due to the related party.

During the year ended December 31, 2023, an entity controlled by the CEO of the Company charged $72,000 (December 31, 2022 - $32,000) in management fees. As of December 31, 2023, the Company had an aggregate of $3,220 (December 31, 2022 - $Nil) due from the related party.

During the year ended December 31, 2023, an entity controlled by a director and the former CEO of the Company charged $24,000 (December 31, 2022 - $16,000) in management fees. As of December 31, 2023, the Company had an aggregate of $8,714 (December 31, 2022 - $Nil) comprised of management fees and operating expenses due to the related party.

On April 22, 2023, the Company entered into a non-arm's length transaction with URSA to purchase a 100% interest in 11 claims located 40 km southeast of Dryden, Ontario for total consideration of $1,100, comprised of 1 Santa Maria Claim, 5 Howie Lake claim, and 5 Alto-Gardnar Claims. Pursuant to the agreement, the Company is to pay $100 for each of the 11 claims on the properties. As of December 31, 2023, the Company had $1,100 payable outstanding.

All related party transactions were entered into in the normal course of business and are recorded at the exchange amount established and agreed to between the related parties.

9. INCOME TAXES

The following table reconciles the expected income tax expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statement of operations and comprehensive loss for the years ended December 31, 2023 and 2022:

	2023 $	2022 $
Net loss before tax	(1,254,324)	(291,998)
Statutory tax rate	23.0%	23.0%
Expected income tax (recovery)	(288,495)	(67,160)
Non-deductible items	6,826	73
Flow-through share renunciation	12,420	-
Share Issuance cost	(25,245)	(35,622)
Change in deferred tax asset not recognized	294,494	102,709
Total income tax expense (recovery)	-	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets and liabilities at December 31, 2023 and 2022 are comprised of the following:

(Expressed in Canadian Dollars)

9. INCOME TAXES (Cont'd)

	2023	2022
	$	$
Non-capital loss carryforwards	-	5,735
Exploration and evaluation assets	-	(5,735)
Net deferred tax assets (liabilities)	-	-

The unrecognized deductible temporary differences as at December 31, 2023 and 2022 are comprised of the following:

	2023	2022
	$	$
Non-capital loss carryforwards	833,520	446,753
Exploration and evaluation assets	250,434	-
Other receivable	153,252	-
Share issuance costs	191,958	140,719

The Company has non-capital loss carryforwards of approximately $833,520 (2022 - $446,753) which may be carried forwardto apply against future income for Canadian income for tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

EXPIRY	Total
	$
2042	291,998
2043	541,522
TOTAL	833,520

10. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers capital to consist of shareholders' equity.

The properties in which the Company currently has an interest is in the exploration stage; as such the Company will rely on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years ended December 31, 2023 and 2022.

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS

a) Fair value

The fair value of the Company's cash, due from related party, and accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – inputs that are not based on observable market data.

As at:		**December 31, 2023**		**December 31, 2022**
Financial assets:				
Amortized cost				
Cash	**$**	22,171	$	263,321
Due from related party	**$**	3,220	$	-
FVTPL				
Other receivable	**$**	117,772	$	-
Financial liabilities:				
Amortized cost				
Accounts payable and accrued liabilities	**$**	116,887	$	38,276
Due to related parties	**$**	20,373	$	-

The other receivable is measured using level 1.

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of counterparty limits, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had cash of $22,171 (December 31, 2022 - $263,321) to settle the total current liabilities of $147,586 (December 31, 2022 - $38,276). As at December 31, 2023, the total working capital of the Company was $53,828 (December 31, 2022 - $290,833). The Company believes that these sources will be sufficient to cover the expected short- and long-term cash requirements, and by raising funds from private placements.

c) Credit risk

Credit risk is the risk of a loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is limited to its cash and due from related parties. The Company limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

d) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Management does not believe that the Company is exposed to any material interest rate or foreign exchange risk. It is subject to equity price risk due to the value of its other receivable being linked to the Company's share price.

12. SUBSEQUENT EVENTS

Burnthut Property:

On January 2, 2024, the Company purchased 100% of the Burnthut Property, consisting of 63 unpatented mining cells, located southwest of Sioux Lookout, Ontario on the Treasury Metals Goliath-Goldlund trend. The property covers approximately 8km of favourable geology in the central volcanic belt along the Goldlund and Miller gold deposits. Pursuant to the agreement, the Company is to make $10,000 cash payment over four months and issued 600,000 shares at fair market value of $0.055 per share on execution of Agreement and subject to a 1.5% Net Smelter Royalty (NSR) with the option to purchase 0.5% back at $600,000 reducing the NSR to 1%.

The land position of the Burnthut Property is now 1,453 hectares (3,591 acres).

Sahara Uranium-Vanadium Property

On March 4, 2024, the Company has signed non-binding Letter of Intent (the “LOI”) to enter into an Option Agreement for the 100% acquisition of the Sahara Uranium-Vanadium Property located in Emery County, Utah with San Rafael Resources LLC (“the Property Owner”) and issued 500,000 common shares of the Company to the Property Owner on April 8, 2024 for the signing of LOI.

On April 18, 2024, the Company has signed an executive agreement with the Property Owner and agreed to issue additional 4,500,000 common shares of the Company to the Property Owner within 30 days after a completion of a private placement financing for minimum gross proceeds of CDN $1,000,000.

Closed Private Placement

On March 21, 2024, the Company closed a non-brokered private placement of 3,657,500 units at $0.05 per unit for gross proceeds of $182,875. Each common share purchase warrant is exercisable into one common share at an exercise price of $0.07 for a period of 24 months. In connection with the offering, the Company agreed to pay a total of $14,750 cash in finders fees and issue 295,000 finder warrants at an exercise price of $0.05 expiring 24 months from the closing date of the offering.

Stock Option Granted

On March 21, 2024, the Company granted incentive stock options to directors, officers, and consultants of the Company to purchase an aggregate of 1,000,000 common shares at an exercise price of $0.10 per option, pursuant to the Company’s Incentive Stock Option Plan. The options will be vested immediately and expire after five years.