GREAT REPUBLIC MINING CORP.

(An Exploration Stage Company)

FINANCIAL STATEMENTS

June 30, 2023

(Canadian dollars)

Management's Responsibility for Financial Reporting

The accompanying financial statements of Great Republic Mining Corp. ("the Company") have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and within the framework of the summary of significant accounting policies in these financial statements, and reflect management's best estimate and judgment based on currently available information.

Management has developed and maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded, transactions are authorized and financial information is accurate and reliable.

The Audit Committee of the Board of Directors meets periodically with management and with the Company's independent auditors to review the scope and results of their annual audit and to review the financial statements and related financial reporting matters prior to submitting the financial statements to the Board of Directors for approval.

The consolidated financial statements have been audited by Davidson & Company LLP on behalf of the shareholders and their report follows.

"F. W. Davidson" President and Chief Executive Officer

"J. Huang" Chief Financial Officer

October 20, 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Great Republic Mining Corp.

Opinion

We have audited the accompanying financial statements of Great Republic Mining Corp. (the "Company"), which comprise the statements of financial position as at June 30, 2023 and 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 a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit 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 audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has an accumulated deficit of $245,951 as at the year ended June 30, 2023 and is expected to incur further operating losses in the development of its business. As stated in Note 1, these events and conditions 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 mattes that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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 matter to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 4 to the financial statements, the carrying amount of the Company's E&E Assets was $155,636 as of June 30, 2023. As more fully described in Note 3 to the financial statements, management assesses E&E Assets for indicators of impairment at each reporting period or if facts and circumstances suggest that the carrying amount exceeds the recoverable value.

The principal consideration for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Evaluating, on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.
- Confirming with optionors that the option agreement is in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, 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, 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 IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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 Catherine Tai.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

October 20, 2023

Great Republic Mining Corp.

Statements of Financial Position
As at June 30
(Canadian dollars)

ASSETS		2023		2022
Current				
Cash	$	**406,972**	$	548,563
GST receivable		**3,174**		-
		410,146		548,563
Exploration and evaluation asset *(Note 4)*		**155,636**		99,386
	$	**565,782**	$	647,949

LIABILITIES				
Current				
Trade payables and accrued liabilities	$	**55,860**	$	33,567

SHAREHOLDERS' EQUITY				
Share capital *(Note 5)*		**721,251**		702,622
Contributed surplus		**34,622**		34,622
Accumulated deficit		**(245,951)**		(122,862)
		509,922		614,382
	$	**565,782**	$	647,949

Nature and continuance of operations *(Note 1)*

ON BEHALF OF THE BOARD:

"F.W. Davidson" ________________, Director

"J. Huang" ____________________, Director

-The accompanying notes form an integral part of these financial statements-

Great Republic Mining Corp.
Statements of Loss and Comprehensive Loss
For the Years Ended June 30
(Canadian dollars)

		2023		2022
Expenses				
Accounting, audit and legal	**$**	**46,491**	$	57,849
Filing fees		**12,113**		26,469
Investor relations		**53,771**		26,250
Office and general		**5,480**		1,492
Transfer agent		**5,234**		3,749
Loss and comprehensive loss	**$**	**(123,089)**	$	(115,809)
Loss per share – basic and diluted	**$**	**(0.01)**	$	(0.01)
Weighted average number of shares outstanding – basic and diluted		**16,762,330**		8,995,289

Great Republic Mining Corp.

Statements of Changes in Shareholders' Equity
For the Years Ended June 30
(Canadian dollars)

	Shares Outstanding		Share Capital		Contributed Surplus		Accumulated Deficit		Total Shareholders' Equity
Balance at June 30, 2021	8,500,001	$	134,833	$	-	$	(7,053)	$	127,780
Net loss for the year	-		-		-		(115,809)		(115,809)
Shares issued for option payments(Note 4)	300,000		30,000		-		-		30,000
Shares issued in relation to private placement (Note 5)	7,860,000		786,000		-		-		786,000
Share issue costs	-		(248,211)		-		-		(248,211)
Options issued in relation to private placement (Note 5)	-		-		34,622		-		34,622
Balance at June 30, 2022	16,660,001		702,622		34,622		(122,862)		614,382
Net loss for the year	-		-		-		(123,089)		(123,089)
Shares issued for option payments (Note 4)	150,000		11,250		-		-		11,250
Share issue cost recovery	-		7,379		-		-		7,379
Balance at June 30, 2023	**16,810,001**	**$**	**721,251**	**$**	**34,622**	**$**	**(245,951)**	**$**	**509,922**

Great Republic Mining Corp.

Statements of Cash Flows
For the Years Ended June 30
(Canadian dollars)

Cash resources provided by / (used in)		2023		2022
Operating activities				
Loss for the year	$	(123,089)	$	(115,809)
Changes in non-cash working capital				
GST receivable		(3,174)		-
Trade payables and accrued liabilities		22,293		29,080
		(103,970)		(86,729)
Investing activities				
Exploration and evaluation assets		(45,000)		(43,899)
Financing activities				
Proceeds from equity financings		-		786,000
Share issue costs (recovery)		7,379		(213,589)
		7,379		572,411
Net change in cash		(141,591)		441,783
Cash at the beginning of the year		548,563		106,780
Cash at the end of the year	$	406,972	$	548,563

1. Nature and continuance of operations

Great Republic Mining Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on September 4, 2020. The Company is listed on the Canadian Security Exchange under trading symbol "GRM". The Company is an exploration stage mining company with one exploration property, the Porcher Mineral Property located in the Skeena Mining Division, British Columbia, Canada (Note 4).

The principal address and registered office of the Company is 303 -543 Granville Street, Vancouver, British Columbia, Canada, V6C 1X8.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. The Company is an exploration stage mining company which has an accumulated deficit of $245,951 as at the year ended June 30, 2023. The Company is expected to incur further operating losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the successful results from its business activities and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. These financial statements do not include adjustments that may be necessary if the going concern principal is not appropriate.

There are many external factors that can adversely affect general workforces, economies, and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

2. Basis of Presentation

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of these financial statements.

The financial statements were authorized for issue by the Board of Directors on October 20, 2023.

b) Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments classified in accordance with measurement standards under IFRS, which include assets and liabilities measured at fair value. These financial statements are presented in Canadian dollars.

3. Significant Accounting Policies

a) Use of estimates and judgments

The Company makes estimates, judgments and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates, judgments and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

i) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting impairment, the amount capitalized is written off in profit or loss in the period the new information becomes available.

ii) Income Taxes

Judgment is required in determining the provision for income taxes and the recognition of deferred income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax laws. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties.

iii) Going Concern

As described in Note 1, management uses its judgment in determining whether the Company is able to continue as a going concern.

3. Significant Accounting Policies – *continued*

b) **Cash**

Cash includes cash at banks and on hand. Cash subject to restrictions is excluded.

c) **Exploration and evaluation expenditures**

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes:

- acquiring the rights to explore;
- researching and analyzing historical exploration data;
- gathering exploration data through topographical, geological, geochemical and geophysical activities;
- exploratory drilling, trenching and sampling;
- determining and interpreting the tonnage and grade of the resource;
- surveying transportation and infrastructure requirements; and,
- compiling pre-feasibility and feasibility studies.

Capitalization of exploration and evaluation expenditures commences on acquisition of a beneficial interest or option in mineral rights. No amortization is charged during the exploration and evaluation phase as the asset is not available for use.

Exploration, development and field support costs directly related to mineral resources are deferred until the property to which they relate is developed for production, determined to be commercially viable, sold, abandoned or subject to a condition of impairment. Exploration and evaluation expenditures are transferred to mining assets when the technical feasibility and commercial viability of a mineral resource has been demonstrated and a development decision has been made and all necessary mine development permits issued.

Exploration and evaluation assets are assessed for impairment at each reporting period, or if facts and circumstances suggest that the carrying amount exceeds the recoverable value .

If an indicator of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and the value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized in profit or loss.

3. Significant Accounting Policies - *continued*

d) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss); and

- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

At present, the Company classifies all financial assets, being cash and GST receivable as held at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset; or in the case of a financial asset not at fair value, through profit or loss ("FVTPL"). Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories underwhich the Company classifies its debt instruments:

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

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling thefinancial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an instrument that is subsequently measured at FVTPL is recognized in profit or loss.

3. Significant Accounting Policies – *continued*

d) Financial instruments-*continued*

Financial liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are recognized in profit or loss. The Company does not designate any financial liabilities as FVTPL.

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

e) Income (loss) per share

Basic income (loss) per share is computed by dividing the net income (loss) to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted income (loss) per share is computed by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted income (loss) per share assumes that the proceed to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the market average during the year.

f) Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used are those that are substantively enacted by the end of the reporting date.

Deferred income tax is provided for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting. The change in the net deferred income tax asset or liability is included in income except for deferred income tax relating to equity items which is recognized directly in equity. The income tax effects of differences in the periods when revenue and expenses are recognized, in accordance with Company’s accounting practices, and the periods they are recognized for income tax purposes are reflected as deferred income tax assets or liabilities. Deferred income tax assets and liabilities are measured using the substantively enacted statutory income tax rates which are expected to apply to taxable income in the years in which the assets are realized or the liabilities settled. A valuation allowance is recorded against any deferred tax asset if it is not probable to be utilized against future taxable profit.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity and are intended to be settled on a net basis.

The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

3. Significant Accounting Policies – *continued*

g) Share capital and share issuance costs

Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to profit or loss if the shares are not issued.

When the Company issues shares with a warrant attached, the Company allocates the transaction price proportionately based on the relative fair value of each instrument, being the common share and the warrant, at grant date. The fair value of warrants is determined by using the Black-Scholes Option Pricing Model. The value assigned to the common share is recorded in share capital and the value assigned to the warrants is recorded within the reserves. If and when the warrants are exercised, the applicable original amounts of reserve for warrants are transferred to issued capital. The proceeds generated from the payment of the exercise price are also allocated to issued capital.

h) Share-based compensation

The fair value of the share-based compensation awards for stock options and compensation warrants is determined at the date of grant using the Black-Scholes Option Pricing Model. The fair value of the award is charged to profit or loss (unless they are considered to be share issuance costs in which case they are booked as a reduction to share capital) and credited to the share-based compensation and warrant reserve (within Shareholders' Equity on the Statement of Financial Position) rateably over the vesting period, after adjusting for the number of awards that are expected to vest. Expenses recognized for forfeited unvested awards are reversed. For awards that are cancelled, any expense not yet recognized is recognized in profit or loss. Where the terms of an equity-settled award are modified, as a minimum, an expense is recognized as if the terms had not been modified over the original vesting period. In addition, an expense is recognized for any modification which increases the total fair value of the share-based payment arrangement as measured at the date of modification, over the remainder of the vesting period.

Equity-based compensation issued to non-employees for services performed is recorded at the fair value of the services performed unless this value cannot be determined reliably in which case the compensation issued is valued with reference to the fair value of the equity instruments granted. This compensation is recorded on the date the services are performed.

i) New accounting pronouncements not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

(Canadian dollars)

4. Exploration and evaluation asset

Exploration costs incurred:

Balance, June 30, 2021	$	25,487
Costs incurred:		
Geological consulting		19,899
Option payments		54,000
Balance, June 30, 2022		99,386
Option payments		56,250
Balance, June 30, 2023	**$**	**155,636**

On May 17, 2021, and amended September 15, 2021, October 24, 2022 and May 1, 2023, the Company entered into an option agreement on the Porcher Mineral Property in the Skeena Mining Division in British Columbia Canada. The Company can earn a 100% interest in the property by completing the following requirements:

i) Exploration expenditures of $1.6 million as follows:
- $40,000 on or before June 1, 2023;
- $60,000 on or before December 31, 2023;
- $250,000 within 24 months of listing;
- $500,000 within 36 months of listing; and
- $750,000 within 48 months of listing.

ii) Issuance of 2,400,000 common shares as follows:
- 300,000 shares on or before listing (issued);
- 150,000 shares per amended agreement (issued);
- 400,000 shares on or before the 12 month anniversary of listing (issued subsequent to June 30, 2023);
- 500,000 shares on or before the 24 month anniversary of listing; and
- 1,050,000 shares on or before the 48 month anniversary of listing.

ii) Cash payments
- $6,000 within 5 days of signing agreement (paid);
- $24,000 on or before the date of listing (paid); and
- $45,000 on or before December 31, 2022 (paid).

The property is subject to a 2% Net Smelter Return (“NSR”), provided that the Company may purchase one-half of the NSR for total consideration of $1.0 million at any time prior to such time when:

i) The concentrator processing ore, for other than testing purposes, has operated for a period of 45 consecutive days at an average rate of not less than 70% of design capacity; or

ii) If a concentrator is not erected on the property, when ore have been produced for a period of 45 consecutive production days at a rate of not less than 70% of the mining rate specified in and study a mine plan recommending placing the property into production.

On December 27, 2022, the Company approved an amendment to the Porcher option agreement. Under the terms of the amendment, the Company agreed to issue an aggregate of 150,000 shares to the optionors in consideration for the deferral of the exploration expenditures for 2022, with $40,000 to be completed by June 1, 2023 and $60,000 by December 31, 2023. The revised total number of shares to be issued is 2,400,000.

(Canadian dollars)

5. Equity

a) Share capital

Authorised share capital consists of an unlimited number of common shares without par value.

At June 30, 2023 there were 16,810,001 (2022 – 16,660,001) issued and fully paid common shares of which 1,106,250 (2022 – 2,250,001) common shares held in escrow.

On June 8, 2022, the Company completed its initial public offering of 7,860,000 common shares, at a price of $0.10 per share for gross proceeds of $786,000. The Company paid cash commissions equal to 10% of the gross proceeds and the agents were granted an aggregate of 550,200 options entitling the holder to purchase shares at a price of $0.10 per share, exercisable on or before June 8, 2024. The Black-Scholes Option Pricing Model was used to estimate the fair value of these options of $34,622, which the Company recognized as share issue costs and an increase to contributed surplus using the following assumptions:

Date Granted	June 8, 2022
Number of options granted	550,200
Risk-free interest rate	3.12%
Expected dividend yield	Nil
Expected share price volatility	123.5%
Expected option life in years	2.0

	Number Of Agents Options	Weighted Average Exercise Price
Balance – inception	-	$ -
Granted	550,200	0.10
Balance – June 30, 2022 and 2023	550,200	$ 0.10

As at June 30, 2023, the following agents options were outstanding and exercisable:

Number of Agents Options	Exercise Price ($)	Expiry Date
550,200	0.10	June 8, 2024
550,200		

b) Stock options

The Company has established a stock option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Under the terms of the Company's stock option plan, the maximum number of shares reserved for issuance is 10% of the issued shares of the Company on a rolling basis. Options granted must be exercised on a date no later than ten years from date of grant or extension or such lesser period as determined by the Company's board of directors or as required by the Canadian Securities Exchange. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant.

There were no stock options outstanding or granted to June 30, 2023.

(Canadian dollars)

6) Income taxes

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to earnings before income taxes. These differences result from the following items:

		June 30 2023		June 30 2022
Loss before income taxes	$	(123,089)	$	(115,809)
Canadian federal and provincial income tax rates		27%		27%
Income tax recovery based on the above rates		(33,234)		(31,268)
Increase (decrease) due to:				
Deferred tax assets for which no benefit was recorded		31,242		88,937
Share issue costs not recognized		1,992		(57,669)
	$	-	$	-

The components of unrecognized deductible temporary differences and the unused tax losses for which no deferred tax asset has been recognized consist of the following amounts:

		June 30 2023		June 30 2022
Share issue costs	$	125,211	$	175,351
Non-capital losses		334,280		168,142
Unrecognized temporary differences and non-capital losses	$	459,491	$	343,493

In assessing the realizability of deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those deferred tax assets are deductible.

As at June 30, 2023, the Company's unrecognized Canadian non-capital losses expire as follows:

2041	$	8,461
2042		160,007
2043		165,811
	$	334,280

7. Related party transactions

The Company considers key management personnel to consist of its directors and officers.

There were no related party transactions during the years ended June 30, 2023 and 2022.

8. Financial instruments

Fair value

The Company's financial instruments consist of cash and trade payables. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments and are carried at amortized cost.

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.

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on cash held in bank accounts. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. GST receivable is due from the federal government and is exposed to minimum credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the year ended June 30, 2023. The Company is not subject to any externally imposed capital requirements.