This Prospectus is not related to a public offering. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

Non-Offering Prospectus **October 12, 2023**

This prospectus (the "**Prospectus**") is being filed by Red Canyon Resources Ltd. ("**Red Canyon**" or the "**Company**") with the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario for the purpose of allowing the Company to become eligible for listing pursuant to Section 1.2 of Policy 2 Qualifications for Listing of the Canadian Securities Exchange (the "**CSE**") and to become a reporting issuer in these jurisdictions. The Company has applied to list its common shares ("**Common Shares**" or "**Shares**") on the CSE.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

There is currently no market through which the securities of the Company may be sold and holders of the Company's securities may not be able to resell such securities. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "*Risk Factors*".

The Company has applied to list its Common Shares on the CSE. The CSE has not approved the listing of the Common Shares. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including minimum listing requirements. There is no guarantee that the CSE will provide approval for the listing of the Common Shares. The Common Shares have not been listed or quoted on any other stock exchange or market.

An investment in Common Shares of the Company is highly speculative due to various factors, including the nature and stage of development of the business of the Company. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "*Risk Factors*".

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Shares.

Prospective investors should rely only on the information contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

Each of: (i) Lauren Roberts, a director of the Company; and (ii) Caleb Stroup, a director of the Company, reside outside of Canada and has appointed the following agent for service of process:

Name of Agent	Address of Agent
DuMoulin Black LLP	10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See “Agent for Service of Process”.

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

TABLE OF CONTENTS

GLOSSARY

The following is a glossary of certain general terms used in this Prospectus, including the summary hereof. Terms and abbreviations used in the consolidated financial statements and management's discussion and analysis included in, or appended to this Prospectus are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**$**" or "**CDN$**" means Canadian dollars.

"**Affiliate**" means a company that is affiliated with another company as described below:

A company is an "Affiliate" of another company if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same Person;

A company is "controlled" by a Person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company;

A Person beneficially owns securities that are beneficially owned by:

(a) a company controlled by that Person, or

(b) an Affiliate of that Person, or

(c) an Affiliate of any company controlled by that Person.

"**Applicable Securities Law**" means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time.

"**Audit Committee**" means the audit committee of the Company.

"**Audit Committee Charter**" means the Audit Committee's Charter, attached hereto as Schedule C.

"**Author**" means the author of the Technical Report.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto.

"**BLM**" means Bureau of Land Management.

"**Board of Directors**" or "**Board**" means the board of directors of the Company.

"**Builder Shares**" means, except in the case of a special purpose acquisition corporation, any security issued or issuable upon conversion of another security to: (a) any Person for less than $0.02 per security; (b) a Related Person (as such term is defined in the CSE policies) to the Company for the purchase of an asset with no acceptable supporting valuation; (c) a Related Person to settle a debt or obligation for less than the last issued price per security; or (d) a Related Person for the primary purpose of increasing that principal's interest in the Company without a corresponding tangible benefit to the Company.

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in British Columbia, Canada.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**CFT**" means charity flow-through.

"**CFT Unit**" has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

"**Charity FT Unit Offering**" has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

"**Claims**" means the 15 mining claims comprising the Peak Property, located in British Columbia, Canada.

"**company**" means unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Company" or "Red Canyon**" means Red Canyon Resources Ltd., a company organized under the laws of British Columbia.

"**Cordex**" means Cordex Exploration.

"**Escrow Agreement**" means the NP 46-201 Escrow Agreement dated October 12, 2023 between the Company, the Principals and the Transfer Agent.

"**Escrowed Securities**" has the meaning ascribed thereto in "*Escrowed Securities and Resale Restrictions – Escrowed Securities*".

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange.

"**FT**" means flow-through.

"**FT Unit**" has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

"**FT Unit Offering**" has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

"**Listing**" means the listing of the Common Shares on the CSE.

"**Listing Date**" means the first day the Common Shares begin trading on the CSE.

"**MD&A**" means management's discussion and analysis of financial condition and operating results.

"**Named Executive Officer**" or "**NEO**" means:

(a) the CEO, or comparable position;

(b) the CFO, or comparable position;

(c) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus, individually, exceeds CAD$150,000 per year; or

(d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators.

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*, of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committee".*

"**NP 46-101**" means National Policy 46-201 – *Escrow for Initial Public Offering*s.

"**NSR**" means net smelter return.

"**NewQuest**" means NewQuest Capital Inc., the founder and a significant shareholder of the Company with certain directors in common.

"**Peak Property**" or "**Property**" means the mineral exploration property located in British Columbia, in which the Company holds a 100% interest, as more particularly described under "*Details of the Peak Property*".

"**Peak Technical Report**" or "**Technical Report**" means the technical report prepared pursuant to NI 43-101 and titled "NI 43-101 Technical Report on the Peak Property, British Columbia" with an effective date of May 1, 2023 and prepared by Derrick Strickland, P.Geo.

"**Person**" means a company or individual.

"**Principal**" has the meaning ascribed thereto "n "*Escrowed Securities and Resale Restrictions – Escrowed Securities*".

"**Principal Regulator**" means the British Columbia Securities Commission.

"**Promoter**" means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.

"**Property Purchase and Sale Agreement (Hilltop Claim)**" means the property purchase and sale agreement dated June 27, 2022 between Steven Scott and Red Canyon Resources Ltd. under which the Company acquired 100% interest in mineral claim 1070091 comprising the Peak Property, subject to a 1% NSR royalty.

"**Property Purchase and Sale Agreement (Scraper Springs Property)**" means the property purchase and sale agreement dated February 22, 2021 between NQ Holdings Inc. and RC Metals Inc. under which the Company acquired 100% interest in 96 mineral claims comprising the Scraper Springs Property, subject to a 2% NSR royalty.

"**Prospectus**" means this prospectus.

"**RC Metals**" means RC Metals Inc., a Nevada corporation and a wholly-owned subsidiary of Red Canyon.

"**Regulation S**" means Regulation S promulgated under the U.S. Securities Act.

"**Regulation D**" means Regulation D promulgated under the U.S. Securities Act.

"**Scraper Springs Author**" means the author of the Scraper Springs Technical Report.

"**Scraper Springs Property**" or "**Scraper Springs Project**" means the mineral exploration property located in Nevada, in which the Company holds a 100% interest, as more particularly described under "*Details of the Scraper Springs Property*".

“**Scraper Springs Technical Report**” means the technical report prepared pursuant to NI 43-101 and titled “Scraper Springs Project Elko County, Nevada 2023 NI 43-101 Technical Report” with an effective date of September 26, 2023 and prepared by Scott Close, M.Sc., P.Geo.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators.

“**Seed Unit**” has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

“**Share**” or “**Common Share**” means a common shares in the capital of the Company.

“**Shareholders**” means holders of Common Shares.

“**Stock Option Plan**” means the Company’s stock option plan dated for reference November 15, 2021.

“**Transfer Agent**” means the transfer agent and registrar of the Company, being Endeavor Trust Corporation.

“**Unit**” has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

“**Unit Offering**” has the meaning ascribed thereto in "*General Development of the Business of the Company – History – Financings*".

“**United States**” or “**U.S.**” means the United States of America, its territories or its possessions, any state of the United States or the District of Columbia.

“**USGS”** means United States Geological Survey.

“**US$”** means United States dollars.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

“**Warrant**” means a Common Share purchase warrant.

GLOSSARY OF TECHNICAL TERMS

“<” means less than.

“>” means greater than.

“**AA**” means Atomic Absorption Spectroscopy.

“**Ag**” is the symbol for the element silver.

“**As**” is the symbol for the element arsenic.

“**Assay**” is the chemical test performed on a sample of ores or minerals to determine the amount of valuable metals contained.

“**Au**” is the symbol for the element gold.

“**Breccia**” is a rock composed of broken fragments of minerals or rock cemented together by a fine-grained matrix that can be similar to or different from the composition of the fragments.

“**CIM**” means the Canadian Institute of Mining, Metallurgy, and Petroleum.

“**Cu**” is the symbol for the element copper.

“**Deposit**” is an informal term for an accumulation of mineralization or other valuable earth material of any origin.

“**Dip**” is the angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the strike.

“**Fault**” is a break in the Earth’s crust caused by tectonic forces which have moved the rock on one side with respect to the other.

“**g/t**” means grams per metric ton.

“**Grade**” is a term used to indicate the concentration of an economically desirable mineral or element in its host rock as a function of its relative mass. With gold, this term may be expressed as grams per tonne (g/t) or ounces per ton (opt).

“**Ha**” means hectares.

“**IP**” means induced polarization.

“**Kg**” means kilograms.

“**Km**” means kilometres.

“**m**” means metres.

“**M**” means million.

“**Mineral**” is a naturally occurring homogeneous substance having definite physical properties and chemical composition and, if formed under favourable conditions, a definite crystal form.

“**mm**” means millimetres.

“**Mo**” is the symbol for the element molybdenum.

“**Ni**” is the symbol for the element nickel.

“**NI 43-101**” means National Instrument 43-101 Standards of Disclosure for Mineral Projects.

“**oz**” means troy ounces.

"**ppb**" means parts per billion.

"**ppm**" means parts per million.

"QA/QC" means quality assurance and quality control.

"**RC**" means Reverse Circulation Drilling.

"**Sulphide**" is a group of minerals which contains Sulphur and other metallic elements such as copper and zinc. Gold and silver are usually associated with sulphide enrichment in mineral deposits.

"**t**" means metric ton (tonne).

"**Vein**" is a fissure, fault or crack in a rock filled by minerals that have travelled upwards or laterally from a deep source.

"**Waste**" means unmineralized, or rock which is insufficiently mineralized to mine at profit.

"**Zn**" is the symbol for the element zinc.

"**Zone**" is an area of distinct mineralization.

CURRENCY PRESENTATION

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking statements that relate to the Company's current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled "*Prospectus Summary", "Description of the Business", "Selected Financial Information and Management's Discussion and Analysis*" and "*Risk Factors*".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the Company's intention to complete the listing of the Common Shares on the CSE;
- the Company's business plans focussed on the exploration and development of the Peak Property and Scraper Springs Property;
- the proposed work program on the Peak Property and Scraper Springs Property;
- costs and timing of future exploration and development activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- use of available funds;
- business objectives and milestones;
- the Company's executive compensation; and
- adequacy of financial resources.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Company's concurrent public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms, that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis, that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Company maintains its ongoing relations with its business partners and governmental authorities. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See "*Risk Factors*".

For the reasons set forth above, investors should not place undue reliance on forward looking statements. This Prospectus includes many cautionary statements, including those stated under the heading "*Risk Factors*". You should read these cautionary statements as being applicable to all related forward-looking statements wherever they appear in this Prospectus. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company: Red Canyon Resources Ltd. is a company incorporated under the *Business Corporations Act* (British Columbia) ("**BCBCA**"). See "*Corporate Structure*".

Business of the Company: The Company is a mineral resource company principally engaged in the acquisition and exploration of mineral resource properties. Its objective is to locate and develop copper and associated precious metals, focusing initially on the exploration and development of its principal project, the Peak Property, located in British Columbia, Canada. The Company holds a 100% interest in the Peak Property, subject to a 1% net smelter return ("**NSR**") royalty on inlying mineral claim 1070091. The Company also has a secondary project, the Scraper Springs Property, in which it holds a 100% interest subject to a 2% NSR on certain claims, located in Nevada, United States. The majority of the Company's managerial efforts and costs in the period following Listing is expected to be in connection with the Peak Property. See "*Narrative Description of the Business*".

The Offering No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the British Columbia, Alberta and Ontario Securities Commissions for the purpose of allowing the Company to become a reporting issuer in these jurisdictions. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

Use of Available Funds:

Funds Available

Source of funds	Amount
Estimated consolidated working capital as at August 31, 2023	$1,946,100
Estimated general expenses and administration costs to the date of listing	($71,500)
Estimated property holding costs and exploration expenses to the date of listing	($10,100)
Estimated listing transaction costs	($33,000)
Total funds available	**$1,831,500**

Principal Purposes

The following table sets out how the Company expects to use the funds available to it after listing.

Use of funds available	Amount
Exploration of the Peak Property: Phase 1 Work Program Phase 2 Work Program	 $287,100 $660,000(1)
Exploration of the Company's other properties(2)	$150,000
Claims fees and other administrative fees of holding staked land	$66,000
Executive Compensation(3)	$270,000
Investor Relations(4)	$60,000
General and Administrative Expenses(5)	$220,200
Unallocated General Working Capital	$118,200(6)
Total	**$1,831,500**

Notes:

(1) Conditional on positive results from Phase 1 Work Program

(2) SP, Hatter, Kendal, Ping, Cooper, Scraper Springs and Keg

(3) See "*Executive Compensation*"

(4) The Company's projected investor relations expenses for the 12 months after listing date are:

Advertising/promotional	$18,600
News releases	$2,900
Shareholder meetings	$3,000
Trade shows and conferences	$25,000
Website	$1,500
Meals and entertainment	$4,000
Travel	$5,000
Total:	$60,000

(5) The Company's projected General and Administrative expenses for the 12 months after listing date are:

Audit fees	$40,000
Insurance	$22,000
Legal fees	$10,000
Listing fees	$15,000
Office and miscellaneous	$53,500
Salaries and consulting(3)	$74,500
Transfer agent	$5,200
Total:	$220,200

(6) A portion of unallocated working capital will be used for funding eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares, on the principal and ancillary mineral projects, to be determined.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives. See "*Use of Available Funds*".

The Company had a negative operating cash flow for the year ended December 31, 2022 and the six months ended June 30, 2023, and anticipates having negative operating cash flow for the year ended December 31, 2023 as well, given the nature of its business as a mineral exploration company.

Directors and Officers of the Company:

Wendell Zerb, Chairman, President, Chief Executive Officer and Director

Sandra Wong, Chief Financial Officer and Corporate Secretary

Cecil R. Bond, Director

Lauren Roberts, Director

Caleb Stroup, Director

Alistair Waddell, Director

See "*Directors and Executive Officers*".

Financial Information:

The following table sets forth summary financial information of the Company from the unaudited interim consolidated financial statements for the six months ended June 30, 2023 and the audited consolidated financial statements for the years ended December 31, 2022 and 2021. This summary financial information should only be read in conjunction with the Company's unaudited interim consolidated financial statements and audited consolidated financial statements, including the notes thereto, included in Schedule A to this Prospectus.

	As at June 30, 2023 and for the six months ended June 30, 2023 (unaudited) $	**As at December 31, 2022 and for the year ended December 31, 2022 (audited) $**	**As at December 31, 2021 and for the year ended December 31, 2021 (audited) $**
Net loss for the period	(178,432)	(258,879)	(340,478)
Comprehensive loss for the period	(177,074)	(261,486)	(340,777)
Cash	2,149,202	269,396	783,311
Total assets	3,460,125	1,321,317	1,255,801
Total liabilities	586,947	229,970	76,214

Total shareholders' equity	2,873,178	1,091,347	1,179,587

See "*Selected Financial Information and Management's Discussion and Analysis*."

Risk Factors: Due to the nature of the Company's business and the present stage of development of its business, the Company is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to insufficient capital risk, financing risks, the Company having a limited operating history and negative operating cashflow, the continued operations of the Company being dependent on procuring additional financing, exploration and development risks and others. For a detailed description of these and other risks see "*Risk Factors*".

CORPORATE STRUCTURE

The Company was incorporated under the BCBCA on October 2, 2020 under the name "1268510 B.C. Ltd." and changed its name to "Red Canyon Resources Ltd." on October 8, 2020.

The head office and the registered and records office of the Company are located at 1210 – 1130 West Pender Street, Vancouver, British Columbia, V6E 4A4, Canada.

The Company has one 100% owned subsidiary, RC Metals Inc., incorporated pursuant to the laws of Nevada, United States of America.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

Description of the Business

The principal business carried on and intended to be carried on by the Company is mineral exploration, focusing initially on the exploration and development of the Company's principal property, consisting of the Claims (as defined herein) that make up the Peak Property. The Company also holds a secondary property, the Scraper Springs Property. The Company will continue to consider other opportunities as they arise and may also conduct exploration activities on ancillary properties in respect of which the Company has acquired and may acquire.

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with current exploration activities being conducted both in Canada and the United States.

Competitive Conditions

The Company competes with other entities in the search for and acquisition of mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources, the Company may be unable to acquire attractive properties in the future on terms it considers acceptable. The Company also competes for financing with other resource companies. There is no assurance that additional capital or other types of financing will be available to the Company if needed or that, if available, the terms of such financing will be favourable to the Company. See "*Risk Factors*".

History

Financings

On October 2, 2020, the Company issued one incorporator's Common Share at a price of $1.00, which was cancelled and returned to treasury on October 9, 2020.

On October 9, 2020, the Company completed a distribution of founder's Common Shares at a price of $0.005 per Common Share, issuing 8,000,000 Common Shares at a price of $0.005 for gross proceeds of $40,000.

On December 21, 2020, the Company completed a non-brokered unit private placement to raise gross proceeds of $100,000 through the issuance of 5,000,000 units (the "**Seed Units**") at a price of $0.02 per Seed Unit. Each Seed

Unit is comprised of one Common Share and one Common Share purchase warrant (a "**Warrant**"), with each whole Warrant exercisable by the holder to acquire one Common Share at a price of $0.02 per Common Share until December 21, 2022. The Warrants were exercised on September 20, 2021 to issue 5,000,000 Common Shares for gross proceeds of $100,000.

On January 11, 2021, the Company completed a non-brokered private placement to raise gross proceeds of $6,000 through the issuance of 300,000 Common Shares at a price of $0.02 per Common Share.

On April 9, 2021, the Company completed the first tranche of a non-brokered private placement to raise gross proceeds of $240,000 through the issuance of 2,400,000 Common Shares at a price of $0.10 per Common Share.

On November 19, 2021, the Company completed the second tranche of a non-brokered private placement to raise gross proceeds of $46,095 through the issuance of 460,950 Common Shares at a price of $0.10 per Common Share.

On December 16, 2021, the Company completed the first tranche of a non-brokered private placement to raise gross proceeds of $752,900 through the issuance of 3,764,500 Common Shares at a price of $0.20 per Common Share. Finder's fees of $33,354 was paid on $555,900 of the placement.

On January 14, 2022, the Company completed the second tranche of a non-brokered private placement to raise gross proceeds of $212,200 through the issuance of 1,061,000 Common Shares at a price of $0.20 per Common Share.

On March 31, 2023, the Company completed the first tranche of a non-brokered private placement (the "**Unit Offering**") consisting of 2,450,000 units (each, a "**Unit**") priced at $0.22 per Unit for gross proceeds of $539,000. Each Unit is comprised of one Common Share and one-half of a share purchase Warrant, with each whole Warrant exercisable at a price of $0.40 per Common Share for a two year term. Finder's fees of $10,758 and 48,900 finder Warrants with a fair value of $3,855 exercisable into Common Shares at a price of $0.40 for a two year term were paid on $179,300 of the placement.

On April 25, 2023, the Company completed the second tranche of the Unit Offering consisting of 2,439,500 Units priced at $0.22 per Unit for gross proceeds of $536,690. Finder's fees of $2,501 and 11,370 finder Warrants with a fair value of $927 exercisable into Common Shares at a price of $0.40 per Common Share for a two year term were paid on $41,690 of the placement.

On April 25, 2023, the Company completed the first tranche of a non-brokered private placement (the "**FT Unit Offering**") consisting of 856,682 flow-through units (each, a "**FT Unit**") priced at $0.33 per FT Unit for gross proceeds of $282,705. Each FT Unit is comprised of one flow-through Common Share and one-half of a share purchase Warrant, with each whole Warrant exercisable at a price of $0.40 per Common Share for a two year term. Finder's fees of $7,989 and 24,210 finder Warrants with a fair value of $1,975 exercisable into Common Shares at a price of $0.40 per Common Share for a two year term were paid on $133,155 of the placement. The Company recorded a flow-through premium liability of $94,235.

On May 4, 2023, the Company completed a non-brokered private placement (the "**Charity FT Unit Offering**") consisting of 2,772,727 charity flow-through units (each, a "**CFT Unit**") of the Company priced at $0.352 per CFT Unit for gross proceeds of $976,000. Each CFT Unit is comprised of one flow-through Common Share and one-half of a share purchase Warrant, with each whole Warrant exercisable at a price of $0.40 per Common Share for a two year term. The Company recorded a flow-through premium liability of $366,000. The proceeds of the Charity FT Unit Offering are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act. The Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

On May 5, 2023, the Company completed the third tranche of the Unit Offering consisting of 288,500 Units priced at $0.22 per Unit for gross proceeds of $63,470. Finder's fees of $1,398 and 2,400 finder Warrants with a fair value of $197 exercisable into Common Shares at a price of $0.40 per Common Share for a two year term were paid on $13,420 of the placement.

On May 5, 2023, the Company completed the second tranche of the FT Unit Offering consisting of 100,000 FT Units priced at $0.33 per FT Unit for gross proceeds of $33,000. The Company recorded a flow-through premium liability of $11,000. The proceeds of the FT Unit Offering are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares. The Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

On July 10, 2023, the Company completed the fourth tranche of the Unit Offering consisting of 43,600 Units priced at $0.22 per Unit for gross proceeds of $9,592. Finder's fees of $180 and 816 finder Warrants with a fair value of $254 exercisable into Common Shares at a price of $0.40 per Common Share for a two year term were paid on $2,992 of the placement.

Acquisition of the Peak Property

The Peak Property is comprised of fifteen mineral claims (the "**Claims**") totalling 6,718 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired a 100% royalty-free interest in fourteen of the Claims by staking in April 2021, December 2021, January 2022 and May 2023. The Company acquired 100% interest in Claim 1070091 through an arm's length purchase from Steven Scott in an agreement dated June 27, 2022 for $575 and a 1% NSR royalty that the Company may purchase for $1,000,000 at any time.

Acquisition of the Scraper Springs Property

The Company holds a 100% interest in the Scraper Springs Property, which is comprised of 190 mineral claims totalling 1,589 hectares located in Elko County, Nevada. The Company acquired 96 of the claims pursuant to a property purchase and sale agreement with NewQuest Capital Inc. ("**NewQuest**"), a non-arm's length party. NewQuest is the founder of the Company, owns 25.61% interest, and its directors include Wendell Zerb, Caleb Stroup, Alistair Waddell and Tero Kosonen, who are also current or former directors of the Company. The purchase and sale agreement was dated February 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The cost of the Scraper Springs Property to NewQuest was $34,613. The Company staked an additional 94 claims on federal Bureau of Land Management ("**BLM**") land in September and October 2021.

Acquisition of Other Properties

The Company has acquired a 100% interest in ancillary mineral properties in British Columbia by way of staking and in Utah by way of vendor acquisition.

The SP Property is comprised of four mineral claims totalling 3,763 hectares located in south central British Columbia, approximately 50 km northeast of Williams Lake. The Company acquired 100% royalty-free interest in the SP Property claims by staking in May 2021.

The Hatter Property is comprised of three mineral claims totalling 1,849 hectares located in south central British Columbia, approximately 20 km south of Merritt. The Company acquired 100% royalty-free interest in the Hatter Property claims by staking in January 2022 and April 2022.

The Kendal Property is comprised of five mineral claims totalling 2,738 hectares located in west central British Columbia, approximately 25 kilometres northeast of Terrace. The Company acquired 100% royalty-free interest in the Kendal Property claims by staking in January 2022.

The Ping Property is comprised of six mineral claims totalling 6,014 hectares located in south central British Columbia, approximately 50 km northwest of Prince George. The Company acquired 100% royalty-free interest in the Ping Property claims by staking in April 2022 and January 2023.

The Cooper Property is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of 100 Mile House. The Company acquired 100% royalty-free interest in the Cooper Property claims by staking in August 2023.

The Lou Property was acquired by staking in January 2022 and was comprised of one mineral claim totalling 1,508 hectares located in south central British Columbia. The Company elected not to maintain the claim and it was forfeited on January 27, 2023.

The Company holds a 100% interest in the Keg Property, which is comprised of 63 mineral claims on BLM land and two Utah state leased sections totalling 1,049 hectares located in Juab County, Utah. The Keg Property was acquired pursuant to a non-arm's length property purchase and sale agreement with NewQuest dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The cost of the Keg Property to NewQuest was $56,970.

Business Cycle

The Company is a mineral exploration and evaluation stage company. As a result, prices of mineral and other metals will have a direct impact on its business. Declining prices can, for example, impact operations by requiring a re-assessment of the feasibility of a particular project, and they can also impact the Company's ability to raise capital. See "*Risk Factors*".

Environmental Policies

The Company will conduct its activities in accordance with high environmental standards, including compliance with environmental laws, policies and regulations. During its exploration activities the Company plans to minimize environmental impacts by rehabilitating drill-sites and access roads.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties. The Company's principal property is the 100% owned Peak Property located approximately 30 km northeast of Williams Lake in British Columbia, Canada, and its objective is the exploration and development of the Property. The Property is composed of 15 mineral claims totalling 6,718 hectares. The Company acquired fourteen of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% NSR royalty that the Company may purchase for $1,000,000 at any time.

The Company has a secondary property which is the 100% owned Scraper Springs Property located in Elko County, Nevada. The Scraper Springs Property is composed of 190 mineral claims totalling 1,589 hectares. The Company acquired 94 of the claims by staking and 96 claims were purchased from NewQuest.

PRINCIPAL PROPERTY: PEAK, BRITISH COLUMBIA

Details of the Peak Property

The following details with respect to the Company's principal property, being the Peak Property, are derived from the Technical Report prepared pursuant to NI 43-101 and titled "NI 43-101 Technical Report on the Peak Property, British Columbia" with an effective date of May 1, 2023 and prepared by Derrick Strickland, P.Geo. (the "**Author**"), with the exception of mineral claim data that includes three additional mineral claims that were acquired subsequent to the date of the Technical Report. Readers are encouraged to consult the Technical Report for additional information. Any reference to figures, tables or citations below not otherwise included herein correspond to such items in the Technical Report.

Property Description, Location and Access

Property Location and Access

As of the date of this Prospectus, the Peak Property consists of fifteen non-surveyed contiguous mineral claims totalling 6,718 hectares located on NTS map 93A/05 centered at 52.31° North Latitude -121.76° West Longitude.

The Peak Property is located in the Cariboo region of southcentral British Columbia, approximately 30 km northeast of Williams Lake, BC. The Property is located within the Fraser Plateau physiographic region of the Interior Plateau. Williams Lake is the nearest community providing full services to access the Property. The Property lies between the small ranching communities of Miocene to the south and Big Lake to the north.

Power and water for exploration and mining activities are readily available. A 500 kV transmission line runs through Williams Lake, and a 69 kV powerline servicing Mount Polley is situated north of the Peak Property. Rail access, operated by CN Rail, is available from Williams Lake to the Port of Vancouver. An experienced labour force is well-established in the region. The Property has sufficient space to accommodate potential tailing storage, waste disposal, and processing plant infrastructure.

To access the north half of the Property, head north on paved Likely Road from Highway 97 at 150 Mile House turning left at 4.4 km at the Likely Road–Horsefly Road intersection. Continue 24.9 km north of the intersection and turn right onto Swanson Road. Continue east to access Big 2 and Big 1 claims. To access the rest of the claims, turn left (south) off Swanson Road onto Solomon West Road, which gives access to Big 2, Bernie 1, Mag 1, and Mag 2 claims. Spur roads to the east provide good access to most parts of those claims. Other spur roads continue to Mag 3 claim. Good road access continues south to Peak 2 and Peak 1 claims.

To access the Property from the south, drive from the Likely Road – Horsefly Road intersection to Miocene approximately 16.8 km along the Horsefly paved road. At Miocene, turn left onto Rose Drive and follow Rose Drive for 1.4 km and turn a sharp right to stay on Rose Drive. After 160 m, turn left onto Cougar Road for a few hundred metres to an intersection with rough roads leading west and north. Follow the road to the north for 2.4 km until it ends at an east-west trending road. Follow this unnamed road east for a few hundred metres to reach the western boundary of Peak 2 claim. The road continues east to Peak claim with a number of rough spurs roads branching off to the north and south providing good access to much of the Peak claim.

Access back to the north of the Property is achieved by turning left (west) on the east-west road described above, which turns north and reaches the southwest corner of the Mag 1 claim and eventually joining up with the Solomon West Road.

Peak South claim is bound to the south by the Horsefly Road. A number of private ranching roads access much of the ranch land covering that claim. Landowners are to be notified prior to accessing any private land.

Figure 1: Regional Location Map

Mineral Tenures

As of the date of this Prospectus, the Property is composed of 15 mineral claims totalling 6,718 hectares. Red Canyon acquired 100% undivided and royalty-free interest in fourteen of the claims by staking. The Company acquired 100%

undivided interest in mineral claim 1070091 from Steven Scott in an agreement dated June 27, 2022. The mineral claim was acquired for a payment of $575 and Mr. Scott maintains a 1% NSR royalty with a 1% buy back for $1,000,000.

The mineral claims are shown in Figures 1, 2 and 3, and the claim details are illustrated in the following table:

Table 1: Peak Property Claims

Title Number	Claim Name	Issue Date	Good To Date	Area (ha)
1070091		2019/AUG/03	2026/AUG/31	19.78
1082383	PEAK	2021/APR/30	2026/AUG/31	553.83
1086046	PEAK2	2021/DEC/05	2026/AUG/31	336.23
1086047	MAG1	2021/DEC/05	2026/AUG/31	731.40
1086049	MAG2	2021/DEC/05	2026/AUG/31	553.23
1086052	MAG3	2021/DEC/05	2026/AUG/31	612.81
1086054	BERNIE2	2021/DEC/05	2026/AUG/31	237.00
1086055	BERNIE1	2021/DEC/05	2026/AUG/31	375.30
1086056	PEAK3	2021/DEC/05	2026/AUG/31	217.56
1091598	BIG1	2022/JAN/27	2026/AUG/31	1,223.69
1091670	BIG2	2022/JAN/27	2026/AUG/31	315.91
1091716	PEAK SOUTH	2022/JAN/27	2026/AUG/31	455.10
1104198	BIG3	2023/MAY/11	2024/MAY/11	592.35
1104199	MAG4	2023/MAY/11	2024/MAY/11	335.84
1104200	BERNIE3	2023/MAY/11	2024/MAY/11	157.95
			TOTAL	**6,717.98**

Figure 2 illustrates that there are a number of survey parcels (in grey) on the Property configuration (as at the date of the Peak Technical Report), some of which are private. The documentation provided illustrates that Red Canyon has been in contact with owners of interest, illustrating the future plans.

In British Columbia, the owner of a mineral claim acquires the right to the minerals that were available at the time of claim location and as defined in the Mineral Tenure Act of British Columbia. Surface rights and placer rights are not included. Claims are valid for one year and the anniversary date is the annual occurrence of the date of record after staking the mineral claim. The current mineral claims are on crown ground and no further surface permission is required by the mineral tenure holder to access mineral claims.

To maintain a claim in good standing, the claim holder must, on or before the anniversary date of the claim, pay the prescribed recording fee and either: (a) record the exploration and development work carried out on that claim during the current anniversary year; or (b) pay cash in lieu of work. The amount of work required in years one and two is $5 per hectare per year, years three and four is $10 per hectare, years five and six is $15 per hectare, and $20 per hectare for each subsequent year. Only work and associated costs for the current anniversary year of the mineral claim may be applied toward that claim unit. If the value of work performed in any year exceeds the required minimum, the value of the excess work can be applied, in full year multiples, to cover work requirements for that claim for additional years (subject to the regulations). A report detailing work done and expenditures must be filed with and approved by the B.C. Ministry of Energy and Mines.

The Author of the Technical Report is unaware of any significant factors or risks, besides what is noted in the Technical Report, which may affect access, title, or the right or ability to perform work on the Property.

All work carried out on a claim that disturbs the surface by mechanical means (including drilling, trenching, excavating, blasting, construction or demolishment of a camp or access, induced polarization surveys using exposed electrodes and site reclamation) requires a Notice of Work permit under the Mines Act and the owner must receive written approval from the District Inspector of Mines prior to undertaking the work. The Notice of Work must include: the pertinent information as outlined in the Mines Act; additional information as required by the Inspector; maps and schedules for the proposed work; applicable land use designation; up to date tenure information; and details of actions that will minimize any adverse impacts of the proposed activity. The claim owner must outline the scope and type of work to be conducted, and approval generally takes 8 to 16 months.

Exploration activities that do not require a Notice of Work permit include prospecting with hand tools, geological/geochemical surveys, airborne geophysical surveys, ground geophysics without exposed electrodes, hand trenching (no explosives) and the establishment of grids (no tree cutting). These activities and those that require permits are outlined and governed by the Mines Act of British Columbia.

The Chief Inspector of Mines makes the decision whether land access will be permitted. Other agencies, principally the Ministry of Forests, determine where and how the access may be constructed and used. With the Chief Inspector's authorization, a mineral tenure holder must be issued the appropriate "Special Use Permit" by the Ministry of Forests, subject to specified terms and conditions. The Ministry of Energy and Mines makes the decision whether land access is appropriate, and the Ministry of Forests must issue a Special Use Permit. However, three ministries, namely the Ministry of Energy and Mines; Forests; and Environment, Lands and Parks, jointly determine the location, design, and maintenance provisions of the approved road.

Notification must be provided before entering private land for any mining activity, including non-intrusive forms of mineral exploration such as mapping surface features, and collecting rock, water, or soil samples. Notification may be hand delivered to the owner shown on the British Columbia Assessment Authority records or the Land Title Office records. Alternatively, notice may be mailed to the address shown on these records or sent by email or facsimile to an address provided by the owner. Mining activities cannot start sooner than eight days after notice has been served. Notice must include a description or map of where the work will be conducted and a description of what type of work will be done, when it will take place and approximately how many people will be on the site. It must include the name and address of the person serving the notice and the name and address of the onsite person responsible for operations.

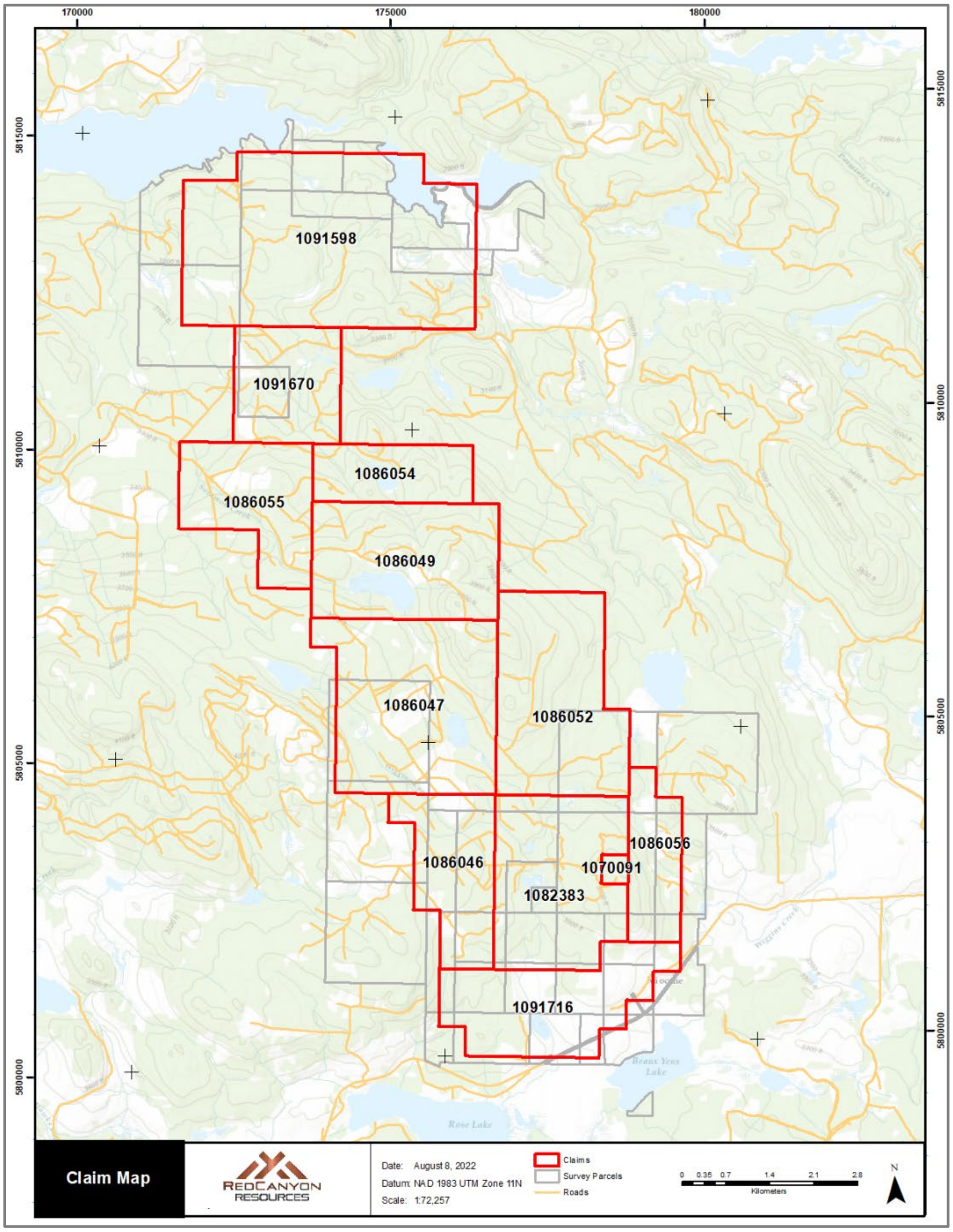


Figure 2: Property Claim Map Effective May 1, 2023

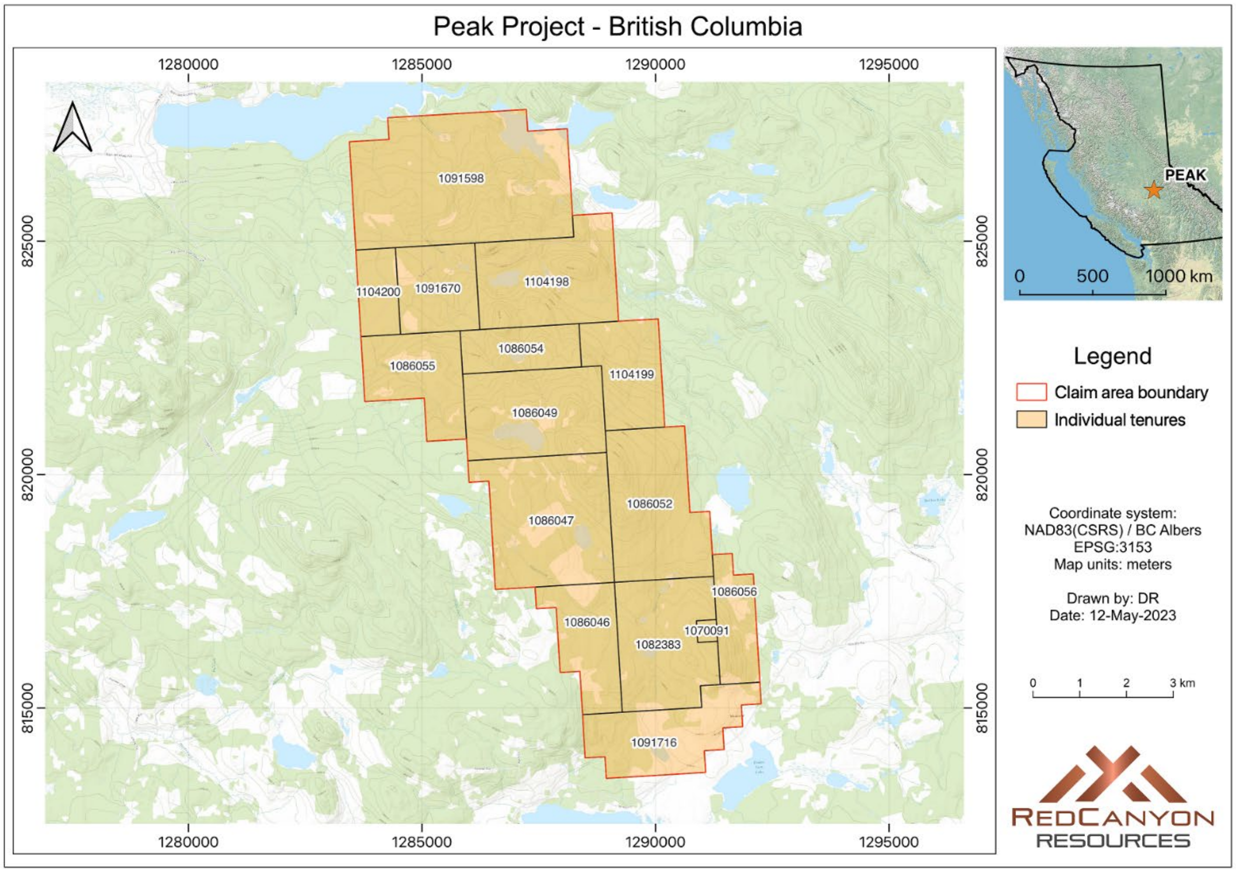


Figure 3: Property Claim Map Effective May 12, 2023 (Prepared by Management)

History

Placer and bedrock exploration of the Likely - Horsefly region began with the discovery or placer gold deposits in 1859. A century later, government sponsored airborne geophysical surveys and regional geochemical surveys prompted extensive exploration activity. The tables below are a summary of historical exploration on the Property.

Table 2: History

Year	Company	Exploration Activities
1969	Grandeur Mines Ltd. Philp, R.H.D.	Initially explored by prospecting and bulldozer trenching then by soil sampling which outlined one large anomaly and several secondary anomalies. A portion of the survey overlaps with the northeast corner of the Peak claim (Claim No. 1082383).
1970	Grandeur Mines Ltd. Holcapek, F.	Prospecting, bulldozer trenching, reconnaissance soil sampling, geological and magnetometer surveys. The western portion of the survey is within the Peak claim where Cu values are sparse. In general, trachyte porphyry was thought to have a greater magnetic intensity and associated with larger Cu values.
1982	Gibraltar Mines Limited Walcott, P.E.	IP survey over the Peak Central prospect area identified several large anomalies.
1982	Gibraltar Mines Limited	One vertical 296 foot (90 m) NQ diamond drill hole found weakly mineralized pyrite and chalcopyrite as isolated fine blebs at the bottom of the hole.

	Bysouth, G.D.	
1982	Gibraltar Mines Limited Bysouth, G.D	Six vertical NQ diamond drill holes totalling 2350 feet (716 m) were drilled to test the 1981 IP anomalies. The IP anomalies are thought to be caused by pervasive pyrite and graphite in the volcaniclastic unit and not represent economic sulfide (<0.05% Cu). All Holes are on the current Property. Drill hole 82-34 intersected trachyte porphyry from the casing at 20-feet to a depth of 230-feet. The volcanoclastic unit was intersected from 230-feet to the end of the hole at 295-feet. intrusive rock. A pronounced breccia zone occurs at the contact. Only negligible amounts of pyrite was found in the porphyry.
1988	Circle Resources Limited Kahlert, B.	448 soil samples and 12 rock grab samples were collected from a 23 line-km flagged grid 2 km northeast of Solomon Lake. Limited outcrop was observed. Anomalous copper, silver and zinc values in soils were noted. The 1987 soil program of 448 samples on Solomon claim identified a 1400 meter long and roughly 400 meter wide zone of enriched copper (> 100 ppm), silver (> 1.4 ppm) and zinc (> 160 ppm). A second zone at least 300 meters long was encountered between stations, along the eastern margin of Solomon claim. The 12 rock samples values up to 141 ppm cu, 119 ppm Zn and 1.9 ppm Ag+C26
1989	Circle Resources Limited Fraser, B.M.	The Solomon soil grid was expanded 500 m to the south and 1000 m to the east. 852 mainly C horizon soil samples were collected at 50 m intervals on lines spaced 100 m apart. Prospecting and limited geology at 1:10,000 scale were carried out, with focus on known anomalies. Again, anomalous copper, silver and zinc values in soils were noted. High silver (> 1.4 ppm), copper (> 100 ppm) and zinc 0 1 6 0 ppm) form a SW trending, 1400 meter long zone. This zone was picked up in 1987 sampling. A second zone of high silver, copper and zinc forms a north trending zone extending for over 2000 meters. This zone is also associated with isolated values ranging from 15 to The44 soil ppb grid Au.
1991	Circle Resources Limited Graham, R.F.	A vertical hole, SL 90-1, was drilled in overburden to a depth of 232 ft., but was abandoned due glacial overburden. Soil sample data from 1987 and 1988 were digitized and reinterpreted statistically. The interpretation resulted in the possible copper-silver anomalies
2007	Eagle Peak Resources Inc. Livgard, E.	Wiggins Creek area geological mapping, air photo lineament mapping, 850.5 line kilometre AeroTEM survey and petrographic study conducted within current claim. The petrographic study showed chalcopyrite mineralization is associated with altered trachyte (or latite), while the lineament mapping showed a dense pattern of short, weak lineaments. The geophysical survey revealed a magnetic high associated with mapped trachyte as well as electromagnetic lineaments in the southwest. the collection of 14 rock grab samples with three samples giving 2.194%, 2.272%, 2.33.1 %, and 2.74% copper.
2008	Eagle Peak Resources Scrivens, S.	1,540 line kilometre helicopter-borne magnetic gradiometer and VLF-EM survey was conducted identified shallow magnetic anomalies along an interpreted folded contact, as well as two possible faults. Portions of this survey covers the current property configuration.
2008	Barker Minerals Ltd. Turna, R.	461 soil, 4 rock and 6 stream samples were collected in 2008 by Barker Minerals in a reconnaissance survey on the Potato Mountain property. The main purpose of this survey was to determine whether the line of the Pinchi Fault was associated with anomalous BCGS RGS stream, anomalies are located along portions of the Solomon Lake Road. sediment samples, and a 2006 Barker Minerals soil sample with >10,000 ppb Au. Weak copper. The highest copper was 227 ppm in soils, with at distinct Pd (up to 134 ppb) and Pt (up to 174 ppb) anomaly. A soil in the northern part of line FL13 had the highest Au at 1,640 ppb
2009	Eagle Peak Resources Fox, P.E.	Eight diamond drill holes totalling 1,081 m were completed on the Hilltop and Azurite Showings. Holes 09-3, 4, 6, 7 and 8 were collared on the current Peak Property. Minor intervals of Cu mineralization (0.2 to 0.5% @ 2 to 6 m) associated with latite porphyry

		was found primarily near surface (< 20 m) in holes 3, 4 and 6. It was thought to be associated with a sill-like structure about 100 m thick,
2011	Eagle Peak Resources Fox, P.E	28.4 line kilometre ground magnetometer survey and 30.1 line kilometre of 3D IP surveys identified a northwest-trending zone of coincident anomalies that returned superimposed chargeability high, resistivity low and magnetic low in the western portion of the survey.
2008	Geoscience BC	Geoscience BC's QUEST Project Undertook VTEM airbourne geophysical survey. The survey covered 46,500 km2. Three of the 400 metre space lines cover the northern part of the current property.

Table 3: Historical Drill Locations

Hole	NAD83E	NAD83N	Depth m		Hole	NAD83E	NAD83N	Depth m
DH09-01	587275	5792990	126.4		DH82-29	586851	5792340	90.22
DH09-02	587275	5792990	107		DH82-30	586531	5793202	152.4
DH09-03	587262	5792664	192.8		DH82-31	586749	5792867	151.4
DH09-04	587262	5792664	146.4		DH82-32	586965	5793236	151.79
DH09-05	587329	5792671	123.6		DH82-33	587390	5793197	106.68
DH09-06	587206	5792659	134.5		DH82-34	587200	5793041	89.92
DH09-07	587258	5792509	127		DH82-35	587250	5793016	64.01
DH09-08	587183	5792607	123.3		SL90-01	580370	5799005	70.71
						Total		**1,958.13**

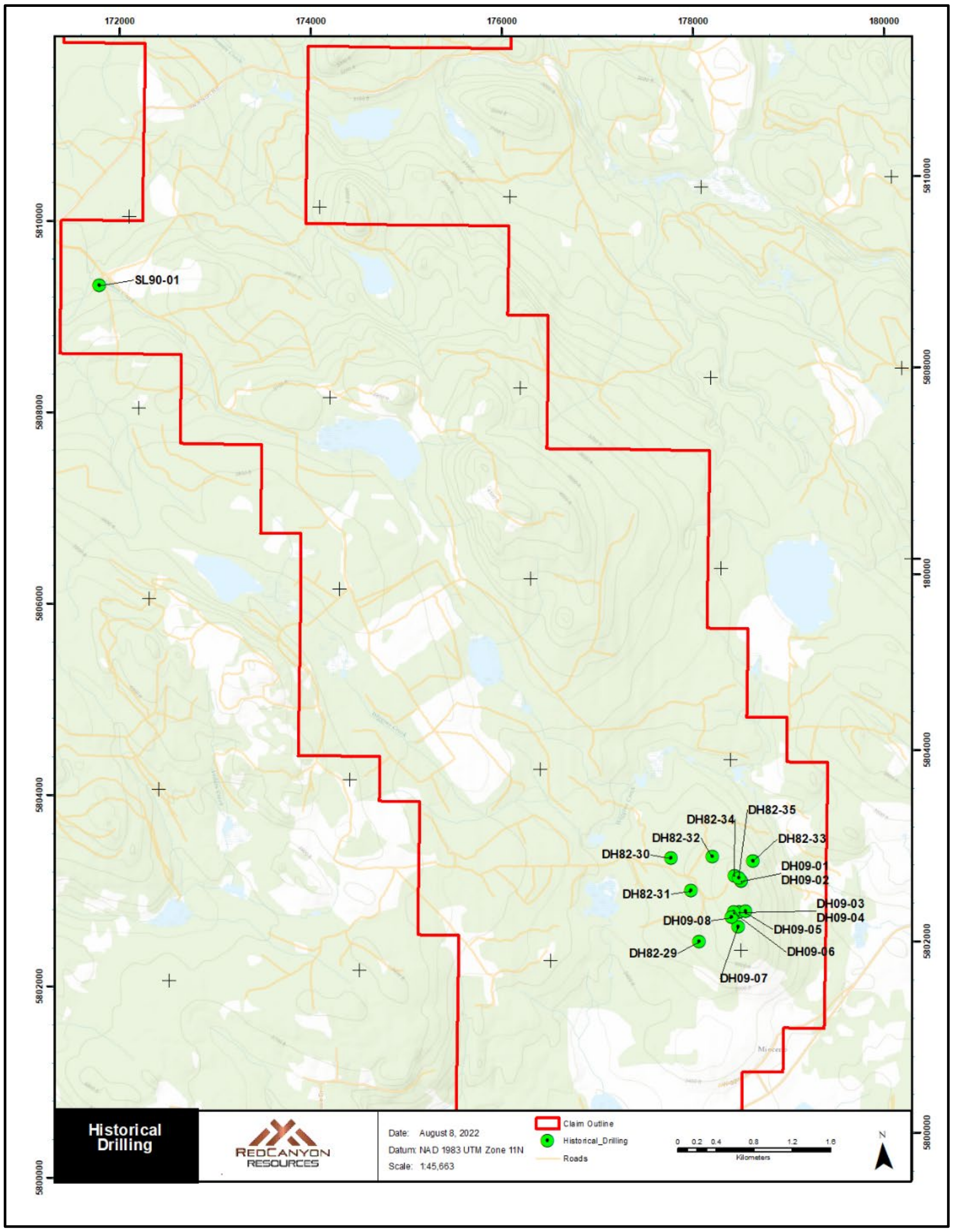


Figure 4: Historical Drilling

Geological Setting, Mineralization and Deposit Types

Regional, Local and Property Geology

The Peak Property lies primarily within Quesnellia, an accreted terrane in the Intermontane Belt of the Canadian Cordillera. Quesnellia is characterized by Triassic and Jurassic volcanic, sedimentary, and mafic to intermediate intrusive rocks that formed in a west-facing arc that developed west of the continental margin of ancestral North America. Quesnellia collided and accreted to the North American margin to the east and was obducted and over-ridden by Cache Creek oceanic rocks to the west in the middle Jurassic. Peak geology is dominated by a structurally bound, probably early Jurassic sedimentary-rock dominant package along western Quesnellia that was faulted against Cache Creek Terrane rocks to the west. This fault is likely the southern extension of the Pinchi Fault. To the east of the Peak project area, Quesnellia rocks are dominated by the older, volcanic rock dominated part of Quesnellia.

This westernmost Quesnellia panel mostly consists of the Dragon Mountain succession of the Nicola Group. This unit is best described by work of Logan and Moynihan (2009) in the Dragon Lake area (north of Peak) and Schiarizza (2019) from the Gibraltar mine area and south.

The northern Dragon Mountain succession is a >500 m thick package of alternating coarse- and fine- grained, arc-derived sedimentary rocks that forms a north-tapering wedge-shaped area that extends ~45 km north from the Gibraltar mine to the Dragon Lake area. The resistant, massive, coarse conglomerate that dominates this sequence underlies the Dragon Mountain area and the south-trending highlands that separate the southward-flowing Fraser River and the northward-flowing Quesnel River.

The Dragon Mountain succession stratigraphy has a two-fold sub-division: a lower package of interlayered black and dark grey phyllite and light grey siltstone; and an upper package of interbedded a polylithic cobble conglomerate, sandstone, quartz grit, siltstone, and limestone. The lower unit is characterized by 0.2 – 1 cm thick layers of alternating dark and light bedded phyllite, and siltstone. Siliceous, pyritic, and carbonaceous and calcareous varieties of siltstone and phyllite layers comprise ~30% of the unit. The phyllites are typically crenulated whereas the siltstone is not.

The upper unit consists of massive conglomerate, rich in green, grey, and maroon polylithic volcanic and plutonic clasts, interbedded with a diverse package of finer-grained clastic rocks including pale grey siltstone and shale, pale green sandstone and siltstone-shale, light grey quartz grit, and grey, green, and white limestone to limy granule conglomerate. The conglomerate is massive to thickly bedded with mainly boulder- to cobble-size clasts of Nicola Group volcanic and sedimentary rocks and associated intrusions. Clast types include coarse pyroxene-phyric basalt; plagioclase-phyric and aphyric, epidote- altered intermediate volcanic rocks; limestone; hornblende ± biotite granite; quartz-phyric intrusive rocks; and rare conglomerate. The unit also locally contains pyroxene-phyric basalt flows.

The contact between the upper and lower packages is believed to be depositional as observed in diamond drill holes north of the Gibraltar mine (Bysouth et al., 1995). A >130 m thick pyritic black argillite and greywacke sequence forms the basal Jurassic sedimentary and volcanic unit that unconformably(?) overlie deformed chert and metavolcanics of the Cache Creek Group and Late Triassic Granite Mountain pluton (Bysouth, 1987).

Age constraints are indicated in Schiarizza (2019). Several collections of macrofossils indicate an Early Jurassic (Sinemurian and Pliensbachian) age. A U-Pb zircon date from a dacite ash horizon in apparently lower Dragon Mountain succession that is nonconformable on top of mineralized Mt Polley intrusions gave a date of 197 Ma. The Dragon Mountain succession is correlated with the Ashcroft Formation of southern BC. In the type-area, the Ashcroft Formation is mainly dark carbonaceous shale with minor lenses of fine sandstone and thin siltstone and contains fossils that range from Early to Middle Jurassic. Logan and Moynihan (2009) suggest that the upper Dragon Mountain succession may be Pliensbachian and younger, whereas the lower part is Pliensbachian and older.

Most of the Peak Property is underlain by Lower Jurassic Dragon Mountain Succession sandstone, conglomerate, conglomeratic sandstone, siltstone, slate and phyllite, with the easternmost Cache Creek terrane rocks just along and beyond the western project boundary. These rocks are cut by numerous small intrusions (dykes, sills, stocks) and are locally overlain by flat-lying Chilcotin Group olivine basalt flows and scoria cones that are of Miocene age which is regionally extensive just south of the project area. Most of the Property is overlain by variably thick (1-20 m) glacial till and alluvium. Outcrops are sparse.

The geology of the southern part of the Peak Property below is described by Fox (2011). The Peak Central area is underlain by pyritic siltstone, sandstone, and conglomerate of the lower Dragon Mountain succession. Poorly exposed maroon sandstone and conglomerate of the Dragon Mountain succession lies along Wiggins Creek valley. These rocks appear to overlie the pyritic siltstone/sandstone, which preferentially hosts the trachyte porphyry.

The trachyte unit is an augite-plagioclase porphyry with prominent 2 cm euhedral feldspar phenocrysts set in a fine-grained matrix of plagioclase laths and interstitial K-feldspar. It is considered to have a latite composition and is in some reports called the latite unit. The rock unit is characterized by a well-developed trachytic texture of strongly aligned feldspars. Minor constituents are epidote, which can be abundant, as well as chlorite, leucoxene, hematite, and pyrite. Augite forms euhedral phenocrysts (5 mm) typically partly altered to epidote, chlorite, actinolite and rare chalcopyrite. The trachyte unit forms an east-dipping tabular body that cuts into the pyritic siltstone unit. Trachyte porphyry sills(?) host the Hilltop and Azurite copper showings. They form a low ridge in the central part of the claim area and are bound to the east by sandstone and maroon conglomerate, and elsewhere by siltstone.

The intrusive contact geometry may be conformable with bedding, but along the contacts there is typically a complex contact breccia or mixed zone comprising fragments of both rock units and irregular breccias of trachyte fragments of broken feldspar crystals and dark angular fragments set in a sericite-epidote-rich matrix.

The age of these igneous rocks is not known. They have been indicated by past workers to be Cretaceous in age, but they could also be Early Jurassic and comagmatic with youngest Nicola Group due to the conspicuous presence of augite which also characterizes Nicola Group. Small intrusions of the Middle Jurassic Ste. Marie plutonic suite, and the Late Jurassic Mount Mortley - Tiffen Creek plutonic suite both also intrude Dragon Mountain succession and occur to the north of the project area.

Numerous northwest-trending feldspar-quartz porphyry dikes are typically 2-4 m thick and cut the trachyte porphyry as seen in drill holes or as rubble zones at surface. They consist of 20-40%, 2-4 mm stubby feldspar phenocrysts with lesser and smaller quartz phenocrysts in a very fine-grained matrix. They are locally altered to sericite with sparse fine-grained pyrite. Contacts with the trachyte are sharp and the host porphyry is often silicified to a hard, buff coloured unit in which the plagioclase and augite phenocrysts are largely destroyed. The age of the Intrusive rocks at Peak are not known.

A dark grey, massive, north-trending Chilcotin Group basalt flow lies further west. The western limit of the Property lies along the interpreted southern extent of the Pinchi Fault. However, the interpreted trace of the fault becomes somewhat uncertain as it trends south from Quesnel.

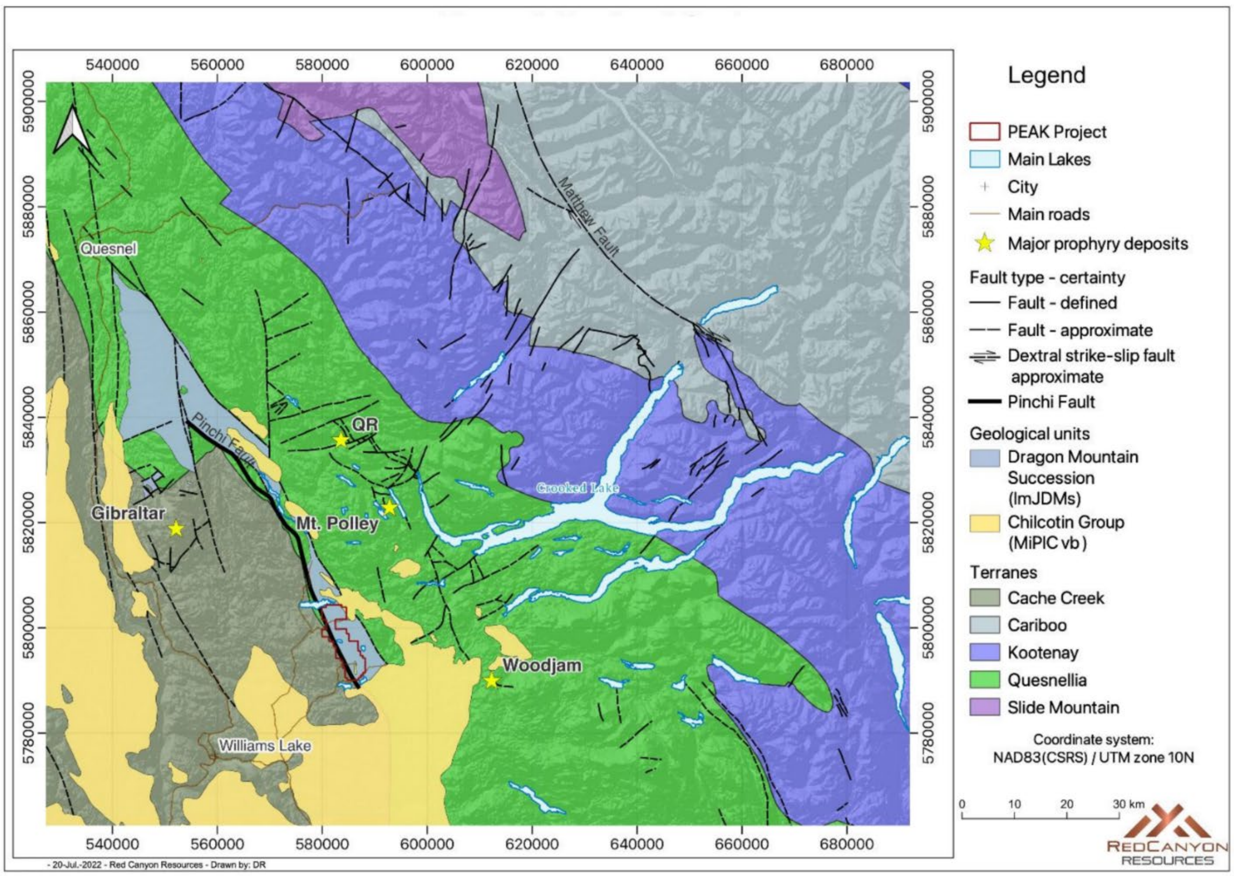


Figure 5: Regional Geology

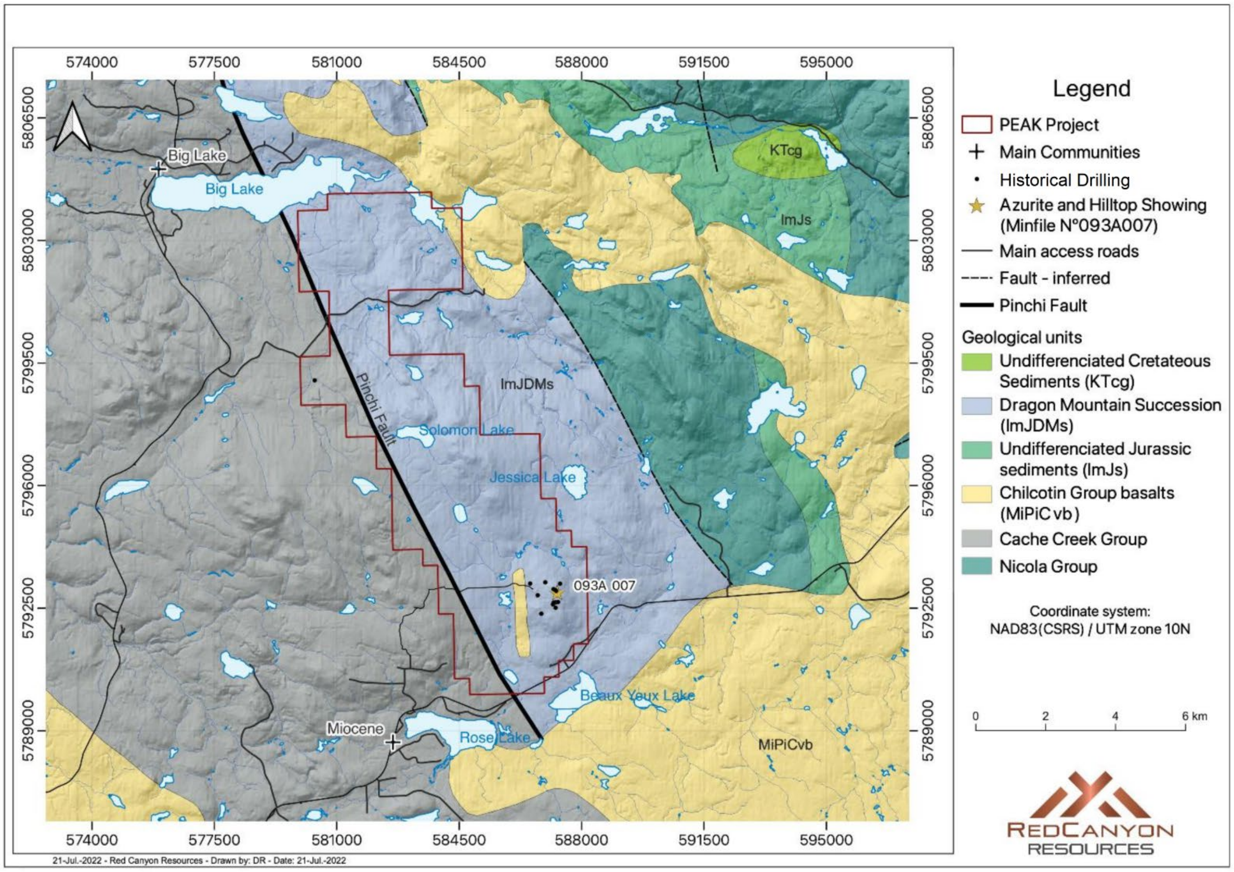


Figure 6: Property Geology

Mineralization

Quesnellia is a terrane that is recognized to be a prospective terrane for the occurrence of both calc-alkaline and alkalic type porphyry copper deposits. Variations in age, metal tenor and magma type occur with Quesnellian intrusions, which form three plutonic belts. Westernmost Quesnellia hosts large, batholith- associated calc-alkaline Cu-Mo deposits such as Gibraltar and Highland Valley. A central belt is dominated by alkalic intrusions and related Cu-Au porphyry deposits such as Copper Mountain and Mount Polley. The eastern belt hosts plutons that form Cu-Mo-Au deposits near the margin of batholiths such as at Brenda and those in the Woodjam district. The three belts formed episodically and progressively from the western Late Triassic belt to earliest Jurassic belt to the east.

The Peak Property and underlying Dragon Mountain succession is about 25 km east of the Gibraltar district and the western plutonic belt and is about 15 km west of Mount Polley and QR deposits indicating that the Peak Property may be in the window of opportunity characterized by the central alkalic belt. Such alkalic deposits or associated plutons are not known to occur within the Dragon Mountain succession, in part because these rocks are considered to be younger than the age of the central belt alkaline intrusions. However, further north along strike from the Property, there are a number of mostly alkalic porphyry deposits (Kwanika, Lorraine) and significant prospects (Kliyul, Jean Marie) that are immediately adjacent to or within 10 km of the Pinchi Fault.

Reader Caution: The Author has not verified the information on the adjacent properties nor mineralization found on adjacent and/or geologically similar properties is not necessarily indicative of mineralization found on the Peak Property.

The Peak Property was staked, in part, based on a nearby MINFILE occurrence (093A 007). The Wiggins Creek Showing (also Miocene, Hilltop, Azurite Pit, and Veith) report describes two areas of mineralization and are referred to as the Hilltop zone and the Azurite Pit zone, located 350 metres to the south. Both mineralized zones are hosted by sill-like bodies of epidote-chlorite- altered trachyte porphyry that have been cut by northwest striking quartz-feldspar dikes. Mineralization consists of minor pyrite and fine-grained disseminated chalcopyrite with associated malachite in quartz- calcite veins.

Copper mineralization consists of fine-grained chalcopyrite aggregates disseminated in epidote and chlorite-altered trachyte porphyry, locally with hematite. Associated alteration is also characterized by sericite and carbonate. Fracture coatings and thin seams are less common and more rarely in calcite veinlets.

The Hilltop showing have been sampled on various property examinations and are detailed in Livgard (2007) (Figure 7). A number of individual rock samples from trenches of the mineralized trachyte (latite) unit at the Hilltop Showing returned assays of about 2% copper. A chip sample here returned a tenor of 0.44% copper over 25 m. Livgard (2007) also report copper tenors of selected mineralization of 2.27% Cu, 0.02% Cu and 2.74% Cu from old trenches on the Azurite showing 300 m south of the Hilltop zone. Both the Hilltop and Azurite showings were targets for the 2009 drill program. Anomalous copper contents from the drill program prompted subsequent geophysical programs (Price, 2010). The samples indicate that gold, silver, and other base metal values are low.

Historical drill holes 82-29 and 82-30 intersected pervasive fine-grained sediments with pyrite as disseminations, blebs and stringers, and weak copper mineralization on ground covered by the Peak claim (Bysouth, 1982).

Drilling from 2009, including drill holes 09-3, 4, 6, 7 and 8 was completed on the Peak claims and intersected anomalous copper values (up to 5746 ppm) in the trachyte porphyry (Fox, 2009).

The northwestern part of the Property has very limited outcrop. Graham (1991) noted weak epidote alteration on a volcaniclastic siltstone near Solomon Lake. Further, he states that most of the fine-grained sediments host disseminated pyrite with trace chalcopyrite.

The Fir Ridge (Rose Lake) showing is located on a small ridge north of Rose Lake. Locally, the area is underlain by chert, argillite, greenstone, and limestone. Chalcopyrite mineralization is reported to occur within limestone. Malachite mineralization is also reported in a small outcrop 150 metres to the north.

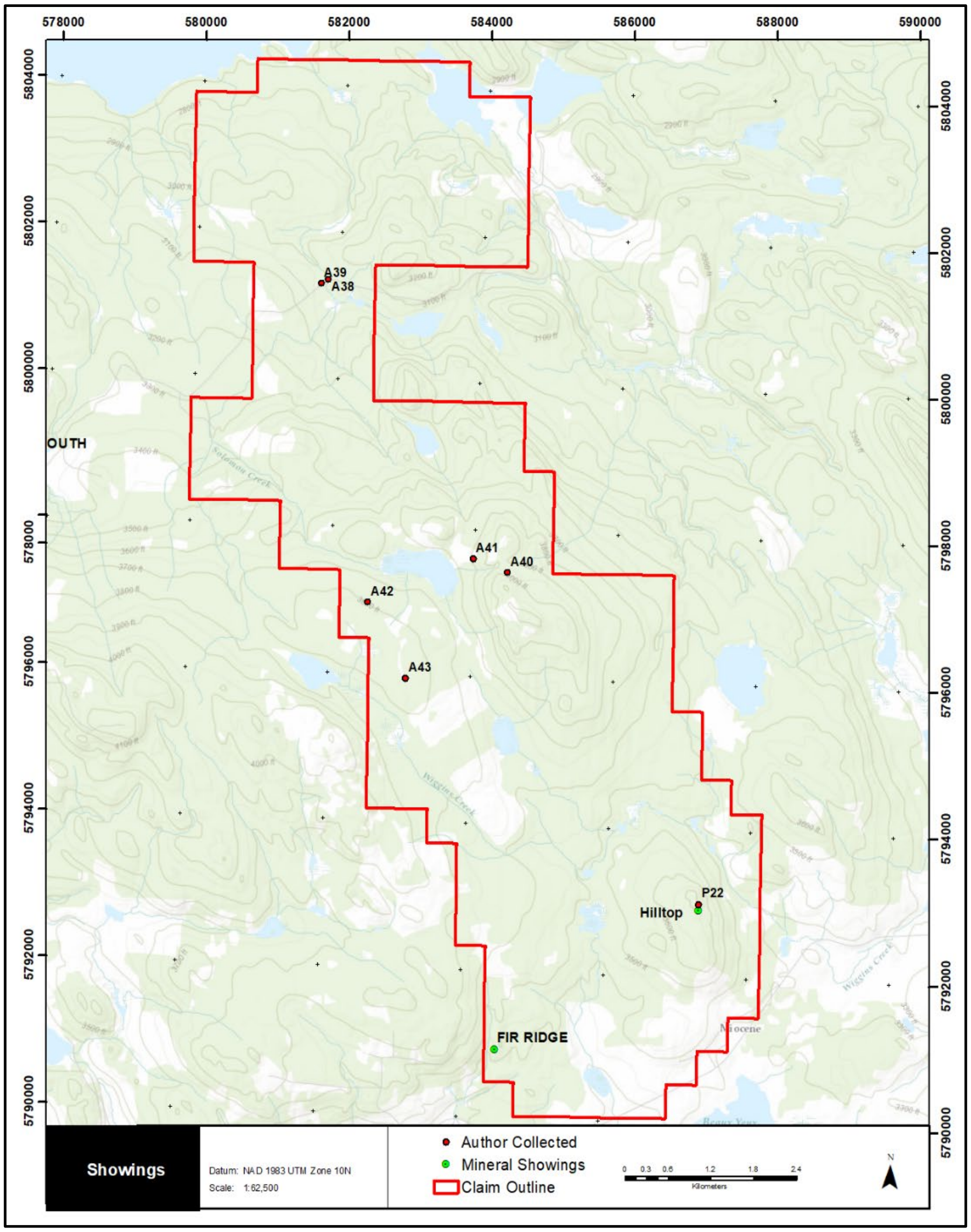


Figure 7: Showings

Deposit Types

Peak Property lies only 28 km south-southwest of Mount Polley copper-gold mine (Imperial Metals Corporation). Mount Polley is one of several alkalic porphyry Cu-Au deposits within Quesnellia. On the Peak Property, potential syenite to diorite stocks and related dykes may intrude coeval volcanics forming stockworks and veinlets, disseminations, and replacements in large volumes of hydrothermally altered rocks, often in hydrothermal and intrusion breccias. Minerals may include chalcopyrite, pyrite, magnetite, bornite, chalcocite and base and precious metals.

Gibraltar copper-molybdenum mine (Taseko Mines Limited) is situated 40 km northwest of Peak Property and is classified as calc-alkaline porphyry Cu+/-Mo+/-Au deposit. Chalcopyrite, pyrite, lesser molybdenite, bornite and magnetite mineralization is associated with hydrothermal alteration of the host porphyritic intrusions (often multiple emplacements of successive intrusive phases and related breccia bodies). Compositions range from calc-alkaline quartz diorite to granodiorite and quartz monzonite. Multiple emplacements of successive intrusive phases and a wide variety of breccias.

The past producing QR gold mine is located 40 km north of Peak. The deposit is regarded as a subclass of gold skarn deposits. Diagnostic features are its association with alkalic intrusive rocks in a subvolcanic setting and the presence of oxidized, epidote-rich mineral assemblages.

Reader Caution: The Author has not verified the information on the adjacent properties nor mineralization found on adjacent and/or geologically similar properties which is not necessarily indicative of mineralization found on the Peak Property.

Exploration

Red Canyon has undertaken an exploration program on the Peak Property that has consisted of data compilation, the collection of twenty-one rock samples, 1,241 soil samples, 203.47-line kilometres of drone airborne magnetics, and a quaternary terrain analysis.

Drone Survey

On March 11 and 12, 2022, Pioneer Exploration Consultants Ltd. (Pioneer) completed a 203.456-line kilometre drone airborne magnetic survey (Figure 8).

Data collection for this survey area was conducted at 100 m spaced lines with 1,000 m spaced tie lines. The nominal magnetic sensor altitude above ground level was set to 50 m. Elevation from the terrain may vary depending on the treeline and obstacles on the flight route. Satellite imagery was used to create a high-resolution DSM to assist the drone terrain following procedure and to minimize the possible topographic effects on the magnetic data. The nominal production groundspeed is 9 m/s for flat topography with no wind. The survey speed may vary depending on the terrain and environmental conditions.

A logistics report covering data acquisition, instrument descriptions, data processing and presentations for the survey is appended to this report. Final maps of 1st Vertical Derivative, Analytical Signal, and Total Magnetic Intensity–Reduced to Pole (TMI-RTP) are included in the logistics report.

Pioneer was contracted to acquire magnetic data over western sections of the Peak Property, to extend coverage from previous helicopter-supported aeromagnetic surveys completed in 2006 and, particularly, 2008. Further, ground-based Induced Polarization and magnetic surveys were completed over the southern target area in 2011. The 2022 survey area extended magnetic survey coverage west of Peak Central and north-northwest along the new western claim boundary.

Processed data, including Total Magnetic Intensity, First Vertical Derivative, and 3D Analytic Signal. The total magnetic field map was created by interpolating the filtered magnetic data in order to highlight geological structures that may be visible through their magnetic signature or their magnetic contrast to their surroundings. The first order vertical derivative quantifies the rate of change of the magnetic field as a function of elevation. The vertical derivative is used to delineate the contacts between large-scale magnetic domains. The analytic signal is useful in locating the edges of magnetic source bodies, particularly where remanent magnetic signals and/or low magnetic latitude complicates interpretation.

The Total Magnetic Intensity map highlights a series of magnetic highs running from Peak Central north- northwest to Solomon Lake to the northwest limit of the survey. The First Vertical Derivative map outlines the sharp contrasts and internal structures associated with those magnetic highs. The 3D Analytic Signal defines the edges the magnetic highs providing further definition to individual magnetic features.

The area covered by the drone survey is characterized by subdued topography of low rolling hills and shallow valleys hosting small lakes and low-gradient stream. The lack of outcrop indicates the presence of significant glacial till in the form of a veneer or blanket, and as moraines and drumlins that may locally mask the bedrock magnetics.

The trend of these magnetic highs runs parallel the trend of the Pinchi Fault, which lies near the western property boundary. As a major terrane break, the Pinchi Fault provides pathways for high-level intrusions and related hydrothermal fluid flow. Circulating fluids pick up various metals from volcanic rocks, depositing potentially economic mineralization in fractured and brecciated porphyritic intrusions and surrounding host rocks.

The presence of a series of circular magnetic highs identified in the 2022 magnetic survey may reflect the presence of porphyry-type intrusions in the bedrock. Weak to moderate copper, silver, zinc, and gold anomalies in soils coincident with the margins of some of these magnetic highs presents viable drill targets (Figure 8).

Sampling Program

Red Canyon's employees undertook a sampling program of collection of 21 rock samples and 1,241 soil samples.

Of the 1,241 soil samples, elevated values of arsenic, zinc, and copper in the soils all have a general northwest-south-east trend (Figure 9, Figure 10, and Figure 11). This trend appears to be sub parallel to the Pinchi Fault to the west (Figure 6).

The arsenic and zinc values in soil (Figure 10 and Figure 11) just south of Swanson Road both have areas of elevated values.

With the limited outcrop exposure 21 rock samples were collected. One sample 74760 contains over 10,000 ppm copper. Samples 74761 and 74762 have 9,900 ppm and 5,100 ppm copper respectively.

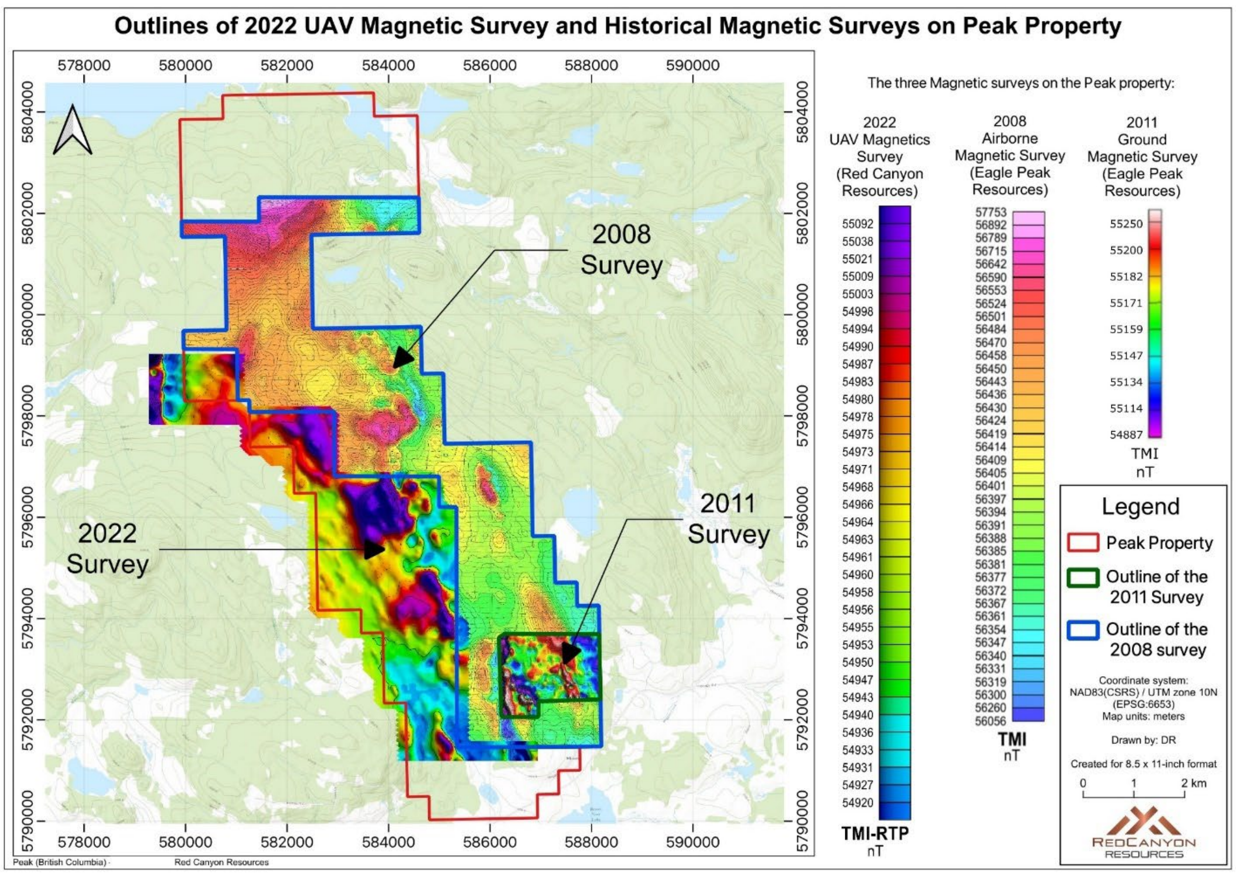


Figure 8: Geophysical Surveys

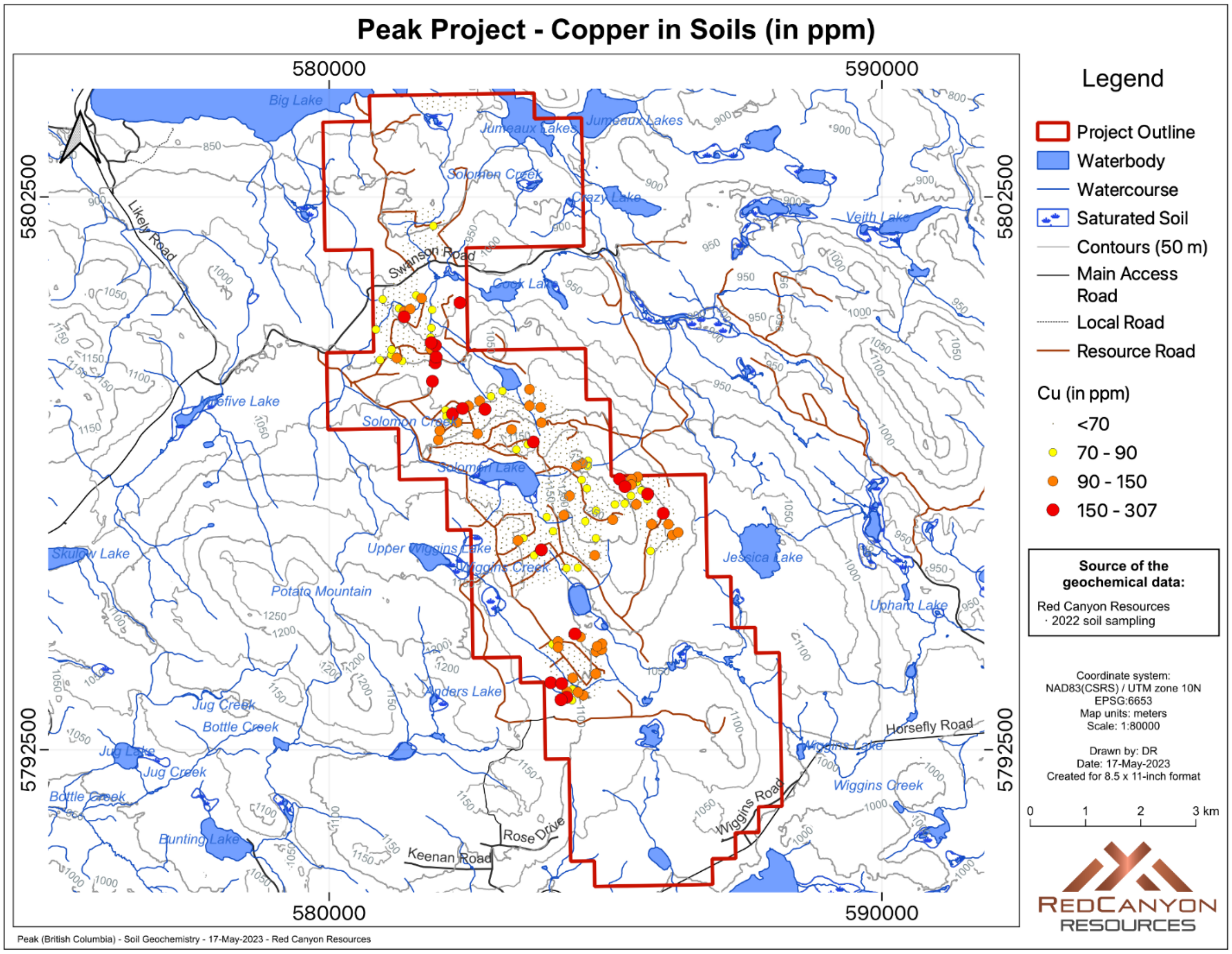


Figure 9: Copper in Soils

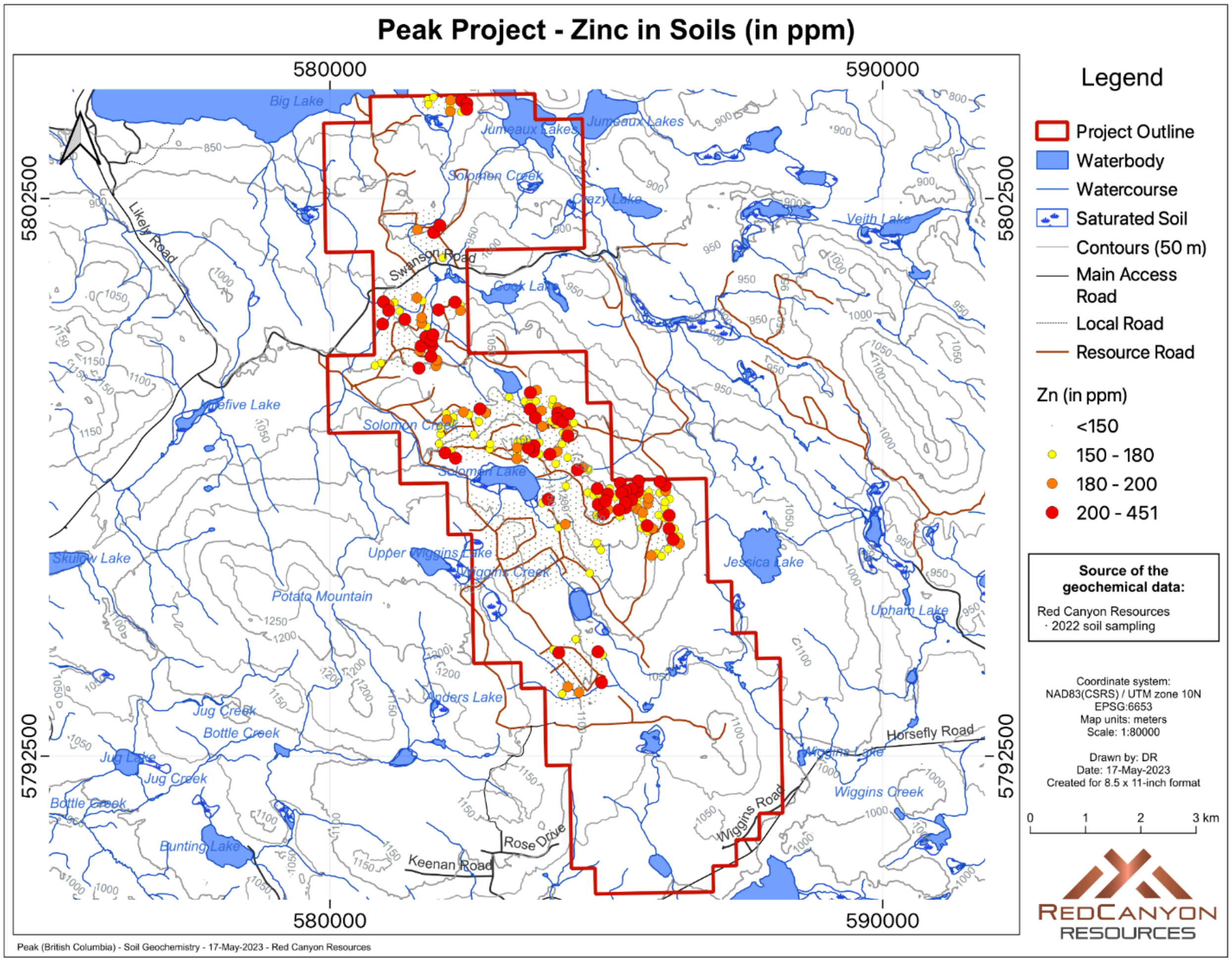


Figure 10: Zinc in Soils

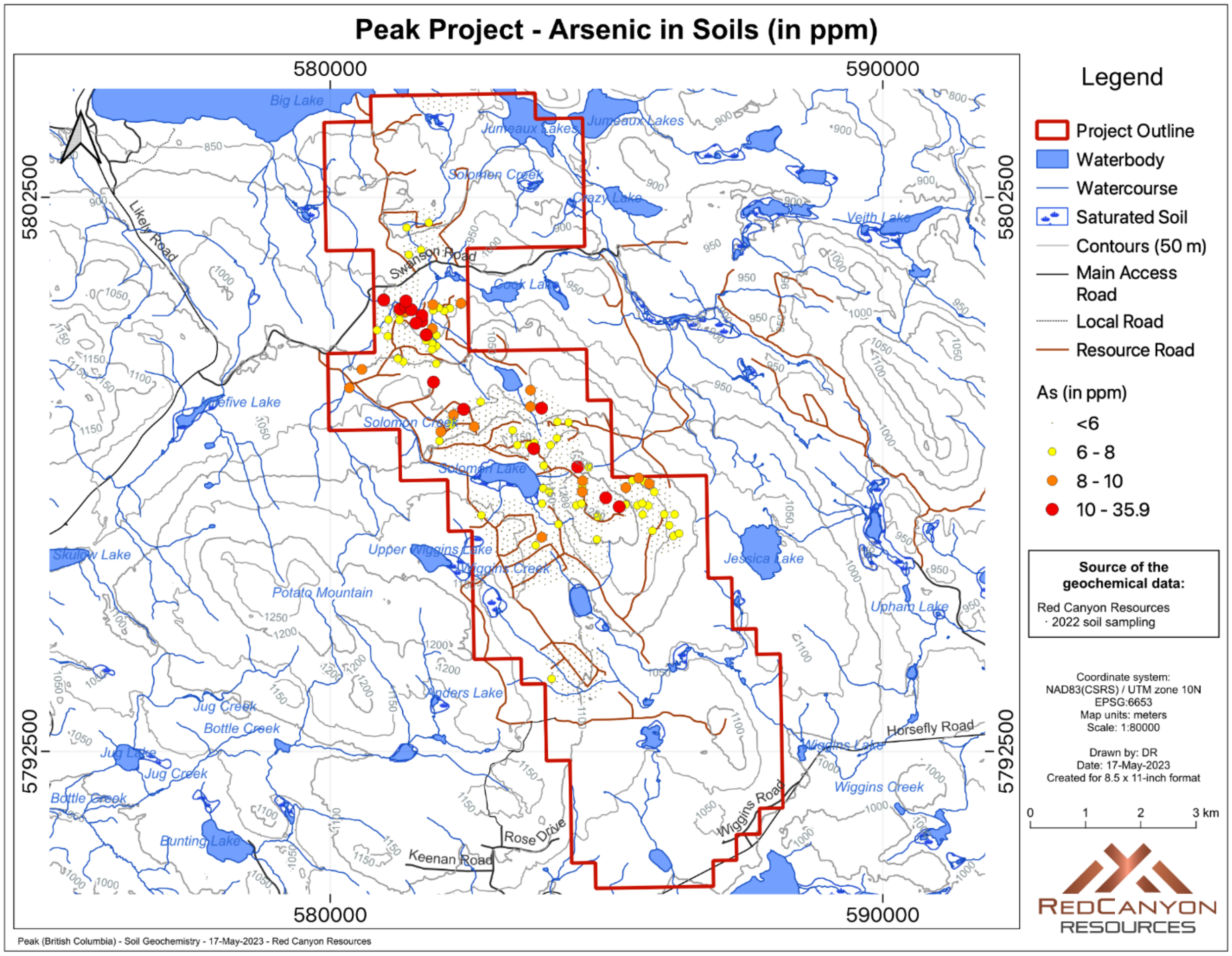
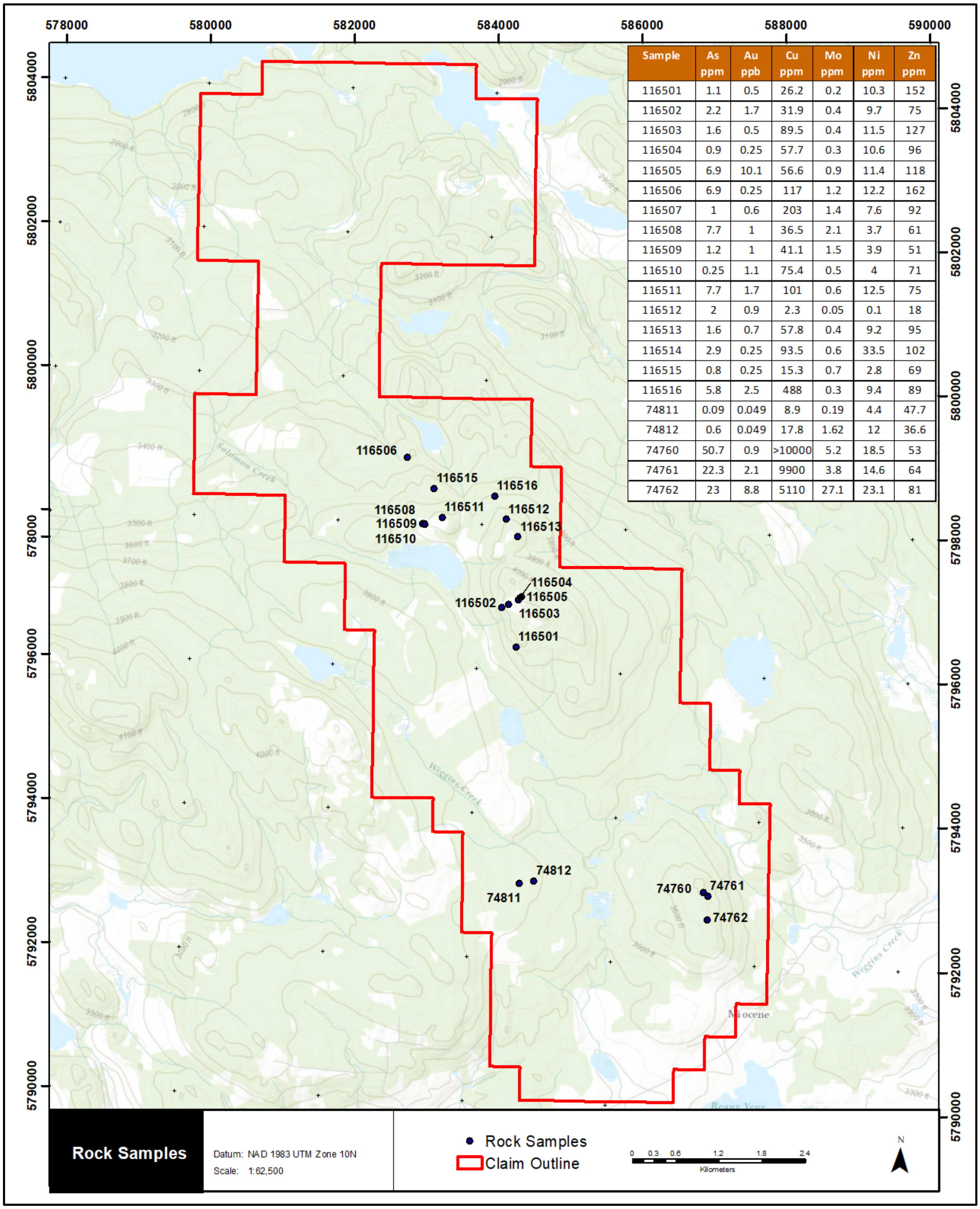


Figure 11: Arsenic in Soils



Sample	As ppm	Au ppb	Cu ppm	Mo ppm	Ni ppm	Zn ppm
116501	1.1	0.5	26.2	0.2	10.3	152
116502	2.2	1.7	31.9	0.4	9.7	75
116503	1.6	0.5	89.5	0.4	11.5	127
116504	0.9	0.25	57.7	0.3	10.6	96
116505	6.9	10.1	56.6	0.9	11.4	118
116506	6.9	0.25	117	1.2	12.2	162
116507	1	0.6	203	1.4	7.6	92
116508	7.7	1	36.5	2.1	3.7	61
116509	1.2	1	41.1	1.5	3.9	51
116510	0.25	1.1	75.4	0.5	4	71
116511	7.7	1.7	101	0.6	12.5	75
116512	2	0.9	2.3	0.05	0.1	18
116513	1.6	0.7	57.8	0.4	9.2	95
116514	2.9	0.25	93.5	0.6	33.5	102
116515	0.8	0.25	15.3	0.7	2.8	69
116516	5.8	2.5	488	0.3	9.4	89
74811	0.09	0.049	8.9	0.19	4.4	47.7
74812	0.6	0.049	17.8	1.62	12	36.6
74760	50.7	0.9	>10000	5.2	18.5	53
74761	22.3	2.1	9900	3.8	14.6	64
74762	23	8.8	5110	27.1	23.1	81

Figure 12: Rock Samples

Quaternary Geology

Dr. Derek Turner was retained by Red Canyon to investigate the Quaternary geology and to create a 1:15,000- scale surficial geology/terrain map of an area extending 1 km beyond the Peak Property. The Property was covered by the southern Cordilleran Ice Sheet during the last glaciation.

"Multiple surficial materials and expressions were identified in the map area. Most of the Property is covered in till of various thicknesses. Where the till follows the underlying topography, it was mapped as either a veneer (Mv, <1 m thick) or a blanket (Mb, >1 m thick). In areas where the till is likely thicker, it forms expressions independent of topography, such as hummocky (Mh), undulating (Mu) or streamlined/rolling topography (Mm). Differentiating thick blankets from these other expressions is more difficult in vegetated areas. Blankets may therefore be overrepresented in some parts of the Property. Field work and/or higher resolution data would help clarify this. In two areas, the till is heavily dissected by meltwater channels flowing outwards from the Property (-E). Glaciolacustrine deposits (LG) are restricted to the northern edge of the Property, in lower areas closer to 800 masl. Relatively minor organic deposits (O) have developed in small, poorly drained depressions across the Property. In higher elevation areas, predominantly in the southwest of the Property, hummocky rock outcrops are partly covered by thin till veneers (Mv/Rh). In a few locations, the bedrock is steep enough to cause thin colluvium to form on the slopes (Cv) (Turner 2022).

A terrain map was created using digital stereo-pair analysis of 1:20,000-scale colour air photos taken in 2009. These images were then turned into stereo models by IGI Consulting Ltd. to be viewed using a combination of ArcGIS and DAT/EM Summit Evolution software. Terrain polygons were digitized primarily based on a combination of surficial materials and expressions, following the Terrain Classification System for British Columbia. Each polygon was given a label that included the components above. Possible bedrock outcrops were mapped for future field investigations. Lines were digitized for drumlins or meltwater channels, which might have bedrock outcropping in exposed channel banks. Soil Sample Suitability (i.e., how representative the surficial material is for the underlying rock) and Till Sample Suitability (i.e., how likely the polygon is to contain basal till) rankings were developed on a relative, property-specific scale of 1 to 5.

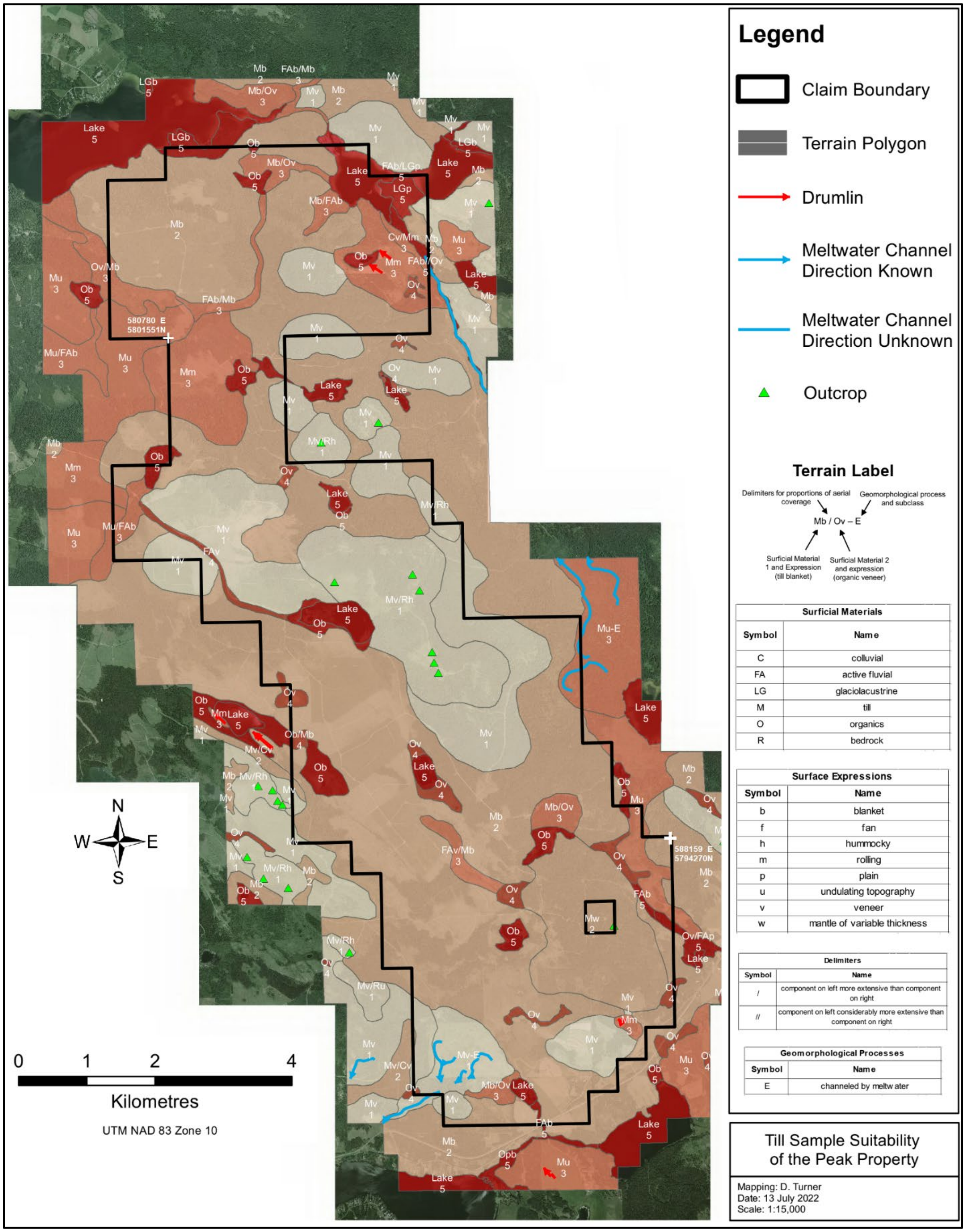


Figure 13: Terrain Surveys

Using regional and Project specific magnetic inversion data, the 2011 induced polarization survey, historical rock samples and soil samples Red Canyon developed multiple Cu-Au porphyry targets (Figure 14). This resulted in the development of two target areas of interest, Peak North and Peak Central.

Peak North area has elevated copper geochemistry associated with interpreted intrusive related magnetic highs and lows in area bounded to west by the northwest regional structure of the Pinchi fault.

Peak Central area has a coincident induced polarization chargeability high and magnetic high/low interface in an area hosting altered and mineralized porphyritic rocks. (Figure 15).

Associated with the geophysics is an offset (to the west) copper in soils anomaly (see Figure 15). Surface rock samples in the Peak Central returned over 2.0% Cu. Rock chip sampling returned 25 metres grading 0.44% Cu.

Within the Peak Central Zone is an untested induced Polarization chargeability high (Figure 16). Mineralization at the Hilltop showing within Peak Central is interpreted to be at higher level and potentially peripheral to a larger system to the west. Drill logs from historic drilling to the west of the Hilltop area have identified altered (pyrite, epidote hematite, chlorite) feldspar porphyry with anomalous copper.

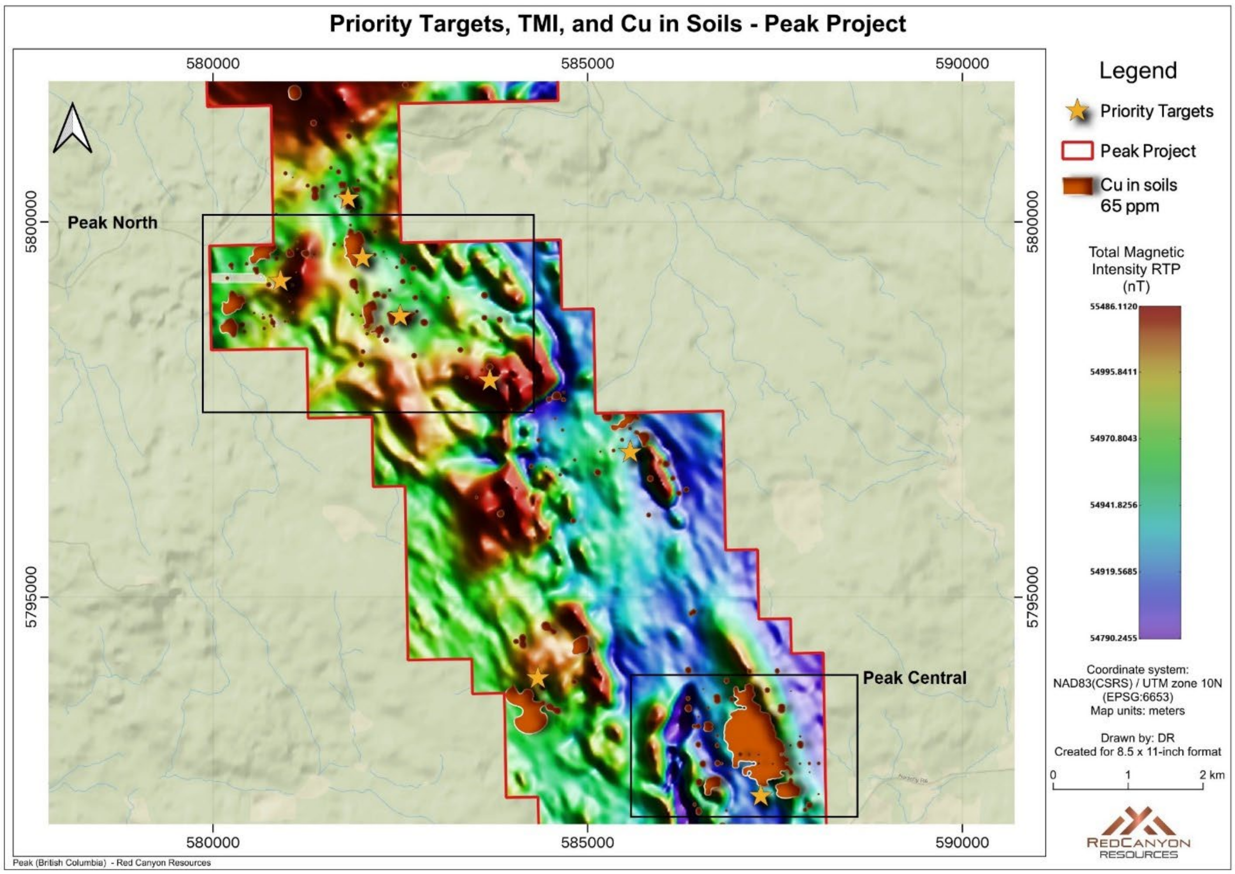


Figure 14: Project Wide Targets

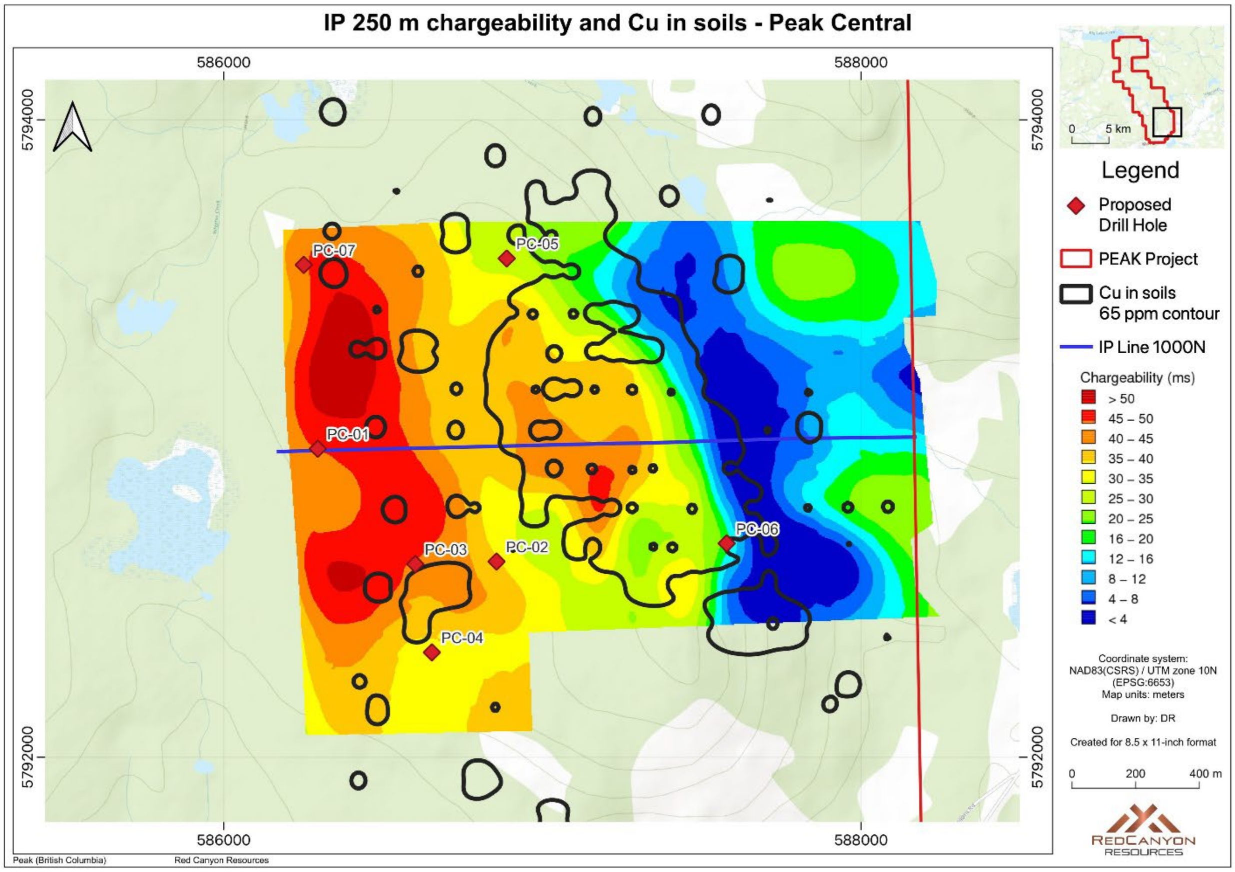


Figure 15: Peak Central Drill Targets with 2011 IP Data

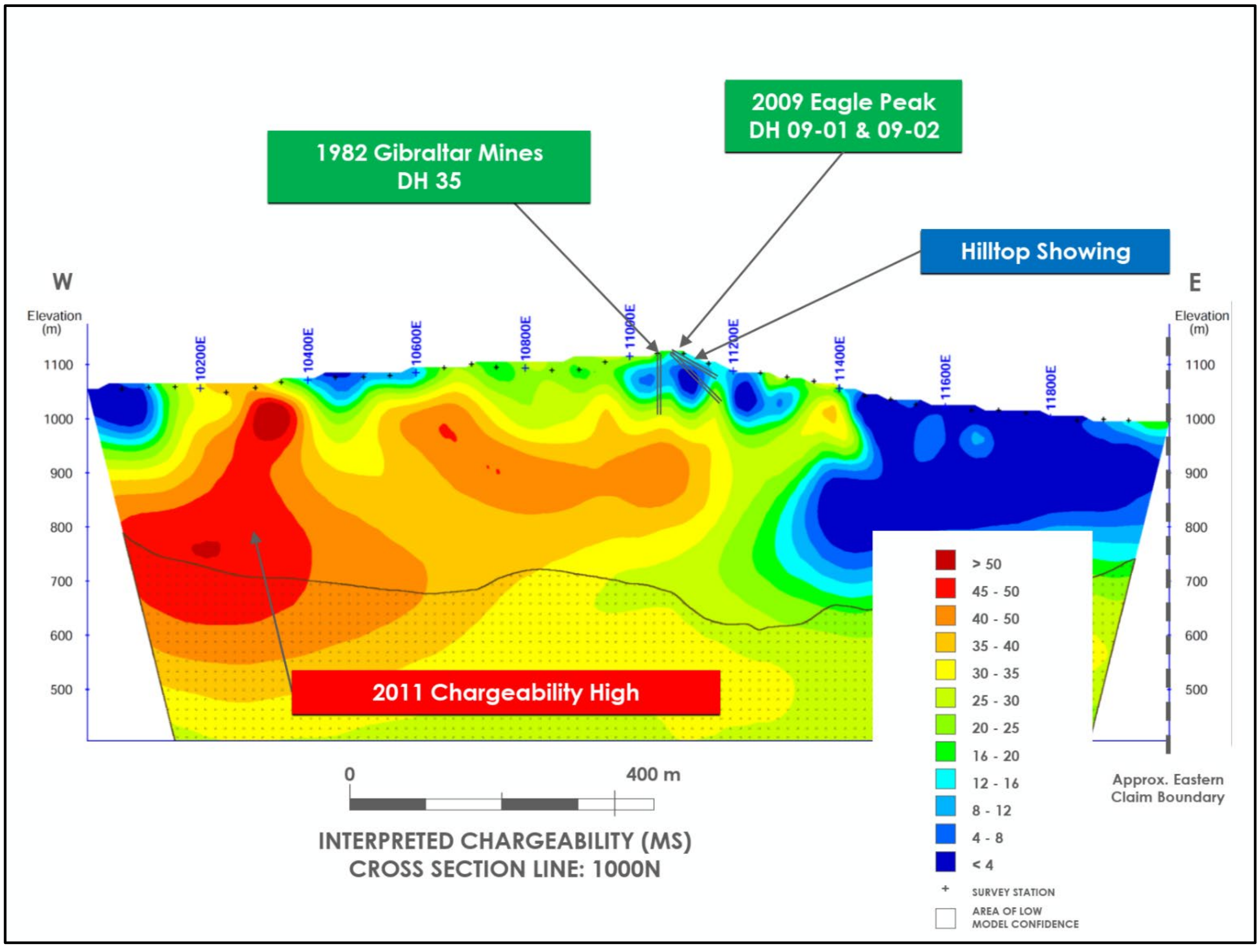


Figure 16: 2011 Chargeability Line 1000N Untested

Drilling

Red Canyon has not performed drilling on the Property. Any drilling on the current Property configuration is in the section "*Principal Property: Peak, British Columbia – History*" of this Prospectus.

Sampling, Analysis and Data Verification

Sampling Preparation, Analysis and Security

Red Canyon's soil sampling procedure – B horizon for 1,241 samples is as follows:

1. Identify a sampling location that is ideally within a 10-15m radius from the planned sample point. When approaching a point, take note of the geomorphological (i.e., surficial landscape) features of that site.

2. When a suitable sample site is identified, begin collecting sample site data in tablet (e.g., site drainage, landscape position, vegetation type, potential sources of contamination). Your tablet will show the header in orange and *Not Null* denoting that the characteristic must be noted.

3. Take a photo of the general sample site (with scale, such as a shovel) that shows the above features in #2.

4. Using a shovel, dig a small pit that is approximately 15-20 centimetres in diameter and at least 20 centimetres deep.

5. Observe the pit and identify the horizon you are on (e.g., brunizol, podzol, or regosol). The Ah horizon will sit above a bleached Ae horizon and the B horizon. The B horizon, or subsoil, is where chemicals leach out

of the Ah and Ae horizon. The B horizon has a lower organic matter content than the topsoil and often has more clay. The A, E, and B horizons together are known as the solum.

6. Take a photo of the pit with a scale, ideally with the soil horizons visible. Note characteristics of the soil: soil profile type, size of the pit opening, depth of where the sample was taken, horizons present).

7. Take notes of more specific characteristics of the soil itself (e.g., sample moisture, colour, texture).

8. If an outcrop is at the bottom of the pit (or there is outcrop in the vicinity), note the lithology, alteration, and any mineralization present.

   When the bag is full of soil, fold the corners of the bags, write the sample number on the bag, prepare a sample tag, enter the sample number in the tablet, and staple the sample bag closed with the sample tag.

9. Every 15th sample, create a duplicate sample at the same sample site (e.g., take sample 0225015 and 0225016 will be the duplication; 030 – 031, 045 – 046, 060 – 061 etc.).

Samples were sent to Activation Laboratories located on Dallas Drive in Kamloops, BC (an accredited laboratory ISO/IEC 17025). Activation Laboratories is independent from Red Canyon. Soil samples underwent (UT-1M-15g) ultra trace 36 element ICM-MS aqua regia partial digestion.

For the present study, the sample preparation, security, and analytical procedures used by the laboratories are considered adequate. Employees of Red Canyon were involved in sample preparation and collection.

At the current stage of exploration, the geological controls and true widths of mineralized zones are not known and the occurrence of any significantly higher-grade intervals within lower grade intersections has not been determined.

The Author cannot comment on the quality control measures that may or may not have been taken by other companies during previous sampling programs that are discussed in the history section of this report. However, even with the absence of QA/QC programs, the Author does not see any reason to question the quality, accuracy, and security of the historical data.

Data Verification

On June 24, 2022 and September 12, 2022, the Author visited the Peak Property and examined several locations, collected one rock sample and six soils samples. See Table 4, and Figure 7 for confirmation sample locations. The Author observed evidence of the 2022 soil and rock sampling program.

One rock sample and six soil samples were collected on the Peak Property during the Author's two site visits. Six soils and one rock sample came from previously sampled (2022) soil location. The rock was taken as grab sample (Figure 7).

The Author delivered all samples to Activation Laboratories Ltd. in Kamloops, British Columbia. Activation Laboratories Ltd. in Kamloops is ISO/IEC 17025 Accredited by the Standards Council of Canada. The rock sample underwent assay package 1A2-Kamloops - Au Fire Assay, and 1E3 -Kamloops Aqua Regia ICP (Table 4).

The Author randomly reviewed and compared 25 assays in electronic data provided by Red Canyon against the assay certificates provided by Actlabs from the 2022 exploration program. The Author did not detect any discrepancies.

The Author was supplied numerous GPS files for the 2022 soil sampling crew. Seven of these were examined for location and time stamp of the GPS unit. The Author found these GSP files are congruent with the 2022 reported solid sampling program.

The Author is of the opinion that the historical data descriptions of sampling methods and details of location, number, type, nature, and spacing or density of samples collected, and the size of the area covered are all adequate for the current stage of exploration for the Property.

Given the results of the check-sampling and a review of all geochemical data presented, the Author believes that industry best-practice standards were used by Red Canyon in conducting the surface geochemical sampling program on the Property and is of the opinion that the data verification program completed on the data collected from the Property appropriately supports the database quality and the geologic interpretations derived therefrom.

Table 4: Select Author Check Assays

Author Sample No.	Type	Easting	Northing	Original Sample No.	Au ppb	Mo ppm	Zn ppm	Cu ppm	Au ppb	Mo ppm	Zn ppm	Cu ppm
P22	Rock	587307	5793006						16	1	4	12900
A38	Soil	581824	5801349	225196	1.1	0.5	93	15.9	0.6	0.8	99	13.8
A39	Soil	581725	5801293	225263	1	0.8	76	14.1	<0.5	1	77	16.6
A40	Soil	584467	5797432	228765	0.25	1.7	101	34.2	25.8	1.5	75	30.7
A41	Soil	583983	5797608	228578	0.25	0.4	100	58	0.6	0.5	90	49.9
A42	Soil	582527	5796965	225190	0.9	0.8	88	60.5	1	1.2	118	85.4
A43	Soil	583090	5795948	225078	0.7	0.6	60	28.7	0.7	1.1	84	52.1
					Original Samples				Author’s Samples			

Mineral Processing and Metallurgical Testing

The Peak Property is an early-stage exploration project and to date no metallurgical testing has been undertaken.

Mineral Resource and Mineral Reserves Estimates

The Peak Property is an early-stage exploration project and there are currently no mineral resources estimated for the Property.

Interpretation and Conclusions

The Peak Property lies primarily within Quesnellia, an accreted terrane in the Intermontane Belt of the Canadian Cordillera. Quesnellia is characterized by Triassic and Jurassic volcanic, sedimentary, and mafic to intermediate intrusive rocks that formed in a west-facing arc that developed west of the continental margin of ancestral North America. Quesnellia collided and accreted to the North American margin to the east and was obducted and over-ridden by Cache Creek oceanic rocks to the west in the middle Jurassic. Peak geology is dominated by a structurally bound, probably early Jurassic sedimentary-rock dominant package along western Quesnellia that was faulted against Cache Creek Terrane rocks to the west. This fault is likely the southern extension of the Pinchi Fault. To the east of the Peak project area, Quesnellia rocks are dominated by the older, volcanic rock dominated part of Quesnellia.

Most of the Peak Property is underlain by Lower Jurassic Dragon Mountain Succession sandstone, conglomerate, conglomeratic sandstone, siltstone, slate and phyllite, with the easternmost Cache Creek terrane rocks just beyond the western project boundary.

Red Canyon Resources Ltd. has undertaken an exploration program on the Peak Property that has consisted of data compilation, the collection of 21 rock samples, 1,241 soil samples, 203.47-line kilometres of drone airborne magnetic, and a quaternary terrain analysis.

Of the 1,241 soil samples, elevated values of arsenic, zinc, and copper in the soils all have a general northwest-southeast trend. This trend appears to be sub parallel to the Pinchi Fault to the west. The copper, arsenic and zinc values in soil (Figure 9, Figure 10, and Figure 11) just south of Swanson Road have areas of elevated values.

The presence of a series of circular magnetic highs identified in the 2022 magnetic survey may reflect the presence of porphyry-type intrusions in the bedrock. Weak to moderate copper, silver, zinc, and gold anomalies in soils coincident with the margins of some of these magnetic highs presents viable drill targets.

Geochemical surveys should be planned based on an improved understanding of the surficial geology. To that end, a study of the surficial geology to understand glacial till depths is recommended to improve the interpretation of existing soil geochemical data and identify sampling techniques appropriate for each target area.

Reconnaissance induced polarization lines across the trend of magnetic highs and soil geochemical anomalies is recommended to build a more comprehensive picture of the subsurface geology.

Using regional and Project specific magnetic inversion data, the 2011 induced polarization survey, historical rock samples and soil samples Red Canyon Resources Ltd. developed multiple Cu-Au porphyry drill targets. This resulted in the development of two target areas of interest, Peak North and Peak Central.

Reverse circulation drilling of select targets based on interpreted magnetic data is recommended. Widely spaced drill holes will provide a much-improved picture of the subsurface geology, which in turn, will enable better interpretation of magnetic and other geophysical data going forward. To that end, Red Canyon has generated reverse circulation drill targets on the Property for testing (Figure 15).

Recommendations

A two-phase program is recommended.

Phase one will undertake 17 line-kilometres of induced polarization and approximately 1,000 metres of reverse circulation drilling.

Table 5: Proposed Budget

Item	Unit	Rate	Number of Units	Total
Induced Polarization	km	$3,000	17	$51,000
Reverse Circulation all in cost	metre	$200	1,000	$200,000
Reporting	Lump Sum	$10,000	1	$10,000
10% Contingency				$26,100
Total				**$287,100**

Phase two is contingent on the results of phase one and would consist of approximately 1,500 metres of drilling. The expected all in cost is $440 per metre for total of $660,000.

Contemplated Exploration

The Company's contemplated exploration is to carry out the recommended phase one program at an estimated cost of $287,100.

SECONDARY PROPERTY: SCRAPER SPRINGS, NEVADA

Details of the Scraper Springs Property

The following details with respect to the Company's secondary property, being the Scraper Springs Property, are derived from the Scraper Springs Technical Report prepared pursuant to NI 43-101 and titled "Scraper Springs Project Elko County, Nevada 2023 NI 43-101 Technical Report" with an effective date of September 26, 2023 and prepared by Scott Close, M.Sc, P.Geo (the "**Scraper Springs Author**") Readers are encouraged to consult the Scraper Springs Technical Report for additional information. Any reference to figures, tables or citations below not otherwise included herein correspond to such items in the Scraper Springs Technical Report.

Property Description, Location and Access

Property Location and Access

The Scraper Springs Project consists of 190 mineral claims totalling 1,589 hectares located within the Snowstorm Mountain range, Elko County, Nevada, USA, approximately 80 miles each from the towns of Winnemucca, Battle

Mountain and Elko. The Scraper Springs Property may be further described as sitting in township 40 north, range 47 east, within sections 2-5, 7-11, 14-18, 20, and 21, centered at latitude 41.36, longitude -116.67, only eight miles northeast of the Midas mine (Figure 17).

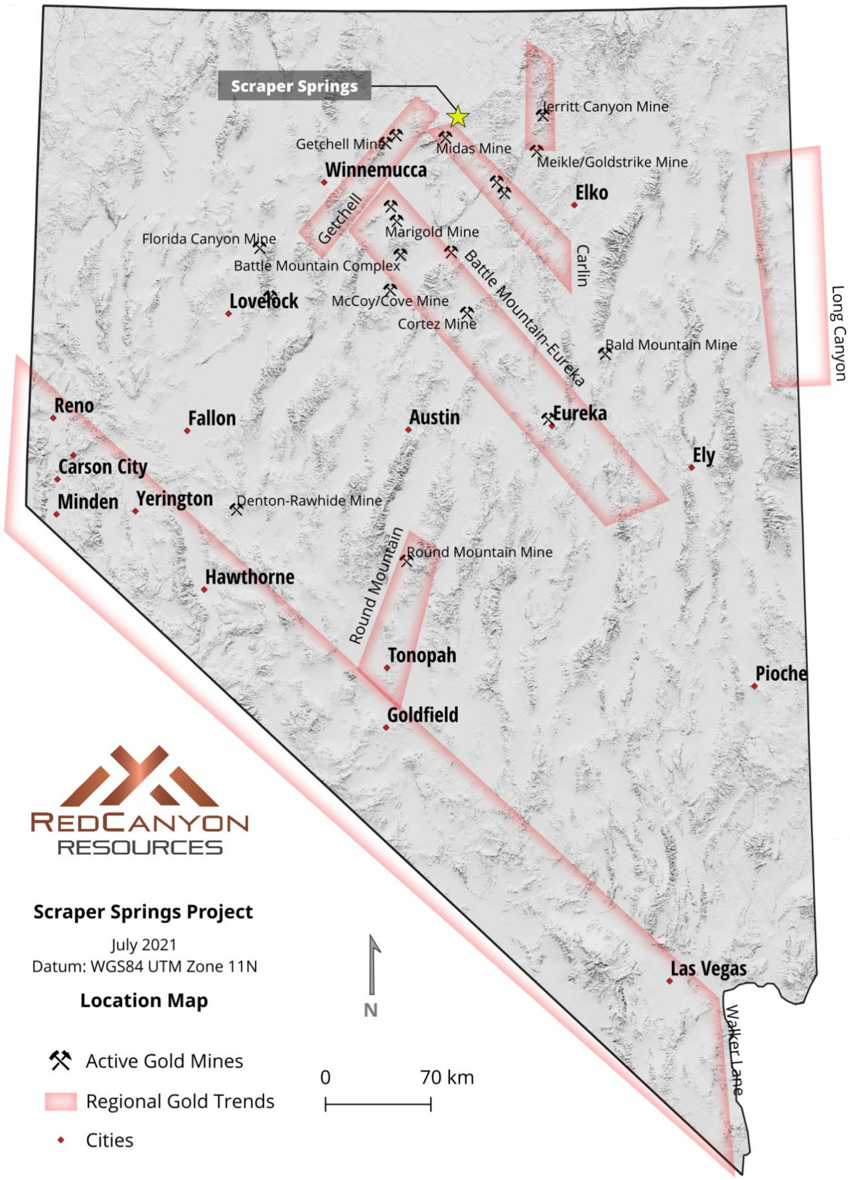


Figure 17: State of Nevada, regional gold trends, major towns and active gold mines.

The Scraper Springs Project can be reached by 4WD or high clearance vehicle from Winnemucca, near the Golconda Exit traveling northeast on US Highway 18 (Midas Mine Road); north from Battle Mountain on highway 35 for 39 miles to its junction with the Midas Mine Road; or, north from Elko on highway 225, then west on highway 226 past Tuscarora on Midas-Tuscarora road. These routes range from paved to well-maintained dirt roads.

The junction for the Scraper Springs Road, officially named, sits about 1.5 miles east of the Midas mine site and access road where a weakly-maintained two-track dirt road that turns north toward Scraper Springs proper; the southern boundary sits approximately 9.5 miles north from this junction. Travel times from Winnemucca, Battle Mountain, or Elko to the site range from two to three hours.

Mineral Tenures

The Scraper Springs Property is composed of 190 mineral claims totalling 1,589 hectares. Red Canyon acquired 100% undivided interest in 96 of the claims from NewQuest in an agreement dated February 22, 2021 for consideration of $100,000 and a 2% NSR. Red Canyon acquired 100% undivided and royalty-free interest in 94 of the claims by staking BLM land in September and October 2021.

Under the administration of the BLM, ownership of unpatented mining claims in the U.S. is in the name of the claimant. The Mining Law of 1872, which governs the location of unpatented mining claims on federal lands, grants the claimant the right to explore, develop and mine minerals on unpatented mining claims without payments or royalties to the federal government.

The Scraper Springs Project currently comprises 190 count unpatented lode claims (Figure 18) declaring 'RC Metals Inc.', the wholly owned subsidiary of Red Canyon Resources, as the claimant. Excluding the overlap with private lands and private mineral rights and other senior lode claimants in the area (Genesis), the total coverage of the Red Canyon holdings are approximately 3,444.71 acres.

A list of the lode claims, claimant, name and ID can be found in Table 6. The Scraper Springs Author performed an independent search of BLM records on August 2, 2023 and can verify the claims' status as active in the BLM MLSR system. The Scraper Springs Author did not validate the claims in the local Elko county recorders' office nor check claims posts on the ground.

To the extent known by the Scraper Springs Author, there are no significant factors or risks that may affect access, title, or the right or ability to perform work on the property. However, the Company has not disclosed to the Scraper Springs Author any existing royalties, payments or other encumbrances that may be held by the Company in obtaining the rights to the Scraper Springs Project from previous claimants.

To maintain the lode claims in good standing, an annual lode claims fee of $165 per claim is to be paid to the Bureau of Land Management (BLM) prior to September 1st of each year to hold and maintain these claims. Additionally, an affidavit stating the Company's intent to hold these claims (a 'Notice of Intent to Hold') is to be filed before November 1 of each year with the Elko County Recorders' Office at $2/claim plus a fee for the Nevada Department of Minerals at $10/claim, and a $12 document filing fee. In total, the estimated annual filing fees to maintain the current Scraper Springs lode claims group of 190 claims in good standing is $33,642.

Notices of Intent cover and administer all exploration activities with a less-than-5-acre disturbance on BLM land, which the Company submitted on May 9, 2023 covering nine proposed drill sites, sumps and approximately 2,870 ft of new road construction, totaling approximately 1.95 acres of disturbance.

Financial security bonds are assessed to cover the cost of reclaiming the proposed disturbance and associated administration fees. The following reclamation actions are often used to calculate reclamation bonds:

Access Roads and Drill Pads

1. Mobilization and demobilization
2. Recontouring the land to approximate the original topography
3. Removal of culverts
4. Ripping or scarifying the surface
5. Water diversion construction
6. Restoration or stabilization of drainage areas or stream beds
7. Revegetation

Drill Hole and Well Abandonment

1. Mobilization and demobilization
2. Drill hole abandonment (excepting those plugged as per Nevada statute NAC 534)

In addition to annual inspections, other site visits and communication between reclamation staff and company personnel occur as needed. BLM staff work with the Company or operator to resolve any non-compliance or reclamation issues should these develop.

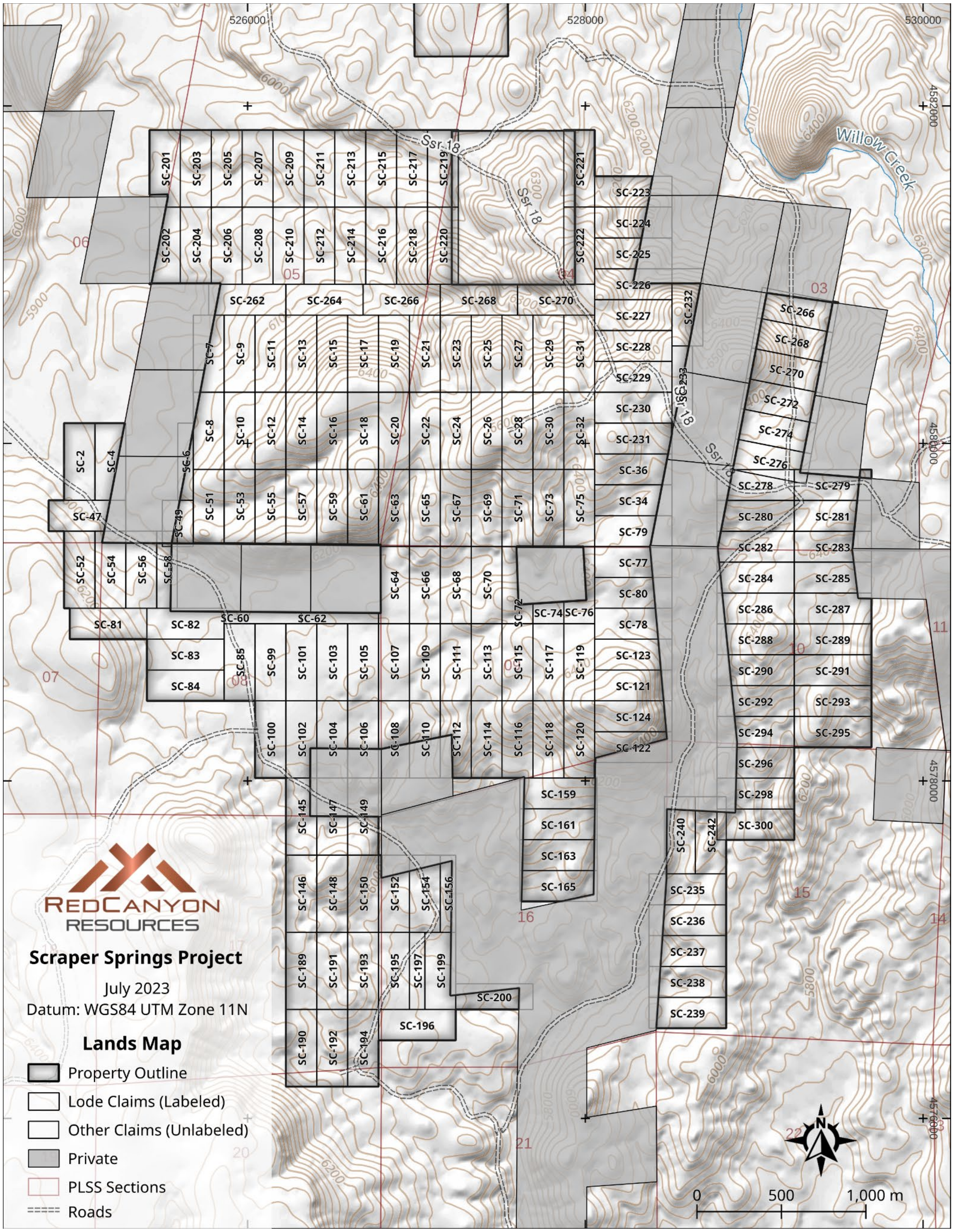


Figure 18: Scraper Springs property outline, lode claims and private lands

Table 6: Scraper Springs Project Claims

Claim ID	Claimant	Lead #	Serial #	County #	Located
SC-2	RC Metals Inc.	NV105278427	NV105278427	798014	2021/09/03
SC-4	RC Metals Inc.	NV105278427	NV105278428	798015	2021/09/03
SC-6	RC Metals Inc.	NV105278427	NV105278429	798016	2021/09/03
SC-7	RC Metals Inc.	NV105278427	NV105278430	798017	2021/09/02

SC-8	RC Metals Inc.	NMC1217521	NMC1217521	779455	2020/11/24
SC-9	RC Metals Inc.	NV105278427	NV105278431	798018	2021/09/02
SC-10	RC Metals Inc.	NMC1217521	NMC1217522	779456	2020/11/24
SC-11	RC Metals Inc.	NV105278427	NV105278432	798019	2021/09/02
SC-12	RC Metals Inc.	NMC1217521	NMC1217523	779457	2020/11/24
SC-13	RC Metals Inc.	NV105278427	NV105278433	798020	2021/09/02
SC-14	RC Metals Inc.	NMC1217521	NMC1217524	779458	2020/11/24
SC-15	RC Metals Inc.	NV105278427	NV105278434	798021	2021/09/02
SC-16	RC Metals Inc.	NMC1217521	NMC1217525	779459	2020/11/24
SC-17	RC Metals Inc.	NMC1217521	NMC1217526	779460	2020/11/23
SC-18	RC Metals Inc.	NMC1217521	NMC1217527	779461	2020/10/13
SC-19	RC Metals Inc.	NMC1217521	NMC1217528	779462	2020/11/23
SC-20	RC Metals Inc.	NMC1217521	NMC1217529	779463	2020/10/13
SC-21	RC Metals Inc.	NMC1217521	NMC1217530	779464	2020/11/23
SC-22	RC Metals Inc.	NMC1217521	NMC1217531	779465	2020/10/13
SC-23	RC Metals Inc.	NMC1217521	NMC1217532	779466	2020/11/23
SC-24	RC Metals Inc.	NMC1217521	NMC1217533	779467	2020/10/13
SC-25	RC Metals Inc.	NMC1217521	NMC1217534	779468	2020/11/23
SC-26	RC Metals Inc.	NMC1217521	NMC1217535	779469	2020/10/13
SC-27	RC Metals Inc.	NMC1217521	NMC1217536	779470	2020/11/23
SC-28	RC Metals Inc.	NMC1217521	NMC1217537	779471	2020/10/13
SC-29	RC Metals Inc.	NMC1217521	NMC1217538	779472	2020/11/23
SC-30	RC Metals Inc.	NMC1217521	NMC1217539	779473	2020/10/13
SC-31	RC Metals Inc.	NMC1217521	NMC1217540	779474	2020/11/23
SC-32	RC Metals Inc.	NMC1217521	NMC1217541	779475	2020/11/23
SC-34	RC Metals Inc.	NMC1217521	NMC1217542	779476	2020/11/23
SC-36	RC Metals Inc.	NMC1217521	NMC1217543	779477	2020/11/23
SC-47	RC Metals Inc.	NV105278427	NV105278435	798022	2021/09/03
SC-49	RC Metals Inc.	NV105278427	NV105278436	798023	2021/09/03
SC-51	RC Metals Inc.	NMC1217521	NMC1217544	779478	2020/11/24
SC-52	RC Metals Inc.	NV105278427	NV105278437	798024	2021/09/03
SC-53	RC Metals Inc.	NMC1217521	NMC1217545	779479	2020/11/24
SC-54	RC Metals Inc.	NV105278427	NV105278438	798025	2021/09/03
SC-55	RC Metals Inc.	NMC1217521	NMC1217546	779480	2020/11/24
SC-56	RC Metals Inc.	NV105278427	NV105278439	798026	2021/09/03
SC-57	RC Metals Inc.	NMC1217521	NMC1217547	779481	2020/11/24
SC-58	RC Metals Inc.	NV105278427	NV105278440	798027	2021/09/03
SC-59	RC Metals Inc.	NMC1217521	NMC1217548	779482	2020/11/24
SC-60	RC Metals Inc.	NMC1217521	NMC1217549	779483	2020/11/24
SC-61	RC Metals Inc.	NMC1217521	NMC1217550	779484	2020/10/13
SC-62	RC Metals Inc.	NMC1217521	NMC1217551	779485	2020/10/13
SC-63	RC Metals Inc.	NMC1217521	NMC1217552	779486	2020/10/13
SC-64	RC Metals Inc.	NMC1217521	NMC1217553	779487	2020/10/13
SC-65	RC Metals Inc.	NMC1217521	NMC1217554	779488	2020/10/13
SC-66	RC Metals Inc.	NMC1217521	NMC1217555	779489	2020/10/13
SC-67	RC Metals Inc.	NMC1217521	NMC1217556	779490	2020/10/13
SC-68	RC Metals Inc.	NMC1217521	NMC1217557	779491	2020/10/13
SC-69	RC Metals Inc.	NMC1217521	NMC1217558	779492	2020/10/13
SC-70	RC Metals Inc.	NMC1217521	NMC1217559	779493	2020/10/13
SC-71	RC Metals Inc.	NMC1217521	NMC1217560	779494	2020/10/13
SC-72	RC Metals Inc.	NMC1217521	NMC1217561	779495	2020/10/13

SC-73	RC Metals Inc.	NMC1217521	NMC1217562	779496	2020/10/13
SC-74	RC Metals Inc.	NMC1217521	NMC1217563	779497	2020/10/13
SC-75	RC Metals Inc.	NMC1217521	NMC1217564	779498	2020/11/23
SC-76	RC Metals Inc.	NMC1217521	NMC1217565	779499	2020/11/23
SC-77	RC Metals Inc.	NMC1217521	NMC1217566	779500	2020/11/23
SC-78	RC Metals Inc.	NMC1217521	NMC1217567	779501	2020/11/23
SC-79	RC Metals Inc.	NMC1217521	NMC1217568	779502	2020/11/23
SC-80	RC Metals Inc.	NMC1217521	NMC1217569	779503	2020/11/23
SC-81	RC Metals Inc.	NV105278427	NV105278441	798028	2021/09/03
SC-82	RC Metals Inc.	NV105278427	NV105278442	798029	2021/09/03
SC-83	RC Metals Inc.	NV105278427	NV105278443	798030	2021/09/03
SC-84	RC Metals Inc.	NV105278427	NV105278444	798031	2021/09/03
SC-85	RC Metals Inc.	NV105278427	NV105278445	798032	2021/09/03
SC-99	RC Metals Inc.	NMC1217521	NMC1217570	779504	2020/11/24
SC-100	RC Metals Inc.	NV105278427	NV105278446	798033	2021/09/03
SC-101	RC Metals Inc.	NMC1217521	NMC1217571	779505	2020/10/13
SC-102	RC Metals Inc.	NMC1217521	NMC1217572	779506	2020/10/13
SC-103	RC Metals Inc.	NMC1217521	NMC1217573	779507	2020/10/13
SC-104	RC Metals Inc.	NMC1217521	NMC1217574	779508	2020/10/13
SC-105	RC Metals Inc.	NMC1217521	NMC1217575	779509	2020/10/13
SC-106	RC Metals Inc.	NMC1217521	NMC1217576	779510	2020/10/13
SC-107	RC Metals Inc.	NMC1217521	NMC1217577	779511	2020/10/13
SC-108	RC Metals Inc.	NMC1217521	NMC1217578	779512	2020/10/13
SC-109	RC Metals Inc.	NMC1217521	NMC1217579	779513	2020/10/13
SC-110	RC Metals Inc.	NMC1217521	NMC1217580	779514	2020/10/13
SC-111	RC Metals Inc.	NMC1217521	NMC1217581	779515	2020/10/13
SC-112	RC Metals Inc.	NMC1217521	NMC1217582	779516	2020/10/13
SC-113	RC Metals Inc.	NMC1217521	NMC1217583	779517	2020/10/13
SC-114	RC Metals Inc.	NMC1217521	NMC1217584	779518	2020/10/13
SC-115	RC Metals Inc.	NMC1217521	NMC1217585	779519	2020/10/13
SC-116	RC Metals Inc.	NMC1217521	NMC1217586	779520	2020/10/13
SC-117	RC Metals Inc.	NMC1217521	NMC1217587	779521	2020/10/13
SC-118	RC Metals Inc.	NMC1217521	NMC1217588	779522	2020/10/13
SC-119	RC Metals Inc.	NMC1217521	NMC1217589	779523	2020/11/23
SC-120	RC Metals Inc.	NMC1217521	NMC1217590	779524	2020/11/23
SC-121	RC Metals Inc.	NMC1217521	NMC1217591	779525	2020/11/23
SC-122	RC Metals Inc.	NMC1217521	NMC1217592	779526	2020/11/23
SC-123	RC Metals Inc.	NMC1217521	NMC1217593	779527	2020/11/23
SC-124	RC Metals Inc.	NMC1217521	NMC1217594	779528	2020/11/23
SC-145	RC Metals Inc.	NMC1217521	NMC1217595	779529	2020/10/14
SC-146	RC Metals Inc.	NMC1217521	NMC1217596	779530	2020/10/14
SC-147	RC Metals Inc.	NMC1217521	NMC1217597	779531	2020/10/14
SC-148	RC Metals Inc.	NMC1217521	NMC1217598	779532	2020/10/14
SC-149	RC Metals Inc.	NMC1217521	NMC1217599	779533	2020/10/14
SC-150	RC Metals Inc.	NMC1217521	NMC1217600	779534	2020/10/14
SC-152	RC Metals Inc.	NMC1217521	NMC1217601	779535	2020/10/14
SC-154	RC Metals Inc.	NMC1217521	NMC1217602	779536	2020/11/24
SC-156	RC Metals Inc.	NV105278427	NV105278447	798034	2021/09/03
SC-159	RC Metals Inc.	NMC1217521	NMC1217603	779537	2020/11/23
SC-161	RC Metals Inc.	NMC1217521	NMC1217604	779538	2020/11/23
SC-163	RC Metals Inc.	NMC1217521	NMC1217605	779539	2020/11/23

SC-165	RC Metals Inc.	NMC1217521	NMC1217606	779540	2020/11/23
SC-189	RC Metals Inc.	NMC1217521	NMC1217607	779541	2020/10/14
SC-190	RC Metals Inc.	NMC1217521	NMC1217608	779542	2020/10/14
SC-191	RC Metals Inc.	NMC1217521	NMC1217609	779543	2020/10/14
SC-192	RC Metals Inc.	NMC1217521	NMC1217610	779544	2020/10/14
SC-193	RC Metals Inc.	NMC1217521	NMC1217611	779545	2020/10/14
SC-194	RC Metals Inc.	NMC1217521	NMC1217612	779546	2020/10/14
SC-195	RC Metals Inc.	NMC1217521	NMC1217613	779547	2020/10/14
SC-196	RC Metals Inc.	NV105278427	NV105278448	798035	2021/09/03
SC-197	RC Metals Inc.	NV105278427	NV105278449	798036	2021/09/03
SC-199	RC Metals Inc.	NV105278427	NV105278450	798037	2021/09/03
SC-200	RC Metals Inc.	NV105278427	NV105278451	798038	2021/09/03
SC-201	RC Metals Inc.	NV105278427	NV105278452	798039	2021/09/02
SC-202	RC Metals Inc.	NV105278427	NV105278453	798040	2021/09/02
SC-203	RC Metals Inc.	NV105278427	NV105278454	798041	2021/09/02
SC-204	RC Metals Inc.	NV105278427	NV105278455	798042	2021/09/02
SC-205	RC Metals Inc.	NV105278427	NV105278456	798043	2021/09/02
SC-206	RC Metals Inc.	NV105278427	NV105278457	798044	2021/09/02
SC-207	RC Metals Inc.	NV105278427	NV105278458	798045	2021/09/02
SC-208	RC Metals Inc.	NV105278427	NV105278459	798046	2021/09/02
SC-209	RC Metals Inc.	NV105278427	NV105278460	798047	2021/09/02
SC-210	RC Metals Inc.	NV105278427	NV105278461	798048	2021/09/02
SC-211	RC Metals Inc.	NV105278427	NV105278462	798049	2021/09/02
SC-212	RC Metals Inc.	NV105278427	NV105278463	798050	2021/09/02
SC-213	RC Metals Inc.	NV105278427	NV105278464	798051	2021/09/02
SC-214	RC Metals Inc.	NV105278427	NV105278465	798052	2021/09/02
SC-215	RC Metals Inc.	NV105278427	NV105278466	798053	2021/09/02
SC-216	RC Metals Inc.	NV105278427	NV105278467	798054	2021/09/02
SC-217	RC Metals Inc.	NV105278427	NV105278468	798055	2021/09/02
SC-218	RC Metals Inc.	NV105278427	NV105278469	798056	2021/09/02
SC-219	RC Metals Inc.	NV105278427	NV105278470	798057	2021/09/02
SC-220	RC Metals Inc.	NV105278427	NV105278471	798058	2021/09/02
SC-221	RC Metals Inc.	NV105278427	NV105278472	798059	2021/09/02
SC-222	RC Metals Inc.	NV105278427	NV105278473	798060	2021/09/02
SC-223	RC Metals Inc.	NV105278427	NV105278474	798061	2021/09/02
SC-224	RC Metals Inc.	NV105278427	NV105278475	798062	2021/09/02
SC-225	RC Metals Inc.	NV105278427	NV105278476	798063	2021/09/02
SC-226	RC Metals Inc.	NV105278427	NV105278477	798064	2021/09/02
SC-227	RC Metals Inc.	NV105278427	NV105278478	798065	2021/09/02
SC-228	RC Metals Inc.	NV105278427	NV105278479	798066	2021/09/02
SC-229	RC Metals Inc.	NV105278427	NV105278480	798067	2021/09/02
SC-230	RC Metals Inc.	NV105278427	NV105278481	798068	2021/09/02
SC-231	RC Metals Inc.	NV105278427	NV105278482	798069	2021/09/02
SC-232	RC Metals Inc.	NV105278427	NV105278483	798070	2021/09/02
SC-233	RC Metals Inc.	NV105278427	NV105278484	798071	2021/09/02
SC-235	RC Metals Inc.	NV105278427	NV105278485	798072	2021/09/02
SC-236	RC Metals Inc.	NV105278427	NV105278486	798073	2021/09/02
SC-237	RC Metals Inc.	NV105278427	NV105278487	798074	2021/09/02
SC-238	RC Metals Inc.	NV105278427	NV105278488	798075	2021/09/02
SC-239	RC Metals Inc.	NV105278427	NV105278489	798076	2021/09/02
SC-240	RC Metals Inc.	NV105278427	NV105278490	798077	2021/09/02

SC-242	RC Metals Inc.	NV105278427	NV105278491	798078	2021/09/02
SC-262	RC Metals Inc.	NV105278427	NV105278492	798079	2021/09/02
SC-264	RC Metals Inc.	NV105278427	NV105278493	798080	2021/09/02
SC-266	RC Metals Inc.	NMC1217521	NMC1217614	779548	2020/11/23
SC-266	RC Metals Inc.	NV101901066	NV101901066	799743	2021/10/05
SC-268	RC Metals Inc.	NMC1217521	NMC1217615	779549	2020/11/23
SC-268	RC Metals Inc.	NV101901067	NV101901067	799744	2021/10/05
SC-270	RC Metals Inc.	NMC1217521	NMC1217616	779550	2020/11/23
SC-270	RC Metals Inc.	NV101901068	NV101901068	799745	2021/10/05
SC-272	RC Metals Inc.	NV105288684	NV105288687	799746	2021/10/05
SC-274	RC Metals Inc.	NV105288684	NV105288688	799747	2021/10/05
SC-276	RC Metals Inc.	NV105288684	NV105288689	799748	2021/10/05
SC-278	RC Metals Inc.	NV105288684	NV105288690	799749	2021/10/05
SC-279	RC Metals Inc.	NV105288684	NV105288691	799750	2021/10/05
SC-280	RC Metals Inc.	NV105288684	NV105288692	799751	2021/10/05
SC-281	RC Metals Inc.	NV105288684	NV105288693	799752	2021/10/05
SC-282	RC Metals Inc.	NV105288684	NV105288694	799753	2021/10/05
SC-283	RC Metals Inc.	NV105288684	NV105288695	799754	2021/10/05
SC-284	RC Metals Inc.	NV105288684	NV105288696	799755	2021/10/05
SC-285	RC Metals Inc.	NV105288684	NV105288697	799756	2021/10/05
SC-286	RC Metals Inc.	NV105288684	NV105288698	799757	2021/10/05
SC-287	RC Metals Inc.	NV105288684	NV105288699	799758	2021/10/05
SC-288	RC Metals Inc.	NV105288684	NV105288700	799759	2021/10/05
SC-289	RC Metals Inc.	NV105288684	NV105288701	799760	2021/10/05
SC-290	RC Metals Inc.	NV105288684	NV105288702	799761	2021/10/05
SC-291	RC Metals Inc.	NV105288684	NV105288703	799762	2021/10/05
SC-292	RC Metals Inc.	NV105288684	NV105288704	799763	2021/10/05
SC-293	RC Metals Inc.	NV105288684	NV105288705	799764	2021/10/05
SC-294	RC Metals Inc.	NV105288684	NV105288706	799765	2021/10/05
SC-295	RC Metals Inc.	NV105288684	NV105288707	799766	2021/10/05
SC-296	RC Metals Inc.	NV105288684	NV105288708	799767	2021/10/05
SC-298	RC Metals Inc.	NV105288684	NV105288709	799768	2021/10/05
SC-300	RC Metals Inc.	NV105288684	NV105288710	799769	2021/10/05

History

Exploration at the Scraper Springs Project began in the mid 1980's and continued for nearly 20 years. Drilling on the property began in 1984 and continued to 2008. The Scraper Springs Project was released and sat dormant until being acquired and renewed by the Company in 2021. Work prior to the 1980's is either unreported or unknown to the Scraper Springs Author.

US Steel explored the vein system at the Hill anomaly (Rebel Fault Zone Area) in the southwestern portion of the Scraper Springs Project in 1983. Freeport and Hecla Mining further tested this area in 1984 and 1987, respectively. Cordex Exploration performed a wide array of drill testing from 1989-1991, targeting areas to the north and northwest of the present claim block.

Western States Minerals held the Scraper Springs Project from 1994 to 1997 and focused on skarn / Carlin-type mineralization, focusing on Vinini sediments along the margins of Tertiary granodiorite intrusives. In late 2001, the claims were leased to Cordex's subsidiary Cordilleran, and in 2004 (funded by Metallic Ventures) drilled 12 widely spaced holes. Newmont optioned the project from Cordex/Cordilleran and in 2008 tested the South Breccia Zone with three holes before dropping the Scraper Springs Project.

NQ Holdings Inc. re-staked the Scraper Springs Project in 2020 and transferred ownership to Red Canyon Resources in 2021, recognizing a potential for a porphyry-style mineral system at depth (this Report).

Assays and intercepted widths listed here are reported in the following Sections are for reference only, have not been verified, and do not indicate or guarantee mineral intercepts that may be intersected in future drill campaigns.

Table 7: Summary of Work at the Scraper Springs Project

Year	Company	Soils	Rocks	Drill Holes	Geophysics	Other
1983	US Steel					
1984	Freeport			10 (4,100 ft)		
1987	Hecla Mining Company			7 (2,415 ft)		
1989	Cordex	*	*	40 (21,475 ft)	CSAMT*	
1994	Western States	*	*	13 (8,535 ft)		
2003	Cordex / Metallic Ventures	1787	170	12 (8,380 ft)	Ground Magnetics	Diorite age dating
2008	Cordex / Newmont	767	145	3 (3,504 ft)	11 line km IP/RES (28.62 km)	Hyperspectral, Petrography, Volcanic age dating
2021	Red Canyon Resources	240			3.3 line km IP/RES	
2022	Red Canyon Resources					3d modeling
		> 2794	> 315	78 (47,510 ft)		

Table 8: Summary of Historic Drilling Data and Targets of Previous Drill Operators at Scraper Springs

Dates	Operator	Holes	Target Type	Amount (ft)	Assays	Logs	Alteration
1983	US Steel						
1984	Freeport	10	Epithermal	4,100			
1987	Hecla	7	Epithermal	2,415			
1989-1991	Cordex	40	Carlin	21,475			
1994-1997	Western States Minerals	13	Carlin, Skarn	8,535	✓		
2003	Metallic Ventures/Cordex	12	Carlin, Skarn	8,380	✓	✓	✓
2008	Newmont, Cordex	3	Breccia	2,605	✓	✓	✓
	Total	85		47,510			

US Steel first explored a vein system in 1983 at the Rebel Fault Zone (formerly the “Hill” anomaly) located in the southwestern part of the Scraper Springs Project. Freeport drilled 10 RC holes in this area totaling 4100 ft in 1984, and Hecla Mining Company followed this effort by drilling seven holes totaling 2145 ft in 1987. Both drill programs intercepted weakly-anomalous gold and anomalous to significant silver hosted in quartz veins, breccias, and altered volcanic rocks (Howell, 2007).

Between 1989-1991 Cordex Exploration performed extensive exploration which included mapping, rock and soil sampling, gridded auger drilling, CSAMT, and completed 40 shallow RC holes totaling 21,475 ft. Most of Cordex’s early work targeted areas to the north and northwest of the current claim block (Howell, 2007). No drill logs or assay results are currently available.

Western States Minerals operated the Scraper Springs Project from 1994-1997. Mapping, rock and soil sampling, and drilling focused on the central Paleozoic exposure between two intrusive stocks, and to a lesser extent, the Rebel Fault Zone. Of the 13 RC holes drilled, totaling 8535 ft, (SS 1-13, 8535'), two holes intercepted significant mineralization in altered Vinini sediments along the margins of a Tertiary granodiorite intrusive.

Drill hole SS-1 intercepted 140 feet (320-460') assaying 0.017 ounces per ton (oz/t) gold including a 20 and 10 ft intercept containing 0.031 and 0.050 oz/t Au respectively; drill Hole SS-6 intercepted 25 feet (25-50') of 0.020 oz/t Au (Howell, 2007). Of the 13 holes drilled, complete drill logs are available from SS-1, SS-5, and SS-9.

The drill logs provide insight into the alteration assemblages through Oviq quartzite, where the past operator was targeting Carlin type mineralization. SS-1 drill log indicates that higher gold values are associated with elevated concentrations of disseminated pyrite. Over the interval from 265-280 ft., pyrite constitutes greater than 20% of the ground mass and locally accounts for 30% of the minerals within the RC chips. In these zones pyrite occurs as massive, sooty aggregates and is disseminated through the groundmass (Cantor and Thompson, 2012).

In 2003, Cordilleran (a Cordex company) was funded by Metallic Ventures to perform extensive soil sampling and a ground magnetic survey. This venture dated the diorite intrusive and drilled 12 widely-spaced RC holes totaling 8380 ft. (SC-1-SC-12). Unfortunately, of the 1787 soils collected from the central Scraper Springs Project area, only Au, As and Hg were assayed. Metallic dissolved their interest in the venture in 2006 and the Scraper Springs Project reverted to Cordex/Cordilleran.

Encouraging drill results included SC-1, which was drilled to a depth of 1900 feet. This drill hole encountered variably altered Lower Plate rocks thought to be Devonian Rodeo Creek Formation at a depth of 1650 feet (Cantor and Thompson, 2012). This hole contained anomalous gold both in the Upper and Lower Plates with strongly anomalous to significant copper and zinc in Lower Plate sedimentary rocks. Many of the other shallow holes intercepted weakly anomalous gold, anomalous zinc, lead and silver (SC-11) (Howell, 2007).

SC-1 is the deepest historic drill hole on the Scraper Springs Project. Near the bottom of the hole, between 1815 and 1850 ft, the rock is carbonate-rich. Although the final 100 ft of this hole were not assayed, it is notable that this carbonate-rich lithology occurs here, as geochemical anomalies in copper and zinc spike just above this unit (Cantor and Thompson, 2012). Between 1765 and 1800 ft, Cu values jump from low values under 100 ppm to over 2100 ppm. Over this same interval, Zn values are elevated from low-hundreds ppm to above 1000 ppm and between 1765 – 1770 ft is measured at 10,000 ppm (Unpub. Cordex report 2004, sample SP066323).

In 2008, Newmont Mining formed a strategic alliance with Cordex/Cordilleran to further explore the breccias, adding additional expertise for re-mapping and re-interpreting the geology and alteration. They laid soil sample grids covering both the northeastern portion of the Scraper Springs Project and the area identified as the "Diatreme Vent Target" (referred to in this report as the "South Breccia Zone") into which they drilled 3 RC holes totalling 3,504 ft (Wise, 2008b). Newmont also contracted hyperspectral alteration mapping, 11 lines of IP geophysics, and assayed 767 soils for a wider suite of elements. Newmont and Cordex dropped the claims in 2012.

The three RC holes targeting an interpretive "diatreme vent" structure, a feature in which mineralization occurs in breccia bodies when magma rises up through the Earth's crust and makes contact with a shallow body of groundwater, rapid expansion of heated water, vapor, and volcanic gases and causes a series of explosive events (Sillitoe, 1985). New mapping by Brad Cantor in 2012 revealed that the breccia textures and mineral assemblages on the Scraper Springs Project suggest that the breccias are magmatic hydrothermal (Sillitoe, 2010, Cantor 2012), and not diatreme breccias.

The three drills holes, SCN-00013, SCN-00014, and SCN-00015, all collared in tertiary volcanics (Tvt) quickly encountered the diorite intrusive unit (Td) from 25 to 325 ft deep, which continued to each hole's terminal depth. Moderate to intense quartz-sericite-pyrite (QSP) alteration occurs in the diorite, with as much as 15% disseminated pyrite in veinlets and the groundmass locally. Additionally a chlorite-dominant propylitic assemblage from 1105 at 1300 ft (Cantor and Thompson, 2012).

Although drilling produced core mostly barren of ore minerals, this area is significant because widespread quartz-sericite-pyrite (QSP) alteration, with molybdenite, supports the notion that there is widespread alteration at depth, which provides a vector toward higher temperature parts of the system.

Portions of the Scraper Springs Project area were staked by Altan Rio and Genesis Gold in 2018. Altan Rio and Genesis Gold dropped the claims in 2019.

NQ Holdings staked 96 claims covering the core area of the Scraper Springs Project in October 2020. Following acquisition, NQ Holdings began assimilating the area's historic data.

Red Canyon acquired the property from NQ Holdings in February of 2021 for consideration of $100,000 and a 2% NSR. Following the acquisition, Red Canyon located additional claims, for a total of 190. In 2021, Red Canyon contracted Zonge Geoscience to perform an Induced Polarization and Resistivity survey comprising 3.3 line-kilometres of coverage, and in November and December collected 240 soil samples covering a broad area to obtain multi-element data where coverage was previously incomplete.

Since 2021, the Company worked to compile the new and available historic data to construct a 3D model in LeapFrog geological modeling software, generate a new interpretation, and prepare an exploration drilling permit. The model includes subsurface geology, alteration and structures to assist in planning accurate drill holes and investigating subsurface trends, for which the Company has outlined an approximate 7,500 metre drill program pending positive additional results.

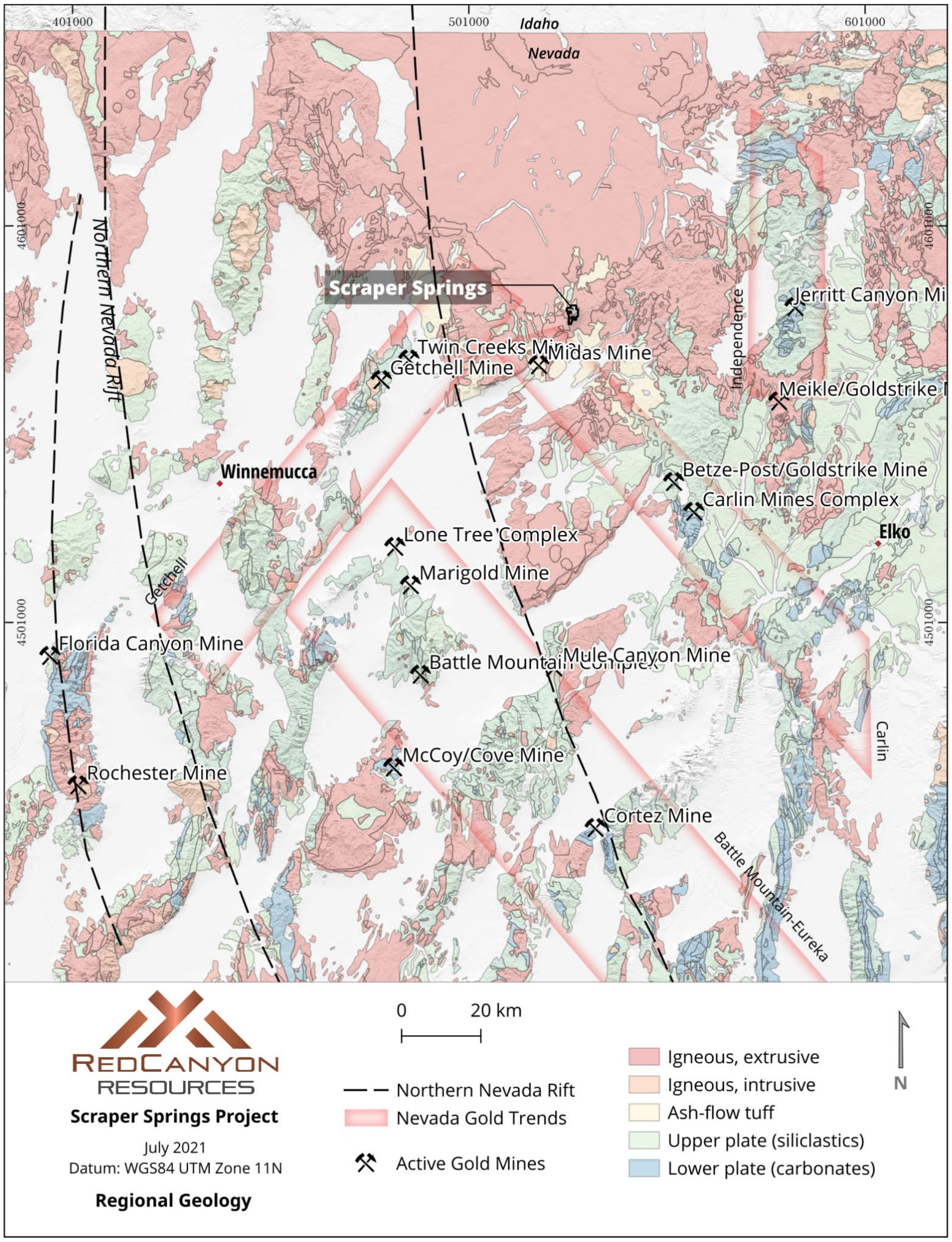


Figure 19: Regional geology in North and central Nevada showing generalized lithology, regional gold trends, active gold mines and trend of the Northern Nevada Rift (NNR)

Table 9. Historic Drill Highlights Observed from the Unverified Historic Drill Data.

Year	Hole ID	From (ft)	To (ft)	Au ppm	Ag ppm	Cu pm	Mo ppm	Pb ppm	Zn ppm	
2004	**SC-01**	*40*	*45*	**0.346**	**18.3**	35.4	5.37	24.7	24.8	
		55	*60*	**0.47**	**22**	66.3	1.43	16.9	27.7	
		170	*175*	**0.423**	**15.7**	34.3	3.13	25	64.5	30ft Average: **0.28 g/t Au** **19.7 g/t Ag**
		175	*180*	**0.382**	**18.3**	40.3	3.53	25.6	65	
		180	*185*	**0.272**	**18.4**	39.7	3.9	34.9	74.4	
		185	*190*	0.13	**21.7**	53.9	3.48	18.1	58.7	
		190	*195*	0.106	**15.4**	41.1	2.95	11.3	40.2	
		195	*200*	**0.338**	**28.9**	56.9	3.58	18.1	75.9	
		1765	*1770*	0.008	7.3	**2160**	1.46	90.6	**10000**	35ft Average: **0.20 % Cu** **0.27 % Zn**
		1775	*1780*	0.006	5.2	**2400**	2.01	471	**1670**	
		1780	*1785*	0.008	1.81	**2290**	1.14	43.2	228	
		1785	*1790*	0.01	2.09	78.2	4.82	493	106	
		1790	*1795*	0.012	2.09	**1860**	1.08	51.8	191	
		1795	*1800*	0.008	1.9	**2970**	1.01	34.4	277	
2004	**SC-02**	*375*	*380*	0.018	5.51	149	2.61	319	**2130**	
2004	**SC-03**	*135*	*140*	0.018	**35**	17.7	8.4	37.8	44.6	
2004	**SC-11**	*230*	*235*	0.048	**60**	146	4.97	**6950**	**10000**	20ft Average: **35 g/t Ag** **0.42 % Zn** **0.32 % Pb**
		235	*240*	0.031	**29.7**	50.1	4.08	**3120**	**3130**	
		240	*245*	0.015	**36.6**	25.9	3.83	**1270**	**810**	
		245	*250*	0.019	15.5	37.3	3.41	**1450**	**2740**	
		265	*270*	0.022	28.7	35.3	5.16	**1510**	**2020**	
		365	*370*	0.027	8.13	104	3.21	**1380**	**2910**	
		380	*385*	0.012	6.61	18.6	2.51	**2080**	**149**	
2008	**SCN-0013**	*320*	*340*		0.03	15.1	**168.5**	12.8	16	

Historical Sample Preparation and Analysis

A compilation of the sample preparation and analyses from previous workers is tabulated in Table 10. 2004 RC chip samples (Cordex) were prepared by American Assay Laboratories ("AAL"). The 2008-era RC chip samples (Newmont), soil samples, and the 2021 era soil samples by the Company were prepared by ALS Laboratories ("ALS"). ALS uses a preparation method that involves a crush to 70% less than 2mm, riffle split off 250g, then pulverised to better than 85% passing 75 microns.

Cordex reported using AAL in Reno, NV for all assayed samples, selecting the labs' ICP-2A assay method for drill hole SC-1, and the ICP-1D assay method for drill holes SC-2 through SC-11, all with AAL's FA30 process for gold (FA30 is a method not presently offered by AAL).

Newmont's samples were analyzed by ALS Minerals, a division of ALS Global, with labs located in British Columbia, Canada and Reno, Nevada. RC chips and soils from the 2008 program were assayed using the ME-MS41 assay method with an Au-AA23 or ICP21-Au for gold, respectively. ICP and MS methods use acid to digest the sample, aerosolized with Argon, and quantified through count via mass spectrometry for gold and multi-element determination. The FA30 and Au-AA23 processing describe a fire assay method, the latter is a flux recipe on a sample of 30g in size to determine the presence of gold in trace limits greater than 0.005 ppm. The digestion quantitatively dissolves nearly all minerals in the majority of geological materials, however, barite, rare earth oxides, columbite-tantalite, and titanium, tin and tungsten minerals may not be fully digested.

Table 10. Historic drill sample assay methods and laboratories.

Year	Company	Sample type	Commodity	Method	Lab
2004	Cordex	RC chips	Au	FA30	American Assay Lab
2004	Cordex	RC chips	Au	FA30	American Assay Lab
2004	Cordex	RC chips	Multi-element	ICP-1D, ICP-2A	American Assay Lab
2008	Newmont	RC chips	Au	Au-AA23	ALS
2008	Newmont	RC chips	Multi-element	ME-MS41	ALS

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Scraper Springs Project lies within the eastern-central portion of the Basin and Range physiographic province; a broad extensional landscape of N-S trending mountains and valleys that spans most of Nevada, Utah and Idaho.

Two distinct assemblages of marine sediments were deposited during the Paleozoic epoch within the former western margin of North America. Low angle decollement thrusting emplaced sediments of the Western siliciclastic provenance over the Eastern carbonate provenance, termed the Upper and Lower plates of the Roberts Mountain Allochthon and Roberts Mountain Thrust.

The Western assemblage, or the Upper plate, is a marine package of siliciclastic rocks comprising argillite, chert, siltstone, sandstone, and minor limestone. The Eastern carbonaceous sedimentary assemblage- the Lower plate- consists of limestone, dolomite, and lesser quartzite units. The Eastern assemblage underlies all other stratigraphic units in eastern and central Nevada (Gulluly et al., 1965); it is within this Lower Plate that Carlin-type gold mineralization (~42-35 Ma) was discovered at the Carlin Gold Mine.

The Paleozoic rocks are cut by Eocene-aged magmas and overlain by a range of Tertiary volcanic rocks. A diorite from Scraper Springs produced a K-Ar age of 38.9 ± 1 Ma, and the volcanics range within a few million years from the intrusive bodies (Wallace, 2005; Howell, 2007). Granodiorite exposed in the Tuscarora volcanic caldera complex- the Mount Neva granodiorite, near Scraper Springs- produced an Ar/Ar age of 39.37 ± 0.28 Ma (Henry and Boden, 1999). For comparison, the ages of alkaline porphyry intrusions from Bingham Canyon, UT- one of the largest open pit mines in the world- range from 38.6 to 37.8 Ma (Parry et al., 2001).

Eocene activity in this portion of Nevada is part of an overall north to south trend of magmatism extending from the older 54-47 Ma Colville province in eastern Washington, the 51-40 Ma Challis volcanic field in central Idaho, and the 43 Ma and younger magmatism in northern Nevada and the Great Basin (Christensen and Yeats, 1992; Castor et al., 2003).

Multiple caldera complexes within the region are likely the sources of these volcanic units; rocks in the Scraper Springs region include ignimbrite ash flow, air-fall and lithic tuffs, volcaniclastics, and diorite stocks.

Rift faulting in the mid-Miocene the Northern Nevada Rift (NNR) occurred with localized volcanism, and hypabyssal basalt and gabbro; hydrothermal fluids along the structures produced several deposits of extensive gold-silver mineralization.

Regional Mineralization

Mineralization in the region includes both Eocene-aged Carlin-type gold deposits along the Carlin trend to the south-southeast, and Miocene-aged epithermal vein deposits related to the Northern Nevada Rift (NNR).

The Midas mine is the largest known Au-Ag epithermal deposit along the NNR and belongs to a suite of middle Miocene low-sulfidation epithermal gold and silver mineralized systems associated with magmatism and secondary faulting.

Southwest of the Scraper Springs Project, the Hollister Mine hosts Miocene-aged gold mineralization within volcanic tuffaceous units, andesites, and the Ordovician Vinini Formation.

Further afield and approximately 200 miles to the east sits the Bingham Canyon, UT, copper-molybdenum-gold porphyry deposit. Production estimates from the mine are more than 16 Mt of copper, 24 Moz of gold, 190 Moz of silver, and 400 Kt of molybdenum (adapted from Bon and Krahulec, 2007, with annual production estimates from Rio Tinto website access 2023). Total production grades vary, with averages ranging near 0.6% Cu, 0.2 g/t Au, 0.04% Mo and 2 g/t Ag.

Property Geology

Ordovician Vinini Quartzites

Tertiary volcanic rocks and shallow igneous intrusions on the Scraper Springs Project have been eroded to expose the Paleozoic Ordovician Vinini Formation (Ov), the primary local unit of the Upper Plate assemblage overlying the Roberts Mountain Thrust.

Pennsylvanian-Permian Carbonaceous Sandstones

The Pennsylvanian-Permian Edna Mountain Formation (PPem) and younger Permian Havallah Sequence (Ph) are projected to occur underneath the Tertiary volcanic cover, unconformably-overlying the lower Paleozoic sequences, throughout north and eastern Nevada. These rocks were deposited as detritus from the denudation of the ancestral Rocky Mountains during the Antler Orogeny (Roberts, 1964).

The Edna Mountain Formation comprises limey silts, sandstones, and cherty conglomerates with a heterolithic assemblage of lithics and black chert clasts, and minor phosphorus-rich shale beds in a package up to several hundred feet thick (Howell, 2004).

The Havallah Sequence (Ph) overlies the Edna Mountain Formation along the Golconda thrust fault; members of the Havallah comprise various beds of black chert, sandstone, siltstone, and limestone each ranging as much as 2,000 or more feet in thickness.

These rocks are not exposed within the Scraper Springs Project area. The sole major unconformity mapped in the center of the Scraper Springs Project places Tertiary volcanics over the Vinini quartzites, but the Permian carbonates may exist elsewhere below Tertiary cover.

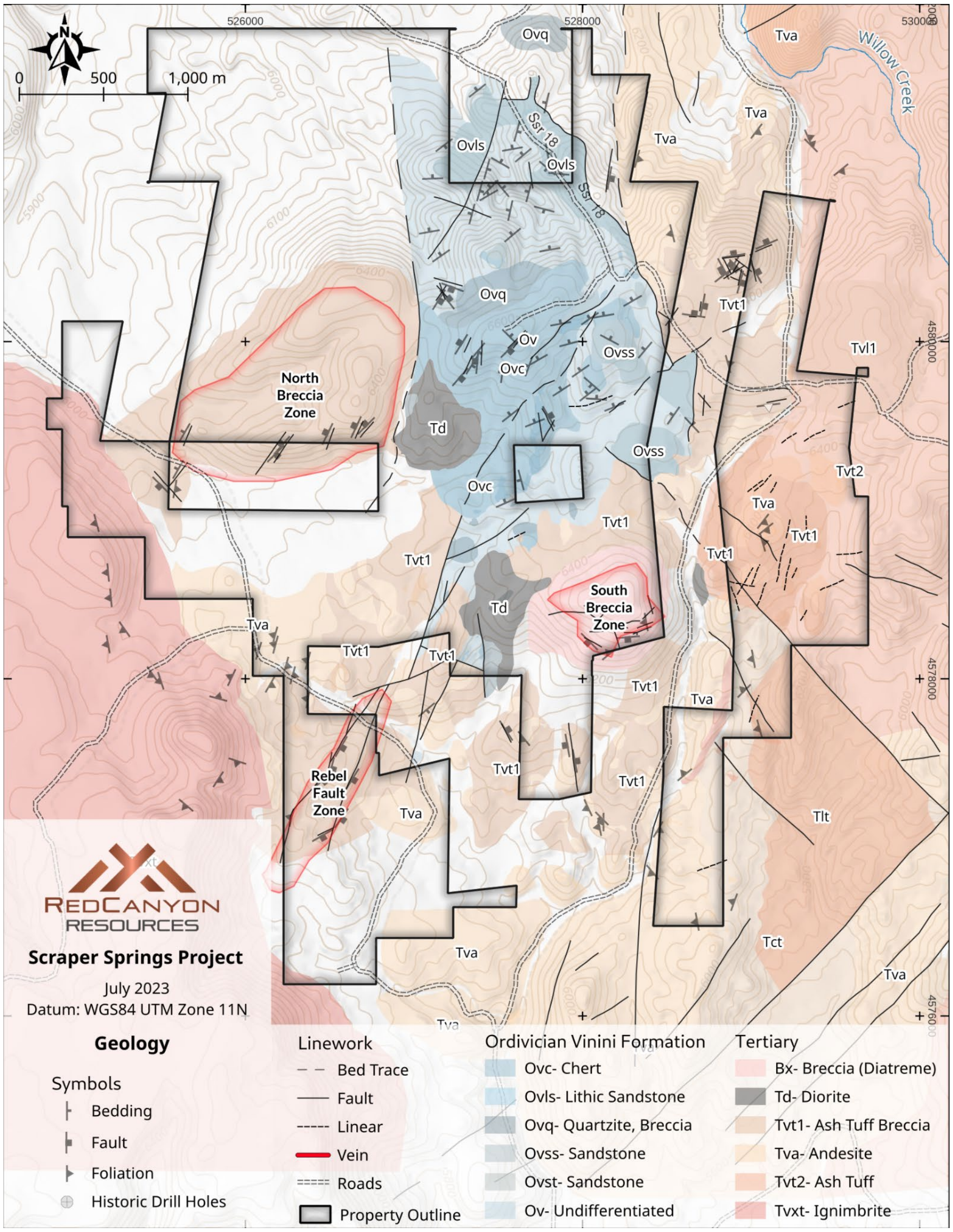


Figure 20: Scraper Springs geologic map (adjusted from J.M. Wise, 2008)

Tertiary Volcanics

Tertiary-aged felsic rocks are abundant throughout the Basin and Range Province, largely related to a system of magmatism that youngs to the south across western USA. The volcanism ranges from felsic to intermediate, from rhyolite tufts, domes and caldera complexes to andesitic ash flows and minor mafic constituents.

Within the Scraper Springs Project area, Tertiary volcanics are dated as late Eocene age (ranging from 39-37 Ma, Wise 2008), and likely contemporaneous and coeval with the diorites. Furthermore, these volcanics are altered with high sulphidation advanced argillic and argillic assemblages, indicating that one or more hydrothermal events is not older than 37 Ma.

The oldest and most voluminous rock type in the greater area is an ignimbrite (Tvxt, ~39.3 Ma) that occupies the east and western flanks of the Scraper Springs Project area.

Internal to the Scraper Springs Project sit felsic, ash-rich tuffs (Tvt, ~39.3 Ma), and are commonly bleached, silicified and cut with quartz-stockwork and/or quartz breccia.

Intruding and/or interlayered with Tvt are andesite flows (Tva, ~37.3 Ma). Tva is a porphyritic volcanic rock containing plagioclase, hornblende, quartz, and local pyroxene phenocrysts, are olive-green to olive-tan and form both subcrop and prominent outcrops throughout the Scraper Springs Project.

External to the Scraper Springs Project, Miocene-age volcanism and related volcaniclastic rocks indicate a younger, and the most recent expression of volcanic activity in the greater area.

Breccias

Two breccia complexes sit adjacent to each of the diorite intrusive units (Td), labeled the North and South Breccia Zones after the North and South Stocks, respectively (Figure 21). These breccia units are associated with silicification and advanced argillic alteration.

Six breccia types occur in the North Breccia Zone (from Cantor and Thompson, 2012):

1. Thmbx - "Contains rounded breccia clasts, with the hematite-matrix as the supporting material, including advanced argillic clasts of various advanced argillic assemblages, secondary breccia clasts, and vuggy silica clasts".

2. Twbx - "Matrix-supported and rounded to sub-rounded clasts of 2 mm to 1 cm in diameter with massive or vuggy silica alteration".

3. Trbx - "Heterolithic variably-sized sub-rounded to sub-angular clasts. Mostly silicified or altered to vuggy silica and does not exhibit obvious advanced argillic clasts".

4. Thbx - "A heterolithic breccia with sub-rounded to sub-angular clasts, usually derived from other breccias. Acid sulfate breccia and vuggy silica clasts are common in this lithology, as well as pervasive red Fe-Ox".

5. Tabx - "A distinctive advanced-argillic breccia easily recognized by its intense goethite-jarosite staining. It is both matrix- and clast- supported and contains clasts of vuggy silica and various advanced argillic assemblages".

6. Tt - "Unit of tuffisite, a sub-volcanic lithology, occurs along structures in association with other breccias. Locally brecciated, includes fine-grained, leucocratic and ashy material that is locally silicified. Distinct sub-rounded cherty clasts, 2-4 mm, are included within this unit and likely represent material from the underlying Paleozoic stratigraphy".

Five breccia types occur in the South Breccia Zone (from Cantor and Thompson, 2012):

1. Twbx - As described in above section, also occurs in north breccia and stock zone, spatially associated with and containing clasts of Tobx in the South zone.

2. Tobx - "This orange breccia is mostly matrix-supported and contains rounded to sub-rounded breccia clasts between 2 mm and 1 cm in diameter. Most of the alteration associated with Tobx is siliceous with a distinctive area on the east displaying an advanced argillic-jarosite stained signature".

3. Thbx - As described in above section, also occurs in north breccia and stock zone.

4. Tpbx - "This purple breccia is matrix supported with rounded, cherty clasts on the centimeter-scale, and is commonly vesicular. Tpbx contains clasts of Tt within its matrix near these contacts and it can be determined that it was emplaced after the Tt unit. It is likely that Tpbx is also a type of tuffisite unit, as it shares similar characteristics as Tt".

5. Tt - As described in above section, also occurs in north breccia and stock zone.

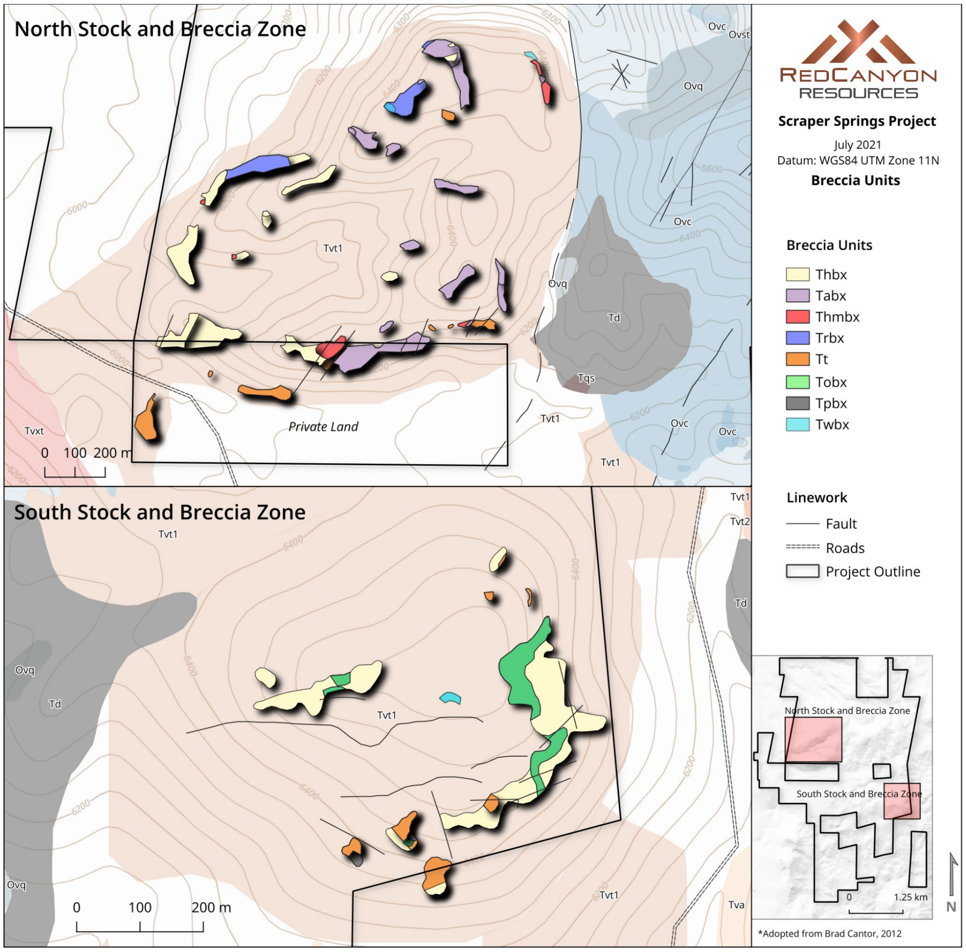


Figure 21: North and South Breccia Zones outcrop maps (Cantor and Thompson, 2012)

<u>Eocene Intrusives</u>

Two plugs of an Eocene intrusive rock are exposed within the Scraper Springs Project (Figure 20). Cantor (2012) describes these intrusions as diorite with phaneritic to locally porphyritic textures and plagioclase- rich with minor (<10%) quartz and alkali-feldspar. Alkali feldspar and biotite occur within this intrusion as both primary and alteration products; plagioclase and quartz dominate the primary mineralogy. The diorite holds an Eocene, nearly Oligocene, K/Ar age date of 38.9 ± 1.0 Ma (Wallace, 2005). Networks of diorite stringers and dykes were also intercepted in drilling.

Project Structure

The predominant structures are visible as tight, north-northwest striking faults across the Scraper Springs Project area that juxtapose Tertiary volcanics into western and eastern blocks separated by a window of Ordovician Vinini in the center.

The North Stock and Breccia Zones, and the South Stock and Breccia Zones both sit along two independent and possibly coeval, northeast-trending systems of faults (Figure 22).

The diorite intrusions and brecciated zones occur along the western-most of these basement faults, but the existing Scraper Springs Project data does not discern if these bodies cut or are cut by this faulting.

The North Stock and Breccia Zones, and the South Stock and Breccia Zones both sit along two independent, and possibly coeval, east-northeast trending fault systems that are 200m-500m wide and cut both the Tertiary and Paleozoic rocks. At the Scraper Springs Project scale, subordinate faults within each of these systems display an internal en-echelon or strike imbrication that imply top-left sinistral shearing.

An unconformity occurs in the central block, close to the Southern Stock and Breccia Zone. This unconformity isolates an erosional age gap between the Vinini and the overlying Tertiary volcanic rocks. Information in this area is sparse and should be inspected further.

The breccias are complex. It is unclear from field relationships whether the breccias are a result of hydrothermal or tectonic events, though their location along the east-northeastern fault systems suggest a tectonic affinity (Cantor and Thompson, 2012).

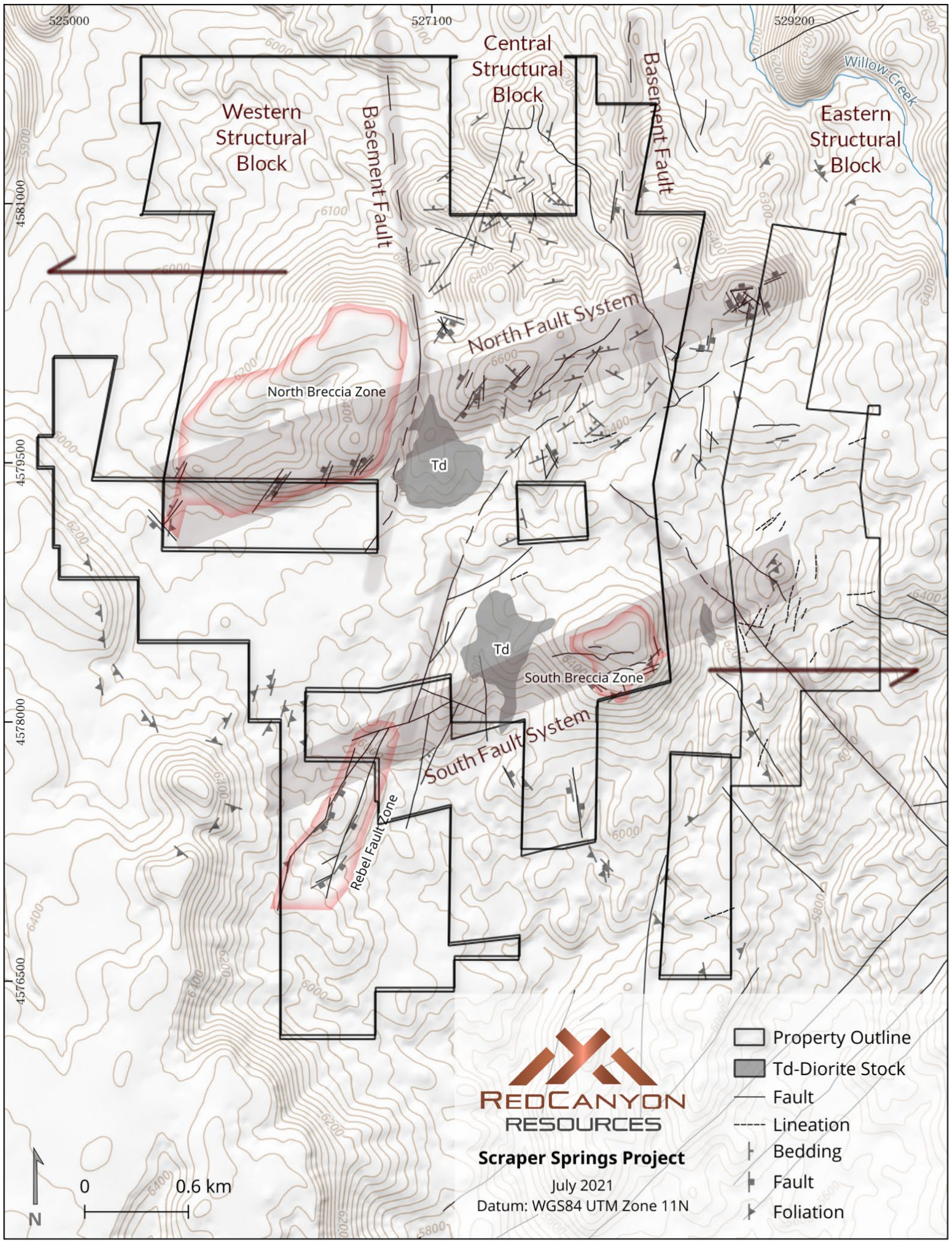


Figure 22: Structure, interpretations and potential stress field

Project Mineralization

Gold, silver, and copper mineralization occur in a variety of styles and alteration assemblages at Scraper Springs. Typical to epithermal vein deposits, mineralization within the tuffaceous rocks comprise:

(1) Massive silicification and bleaching over broad areas hosting local, weakly-anomalous gold generally coincident with advanced argillic alteration (quartz-zunyite-alunite).

(2) Pronounced quartz veining along north-northeast trends with irregular but highly-anomalous gold and silver, specifically within the Rebel Fault Zone Area.

(3) Disseminated gold mineralization in altered and hornfelsed Ordovician sediments adjacent to the diorite intrusives.

(4) Porphyry-related base metal and copper mineralization in altered Ordovician sediments at depth.

A significant zunyite occurrence sits within the north and northeast parts of the Scraper Springs Project. The largest occurrence at Scraper Springs is hosted within what has been referred to as a "huge zunyite lode," which is a vein striking approximately 1200 ft long and ranging between 10 and 60 ft wide. This vein crops out on the eastern margin of the Scraper Springs Project and consists of intergrown quartz and zunyite, comprising up to 75% zunyite locally (Coats et al., 1979).

In the southwest area of the Scraper Springs Project, along the Rebel Fault Zone, sit epithermal quartz-gold-silver veins with several highly anomalous grab samples and associated soil anomalies.

The northern exposure of Vinni Formation is broadly altered to hornfels (Howell, 2007). Here, Au-bearing skarn mineralization is hosted along the contact with the diorite intrusion (Cantor and Thompson, 2012). This mineralization style was explored by Western States Minerals in 1994-1997 through several drill holes, intercepting anomalous gold mineralization in advanced argillic alteration assemblages. Within the diorite intrusion, pyrite occurs as disseminations and veinlets in the groundmass and with locally-anomalous chalcopyrite (Cantor and Thompson, 2012).

Mineralization within the Paleozoic sedimentary rocks is more representative of "Carlin Type" gold mineralization (CTGD); the Upper Plate Ordovician Vinini at Scraper hosts disseminated gold mineralization in alterations zones along the margins of the Tertiary diorite intrusives, and Lower Plate rocks at depth- if present- may represents a reactive horizon yet explored. Drilling in 2003 intercepted rocks interpreted as the Lower Plate (Devonian Rodeo Creek Formation) that coincided with anomalous copper and zinc (Howell, 2007).

Alteration

Alteration analysis was performed by J.M. Wise (2008), and later by Brad Cantor (2012) who derived several assemblages from field mapping. Alteration zones include silicification, argillic, advanced argillic, endoskarn (North Stock only), zones of moderate K-feldspar alteration ranging from moderate (15-29%) to strong (30-50%) and flooded (>50% K-feldspar, restricted to Tqs), silicification and advanced argillic zones.

Silicification

Silicification occurs in various forms throughout the Scraper Springs Project area. Intense silica flooding has been mapped along the Rebel Fault Zone area and described along the boundaries of the diorite and breccia bodies. Reticulite quartz discretely occurs in the North diorite, where it is associated with hematite (Cantor and Thompson, 2012).

Opal sits adjacent to and within the South Breccia Zone; chalcedony also occurs within the South Breccia Zone as cross-cutting veinlets at the outcrop scale, in quartz vugs, and along veinlet margins in thin sections (Cantor and Thompson, 2012).

Vuggy silica is generally coincident with zunyite and other advanced argillic alteration assemblages throughout the Scraper Springs Project. It also occurs in a band of outcrops forming a perimeter around the northern margins of the Scraper Springs Project.

Argillic

Field mapping describes clay alteration overlapping vuggy silicification, which is common, and likely indicates retrograde alteration. The hyperspectral work performed by Newmont (2008) displays broad distributions of illite and kaolinite throughout the area with a general concentration of dickite in the north, and very broadly-distributed montmorillonite (a common kaolinite alteration product).

Advanced Argillic

The most common advanced argillic assemblage mineral on the Scraper Springs Project is the low-pH alunite, occurring often with zunyite and iron oxides. Pyrophyllite and diaspore, a high-temperature, low pH advanced argillic assemblage, sit north of and extend into the eastern portion of the North Breccia Zone, trending east-northeast.

Late kaolinite-quartz occurs in the North Breccia Zone and occupies quartz vugs, veinlets cross-cutting breccias, and the breccia matrix.

Quartz-Sericite-Pyrite (QSP)

Drilling the South Breccia Zone in 2008, Newmont intercepted quartz-sericite-pyrite underlying the advanced argillic alteration. Pyrite in this area reaches from 15 – 30% up to a metre-scale and occurs with elevated molybdenite. QSP alteration is also observed by Cantor (2012) in the SC-series drill holes from Cordex in 2004 within the central zone of the Scraper Springs Project. The sericite is in name only, represented by illite, mixed illite/smectite, or muscovite.

K-feldspar Alteration

Cantor (2012) described potassic alteration within and surrounding the diorite intrusions. His field work documented k-feldspar encountered during staining of a leucocratic diorite, and k-feldspar flooding within the adjacent feldspar crystal tuff (Tvt, with flattened pumice fragments). Flooded groundmass and veinlets of k-feldspar are also described within thin sections. Biotite is described within the diorite stocks but the research is currently underdeveloped with respect to timing and primary/secondary alteration. Additionally, Cantor encountered a syenite intrusion body located within the North Stock.

The importance of k-feldspar as an alteration mineral lies within its formative temperature and pH window; higher than the conditions for adularia, implicating a potential shift away from the acidic advanced argillic alteration zones of an epithermal environment toward a more neutral and higher-temperature, intrusion-related core.

Endoskarn

Endoskarn mineralization, a carbonaceous assemblage of minerals derived from an intrusive host, is pervasive within the North Stock. Pyroxenes are aligned in coarse crystal bands with quartz gange and are greenish-blue in color. Na-Cobaltinitrite staining of this assemblage also revealed the occurrence of K-feldspar (Cantor and Thompson, 2012).

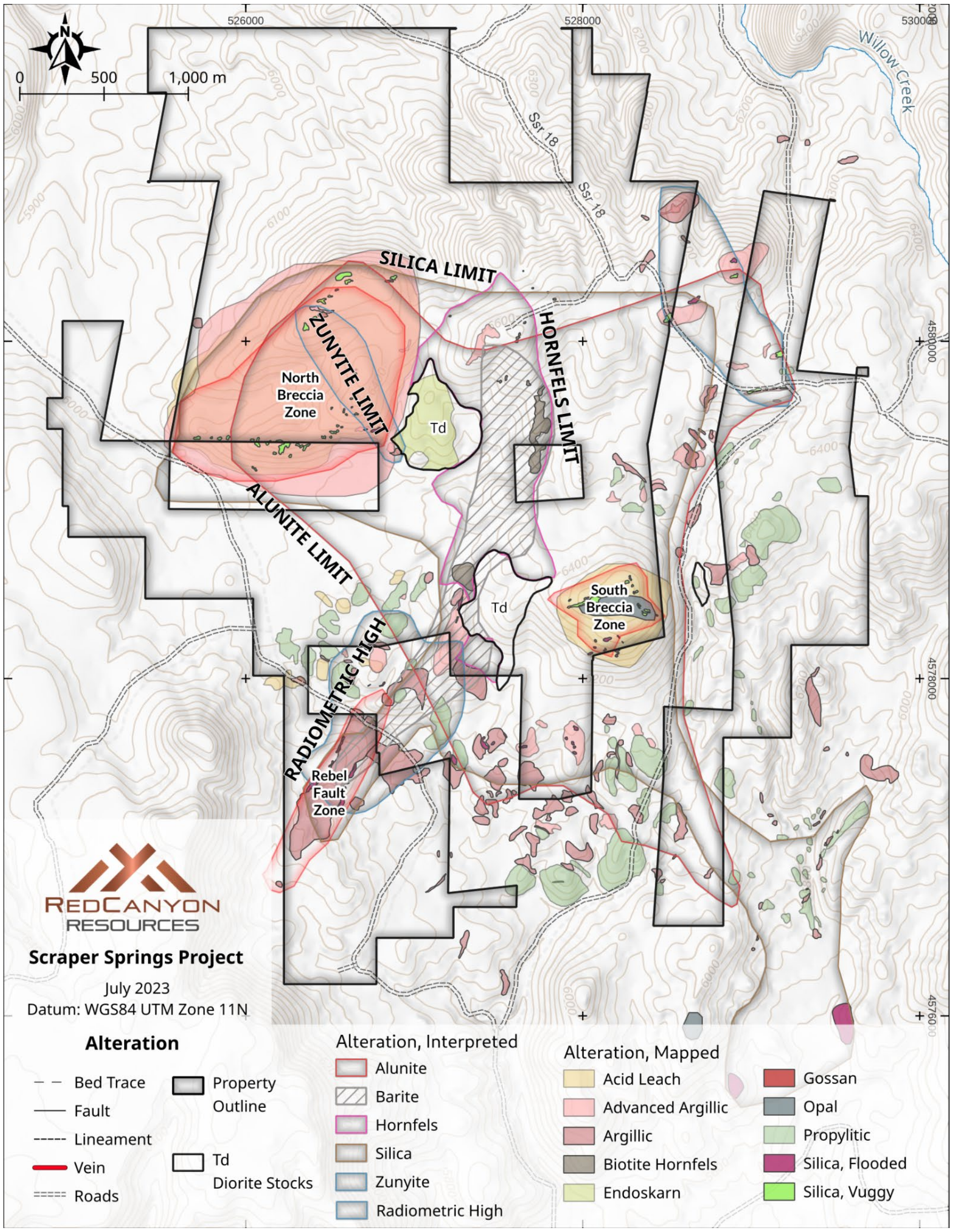


Figure 23: Project alteration map adapted from Wise (2008)

Deposit Types

Carlin-Type Gold Deposit

"Carlin Type" (CTGD) gold mineralization occurs in both Paleozoic Upper Plate siliciclastic rocks, (Vinni Formation) outcropping as a tectonic window in the central portion of the Scraper Springs Project and underlying Lower Plate carbonate rocks.

Epithermal Au-Ag

Epithermal Au-Ag deposits form in the upper crust at temperatures that range from 100 to 300° C. Most systems are genetically related to subaerial volcanism and related intrusive activity, or continental rifting. Diatremes, calderas, and lava domes are common lithologic features of epithermal systems (John et al, 2010).

Epithermal systems range from low to moderate temperatures (100-300 C) through argillic to intermediate and/or advanced argillic alteration, often increasing in acidity as the system evolves. Though temperatures may reach mesothermal gradients, epithermal systems are often short-lived due to their occurrence near surface/ higher portions of the earth's crust (compared to porphyry systems).

Epithermal Quartz-Alunite Au

A specific subset of epithermal deposits are high-acid quartz-alunite related gold (+/- silver), of which numerous styles have long been recognized throughout the southwestern USA, and historically have significant development within the Goldfields district of the Walker Lane trend in southwestern Nevada. The host rocks are intensely-altered felsic volcanics- intrusions, plugs and domes- that often form portions of more regional volcanic complexes (eg Miocene mineralization at Goldfield, NV) and may be cored by porphyry intrusions at depth (e.g. Summitville, CO and suspected at Goldfield, NV).

Polymetallic Au-bearing Skarn

Polymetallic Au-bearing skarn mineralization may be hosted where Paleozoic sedimentary rocks contact with the diorite intrusion. This type is marked by skarn alteration of the host diorite- endoskarn- identified by greenish-bluish color and coarsely crystalline, aligned pyroxenes (Cantor and Thompson, 2012). Western States Minerals drill targeted this type of system at Scraper Springs in 1994-1997, intercepting 140 ft @ 0.017 oz/t Au in SS-1, and 25 ft of 0.020 oz/t Au (Howell, 2007, not verified).

Porphyry

The majority of porphyry Cu–Au deposits are associated with large volumes of hydrous calc-alkaline magmas (high Sr/Y) derived from melts driven from subducting oceanic plates rising into the overlying continental crust (Hedenquist et al 1998). Metal endowment increases with repeated cycling of magma and hydrothermal activity. Alteration minerals associated with base-metal rich porphyry systems are moderate-high pH, and range through epithermal to mesothermal and higher temperatures. These porphyry systems form over 10's of millions of years, and the thermal profiles of a porphyry system are complex and longer lived resulting from the repeated activity and deeper formation in the earth's crust (Corbett and Leach, 1997).

Due to the cumulative size and clustering of the magmatic sources, alteration zones may extend great distances away from the porphyry centers and will often range from adjacent potassic alteration (k-feldspar, hematite, magnetite, plagioclase, biotite-chlorite) through phyllic alteration (quartz, sericite, plagioclase, chlorite-mica) to distal propylitic (sodic feldspar, chlorite, pyrite, epidote). Advanced argillic alteration also can occur within overlying lithocaps and along late structures cutting copper-porphyry systems.

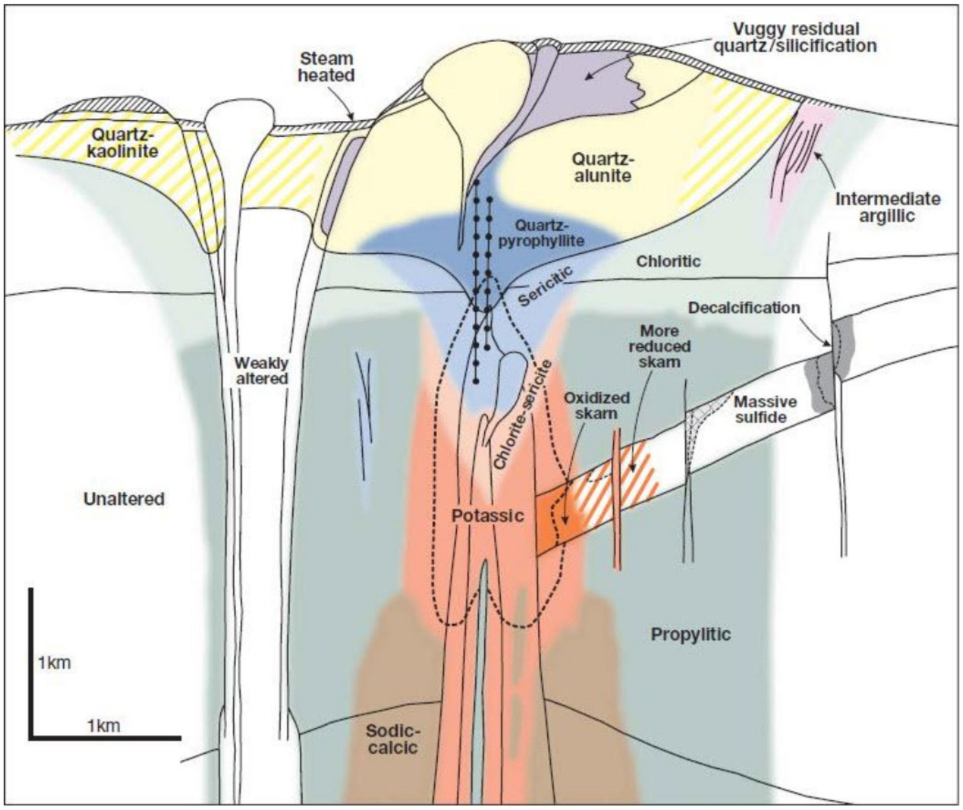


Figure 24: Telescoped porphyry system model (Sillitoe, 2010)

Exploration

Geophysics

<u>*Regional Isostatic Gravity*</u>

Isostatic gravity maps are useful for examining density contrasts in the earth's crust. For example, intrusion centers and large sulphide bodies are likely to exhibit high density, while fault zones, limestones and unconsolidated sediments may exhibit low densities.

The isostatic residual gravity method subtracts long-wavelength anomalies from the Bouger anomaly map that are assumed to result from isostatic compensation of topographic loads deep within the crust or mantle. Isostatic anomalies therefore reveal density distributions within the upper crust that are of interest in many geologic studies (USGS, 1998). The USGS published an isostatic gravity map for the conterminous United States in 1998, with a surface pixel resolution of approximately 250m.

Figure 25 highlights that Scraper Springs, Goldstrike (Betze), Carlin, and the Jerritt Canyon Mines all share proximal relationships to high isostatic gravity anomalies. The anomaly at Scraper Springs may represent an intrusive center at depth; the anomaly should be evaluated with higher resolution ground-based methods and may yield vectors toward a porphyry magmatic source.

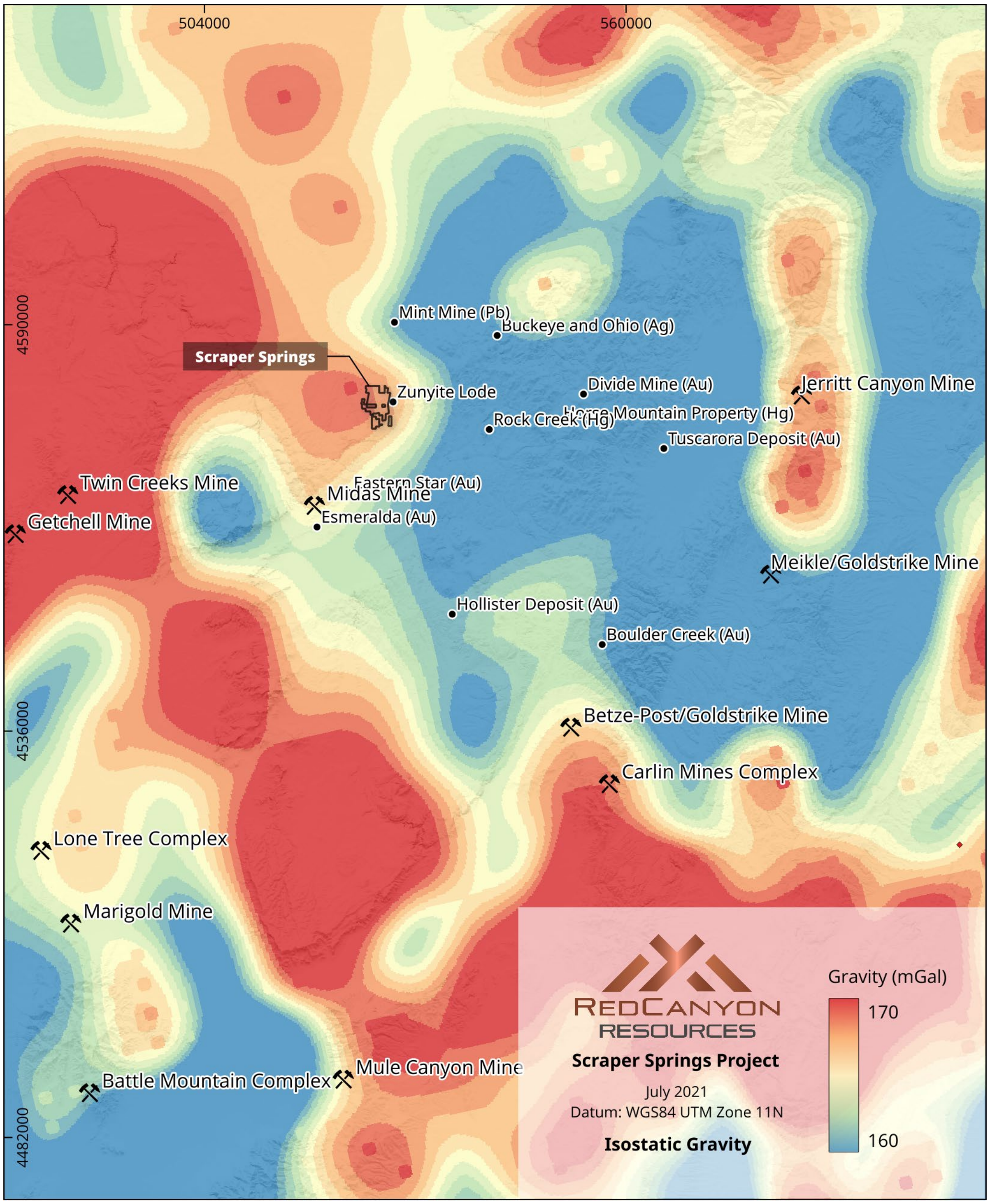


Figure 25: Regional isostatic gravity map of the greater Scraper Springs region (USGS, 1998)

Ground Magnetic Survey (2004)

Zonge Geosciences, Inc. performed a GPS-based ground magnetic survey on the Scraper Springs Project for Cordex in 2004. The first phase of the survey was conducted during the period of April 7 to April 10, and was extended to the south from May 27 to May 29. Magnetic data were acquired on 37 east-west lines spaced 400 feet apart for the general survey, and 200 feet apart in the area of interest. A north-east to south-west diagonal line over the area of interest and one north-south tie line were also collected for a total of approximately 60 line-miles of data acquisition (Figure 26).

The magnetics data express two distinct patterns: broadly anomalous coverage in the northwest, and tight discrete coverage in the southeast.

Anomalies within the northwestern portion spatially coincide with the North and South diorite stocks and indicate these stocks are magnetic relative to the host rocks. These anomalies exhibit tight south-western boundaries and broadly-dipping northeastern zonation, such that they may be interpreted as dipping to the northeast. Alternatively, the two breccia zones coincide with moderate-low magnetism and may represent a mag-destructive event with sharp boundaries.

Tight, discrete linears in the magnetics along the southeastern portion align along a distinct northeast-striking trend, which is also weakly-reflected in the broader anomalous coverage in the northwest of the Scraper Springs Project area, and coincident in orientation with the Rebel Fault and related northeast-striking fault system.

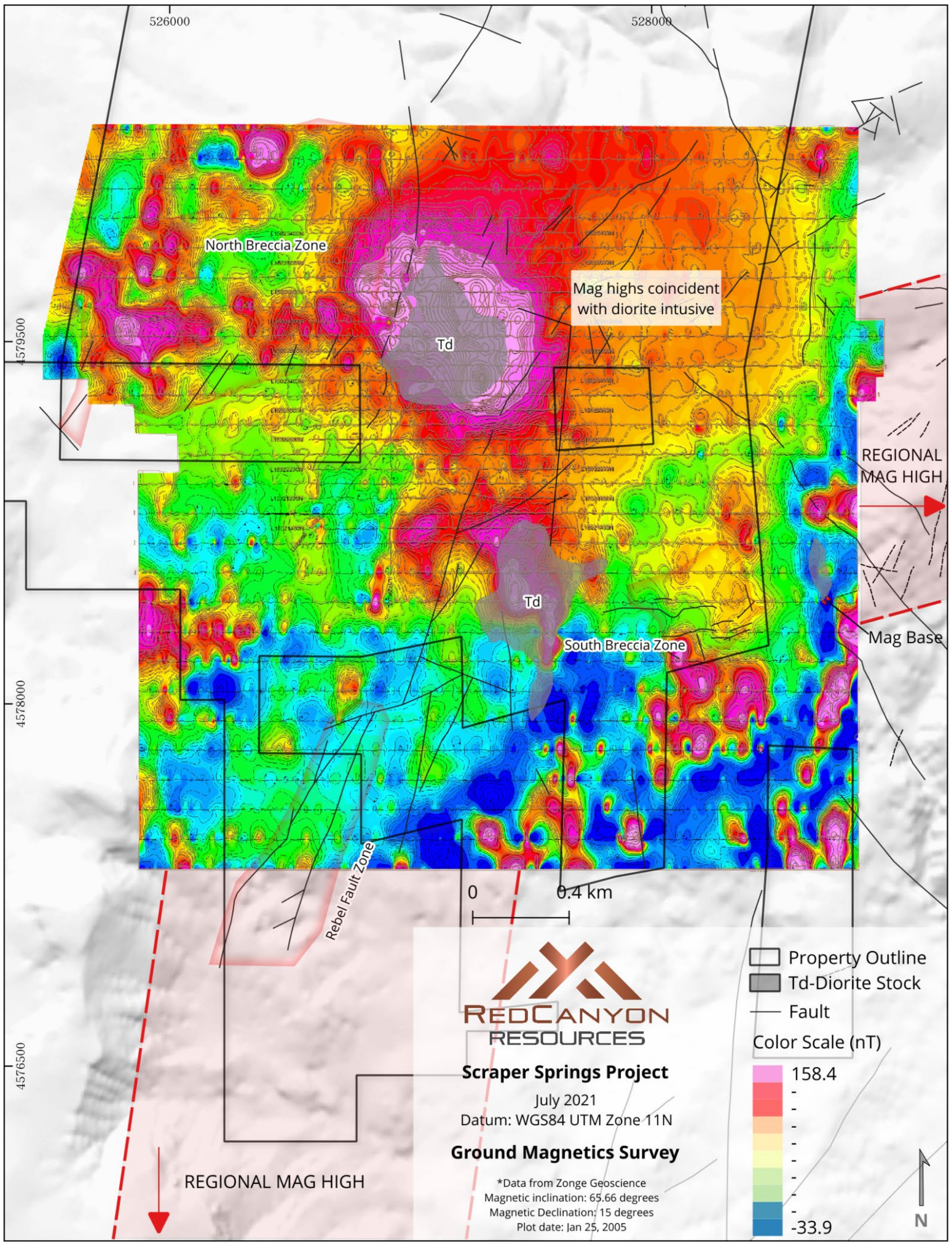


Figure 26: Ground magnetics survey from Zonge Geoscience for Cordex (2004) showing total magnetic field intensity in nT, upward continued to 10 ft and reduced to pole.

Hyperspectral Imaging (2008)

Newmont acquired a hyperspectral survey covering Scraper Springs in 2008. This work was contracted from a joint data acquisition campaign by SpecTIR, using SpecTIR's Eagle and Hawk dual sensor and Aerospace Corporation's SEBASS systems mounted in the same aircraft. SpecTIR sensors captured the visible wavelengths (VNIR, 400-970 nm) and short-wave infrared (SWIR, 970-2450nm); SEABASS sensors captured data in the mid-infrared (MIR, 3-5.5µm) and Thermal Infrared (TIR, 7.8-13.5µm).

At Scraper Springs, the SpecTIR data confirmed the existence and general extent of the mapped alteration and succeeded in identifying broader high-temperature zones for further investigation.

Broadly, montmorillonite is a common surficial alteration of kaolinite, which are both widespread and likely related to surface weathering. Silica accompanies this assemblage over wide patches in the lower elevations, but it is unclear if this is a result of true silicification or surface sedimentation isolating quartz grains.

Illite and muscovite (“sericite”) occupy the general north central area coincident with the exposure of Vinini quartzites, in the central structural block. This assemblage, with further field testing, may represent a quartz-sericite alteration present through the Vinini (as it is at depth).

Alunite predominantly occupies brecciated areas and halos around the stocks, in Tertiary and Vinini altered rocks. Alunite can occur over a wide range of temperatures and with a variety of minerals but its assemblage with dickite and pyrophyllite pins the fluid system as mildly acidic with mesothermal temperatures.

Both dickite and pyrophyllite sit along the northern and southern northeast-trending fault systems and breccia zones.

Zunyite occurs with alunite in the volcanics where they are cut by a northeast-trending system of faults through the North Stock and Breccia Zones; zunyite may implicate an important series of fluid conduit(s) (Zhang, 2020). However, Howel (2007) reports that the hyperspectral imaging did not catch the ‘large zunyite vein’, the reasons for which should be considered (Figure 27).

Structural controls on both silica and white micas are seen distal to the high-temperature phases but reflect the same ENE trend and an additional NNE trend. In a system with such strong alteration and such clearly defined high temperature zones, if mineralization is not seen in the core of the system, there may be some justification in testing the more distal structures as defined by the silica-muscovite trends (Agar, 2008).

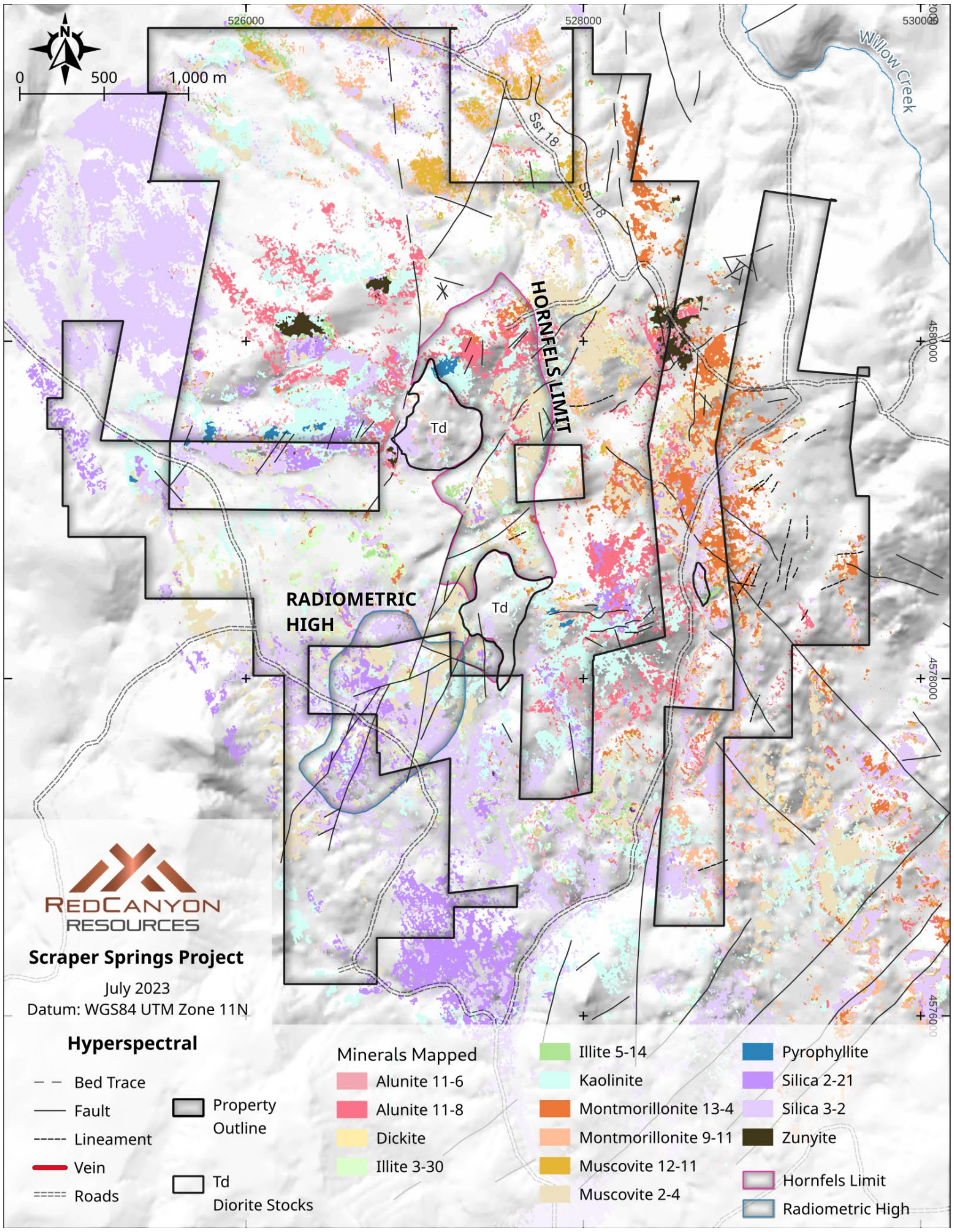


Figure 27: Hyperspectral composite map of alteration minerals (Newmont, 2008)

Induced Polarization & Resistivity Survey (2008)

In 2008, Zonge Geoscience was contracted to perform an Induced Polarization and Resistivity survey covering the area on and around the diorite stocks. Two lines trend east-northeast (lines 1 and 2) and eight lines (lines 5000, 5300, 5600, 5900, 6200, 6500, 6800 and 7100) trend northwest (Figure 29). Unfortunately, a report covering the IP geophysics was either not produced or is unavailable at this time, but the IP calculated sections are included in Appendix D to the Scraper Springs Technical Report.

The IP and resistivity surveys distinctly show discrete, relative chargeable and resistivity anomalies associated with the Tertiary diorite stocks. Several additional discrete anomalies coincide with zones of faulting and brecciation.

Line 6065's calculated section extends from the northwest across a fault juxtaposing the Tertiary volcanics with the Vinini, across a two diorite stocks (the former at surface in the Vinini and the southern at surface in the Tertiary volcanics), along the South Breccia Zone (Figures 28, 29).

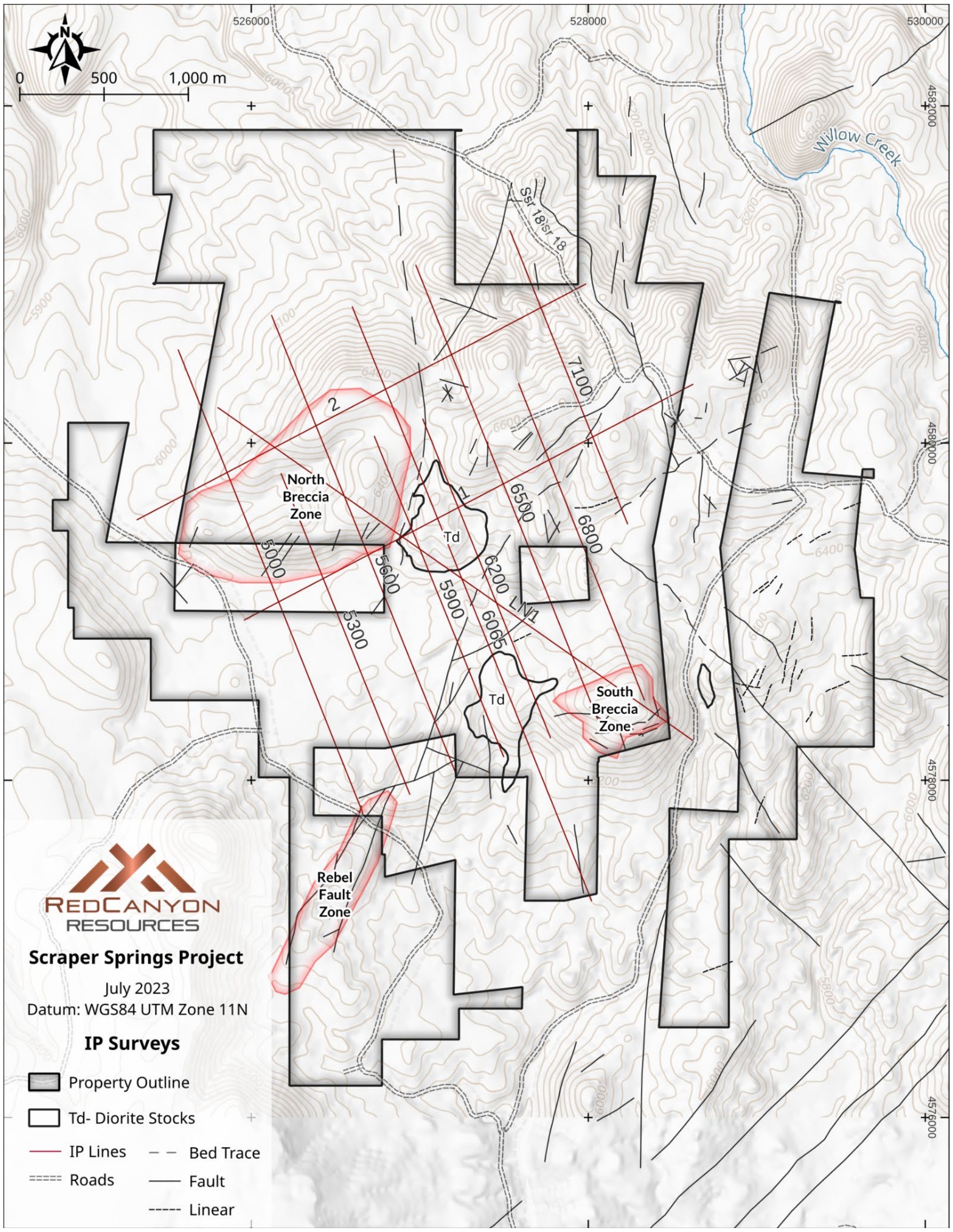


Figure 28: IP line locations from Newmont, Cordex and Red Canyon

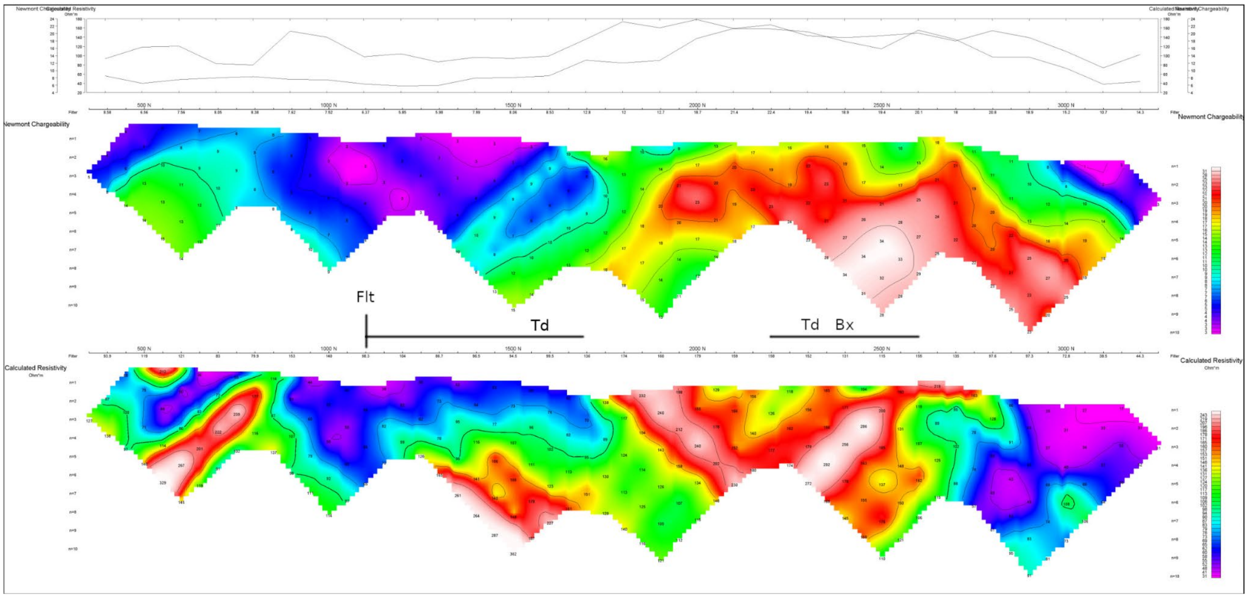


Figure 29: IP survey line 6065 showing interpreted chargeability (upper) and resistivity (lower) across at least one major basement fault (Flt), two diorite stocks (Td) and the South Breccia Zone (Bx).

Resistivities are usually in the range 10–30 Ωm. Resistivity values may decrease to less than 10 Ωm in areas of advanced argillic alteration, often due to the presence of clay minerals, and increase in Ωm in areas of quartz - mica (propylitic) alteration.

The stock's chargeability of 17-30 mV/V implicates the chargeable response could be due to sulphides; the high resistivity of the diorite stocks (140 - 250 Ωm) implies that the host is significantly silicified and thus, if present, the mineralization is disseminated (Dusabemariya et. al., 2020). The chargeable and resistivity plots do not express total parity however; and may indicate sulphides or other alteration minerals are not evenly distributed throughout the stocks- sites of higher chargeability (> 15 mV/V) and lower resistivity (< 10 Ωm) within/adjacent to the stocks could be further explored.

The responses across the stocks indicate that they are both chargeable and resistive, they do not exhibit the same explicit signature, and the host Vinini is significantly less chargeable than the Tertiary volcanics (or developed unique alteration characteristics).

Chargeability is governed by sulphides that may be associated with alteration proximal to the stock and dikes. Pyrite concentrations generally increase away from intrusions and into regions of sericitic alteration. Thus, the greatest chargeability is expected to lie somewhat outboard of the mineralizing source.

Newmont additionally created a 3D IP interpretation and two horizontal plan maps (depth slices) at 1750 and 1800 m elevation. These maps illustrate 1) lower resistivities and chargeabilities coinciding with the diorite intrusions (especially coincident with the North stock), 2) generally-higher chargeabilities and resistivities relating to the Tertiary volcanic rocks (Figure 30).

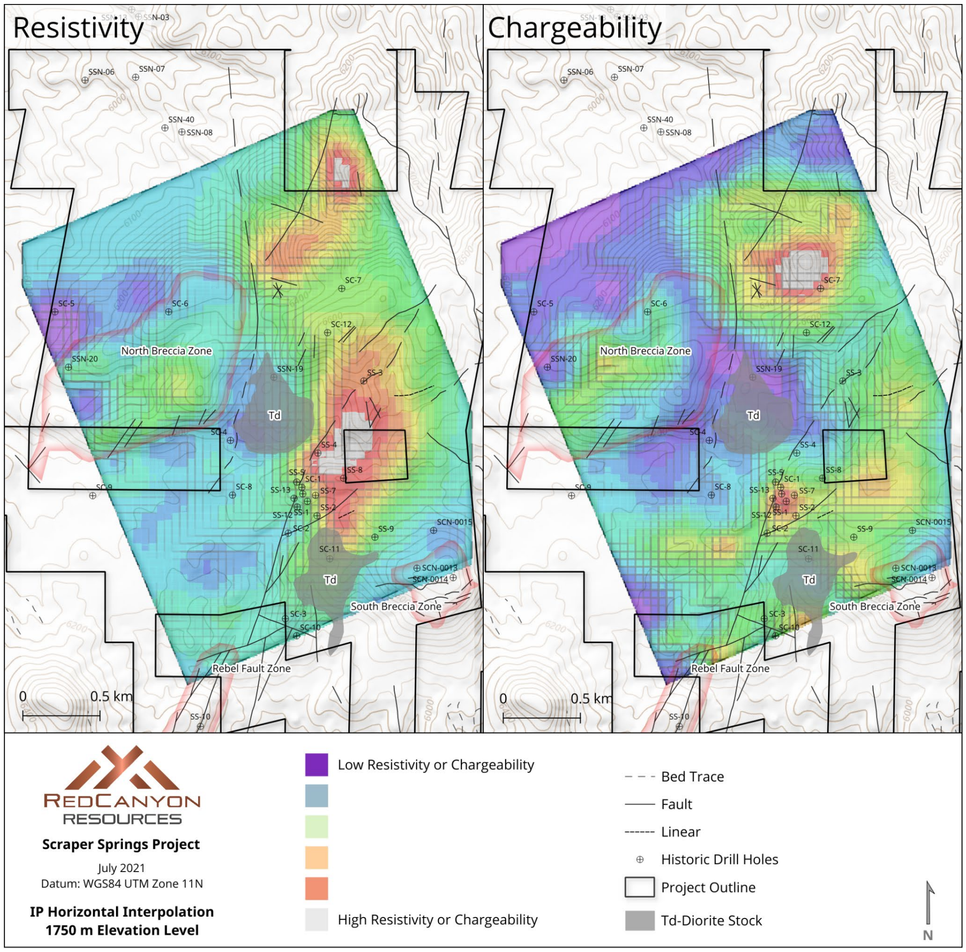


Figure 30: IP resistivity and chargeability horizontal interpolation at 1750m elevation above sea level

Induced Polarization & Resistivity Survey (2021)

In 2021, Zonge Geoscience was contracted to perform an Induced Polarization and Resistivity survey comprising 3.3 line-kilometres of coverage. Line 1 transected the property northwest-southeast, with dipole length (a-spacing) of 300m (Figure 31).

Data was acquired using the ZEN distributed array system, developed and manufactured by Zonge. Two-channel receivers were left active during acquisition along the entire length of the line, in both the leading and trailing directions of the active transmitter dipole. This permitted acquisition of n-spacings up to 8.5. The receiver wire was run along the line and two transmitter wires were offset from the receiver wires by 50-metres to minimize coupling.

The data show coincident chargeability and resistivity highs at shallow depths below the prominent knob associated with the South Breccia Zone (Figures 32 and 33). This breccia unit is paired with intense silification and acid leach alteration. The chargeability anomaly forms two coalescing peak highs, where the northernmost peak is directly below a resistivity high of a greater intensity.

A sharp contrast at the top of the chargeability high, close to surface, and a gradational contrast at the bottom of the chargeability high indicate that the mineralization has an apparent southeast dip.

A weaker chargeability high occurs at roughly 750 metres depth in the SW-central portion of the IP line. This chargeability high is moderately coincident with a resistivity high that extends to surface.

The geometry of resistivity highs indicates a shallow dip to the NW, likely expressing the dip of the chert within the stratigraphy. The geometry of the chargeability highs indicates a shallow dip to the SE, likely expressing fluid and alteration conduits formed through faulting and fracturing within the South Fault System.

It is important to note that pervasive clay minerals associated with argillic-propylitic alteration zones cause low-resistivity anomalies comparable in size to the original geothermal system. While resistivity decreases in the presence of interconnected sulfide grains or argillic alteration, some parts of hydrothermal alteration zones may have high resistivity because of increased concentrations of silica, including zones of quartz veins, chalcedony, sinter terraces, and lithocaps (Irvine and Smith, 1990; Hedenquist and others, 2000).

At Scraper Springs, the apparent lack of resistivity anomalies likely indicate that the silicification is overprinting, or more intense than the argillic alteration. A high changeability in IP suggests that sulfides are present within the acid leach cap (Wise, 2008). Given this, the most prospective targets identified by the IP survey are where chargeability and resistivity highs coincide, or where resistivity highs are directly above chargeability highs.

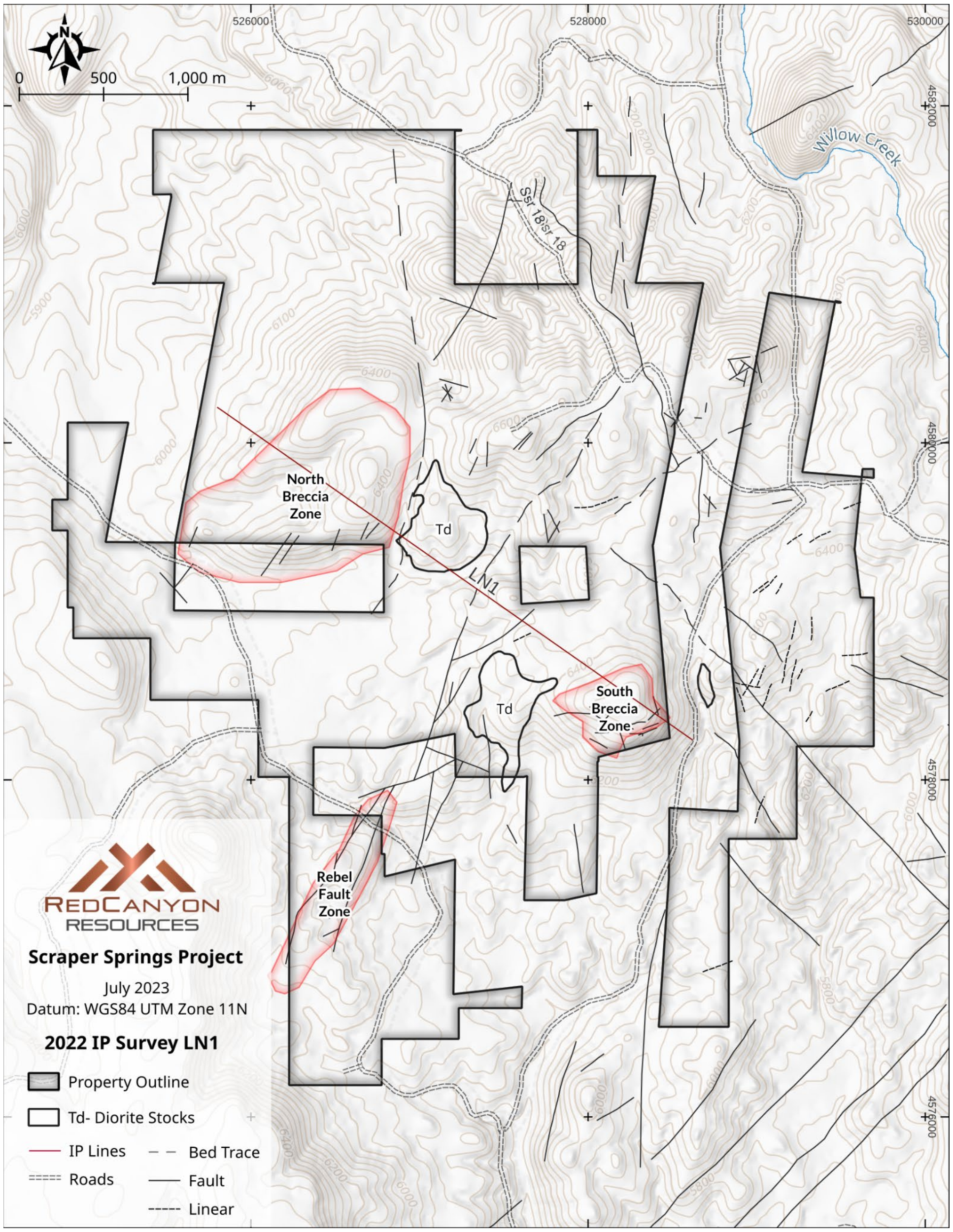


Figure 31: 2022 IP survey Line 1 location

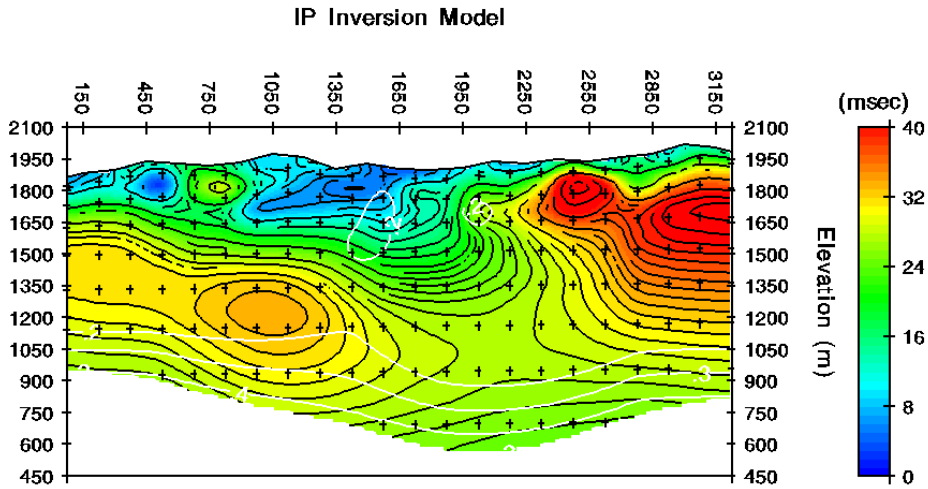


Figure 32: Chargeability, viewing NE

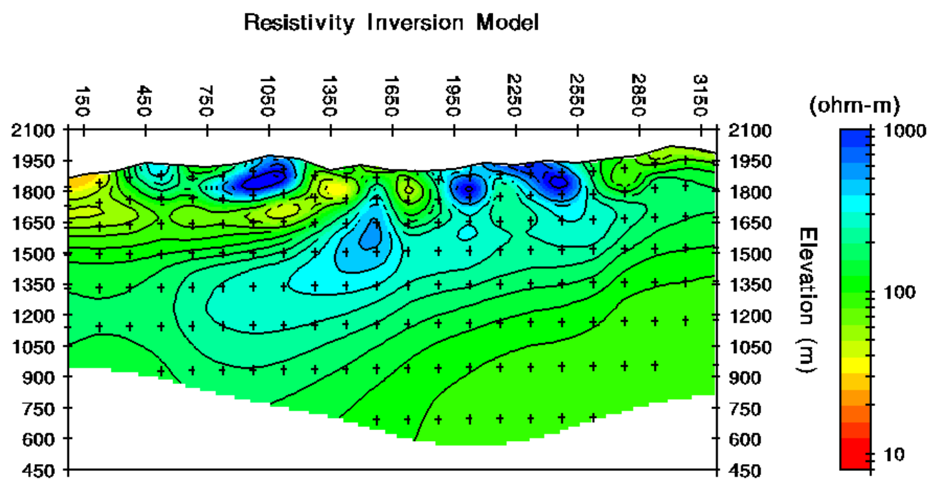


Figure 33: Resistivity, viewing NE

Sampling

From 1989-1991 Cordex Exploration performed extensive mapping, rock and soil sampling, auger grid drilling and CSAMT (Howell, 2007). From 1994-1997 Western States Minerals collected rock and soil samples primarily in the Ruby Hill or Barite Area and, to a lesser extent, in the Rebel area. From 2003, Cordex (funded at the time by Metallic Ventures) re-mapped the Scraper Springs Project and performed more soil sampling. Newmont (with Cordex) performed additional sampling in 2008, and in late 2021, Red Canyon performed resampled soils overlying a portion of the central Scraper Springs Project previously covered but lacking multi-element data.

Of the approximately 2700 total soils and 345 rocks, 787 soil samples have usable assay results and 345 rock chip samples can be used for plotting (Figures 31, 32). The best metal values assayed to date from the soils are 0.276 g/t Au, and 9.76 g/t Ag; the best rock chip samples assayed 1.03 g/t Au and 2370 ppm Ag (76 oz/t).

Sampling identified several zones of anomalous gold mineralization at surface; typically along NE trending faults and areas of intense structural deformation. The Rebel Fault Zone, within the tertiary tuffaceous rocks, produced overall elevated gold values in both the soils and rock chip samples.

Rock sampling of the South Breccia Zone produced weakly anomalous gold, and the North Breccia Zone produced elevated gold values only in the W-NW portion (Figure 31). This portion of the North Breccia Zone has not been drill tested. Rock chip sampling in these areas have somewhat inconsistent results, perhaps due to selective sampling techniques.

Another notable zone of surface sampling occurs just east of the North diorite stock. Here, a rock chip sample assayed 1.03 g/t Au and 1.8 g/t Ag (Figure 32). This is the highest gold value of all recorded and assayed surface sampling. The surface lithology here is Ordivician Vinini chert (Ovc), and as expected is intensely faulted in this area.

The primary target of historic drilling sits directly between the north and south diorite stocks, on the contact between Tvt1 and Ovc. Sampling overlying this area produced only weakly anomalous gold in soils and few samples with elevated gold in rock chip samples; it is likely that surface mineralization here is confined to structures, with little outward mobility.

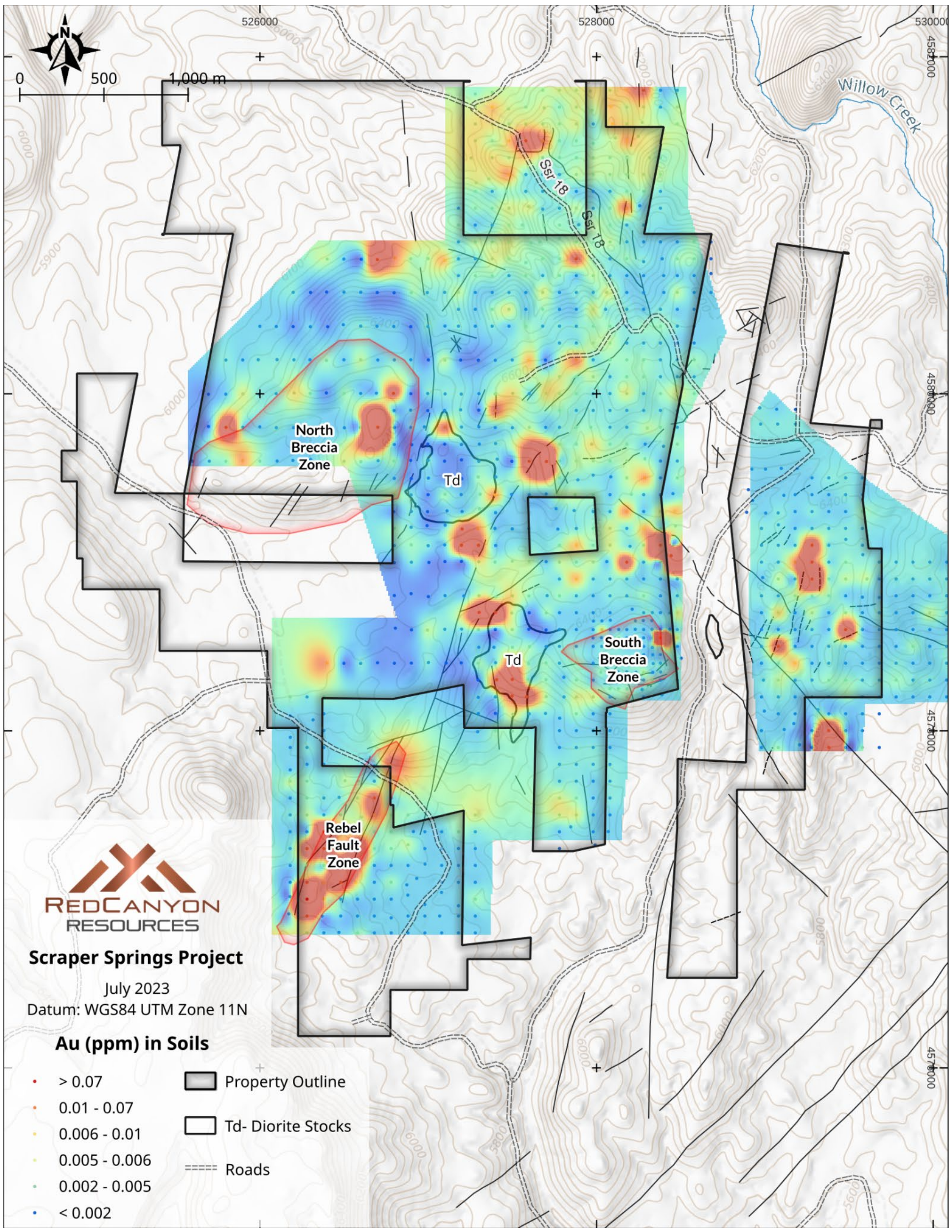


Figure 34. Gold in soils geochemistry map showing both Newmont (2008) and Red Canyon (2021) soil assay results.

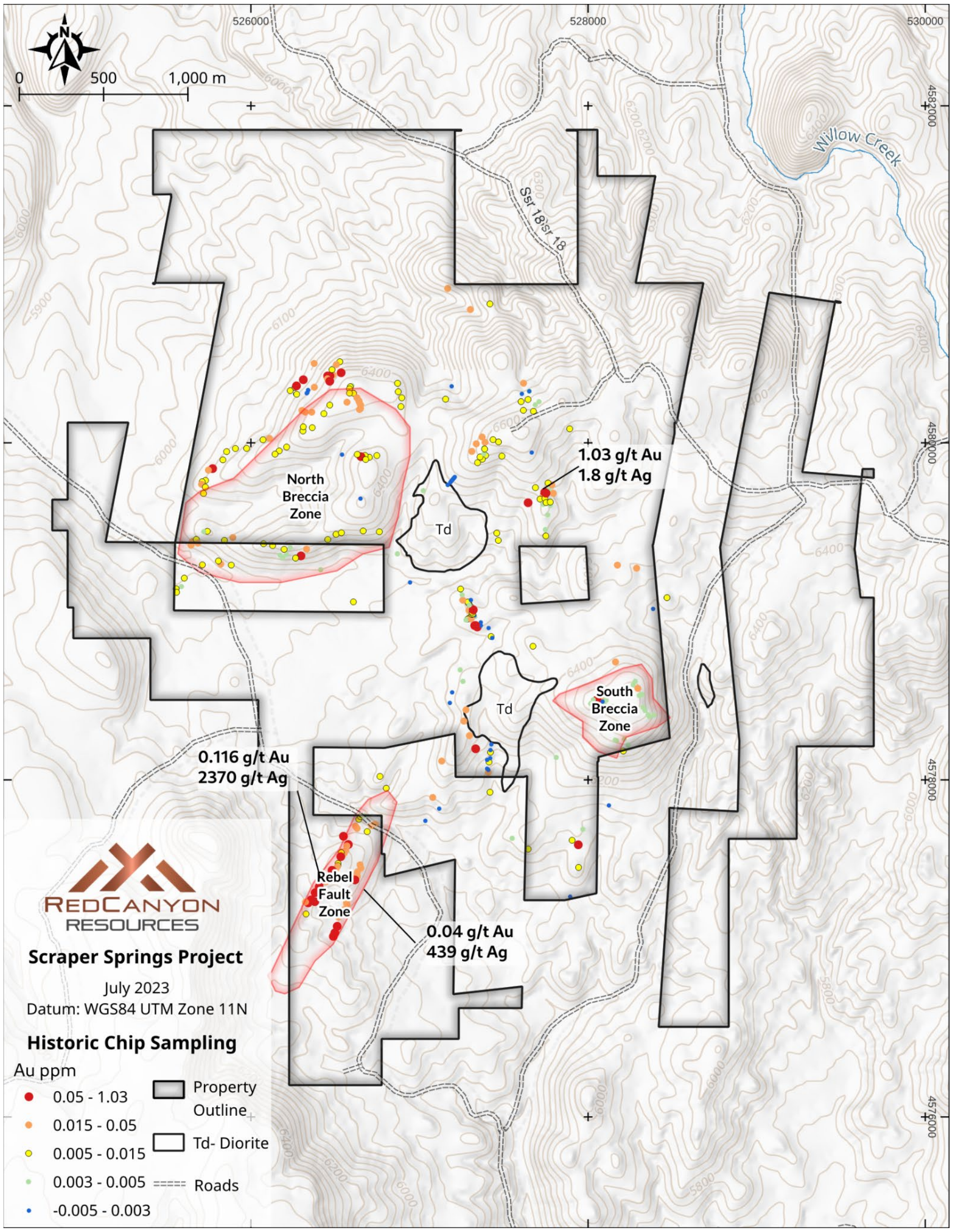


Figure 35. Rock chip sampling geochemistry map showing Au assay results.

3D Modeling

In 2022, the Company compiled all new and historic available data to build a 3D model in LeapFrog. The model includes subsurface geology, alteration and structures. The model assisted in planning accurate drill holes and investigating subsurface trends.

The model also allows 3D visualization of historic cross sections, geophysical surveys and historic assay data.

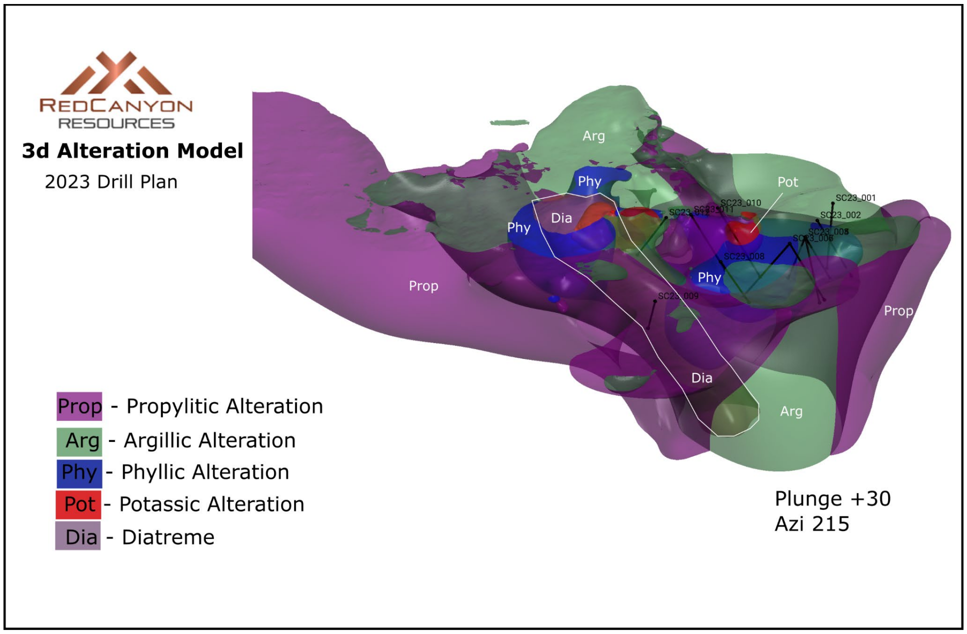


Figure 36. 3D model preview showing alteration zones and proposed drill holes.

Age Dating

In 2022, Red Canyon invited Emily White, Ph.D candidate at Texas A&M, to perform age dating and thermochronometry of the northern and southern stocks from Scraper Springs as part of thesis work currently in progress.

U/Pb dating indicates that zircons from the northern stock crystallized at approximately 91.70 ± 0.98 Ma, during the Cretaceous, and the southern stock crystallized at approximately 38.35 ± 0.37 Ma, during the late Eocene. Difference in these ages is further supported by the difference in appearance between the two hand samples, and difference in their bulk and trace element geochemistry (E. White pers. comm. 2023).

Additionally, K-Ar dating from biotite of the northern stock exhibits a date of ~38 Ma (Cantor and Thompson, 2012), and apatite (U-Th)/He closure temperature from the northern stock exceeds (55-80°C), coincident with the eruption of Miocene volcanics (E. White pers. comm. 2023).

In summary, the northern stock has a complex history; at least one phase of the stock initially crystallized in the Cretaceous, then cooled in the upper crust during the late Eocene at approximately the same time of crystallization and cooling in the southern stock.

The Eocene cooling event coincides with the age of the volcanics that directly overlie the stocks, suggesting de-roofing of the stocks was associated with the volcanic activity. Apatite from the northern stock was then reset in the Miocene during a later stage of regional volcanism.

Drilling

There has been no recent drilling on the Scraper Springs Project.

Sampling, Analysis and Data Verification

Soil samples were collected by Philip Zirbes, on behalf of the Issuer, Red Canyon Resources, at approximately 100 metre spacing on either 100 metre or 200 metre spaced east-west oriented lines. A narrow blade steel spade was used to dig a hole to 1.0-3.0 feet deep (averaging 18 inches, or 40 cm) targeting C-horizon soil as close to the bedrock interface as possible. Soil was not field sieved but any large rocks were removed. Approximately 1 kg of soil was bagged at each site. Sample depth, soil color and dominant float lithology were noted and a handheld GPS point with a geotagged photo was taken at each sample station.

The samples were held in care by Mr. Zirbes until delivered by freight to ALS Minerals, a division of ALS Global, with a lab located in Reno, Nevada.

ALS processing methods utilized are the ME-MS41 assay method with an Au-AA23 finish to specifically test for gold in the soils. ICP and MS methods use acid to digest the sample which is then aerosolized with Argon gas and quantified through count via mass spectrometry for multi-element determination. The Au-AA23 processing is a fire assay method performed on a sample of 30g in size to determine the presence of gold in trace limits greater than 0.005 ppm. The digestion quantitatively dissolves nearly all minerals in the majority of geological materials. However, barite, rare earth oxides, columbite-tantalite, and titanium, tin and tungsten-bearing minerals may not be fully digested.

The analytical results for the soils were received by Red Canyon directly from ALS Minerals and constructed into a database with the sample id, location, and depth information provided by Mr. Zirbes. The sample preparation, security, and analytical procedures are adequate and suitable for use in geochemical targeting and exploration as described in the Scraper Springs Technical Report.

Data Verification

The Issuer's sample soil collection procedures have been reviewed by the Scraper Springs Author, have been accurately transcribed from their original source, and are suitable to be used. The data was verified by the Scraper Springs Author by reconstructing the Issuer's soils database from the original source location and assay information and found to be accurate.

Other geochemical data, including previous operators' rock and soil assays and historical drill information, were provided as digital databases to the Scraper Springs Author as compiled by a third party and have not been verified, as the original assays from previous operators are not available in the public record, to the Issuer, or the Scraper Springs Author. This data is suitable for use as guidance for exploration only and is not to be relied upon as an indication of future results or guarantee of mineralization until the original assay certificates can be found, compiled, and validated through the use of check assays and further verification.

Zonge Geophysics, a widely-used geophysical investigation company, provided Reports detailing their data collection procedures for the IP geophysics collected at the Scraper Springs Project. Spectral data was collected by Spectir, of Reno, Nevada, who also provided documentation on their data collection and analytical procedures. The Scraper Springs Author reviewed Zonge's and Spectir's reports, confirmed their collection and analytical methodologies are adequate; and transcribed the data used within the Scraper Springs Technical Report from these original sources.

Mineral Processing and Metallurgical Testing

Not applicable at the current stage of the Scraper Springs Project.

Mineral Resource and Mineral Reserve Estimates

Not applicable at the current stage of the Scraper Springs Project.

Conclusions

Scraper Springs exposes an epithermal quartz-alunite epithermal system centralized along faults, cored by Eocene-age breccias and diorite intrusions, that likely overlie a larger intrusive porphyry system that may be mineralized at depth. Stocks, and breccias exploited the intersections of the east-northeast and northwest-striking basement faults, contact-metamorphosed the host rock, and drove acidic fluids along structural conduits to create broad and zoned alteration.

Gold and silver mineralization at the surface is concentrated within high acid vuggy silicic and advanced argillic altered fault zones consistent with steam-heated and acid-leach horizons in upper levels of high sulphidation systems (John et al, 2010). Cross cutting relationships and age dates suggest at least one pulse of hydrothermal alteration and mineralization is as young as the late Eocene ~38 Ma (Wise 2008).

Additionally, pyrophyllite and several anomalous concentrations of vein zunyite in the Scraper Springs Project trend east-northeast in perhaps two unique fault systems or dilation zones, suggesting structural preparation ideal for hydrothermal fluid flow, and that pyrophyllite and zunyite can be used as a vector toward the heat source (Zhang et al 2017). These conduits should be targets of future drilling (Figures 20, 23).

Approximately 200m below the surface, advanced argillic alteration at Scraper Springs transitions to quartz-sericite-pyrite alteration (high pH phyllic, high mesothermal temperature), and drilling between the North and South Stocks report numerous intervals of breccias, diorite-syenite dykes, and intrusive stockwork cutting the Vinini quartzites. The quantity of carbonate material increases with depth; and at approximately 400+ m depth coincides with elevated base metals and a wide zone of anomalous copper > 0.15%. Reactive horizons, structural preparation, and increasing temperature and pH at depth support exploration for a structural or deep sediment-hosted trap.

Whether Scraper Springs is categorized as epithermal or porphyry is academic; examples of high sulphidation systems overlying porphyritic intrusions are not uncommon (Yerington; Blakely et al 2010) and they sit along natural temporal and spatial evolution pathways (Hedenquist et al 1998). Of greater importance is whether- and where- gold is concentrated within the high sulphidation portion of the system (if not eroded); if the underlying porphyry(s) evolved from a magmatic system voluminous and hydrous enough to strip, concentrate, and trap precious and base metals; and if the system is close enough to the surface to be tested and/or economic.

Structural extension of the overlying ignimbrite host, and general lack of dome or dome-like geology in the central Scraper Springs Project area, implicate that a bulk of the high-sulphidation, epithermal component of Scraper Springs has been offset by faulting or eroded, thus exposing the fluid conduits and magmatic roots leading to the parent source below.

Exploration, therefore, should focus on two potential mineralization styles: structurally-controlled permeable traps and veins where vuggy silica hosts disseminated to massive sulphide and gold mineralization in the high-sulphidation, lower temperature portions of the system, using the zunyite-alunite-pyrophyllite as a vector for feeder horizons, and at much greater depths along structural traps or permeable horizons near an intrusive core.

Recommendations

The Vinini quartzites are likely to form a significant barrier through which structures restrict and focus fluids to deposit within dilation zones or along permeable horizons. Deep targets include traps created by interbedded carbonate-rich shales and siltstones within the Vinini quartzites, underlying Rodeo Creek or similar carbonaceous members of the Lower Plate, or the host intrusion itself.

Three targets should be investigated at Scraper Springs:

1. Epithermal gold-silver (+ vuggy silica-alunite) along
   a. faults,
   b. Ordivician/Tertiary unconformity,
   c. clastic or permeable zones intersecting structures;
2. Concentrated sulphide zones within/adjacent to breccias and diorite intrusions; and
3. Cu +/- Au and base metal mineralization in reactive horizons near the base of, or below, the Vinini quartzites, especially where reactive zones may interact with intrusions or northwest-striking basement faults at depth.

By volume, base metal +/- gold mineralization deep in the system is likely to constitute the largest drill intercepts, and concentrated high-grade gold lodes higher in the system are likely to aid the economy of accessing it.

Targeting these zones will require multi-element soil sampling to infill the geologic gaps of mineralization and alteration at surface; a structural study and gravity map to determine the character of the basement; descriptive fieldwork to refine the timing of intrusion, brecciation, alteration and fluid evolution; CSAMT to isolate the depths of the conductive targets; and deep drilling.

Structural Analysis

The mineral showings and mines along the Carlin and NNR trends are highly influenced by structure. The orientations of structures, association with mineralization and alteration, character, and senses of motion are poorly represented in the current data available at Scraper Springs. Performing detailed mapping of the east-northeast fault systems controlling the alunite/zunyite/pyrophyllite distribution, and of the structures cutting or cut by the breccias and stocks will provide a great foundation for unraveling the timing of alteration and mineralization.

Gravity Survey

Scraper Springs and Goldstrike both sit on the margins of regional isogravimetric highs. Furthermore, several of these highs are slightly elongated in a northwest trend, consistent with regional structures created during the Eocene. Hollister and Midas mines similarly sit along a northwest trend in regional isogravity, but coincide with gravimetric lows, not highs.

Ground gravity is a cost effective method to investigate subsurface density contrasts. Intrusions and sulphides both should express higher density than the neighboring quartzites and younger rocks. Tight gravity grids, or even closely-spaced measurements along lines crossing basement fractures and/or extending from west to east across the project area should identify the locations of a buried suite of intrusions and/or related sulphides.

Descriptive Field Mapping

The problem to solve is: if this system overlies a Cu-Au porphyry, where does the mineralization reach closest to the surface? Finding the youngest entity on a project and working backward is often very revealing of genesis, but it requires careful observation of structures, clasts and contacts, which are often overlooked during early exploration phases. Several points of investigation may include:

- Do the east-northeast striking fault systems exist, and do they have other sinistral motion indicators? Are the secondary faults dilational, eg reidel shears, mode 1 tension veins, voids, or void-filled?

- Do the diorites cut, or are they included as clasts within phases of the breccia? Do clasts of syenite or cumulate phases of the diorite exist in the breccia?

- Do the diorites cut, or are they cut by the fault systems (be careful to omit minor reactivation fracturing)? If cut by the fault systems, and the structural motion resolved, where are the deepest level diorites?

- The North and South Diorites do not exhibit the same alteration; are there other differences between them, and what impact does this have on the understanding of the related intrusion and fault systems?

- The character of the breccias: do the breccias contain mineralized or diorite clasts, does alteration cut across breccia boundaries, do they exhibit episodic activity, and/or what is the activity of brecciation?

- Timing of the diorite intrusions, brecciation, alteration, and formation of the Tertiary volcanics: what is the extent of alteration within the Tertiary volcanics? Is the alteration restricted to the aureoles of the faults or the Vinini formation or other specific units? What is the age of the Tertiary volcanics, and what does this imply about the timing of hydrothermal activity?

CSAMT

The controlled-source audio frequency magnetotelluric (CSAMT) electromagnetic method is often used to explore for deep-seated porphyry style mineralization. The magnetotelluric (MT) EM method uses natural EM to observe electrical resistivities of the subsurface. The AMT method may use natural signals, such as lightning, as the transmitter to create tensor variations. Controlled-source AMT (CSAMT) methods rely on an artificial signal source and often result in high precision and economical measurements.

AMT has been used to map major base metal deposits from 50m to several kilometres (Zonge and Hughes, 1991). The depth of investigation depends on the frequencies used and the resistivity of the subsurface; zones of high conductivity may obscure deeper features.

Very low resistivities should correlate with fracture zones and interstitial clay or water, and sericitic zones with and without pyrite. Potassic zones should have higher resistivities reflecting silicification, disseminated sulfides and overall less abundant sulfide and clay. The diorite stocks should express high resistivity as compared with low resistivity of surrounding volcanic rocks due to propylitic alteration (Blakely et al, 2010).

An approximate cost of several 2-km long CSAMT lines transecting the deeper targets is US$40,000.

Drilling

The central structural block exposes the Vinini quartzite at surface and may also represent the thinnest section of Vinini with which to test for a porphyry complex ranging from 500m to over 1000m depth. However, because the subsurface structural information is poorly researched at Scraper Springs, the geometry of the Vinini underlying other areas of the Scraper Springs Project should be tested by drilling.

Drill targets sit along the favorable fluid conduits and at depth below the potential Vinini quartzite trap where the gravity survey indicates the host rock is the most dense, and IP indicates a correlatable zone of low resistivity. Table 11 illustrates several drill holes designed in 2023 to intercept these horizons.

Table 11. Proposed drill holes, contingent on CSAMT geophysics.

Drillhole	Pad	Easting	Northing	Elevation	Azi	Dip	Depth ft	Depth m	Comment
SC23-01	SC-A	1725766	15024883	6128	45	55	2000	610	DCIP & 2021 IP charg highs
SC23-02	SC-B	1726976	15025666	6244	330	55	2000	610	IP anomaly
SC23-03	SC-C	1728053	15026464	6362	200	55	2700	823	2021 IP charge on existing road
SC23-04	SC-C	1728053	15026464	6362	270	60	2000	610	Zunyite anomaly
SC23-05	SC-C	1728053	15026464	6362	10	60	2000	610	Zunyite anomaly
SC23-06	SC-D	1728719	15026576	6397	330	55	2000	610	Zunyite Anomaly
SC23-07	SC-D	1728719	15026576	6397	140	55	2500	762	Pyrophyllite Anomaly
SC23-08	SC-E	1731287	15026611	6606	320	55	1500	457	IP anomaly
SC23-09	SC-F	1734120	15027281	6507	200	60	1500	457	Zunyite anomaly
SC23-10	SC-G	1728862	15023173	6169	330	55	2500	762	2021-IP charge anomaly
SC23-11	SC-H	1729885	15023196	6270	330	55	2000	610	Tgd
SC23-12	SC-I	1730666	15023011	6323	120	55	1500	457	Diatreme & break in 2021 IP
						Total	**24,200**	**7,378**	

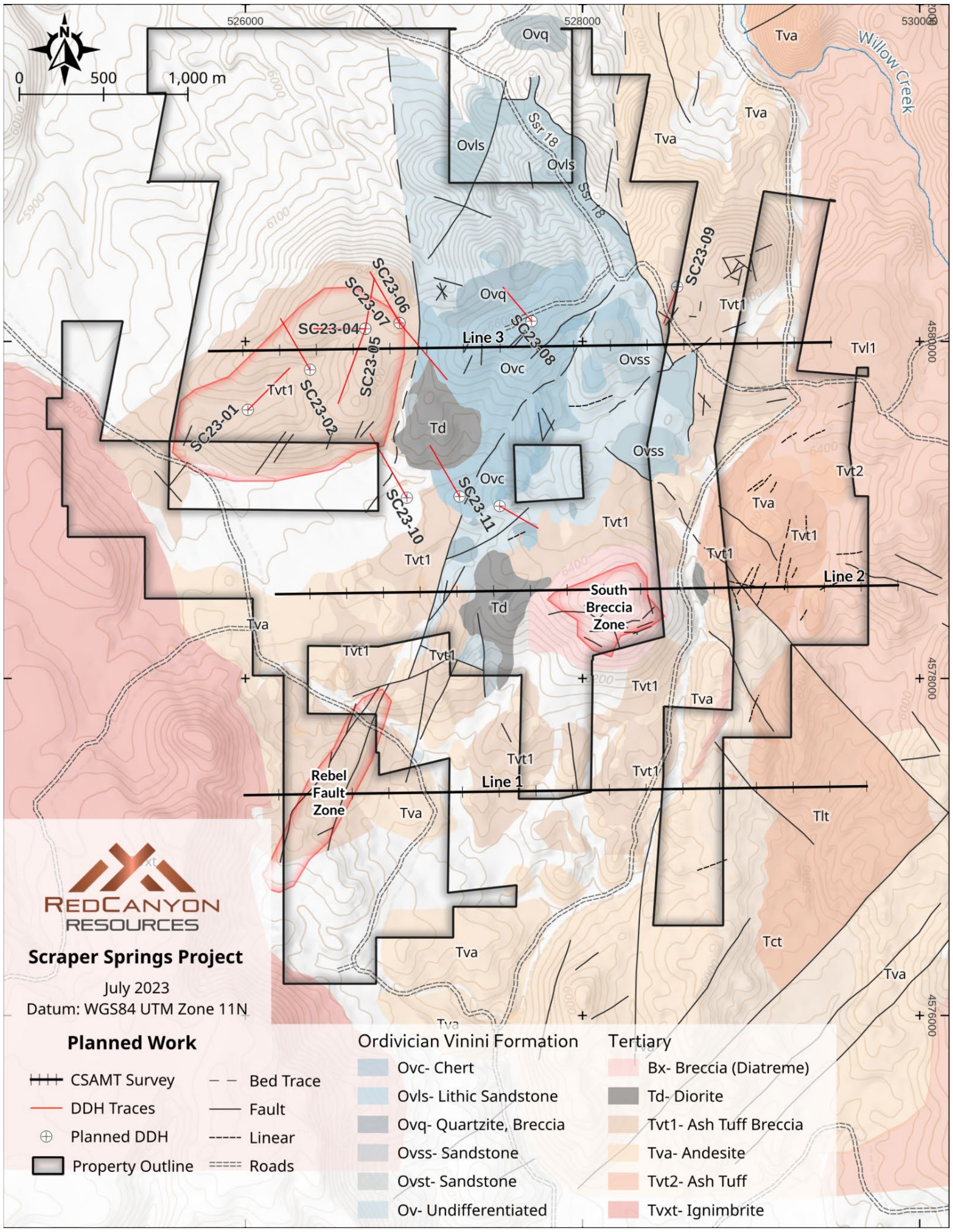


Figure 37. Drill plan map showing possible drill pads, drill holes, drill hole traces, and CSAMT lines, developed as part of the 2023 Report. Geologic base map for reference.

The Phase 2 drill plan accounts for approximately 7,500 metres to target mineralization among several areas. Drill targets should be defined based on positive results from phase 1 work. At this time, a primary target is the North Breccia Zone, having associated zunyite anomalies and related IP chargeability highs along fault splays (North Fault System) from the fault bounded block between the NE trending Rebel Fault Zone and the Diatreme Fault. These splays include the North Breccia Fault zone and the NE Fault. Additional targets include drilling an inferred diatreme and the diorite intrusion for deep seated porphyry mineralization.

Ethos Geological (the Scraper Springs Author) did not select nor verify the geologic perspectivity of planned drill holes, these drill targets were developed by the internal team at Red Canyon Resources using the data described within the Scraper Springs Technical Report.

Budget

The Scraper Springs Technical Report considers two phases of exploration: Phase 1 includes surface geophysics with the intention to outline prospective horizons below the Vinini formation for potential traps for mineralization, including a porphyry-style hydrothermal system. Phase 2, contingent upon the success of Phase 1, comprises a deep exploration drill campaign to test these targets (Table 12), and additional down-hole IP geophysics and additional surface CSAMT to help target the drill program. Calculations and assumptions included within the following tables are derived from experience by the Scraper Springs Author.

Table 12. Proposed Phase 1 exploration budget and itemized estimates.

Main activity	Sub-activities	in US$
Geophysics	CSAMT	40,000
	Gravity	40,000
	Subtotal Geophysics	**80,000**
Field Surveys	Soil Sampling	30,000
	Geologic/ Structural Mapping	15,000
	Subtotal Field Surveys	**45,000**
Geochemistry	Core Assay	0
	Rock/Soil/QAQC Assay	10,000
	Other	0
	Subtotal Geochemistry	**10,000**
Reports & Permitting	Technical Reporting	10,000
	Drill Permitting (PoO)	0
	Subtotal Report/Permitting	**10,000**
	Total *with contingency*	**$ 145,000**

Table 13. Proposed Phase 2 exploration budget and itemized estimates, contingent upon the success of Phase 1.

Main activity	Sub-activities	in US$
Drilling	Diamond Drilling	2,780,000
7500m Core	Pad / Road Building	25,000
Single Drill Rig	Mobilization	15,000
~180 Day Program Length	Reclamation	10,000
	Bonds	40,000
	Subtotal Drilling	**2,870,000**
Drill Personnel	Professional Staff	240,000
	Field Staff	670,000
	Consultants & Advisors	20,000
	Travel	20,000
	Subtotal Drill Personnel	**950,000**
Drill Support	Food/Consumables	26,000
	Field Supplies	18,000
	Lodging	83,000
	Freight	18,000
	Fuel	10,000

	Automobile	23,000
	Subtotal Drill Support	**180,000**
Geophysics	CSAMT	40,000
	Downhole IP	40,000
	Subtotal Geophysics	**80,000**
Field Surveys	Soil Sampling	30,000
	Geologic/ Structural Mapping	15,000
	Subtotal Field Surveys	**45,000**
Geochemistry	Core Assay	270,000
	Rock/Soil/QAQC Assay	40,000
	Other	10,000
	Subtotal Geochemistry	**320,000**
Reports & Permitting	Technical Reporting	30,000
	Drill Permitting (PoO)	10,000
	Subtotal Report/Permitting	**40,000**

Total *with contingency*	**$ 5,000,000**

Contemplated Exploration

The Company does not plan to carry out the recommended exploration program on the Scraper Springs property within the next 12 months and anticipates that future exploration at Scraper Springs could be subject to raising additional financing or securing a joint venture partner.

OTHER PROPERTIES

SP Property

The SP Property is comprised of four mineral claims totalling 3,763 hectares located in south central British Columbia, approximately 50 km northeast of Williams Lake. The Company acquired 100% royalty-free interest in the SP Property claims by staking in May 2021.

The SP Property covers a strategic land position underlain by geology of the Quesnel Terrane. The SP Property area is located 6 km southwest of the Mount Polley copper-gold mine within geologically similar rocks. Previous exploration at SP has identified areas of anomalous copper and gold soil geochemistry, coincident with large magnetic highs that may indicate the presence of porphyry-related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

In June 2021 and October 2021, the Company conducted prospecting and completed a program of geochemical sampling including soil, silt, rock, and vegetation (tree bark) on the SP Property. During the first quarter of 2022, communications were initiated with local Indigenous communities prior to planning subsequent exploration programs at SP. Work completed during 2023 includes reprocessing of existing airborne magnetic data completed to better characterize and prioritize magnetic anomalies associated with historical geochemically anomalous soil samples and an interpreted cross trend structure. In August 2023, the Company received a Mines Act permit to conduct exploration activities on the SP project.

Hatter Property

The Hatter Property is comprised of three mineral claims totalling 1,849 hectares located in south central British Columbia, approximately 20 km south of Merritt. The Company acquired 100% royalty-free interest in the Hatter Property claims by staking in January 2022 and April 2022.

The Hatter Property in south-central British Columbia represents a strategic land position underlain by Quesnel Terrane rocks. Nicola Group rocks, which host neighbouring alkalic porphyry systems at the Copper Mountain and

New Afton copper-gold mines, underlie the Hatter claims. The Hatter Property hosts anomalous copper in soils and in rock grab samples, coincident with large magnetic highs that may indicate the presence of porphyry related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

During the first quarter of 2022, following acquisition of the Hatter claims, communications with local Indigenous communities were initiated prior to planning 2022 work programs. During the third quarter of 2022, the Company conducted onsite project evaluation reviews at Hatter, including preliminary field assessments, geological mapping, and rock and soil geochemistry.

Kendal Property

The Kendal Property is comprised of five mineral claims totalling 2,738 hectares located in west central British Columbia, approximately 25 kilometres northeast of Terrace. The Company acquired 100% royalty-free interest in the Kendal Property claims by staking in January 2022.

The Kendal Property is located in west central BC, within the geology of the Stikine Terrane. The area is underlain by Jurassic Hazelton Group volcanic rocks that are intruded by stocks and dykes of the Cretaceous to Tertiary Coast Plutonic Complex. A 2,300 metre by 1,000 metre, east-west trending gossan zone locally hosts copper and molybdenite mineralization. This area of interest may represent a large zone of phyllic alteration that could occur as part of a calc-alkaline copper system.

During the first quarter of 2022, following the acquisition of the claims, communications were initiated with local Indigenous communities prior to planning 2022 work programs at Kendal. During the third quarter of 2022, the Company conducted project evaluations at Kendal, including preliminary field assessments, geological mapping, and targeted rock and soil geochemistry. In June 2023, Precision Geosurveys Inc. completed a 213-line kilometre airborne magnetic and radiometric survey at Kendal. In June 2023, the Company received a Mines Act permit to conduct exploration activities on the Kendal Property.

Ping Property

The Ping Property is comprised of six mineral claims totalling 6,014 hectares located in south central British Columbia, approximately 50 km northwest of Prince George. The Company acquired 100% royalty-free interest in the Ping Property claims by staking in April 2022 and January 2023.

The Ping Property covers a strategic land position underlain by geology of the Quesnel Terrane. Regional geological mapping situates the Ping Property on the western boundary of the Takla volcanics, which hosts multiple copper porphyry systems in BC. Previous exploration conducted on the property includes MMI (Mobile Metal Ion) soil geochemistry, an extensive aeromagnetic survey, and IP geophysics. The Company has compiled data from these surveys and has identified multiple targets that may represent copper porphyry intrusive rocks.

During the first quarter of 2022, following the acquisition of the Ping mineral claims, communications were initiated with local Indigenous communities prior to planning 2022 work programs at Ping. During the third quarter of 2022, the Company conducted project evaluations at Ping, including a preliminary field assessment, which indicated extensive overburden cover. Subsequently, the Company has engaged Fathom Geophysics to compile and fully assess aeromagnetic data from the 2007 survey and IP data collected in 2008 and 2011 to identify exploration targets for further investigation. In 2023, Fathom Geophysics ("Fathom") reprocessed existing airborne and induced polarization (IP) data. Fathom completed magnetic inversion studies to better characterize and prioritize magnetic anomalies, and reviewed historical IP for porphyry related chargeability and resistivity features. Fathom also completed depth of till cover estimates. In July 2023, the Company received a Mines Act permit to conduct exploration activities on the Ping Property.

Cooper Property

The Cooper Property is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of 100 Mile House. The Company acquired 100% royalty-free interest in the Cooper Property claims by staking in August 2023.

The property is underlain by Early Jurassic granodiorite and granite of the Takomkane batholith. Previous work conducted in the southeastern area of the mineral claims, identified variably mineralized rocks with quartz-Kspar stockwork style veinlets and/or fixture fills that host anomalous chalcopyrite mineralization. The Company plans to further explore the project area and its potential to host an alkalic copper porphyry system.

Keg Property

The Company holds a 100% interest in the Keg Property, which is comprised of 63 mineral claims on BLM land and two Utah state leased sections totalling 1,049 hectares located in Juab County, Utah. The Keg Property was acquired pursuant to a property purchase and sale agreement with NewQuest dated March 22, 2021 and is subject to a 2% NSR royalty.

The Keg Property is located 100 kilometres south of Salt Lake City, in central Utah's Great Basin. The property is considered to have potential for porphyry copper and related skarn mineralization. Previous work includes geological mapping and sampling and airborne and surface geophysical surveys.

Qualified Person

The scientific and technical information contained in this section has been reviewed and approved by Wendell Zerb, P. Geol, a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

USE OF AVAILABLE FUNDS

Available Funds

To the date of this Prospectus, Red Canyon has raised gross proceeds of $2,645,947 through the issuance of Common Shares and $1,291,705 through the issuance of flow-through Common Shares. These funds have been used for business development, claim staking and claims fees, as well as to commence exploration activities at the Peak Property and reconnaissance activities on the secondary properties in the Company's portfolio. Exploration activities on the Property to date includes the commission and completion of a NI 43-101-compliant technical report on the Property, surficial mapping and large soil geochemical sampling program of the project as well as drone magnetic survey, interpretive study on survey, magnetic inversion studies (see "*Details of the Peak Project*").

The Company intends to use the funds as described in the tables below; notably, the Company intends to continue its exploration program at the Peak Project including a drill program to be initiated upon receipt of the necessary work permits after the proposed Listing.

The estimated working capital of the Company as at August 31, 2023 is $1,946,100 and deducting the estimated general expenses and administration costs to the date of listing of $71,500, estimated property holding costs and exploration expenses to the date of listing of $10,100, and estimated listing transaction costs of $33,000, results in $1,831,500 in available funds.

The Company had a negative operating cash flow for the period from incorporation on October 2, 2020 to December 31, 2020, the years ended December 31, 2021 and 2022, and the six months ended June 30, 2023 and anticipates having negative operating cash flow for the year ended December 31, 2023 as well given its nature as a mineral exploration company.

Source of funds	Amount
Estimated consolidated working capital as at August 31, 2023	$1,946,100
Estimated general expenses and administration costs to the date of listing	($71,500)
Estimated property holding costs and exploration expenses to the date of listing	($10,100)
Estimated listing transaction costs	($33,000)
Total funds available	**$1,831,500**

Principal Purposes

The following table sets out how the Company expects to use the funds available to it after listing:

Use of funds available	Amount
Exploration of the Peak Property: Phase 1 Work Program Phase 2 Work Program	 $287,100 $660,000(1)
Exploration of the Company's other properties(2)	$150,000
Claims fees and other administrative fees of holding staked land	$66,000
Executive Compensation(3)	$270,000
Investor Relations(4)	$60,000
General and Administrative Expenses(5)	$220,200
Unallocated General Working Capital	$118,200(6)
Total	**$1,831,500**

Notes:

(1) Conditional on positive results from Phase 1 Work Program

(2) SP, Hatter, Kendal, Ping, Cooper, Scraper Springs and Keg

(3) See "*Executive Compensation*"

(4) The Company's projected investor relations expenses for the 12 months after listing date are:

Advertising/promotional	$18,600
News releases	$2,900
Shareholder meetings	$3,000
Trade shows and conferences	$25,000
Website	$1,500
Meals and entertainment	$4,000
Travel	$5,000
Total:	$60,000

(5) The Company's projected General and Administrative expenses for the 12 months after listing date are:

Audit fees	$40,000
Insurance	$22,000
Legal fees	$10,000
Listing fees	$15,000
Office and miscellaneous	$53,500
Salaries and consulting(3)	$74,500
Transfer agent	$5,200
Total:	$220,200

(6) A portion of unallocated working capital will be used for funding eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares, on the principal and ancillary mineral projects, to be determined.

The Company anticipates that it will have sufficient cash available to execute its business plan and to pay its operating and administrative costs for at least twelve months following the Listing on the CSE.

Unallocated funds are intended to be for eligible “Canadian Exploration Expenses” that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares on the principal and ancillary mineral projects, potential acquisitions and contingency purposes. Based on the Company’s requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Business Objectives and Milestones

The Company intends to use the Technical Report as the basis for exploration at the Peak Project. The recommended work program consists of 17 line-kilometres of induced polarization and approximately 1,000 metres of reverse circulation drilling. It is anticipated that this program would take place over a 6 month period and would cost an estimated $287,100 which is inclusive of a contingency for cost-overruns.

Following the completion of the flow-through private placements described under *“Financings”* above, the Company has a commitment to incur $1,291,668 in eligible “Canadian Exploration Expenses” that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares. The Company is committed to renounce these Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024. The Company expects that it will meet this commitment within the requisite time frame.

DIVIDENDS OR DISTRIBUTIONS

The Company has not declared or paid any dividends on the Common Shares.

There are no restrictions in the Company’s articles or elsewhere, other than customary general solvency requirements, which would prevent the Company from paying dividends. All of the Company’s Shares will be entitled to an equal share in any dividends declared and paid. It is anticipated that all available funds will be invested to finance the growth of the Company’s business and accordingly it is not contemplated that any dividends will be paid on the Company’s Shares in the immediate or foreseeable future. The directors of the Company will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Company’s financial position at the relevant time.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS

Selected Financial Information of the Company

The following selected financial information has been derived from and is qualified in its entirety by the audited consolidated financial statements of the Company for the period from incorporation on October 2, 2020 to December 31, 2020, the years ended December 31, 2021 and December 31, 2022, and the unaudited consolidated financial statements for the six months ended June 30, 2023 and notes thereto included in this Prospectus, and should be read in conjunction with such consolidated financial statements and the related notes thereto, along with the Management’s Discussion and Analysis (“**MD&A**”) included in Schedule B of this Prospectus. All consolidated financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the consolidated financial statements of the Company are denoted in Canadian dollars.

	As at June 30, 2023 and for the six months ended June 30, 2023 (unaudited) $	As at December 31, 2022 and the year ended December 31, 2022 (audited) $	As at December 31, 2021 and for the year ended December 31, 2021 (audited) $	As at December 31, 2020 and for the period from October 2, 2020 to December 31, 2020 (audited) $
Net loss for the period	(178,432)	(258,879)	(340,478)	(3,821)
Comprehensive loss for the period	(177,074)	(261,486)	(340,777)	(3,769)
Cash	2,149,202	269,396	783,311	139,801
Total assets	3,460,125	1,321,317	1,255,801	139,801
Total liabilities	586,947	229,970	76,214	3,570
Total shareholders' equity	2,873,178	1,091,347	1,179,587	136,231

Management's Discussion and Analysis

The MD&A of the Company for the year ended December 31, 2022 and the six months ended June 30, 2023 are included in Schedule B to this Prospectus.

The MD&A for the Company should be read in conjunction with the consolidated financial statements and the accompanying notes thereto included in this Prospectus. Certain information contained in the MD&A constitutes forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward looking statements. See "*Note Regarding Forward-Looking Information*" and "*Risk Factors*".

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As of the date hereof, there are 34,937,459 Common Shares issued and outstanding.

Common Shares

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per Common Share at the meetings of the shareholders of the Company and, upon liquidation, to share equally in such assets of the Company as are distributable to the holders of Common Shares. See "*Consolidated Capitalization – Fully Diluted Share Capital*."

CONSOLIDATED CAPITALIZATION

Consolidated Capitalization

The following table summarizes the Company's capitalization since incorporation. The table should be read in conjunction with the consolidated financial statements and the accompanying notes thereto included in this Prospectus.

Designation of Security	Amount Authorized	Outstanding as at June 30, 2023 (unaudited)	Outstanding as at the date of this Prospectus (unaudited)
Common Shares	Unlimited	34,893,859	34,937,459
Warrants	n/a	4,540,584	4,563,200
Stock Options	n/a	2,800,000	2,800,000

Fully Diluted Share Capital

The following table sets forth the anticipated fully diluted share capital of the Company.

	Number of Common Shares Issued or Reserved for Issuance	Percentage of issued and outstanding Common Shares (fully-diluted)
Common Shares outstanding at the date of this Prospectus	34,937,459	82.59%
Common Shares issuable upon exercise of Warrants	4,563,200	10.79%
Common Shares issuable upon exercise of options(1)	2,800,000	6.62%

Notes:

(1) The Company has granted an aggregate of 2,800,000 options for the purchase of an aggregate of up to 2,800,000 Common Shares to the directors, officers, employees, and advisors of the Company. See "*Executive Compensation"* for more information.

OPTIONS TO PURCHASE SECURITIES

A stock option plan was approved by the Company's Board of Directors effective as of November 15, 2021 (the "**Stock Option Plan**"). The full text of the Stock Option Plan is attached as Schedule C to this Prospectus. The principal purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity to be issued with and acquire Common Shares of the Company, thereby increasing their proprietary interest in the Company, and encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Stock Option Plan provides that from and after the date that the Company becomes a reporting issuer whose Shares are listed on a public stock exchange, the maximum number of Common Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time-to-time.

The Stock Option Plan is administered by the Board of Directors of the Company, which has full and final authority with respect to the granting of all options and units thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate.

The number of Common Shares which may be issuable under the Stock Option Plan and all of the Company's other previously established or proposed share compensation arrangements once the Company becomes a reporting issuer whose Common Shares are listed on a public stock exchange (a) shall not exceed 10% of the total number of the issued and outstanding Common Shares; (b) to any one participant within a 12-month period shall not exceed 5% of the total number of the issued and outstanding Common Shares; and (c) within a one-year period (i) to any one person, shall be no more than 5% of the total number of issued and outstanding Common Shares, with the exception of a consultant who may not receive grants of more than 2% of the total number of issued and outstanding Common Shares; (ii) to insiders as a group, shall be no more than 10% of the total number of issued and outstanding Common Shares and (iii) to persons employed to conduct Investor Relations Activities (as defined in the CSE policies), shall be no more than an aggregate of 2% of the total number of issued and outstanding Common Shares at any one time.

Stock Option Plan

The exercise prices of options will be determined by the Board of Directors, but will, in no event, be less than the closing market price of Common Shares on the trading day prior to the date of grant of the stock options. All options granted under the Stock Option Plan will expire no later than the date that is five years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

Subject to certain limitations, in the event that an option holder's position as a director, officer, employee or consultant is terminated for any reason other than long term disability, death or for cause, the options held by such option holder may be exercised within 90 days of termination, provided such options have vested and not expired.

Subject to certain limitations, in the event that an option holder's position as a director, officer, employee or consultant is terminated as a result of his or her death or long term disability, any options held by such option holder that could have been exercised immediately prior to such termination of service shall be exercisable for a period of one year following the termination of service of such option holder.

Subject to certain limitations, in the event that an option holder's employment is terminated for cause, the options held by such option holder shall expire and and terminate on the date of such termination for cause.

As of the date of this Prospectus, there are 2,800,000 options outstanding under the Plan. The options are held as follows:

Optionee	Designation of Securities under Option	Number of Shares under Option	Exercise Price per Share	Expiry Date
All executive officers and past executive officers as a group (2 persons)	Common Shares	300,000[1]	$0.10	November 15, 2026
All directors and past directors who are not also executive officers as a group (5 persons)	Common Shares Common Shares	600,000[1] 150,000[2]	$0.10 $0.22	November 15, 2026 June 1, 2028
All employees and past employees as a group (5 persons)	Common Shares Common Shares	475,000[2] 100,000[2]	$0.10 $0.22	November 15, 2026 June 1, 2028
All consultants and advisors and past consultants as a group (10 persons)	Common Shares Common Shares Common Shares	825,000[2] 150,000[2] 200,000[2]	$0.10 $0.20 $0.20	November 15, 2026 April 1, 2027 November 16, 2027
Total		2,800,000		

Notes:

(1) Options or Common Shares realized upon exercise thereof will be subject to escrow.
(2) None of the options or Common Shares realized upon exercise thereof will be subject to escrow.

PRIOR SALES

The following table summarizes the sale or issuance of securities of the Company for the twelve month period prior to the date of this Prospectus.

Date	Number and Type of Securities	Issue / Exercise Price Per Security	Aggregate Issue / Exercise Price	Nature of Consideration Received
November 16, 2022	200,000 Options[1]	$0.20	$40,000	N/A
March 31, 2023	2,450,000 Shares[2] 1,225,000 Warrants[2] 48,900 Finder Warrants[2]	$0.22 $0.40 $0.40	$539,000 $490,000 $19,560	Cash N/A N/A
April 25, 2023	2,439,500 Shares[3] 1,219,750 Warrants[3] 11,370 Finder Warrants[3]	$0.22 $0.40 $0.40	$536,690 $487,900 $4,548	Cash N/A N/A
April 25, 2023	856,682 FT Shares[4] 428,341 Warrants[4] 24,210 Finder Warrants[4]	$0.33 $0.40 $0.40	$282,705 $171,336 $9,684	Cash N/A N/A
May 4, 2023	2,772,727 CFT Shares[5] 1,386,363 Warrants[5]	$0.352 $0.40	$976,000 $554,545	Cash N/A
May 5, 2023	288,500 Shares[6] 144,250 Warrants[6] 2,400 Finder Warrants[6]	$0.22 $0.40 $0.40	$63,470 $57,700 $960	Cash N/A N/A
May 5, 2023	100,000 FT Shares[7] 50,000 Warrants[7]	$0.33 $0.40	$33,000 $20,000	Cash N/A
June 1, 2023	250,000 Options[1]	$0.22	$55,000	N/A
July 10, 2023	43,600 Shares[8] 21,800 Warrants[8] 816 Finder Warrants[8]	$0.22 $0.40 $0.40	$9,592 $8,720 $326	Cash N/A N/A

Notes:

(1) See "Options and Other Rights to Purchase Securities" above.

(2) Common Shares, Warrants and Finder Warrants issued pursuant to a unit private placement. The Warrants and Finder Warrants are exercisable at a price of $0.40 per Common Share until March 31, 2025.

(3) Common Shares, Warrants and Finder Warrants issued pursuant to a unit private placement. The Warrants and Finder Warrants are exercisable at a price of $0.40 per Common Share until April 25, 2025.

(4) FT Common Shares, Warrants and Finder Warrants issued pursuant to a flow-through unit private placement. The Warrants and Finder Warrants are exercisable at a price of $0.40 per Common Share until April 25, 2025. A flow-through share premium of $94,235 was recorded on the issuance.

(5) CFT Common Shares and Warrants issued pursuant to a charity flow-through unit private placement. The Warrants are exercisable at a price of $0.40 per Common Share until May 4, 2025. A flow-through share premium of $366,000 was recorded on the issuance.

(6) Common Shares, Warrants and Finder Warrants issued pursuant to a unit private placement. The Warrants and Finder Warrants are exercisable at a price of $0.40 per Common Share until May 5, 2025.

(7) FT Common Shares and Warrants issued pursuant to a flow-through unit private placement. The Warrants are exercisable at a price of $0.40 per Common Share until May 5, 2025. A flow-through share premium of $11,000 was recorded on the issuance.

(8) Common Shares, Warrants and Finder Warrants issued pursuant to a unit private placement. The Warrants and Finder Warrants are exercisable at a price of $0.40 per Common Share until July 10, 2025.

ESCROWED SECURITIES AND RESALE RESTRICTIONS

Escrowed Securities

Pursuant to National Policy 46-201 - Escrow for Initial Public Offerings ("**NP 46-201**") and applicable securities laws, all securities held by Principals (as defined below) are subject to escrow restrictions. Pursuant to that policy, securities of the Company held by certain securityholders must be placed in escrow with the Escrow agent, to be released therefrom over a period of three years (the "**Escrowed Securities**").

"**Principals**" include all persons or companies that, on the completion of the Listing, fall into one of the following categories:

(a) directors and senior officers of the Company, as listed in this Prospectus;

(b) promoters of the Company during the two years preceding this Listing;

(c) those who own and/or control more than 10% of the Company's voting securities immediately before and immediately after completion of the Listing if they also have appointed or have the right to appoint a director or senior officer of the Company or of a material operating subsidiary of the Company;

(d) those who own and/or control more than 20% of the Company's voting securities immediately before and immediately after completion of this Listing; and

(e) associates and affiliates of any of the above.

A Principal's spouse and their relatives that live at the same address as the Principal are also considered Principals for the purposes of escrow.

In addition, the CSE Policies require that Builder Shares be subject to escrow with releases scheduled at periods specified under NP 46-201, as do the underlying security where convertible securities are issued less than 18 months before Listing and are exercisable into listed securities at a price that is less than the issuance price per security under financing made contemporaneously with the Listing application.

The following table sets forth the aggregate number of securities to be held in escrow:

Designation or class	Number of securities held in escrow or that are subject to a contractual restriction on transfer(1)	Percentage of class(2)
Common Shares	17,887,000	51.20%
Warrants	290,000	6.36%
Stock Options	900,000	32.14%

Notes:

(1) Securities are held in escrow pursuant to the Escrow Agreement. The securityholders subject to escrow are set forth in the table below. Pursuant to the Escrow Agreement the Escrowed Securities will be released from escrow as to 10% upon the Listing Date, with the balance in six equal releases at six-month intervals over the 36 months following the Listing Date. The Escrow agent is Endeavor Trust Corporation. See disclosure below for details of the dates and conditions of release of the Escrowed Shares.

(2) Based on there being 34,937,459 Common Shares outstanding.

The Principals of the Corporation are Wendell Zerb, Caleb Stroup, Alistair Waddell, Lauren Roberts, Cecil R. Bond, Sandra Wong, NewQuest, Tero Kosonen and their spouses and relatives that live at the same address. Builder Shares are held by Gregory Dering.

The following is a list of those securityholders who own Escrowed Securities subject to the Escrow Agreement:

Name and Municipality of Residence	No. of Escrow Common Shares	No. of Escrow Warrants	No. of Escrow Stock Options
NewQuest Capital Inc. *Vancouver, British Columbia*	8,917,500[1]	40,000	Nil
Wendell Zerb *Burnaby, British Columbia*	2,894,500[1]	100,000	150,000
Caleb Stroup *Reno, Nevada*	1,562,500[1]	Nil	150,000
Alistair Waddell *Vancouver, British Columbia*	Nil	Nil	150,000
Waddell Consulting Inc. *Vancouver, British Columbia*	1,362,500[2]	Nil	Nil
Lauren Roberts *Spokane, Washington*	700,000[1]	100,000	Nil
Cecil R. Bond *Langley, British Columbia*	400,000[1]	50,000	150,000
Sandra Wong *Vancouver, British Columbia*	350,000[1]	Nil	150,000
Tero Kosonen *Shanghai, China*	1,300,000[1]	Nil	150,000
Laurel Zerb *Burnaby, British Columbia*	100,000[1]	Nil	Nil
Germina Bond *Langley, British Columbia*	50,000[1]	Nil	Nil
Gregory Dering *Truckee, California*	250,000[1]	Nil	Nil
Total	**17,887,000**	**290,000**	**900,000**

Notes:

(1) Owned beneficially and of record.
(2) Alistair Waddell owns 100% of the voting securities of Waddell Consulting Inc.

The Company is an “emerging issuer” as defined in NP 46-201. Should the Company become an “established issuer” as defined in NP 46-201, the release of the remaining Escrowed Securities will be accelerated on a retroactive basis such that 25% would have been released on the Listing Date and an additional 25% would have been released every six months thereafter.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement except for certain circumstances, including:

(a) transfers to an Registered Retirement Savings Plan or similar trust plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

(b) transfers upon bankruptcy to a trustee in bankruptcy; and

(c) pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow.

The complete text of the Escrow Agreement is available for inspection at the registered and records office of the Company and is also available on SEDAR+ at www.sedarplus.ca.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Company, other than as set forth below, no person directly or indirectly beneficially owns, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the date of this Prospectus.

Shareholder	Number of Common Shares	Percentage of class
NewQuest Capital Inc.[1] *Vancouver, British Columbia*	8,917,500	25.61%[2]

Notes:

(1) The principal shareholders of NewQuest include Tero Kosonen (24.87% interest), Alistair Waddell (24.87% interest), Wendell Zerb (20.51% interest) and Caleb Stroup (20.51% interest). The directors of NewQuest are Wendell Zerb, Alistair Waddell and Caleb Stroup, who are also directors of the Company, and Tero Kosonen. The CFO and Corporate Secretary of NewQuest is Sandra Wong, who is also CFO and Corporate Secretary of the Company.

(2) Calculated on a partially diluted basis after accounting for the exercise of 40,000 Warrants.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table sets out the names, provinces or states of residence, positions, principal occupations, and the number and percentage of Common Shares that are beneficially owned or controlled by each of the current directors and officers of the Company as at the date of this Prospectus. The current directors of the Company are Wendell Zerb, Caleb Stroup, Alistair Waddell, Cecil R. Bond and Lauren Roberts and the current officers of the Company are Wendell Zerb (Chairman, President and Chief Executive Officer), Sandra Wong (Chief Financial Officer and Corporate Secretary), and Caleb Stroup (President of RC Metals Inc.). The Company's directors are expected to hold office until the next annual general meeting of shareholders and are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders.

Name, Residence and Position with the Company	Director/Officer Since	Principal Occupation or Employment for the Past Five Years	Number and Percentage of Common Shares
WENDELL ZERB[1] British Columbia, Canada *Chairman, President, CEO, Director* *Director of RC Metals Inc.*	Chairman, President, CEO, Director since October 2, 2020 Director of RC Metals Inc. since October 27, 2020	Geologist and Businessman. Chairman and Director of Inflection Resources Ltd. and Director of Headwater Gold Inc.	2,894,500[2] 8.94%[3]
CALEB STROUP Nevada, United States *Director* *President and Director of RC Metals Inc.*	Director since October 2, 2020 President and Director of RC Metals Inc. since October 27, 2020	Geologist and Businessman. President, CEO and Director of Headwater Gold Inc. Former Senior Geologist at Kinross Gold USA.	1,562,500[4] 4.88%[5]
ALISTAIR WADDELL British Columbia, Canada *Director*	Director since October 2, 2020	Geologist and Businessman. President, CEO and Director of Inflection Resources Ltd. Chairman and Director of Headwater Gold Inc. Director of Precipitate Gold Corp., North Stawell Minerals and Palamina Corp. Former director of Winshear Gold Corp. and Spey Resources Corp.	1,362,500[6] 4.31%[5]

CECIL R. BOND[1] British Columbia, Canada *Director*	Director since July 13, 2021	Chartered Professional Accountant (CPA, CA) and Businessman. Director and Executive Vice President, Finance of Rugby Resources Limited. Former Director of QuestEx Gold & Copper Ltd.	400,000[7] 1.71%[8]
LAUREN ROBERTS[1] Washington, United States *Director*	Director since June 1, 2023	Professional Mining Engineer and Businessman. Senior Vice President and Chief Operating Officer of Hecla Mining Company. Former Regional Vice President, Senior VP Corporate Development and Chief Operating Officer of Kinross Gold Corp.	700,000[7] 2.27%[3]
SANDRA WONG British Columbia, Canada *CFO and Corporate Secretary* *Secretary and Treasurer of RC Metals Inc.*	CFO and Corporate Secretary since October 2, 2020 Secretary and Treasurer of RC Metals Inc. since October 27, 2020	Chartered Professional Accountant (CPA, CGA). CFO and Corporate Secretary of FinEx Metals Ltd. Corporate Secretary of Headwater Gold Inc. and Inflection Resources Ltd. Former CFO of Headwater Gold Inc. Former CFO and Corporate Secretary of RT Minerals Corp., Opawica Explorations Inc. and Discovery Harbour Resources Corp. Former Corporate Secretary of Crest Resources Inc.	350,000[9] 1.43%[5]

Notes:

(1) Member of the Audit Committee

(2) Held directly. In addition, Mr. Zerb is a director of and holds a 20.51% interest in NewQuest, which owns 8,917,500 Common Shares and 40,000 Warrants.

(3) Calculated on a partially diluted basis after accounting for the exercise of 150,000 stock options and 100,000 Warrants.

(4) Held directly. In addition, Mr. Stroup is a director of and holds a 20.51% interest in NewQuest, which owns 8,917,500 Common Shares and 40,000 Warrants.

(5) Calculated on a partially diluted basis after accounting for the exercise of 150,000 stock options.

(6) Held by Waddell Consulting Inc., a private company beneficially owned by Mr. Waddell. In addition, Mr. Waddell is a director of and holds a 24.87% interest in NewQuest, which owns 8,917,500 Common Shares and 40,000 Warrants.

(7) Held directly.

(8) Calculated on a partially diluted basis after accounting for the exercise of 150,000 stock options and 50,000 Warrants.

(9) Held directly. In addition, Ms. Wong is CFO and Corporate Secretary of NewQuest, which owns 8,917,500 Common Shares and 40,000 Warrants.

As of the date of this Prospectus, the directors and executive officers, including spouses and associates, as a group beneficially own, directly or indirectly, or exercise control or direction over 17,637,000 Common Shares representing 50.48% of the issued and outstanding Common Shares.

Directors and Officers – Biographies

The following biographies provide information in respect of the current directors and officers of the Company.

WENDELL ZERB, BSc., P.Geol., *Chairman, President, Chief Executive Officer, Director*

Mr. Zerb, age 59, has been Chairman, President, Chief Executive Officer and a director of the Company since October 2, 2020. He is also a director of the Company's subsidiary, RC Metals Inc., since October 27, 2020. His responsibilities with the Company in his capacity as Chairman, President and Chief Executive Officer include capital raising, investor communications, assisting with the management of day-to-day operations of the Company, executing policies implemented by the Board of Directors and reporting back to the Board, project generation and acquisition, and geological review. As a director, he is responsible for directing and overseeing management of the Company including serving on the audit committee. Mr. Zerb holds a B.Sc. Degree in Geology from the University of Alberta (1987).

Mr. Zerb has over 30 years combined experience in capital markets, mining, and mineral exploration and development. Mr. Zerb is currently serving as Chair and director of Inflection Resources Ltd. since December 2019 and a director of Headwater Gold Inc. since July 2020. He previously served as Director, Research Analyst, Metals and Mining (Canaccord Genuity Inc.), Vice President of Research and Institutional Sales, and President and Chief Executive Officer of a wholly owned U.S. subsidiary (PI Financial). Most recently, he was President and CEO of Exeter Resource Corporation from February 2013 to June 2017. Exeter controlled the Caspiche Au – Cu deposit in Chile and was successfully purchased by Goldcorp in June 2017.

Mr. Zerb is an employee of the Company and in his capacity as Chairman, President, Chief Executive Officer and director will dedicate approximately 50% of his working time to the affairs of the Company. Mr. Zerb is subject to an employment agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

CALEB STROUP, M.Sc. (Geology)*, Director, President of RC Metals Inc.*

Mr. Stroup, age 39, has been a director of the Company since October 2, 2020. He is also President and director of the Company's subsidiary, RC Metals Inc., since October 27, 2020. As a director, he is responsible for directing and overseeing management of the Company. His responsibilities with the Company in his capacity as President of RC Metals inc. include project generation and acquisition and geological targeting. He holds a Master's degree in Geology from Idaho State University (2008) of Pocatello, Idaho, USA and a B.Sc. Degree in Geoscience from Winona State University (2006). Mr. Stroup is a lifetime member of the Geological Society of Nevada since 2011 and is also a member the Society of Economic Geologists since 2013 and the American Association of Professional Geologists since 2019.

Mr. Stroup is an exploration geologist with approximately 15 years of experience with both major mining companies and junior resource exploration companies. Mr. Stroup is an expert in the geology of the Great Basin and has extensive experience working on and evaluating gold exploration properties in the western USA. Mr. Stroup is currently serving as President, Chief Executive Officer and director of Headwater Gold Inc. since May 2019. He previously served as Senior Geologist for Kinross Gold Corporation from May 2015 to August 2018. With Kinross he was responsible for Greenfields project generation and program management, as well as monitoring and evaluating advanced gold projects throughout North America.

Mr. Stroup is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Stroup is not a party to any written non-competition or confidentiality agreement with the Company.

ALISTAIR WADDELL, BSc., MAusIMM, *Director*

Mr. Waddell, age 50, has been a director of the Company since October 2, 2020. As a director, he is responsible for directing and overseeing management of the Company. Mr. Waddell holds a B.Sc. (Hons.) Degree in Geology from the University of Derby in the United Kingdom (1994) and is a member of both the Society of Economic Geologists since 1999 and the Australian Institute of Metallurgy and Mining since 2014.

Mr. Waddell is an exploration Geologist with over 27 years of international experience in the mining industry. His diverse, global experience bridges both junior and major companies giving him a broad vision of the mining industry and associated capital markets. Mr. Waddell is a founder, President and CEO of Inflection Resources Ltd., an exploration company with mineral assets in Australia; a founder, Chairman and director of Headwater Gold Inc., an exploration company with mineral assets in Nevada, Oregon and Idaho; and a founder and former President and CEO of GoldQuest Mining Corp., an exploration company primarily focused exploration of on the Dominican Republic. He was previously Vice President - Greenfields Exploration for Kinross Gold Corp. from June 2010 to December 2015, responsible for all global Greenfields exploration initiatives. He is currently serving as director of Precipitate Gold Corp. since March 2016, a director of Palamina Corp. since November 2017, and a director of North Stawell Minerals since July 2020. He previously served as a director of Winshear Gold Corp. from September 2019 to

September 2022 and Spey Resources Corp. from June 2018 to September 2020. During his career he has lived and worked in the Dominican Republic, Bolivia, Peru, Ecuador, Chile, Venezuela, Australia and Canada.

Mr. Waddell is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Waddell is not a party to any written non-competition or confidentiality agreement with the Company.

CECIL R. BOND, CPA, CA, *Director*

Mr. Bond, age 67, has been a director of the Company since July 2021. As a director, he is responsible for directing and overseeing management of the Company including serving on the audit committee. Mr. Bond holds a Bachelor of Commerce (B.Com) degree from the University of Cape Town (1981), a Certificate in Theory of Accounting from the University of Cape Town (1982), a Chartered Accountant designation from the South African Institute of Chartered Accountants (1985) and a Chartered Professional Accountant (British Columbia) (Chartered Accountant) designation (1997).

Mr. Bond is a Chartered Professional Accountant (CPA, CA) with over 25 years of global experience in the junior resource and mining industry serving as a director or senior executive of companies listed on the TSX, TSX-V, ASX, AIM and NYSE markets. Mr. Bond is the former Chief Financial Officer of Exeter Resource Corporation until it was acquired by Goldcorp in June 2017 and VP Finance of Extorre Gold Mines Ltd until it was acquired by Yamana Gold. Mr. Bond's principal occupation or employment during the last five years is a Businessman. He has served as Director and Executive Vice President, Finance of Rugby Resources Ltd. from March 2018 to present, Director of Inflection Resources Ltd. from March 2019 to present, and Director of QuestEx Gold & Copper Ltd. from April 2018 to June 2022.

Mr. Bond is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Bond is not a party to any written non-competition or confidentiality agreement with the Company.

LAUREN M. ROBERTS, *Director*

Mr. Roberts, age 57, has been a director of the Company since June 1, 2023. As a director, he is responsible for directing and overseeing management of the Company including serving on the audit committee. Mr. Roberts holds a Bachelor of Science degree in Mining Engineering with Highest Honors from the New Mexico Institute of Mining and Technology (1988) and is a lifelong member of the Society of Mining Engineers.

Mr. Roberts is a Professional Mining Engineer with 34 years of experience in the global mining industry. He is currently Senior Vice President and Chief Operating Officer for Hecla Mining Company and responsible for Operations, Safety, Environment, Technical Services, and Capital Projects. Lauren previously held senior positions for Kinross Gold Corporation and Barrick Gold Corporation. At Kinross, Lauren was Chief Operating Officer responsible for global operations covering 8 producing mines worldwide.

Mr. Roberts is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Roberts is not a party to any written non-competition or confidentiality agreement with the Company.

SANDRA WONG, CPA, CGA, *Chief Financial Officer and Corporate Secretary*

Ms. Wong, age 52, has been Chief Financial Officer and Corporate Secretary of the Company since October 2, 2020. She is also Secretary and Treasurer of the Company's subsidiary, RC Metals Inc. since October 27, 2020. In her capacity as CFO, Ms. Wong reports to the Chief Executive Officer of the Company regarding strategic and tactical matters as they relate to budget management, cost-benefit analysis and forecasting needs, and is responsible for financial reporting and maintaining the financial records of the Company. In her capacity as Corporate Secretary, Ms. Wong is responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the board of directors are implemented. Ms. Wong holds a Bachelor of Commerce (B.Com) degree from the University of British Columbia (1993) and a Chartered Professional Accountant (British Columbia) (Certified General Accountant) designation (1999).

Ms. Wong is a Chartered Professional Accountant (CPA, CGA) and provides accounting, corporate secretarial and administrative services to public and private companies. She has over 20 years of experience with reporting issuers, and currently serves as CFO and Corporate Secretary of FinEx Metals Ltd. (March 2021 to present) as well as Corporate Secretary of Headwater Gold Inc. (May 2019 to present) and Inflection Resources Ltd. (March 2019 to present). Ms. Wong recently served as CFO of Headwater Gold Inc. (January 2021 to September 2023); CFO and Corporate Secretary of RT Minerals Corp. (March 2009 to July 2023), Opawica Explorations Inc. (July 2008 to August 2021) and Discovery Harbour Resources Corp. (September 2018 to May 2020); and Corporate Secretary of Crest Resources Inc. (April 2019 to October 2020).

Ms. Wong is an employee of the Company; and, in her capacity as CFO and Corporate Secretary, will dedicate approximately 33% of her working time to the affairs of the Company. Ms. Wong is subject to an employment agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

Committees

The only committee of the Board of Directors is the Audit Committee, which consists of Cecil R. Bond (Chair), Lauren Roberts and Wendell Zerb.

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, as at the date of this Prospectus, or was within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person as acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as at the date of the Prospectus, or has been within the 10 years before the date of the Prospectus, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of the Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Company's directors are required to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. However, the directors and officers may serve on the boards and/or as officers of other companies which may compete in the same industry as the Company, giving rise to potential conflicts of interest. To the extent that such other companies may participate in ventures in which the Company may participate, they may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflicts of interest arise at a meeting of directors, such conflicts of interest must be declared and the declaring parties must abstain from voting for or against the approval of such participation. The remaining directors will determine whether or not the Company will participate in any such project or opportunity.

The Company's directors and officers are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest, and will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers in accordance with the BCBCA will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

EXECUTIVE COMPENSATION

In this section "**Named Executive Officer**" (an "**NEO**") means each individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year, each individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

During the financial years ended December 31, 2022 and December 31, 2021 and the financial period from incorporation on October 27, 2020 to December 31, 2020, the Company had two individuals who were Named Executive Officers, namely (i) Wendell Zerb as Chief Executive Officer; and (ii) Sandra Wong as Chief Financial Officer.

Compensation Discussion and Analysis

In assessing the compensation of its Named Executive Officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board of Directors.

As of the date of this Prospectus, the Board of Directors has not established any benchmark or performance goals to be achieved or met by Named Executive Officers; however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company. The satisfactory discharge of such duties is subject to ongoing monitoring by the Company's directors.

The Company's Named Executive Officer compensation during the most recently completed financial years ended December 31, 2022 and December 31, 2021 and the financial period from Incorporation on October 2, 2020 to December 31, 2020 was determined and administered by the Board of Directors. The Board of Directors was solely responsible for assessing the compensation to be paid to the Company's Named Executive Officers and for evaluating their performance.

It is expected that once the Company becomes a reporting issuer, base salary will be the principal component of Named Executive Officer compensation. The base salary for each Named Executive Officer will be based on the position held, the related responsibilities and functions performed by the executive and salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels. The Company did not perform a formal peer group study to determine compensation.

Option Based Awards

Another component of Named Executive Officer compensation is the grant of stock options pursuant to the Company's Stock Option Plan. The objective of this compensation component is to attract, retain and motivate certain persons of training, experience and leadership as key service providers to the Company, including its directors, Named Executive Officers and employees and to advance the interest of the Company by providing such persons with additional compensation and the opportunity to participate in the success of the Company.

In addition to, or in lieu of, the compensation components described above, payments may be made from time to time to individuals, including Named Executive Officers or directors of the Company, or companies they control for the provision of management or consulting services. Such services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all annual and long-term compensation for services paid to or earned by the Company's Named Executive Officers and directors, excluding compensation securities, since the date of incorporation on October 2, 2020:

Table of Compensation Excluding Compensation Securities

Name and Principal Position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Long-term incentive plans ($)	Value of all other compensation ($)	Total Compensation ($)
Wendell Zerb[1] CEO, Chairman, President and Director	2022 2021 2020	129,600 12,545 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	129,600 12,545 Nil
Sandra Wong[2] CFO and Corporate Secretary	2022 2021 2020	30,000 4,000 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	30,000 4,000 Nil
Caleb Stroup[3] Director and President of RC Metals Inc.	2022 2021 2020	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Alistair Waddell[4] Director	2022 2021 2020	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Cecil R. Bond[5] Director	2022 2021 2020	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

Tero Kosonen[6] Former Director	2022 2021 2020	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

Notes:

(1) Wendell Zerb was appointed Chairman, President, CEO and Director on October 2, 2020. Mr. Zerb was appointed a Director of RC Metals Inc. on October 27, 2020. The compensation was paid to Mr. Zerb for his service as CEO.

(2) Sandra Wong was appointed CFO and Corporate Secretary on October 2, 2020. Ms. Wong was appointed as Secretary and Treasurer of RC Metals Inc. on October 27, 2020.

(3) Caleb Stroup was appointed a Director on October 2, 2020. Mr. Stroup was appointed as President and Director of RC Metals Inc. on October 27, 2020.

(4) Alistair Waddell was appointed a Director on October 2, 2020.

(5) Cecil R. Bond was appointed a Director on July 13, 2021.

(6) Tero Kosonen was appointed a Director on October 2, 2020 and resigned on June 1, 2023.

The compensation set out above is based on current conditions in the mineral exploration industry and on the associated approximate allocation of time for the CEO and CFO and is subject in future to adjustments based on changing market conditions and corresponding changes to required time commitments. Following the listing of the Common Shares on the Exchange, the Company will review its compensation policies and may adjust them if warranted by factors such as market conditions.

Outstanding Share-Based Awards and Option-Based Awards

The Company has a stock option plan in place. During the financial period from Incorporation on October 2, 2020 to December 31, 2020, there were no options granted to Named Executive Officers or directors of the Company. During the financial year ended December 31, 2021, a total of 900,000 options were granted to Named Executive Officers and directors of the Company. During the financial year ended December 31, 2022, there were no options granted to Named Executive Officers and directors of the Company. During the six months ended June 30, 2023, a total of 150,000 options were granted to a director of the Company.

For a description of the Company's Stock Option Plan, see "Options and Other Rights to Purchase Securities of the Company – Summary of Stock Option Plan" above. The following table discloses all compensation securities granted or issued to each Named Executive Officer and directors by the Company since inception.

Compensation Securities

Name and position	Type of compen-sation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant m/d/y	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry date m/d/y
Wendell Zerb CEO, Chairman, President & Director	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26
Sandra Wong CFO	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26
Caleb Stroup Director	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26
Alistair Waddell Director	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26

Cecil R. Bond Director	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26
Lauren Roberts Director	Stock Options	150,000	6/01/23	$0.22	n/a	n/a	6/01/28
Tero Kosonen Former Director	Stock Options	150,000	11/15/21	$0.10	n/a	n/a	11/15/26

The Company does not provide any retirement benefits for its directors or officers; nor does it have any long-term incentive plans.

Stock Option Plans and Other Incentive Plans

See "*Options to Purchase Securities*".

Employment, Consulting and Management Agreements

Each of the Company's Named Executive Officers are independent contractors of the Company. Except as disclosed below, the Company does not have any written employment, consulting or management agreements in place with any of its officers or directors.

The Company has entered into a Management Agreement with Wendell Zerb, the Chairman, President and Chief Executive Officer effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the agreement without cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the agreement without cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for good cause during the first two years of the agreement; (iv) eighteen times the monthly compensation if the CEO resigns for good cause during the third or any subsequent year of the agreement; and (v) eighteen months of compensation in the event the Company terminates the agreement with or without cause, or the CEO resigns with or without good cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company's exploration properties or the creation of a new or spin-off company, he will be awarded a special bonus in the amount of 0.5% of the sale of any of the Company's exploration properties or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company's issued and outstanding common shares, he will be awarded a special bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level.

The Company has entered into an employment agreement with Sandra Wong, the Chief Financial Officer and Corporate Secretary effective June 1, 2023 for no fixed term. As compensation for the services to be provided, the CFO will receive a monthly salary of $6,700 with provisions for severance of (i) three months of compensation in the event the Company terminates the agreement without cause; (ii) three months of compensation in the event the CFO resigns for good cause; and (iii) eighteen months of compensation in the event the Company terminates the agreement with or without cause, or the CFO resigns with or without good cause, within twelve months following a change of control of the Company. This employment agreement supersedes an employment agreement dated January 1, 2022 for the CFO to provide services for compensation of a monthly salary of $2,500.

The Company has approved the payment of a director's fee of $1,000 per month to Messrs. Roberts, Stroup and Waddell and $2,000 per month to Mr. Bond who serves as chair of the Audit Committee, effective September 1, 2023.

Termination of Employment, Change of Control Benefits and Employment Contracts

Except as disclosed under "Employment, Consulting and Management Agreements", no benefits will accrue to any of the Company's Named Executive Officers, officers, employees or directors upon their termination, or upon any change of control of the Company.

Proposed Compensation

During the next 12 months, the Company proposes to pay the following compensation to its Named Executive Officers and directors, in addition to their entitlement to receive (i) incentive stock options pursuant to the Stock Option Plan in such individual amounts as the board of directors may determine from time to time, and (ii) reimbursement for out-of-pocket expenses incurred on behalf of or in providing services as a director for the Company.

Name and Principal Position	Salary	All Other Compensation	Total Annual Compensation
Wendell Zerb *Chairman, President, CEO and Director*	$129,600	Nil	$129,600
Sandra Wong *CFO and Corporate Secretary*	$80,400	Nil	$80,400
Caleb Stroup *Director*	Nil	$12,000	$12,000
Alistair Waddell *Director*	Nil	$12,000	$12,000
Cecil R. Bond *Director*	Nil	$24,000	$24,000
Lauren Roberts *Director*	Nil	$12,000	$12,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee, former director, former executive officer or former employee of the Company is or has within 30 days before the date of this Prospectus been indebted to the Company or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or similar agreement provided by the Company, except for routine indebtedness.

AUDIT COMMITTEE

The Audit Committee's Mandate

The full text of the Audit Committee's charter is attached as Schedule D to this Prospectus.

Mandate and Responsibilities of the Audit Committee

The Audit Committee's mandate and responsibilities include: (i) reviewing and recommending for approval to the Board the consolidated financial statements, accounting policies that affect the statements, annual MD&A and associated press releases; (ii) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's consolidated financial statements and periodically assessing those procedures; (iii) establishing and maintaining complaint procedures regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; (iv) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing such other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; (v) pre-approving all non-audit services to be provided to the Company or its subsidiary entities by the external auditor; (vi) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company; and (vii) reviewing and approving the Company's hiring policies regarding partners, employees, and former partners and employees of the external auditor of the Company.

The Audit Committee is to meet at least quarterly to review financial statements and MD&A and to meet with the Company's external auditors at least once a year.

Composition of the Audit Committee

The Audit Committee is presently comprised of Cecil R. Bond (Chair), Lauren Roberts and Wendell Zerb. Each of Messrs. Bond and Roberts are independent directors as defined in National Instrument 52-110. Mr. Zerb is not independent by reason of being the Chairman, President and CEO of the Company. All of the Audit Committee members are "financially literate", as defined in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting. The members of the Audit Committee are elected by the Board of Directors at its first meeting following each annual shareholders' meeting to serve one-year terms and are permitted to serve an unlimited number of consecutive terms.

Relevant Education and Experience

Each member of the Company's Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

(a) an understanding of the accounting principles used by the Company to prepare its consolidated financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;

(c) experience preparing, auditing, analyzing or evaluating consolidated financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's consolidated financial statements or experience actively supervising individuals engaged in such activities; and

(d) an understanding of internal controls and procedures for financial reporting.

Cecil R. Bond: Mr. Bond is a Chartered Professional Accountant (CPA, CA). He is a director and officer of several public companies, in addition to serving as a member of the audit committee of several reporting issuers, and is familiar with the financial reporting requirements applicable to public companies in Canada.

Lauren Roberts: Mr. Roberts is a professional mining engineer with over three decades of experience in the global mining industry. He has served in executive management roles as Senior Vice President and Chief Operating Officer for Hecla Mining Company and Chief Operating Officer for Kinross Gold Corporation. He is familiar with the financial reporting requirements applicable to public companies in Canada.

Wendell Zerb: Mr. Zerb is a professional geologist with over 30 years experience, including 17 years in financial analysis of public companies. He has also served in executive management roles, as a director and officer of public companies. He is familiar with the financial reporting requirements applicable to public companies in Canada.

For the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee, see "*Directors and Executive Officers*" and *"Management of the Company"*.

Audit Committee Oversight

The Audit Committee was established on June 1, 2023 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. The Audit Committee recommended that Baker Tilly WM LLP, Chartered Professional Accountants, be appointed as the auditor of the Company for the ensuing year, and shareholders of the Company approved such appointment and the authorization of the directors to determine the remuneration to be paid to the auditor at the Company's annual general meeting held on September 18, 2023.

Reliance on Certain Exemptions

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "Mandate and Responsibilities of the Audit Committee".

External Auditor Service Fees (By Category)

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual consolidated financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's consolidated financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the financial years ended December 31, 2022 and December 31, 2021 and the period from incorporation on October 2, 2020 to December 31, 2020 with respect to the Company, by category, are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2020	nil	nil	$2,500	nil
December 31, 2021	nil	nil	$4,200	nil
December 31, 2022	$55,000	$10,000	nil	nil

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the Board of Directors recognizes the principles of good management. The Board of Directors is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the opinion of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board of Directors facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board of Directors requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the mineral exploration industry in order to identify and manage risks. The Board of Directors is responsible for monitoring the Company's senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board of Directors are Cecil R. Bond and Lauren Roberts. Wendell Zerb, by reason of being Chairman, President and CEO of the Company and a director and shareholder of NewQuest, the Company's controlling shareholder, Caleb Stroup, by reason of being a director and shareholder of NewQuest, and Alistair Waddell, by reason of being a director and shareholder of NewQuest, are non-independent members of the Board of Directors.

Directorships

The following directors or proposed directors of the Company are currently directors of other reporting issuers (or equivalent in a foreign jurisdiction):

Name	Name of Reporting Issuer
Cecil R. Bond	Inflection Resources Ltd. (CSE: AUCU) Rugby Resources Ltd. (TSXV: RUG)
Caleb Stroup	Headwater Gold Inc. (CSE: HWG)
Alistair Waddell	Headwater Gold Inc. (CSE: HWG) Inflection Resources Ltd. (CSE: AUCU) Palamina Corp. (TSXV: PA) Precipitate Gold Corp. (TSXV: PRG) North Stawell Minerals Ltd. (ASX: NSM)
Wendell Zerb	Headwater Gold Inc. (CSE: HWG) Inflection Resources Ltd. (CSE: AUCU)

Orientation and Continuing Education

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records and management provide regular updates to the Board members on financial, technical and other information as relevant.

Ethical Business Conduct

While the Company has not adopted a written code of business conduct and ethics, the Board will from time to time discuss and emphasize the importance of matters relating to conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, compliance with laws and the reporting of any illegal or unethical behavior.

Nomination of Directors

The Company's management is continually in contact with individuals involved with public sector issuers. From these sources, management has made numerous contacts and, in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board of Directors. The Company conducts due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, integrity of character and a willingness to serve.

Compensation

The entire Board of Directors acts as a de facto compensation committee to monitor and review the salary and benefits of its executive officers. The Board will periodically review the Company's general compensation structure, policies and programs in consideration of industry standards and the Company's financial situation until a compensation committee is formed.

Other Board Committees

At present, the only committee the Company has is an Audit Committee. The Company may create other committees in the future.

Assessments

Neither the Company nor the Board of Directors has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business and other strengths of the individual and the purpose of originally nominating the individual to the Board.

RISK FACTORS

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. Investors should carefully consider these risk factors, together with all of the other information included in this Prospectus, before investing in the Company. The occurrence of any of the following risks could materially adversely affect the Company's business, financial condition or operating results. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. An investment in the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interests from inability to pay the maintenance fees.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable in the future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Peak Project, or any additional properties in which the Company has or may acquire an interest. While the Company may generate additional working capital through further equity offerings or, if applicable, through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financings may result in substantial dilution to shareholders. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History, Negative Operating Cash Flow and Resale of Common Shares

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its Common Shares since incorporation and does not anticipate doing so. There are no known commercial quantities of mineral reserves on the Peak and Scraper Spring properties.

To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of Common Shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.

If the Company is unable to generate revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares issued upon the deemed exercise of the Subscription Receipts will be affected by such volatility.

There is currently no public trading market for the Common Shares, and the Company cannot assure that after Listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell Common Shares at an attractive price or at all. The Company cannot predict the prices as which its Common Shares will trade.

Title to Assets

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Peak Property is considered to be in the early exploration and development stage. As of the date of the Prospectus, no compliant mineral resources have been identified at the Peak Property. There is no certainty that further exploration and development will result in the identification of indicated, or measured resources, or probable or proven reserves, at the Peak Property, or that if any mineral resources or reserves are defined at the Peak Property that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore on the Peak Property or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased exploration costs, damage to, or destruction of, mineral properties or facilities used for exploration and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that we incur may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event we could incur significant costs that could adversely impact our business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage our interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort we might undertake and legal claims for errors or mistakes by our personnel. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

Governmental and Environmental Regulations, Permits and Licenses

The future operations of the Company may require permits from various governmental and non-governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Peak Property. The Company currently does not have any such permits in place.

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Environmental Hazards

All phases of the Company’s activities with respect to the Peak Property will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact the Company’s activities and future potential profitability. In addition, environmental hazards may exist on the Peak Property which are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the Property, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company’s activities and future potential profitability.

Competition

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company’s ability to acquire suitable properties or prospects in the future and to engage qualified personnel to explore and develop the Peak Property.

Political Regulatory Risks with Foreign Operations

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Foreign Exchange Rate Fluctuations

Fluctuations in currency exchange rates could have a significant effect on the Company’s results of operations. The Company does not currently engage in any hedging activities in connection with foreign currency requirements.

Fluctuating Mineral Prices

The Company’s revenues, if any, are expected to be in large part derived from the extraction and sale of precious metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company’s exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Shortages of Critical Parts, Equipment and Skilled Labour

The Company’s ability to acquire critical resources such as input commodities, drilling equipment, tires and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting capital expenditures and exploration schedules.

Conflicts of Interest

Directors of the Company are and may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Wendell Zerb, Caleb Stroup and Alistair Waddell are officers and/or directors of the Company and are also directors and shareholders of NewQuest, which holds a 25.61% interest in the Company. Sandra Wong is CFO and Corporate Secretary of the Company and is also CFO, Corporate Secretary and a shareholder of NewQuest. These related party relationships may potentially give rise to a conflict of interest.

Claims and Legal Proceedings

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company will carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact our financial position, cash flow and results of operations.

Risks Relating to our Shares Market Price of Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in gold or other mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of our public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to the success of the Company and are, therefore, not within the Company's control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Share price volatile in the future, which may result in losses to investors.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its exploration program on the Peak Property. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

PROMOTERS

The Company has determined that Wendell Zerb is a promoter of the Company. Please see additional information regarding Mr. Zerb's shareholdings and role in the Company under "Executive Compensation" and "Directors and Officers" respectively.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings outstanding, threatened or pending, as of the date hereof, by or against the Company or to which the Company is a party or to which its properties are subject, nor to the Company's knowledge are any such legal proceedings contemplated which could become material to a purchaser of Common Shares.

The Company is not currently aware of any:

(a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since its incorporation;

(b) other penalties or sanctions imposed by a court or regulatory body against the Company, the disclosure of which are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; or

(c) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since its incorporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described in this Prospectus, no insider, director or executive officer of the Company and no associate or affiliate of any director, executive officer or insider has any material interest, direct or indirect, in any transaction since incorporation that has materially affected or is reasonably expected to materially affect the Company.

Wendell Zerb, Caleb Stroup and Alistair Waddell are officers and/or directors of the Company and are also directors and shareholders of NewQuest, which holds a 25.61% interest in the Company. Sandra Wong is CFO and Corporate Secretary of the Company and is also CFO, Corporate Secretary and a shareholder of NewQuest. Tero Kosonen is a former director of the Company and is a director and shareholder of NewQuest.

Certain of the claims comprising the Scraper Springs Property were acquired pursuant to a property purchase and sale agreement with NewQuest dated February 22, 2021 for consideration of $100,000 and a 2% NSR royalty. The cost of the Scraper Springs Property to NewQuest was $34,613 (see "*Acquisition of the Scraper Springs Property*").

The Keg Property was acquired pursuant to a property purchase and sale agreement with NewQuest dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The cost of the Keg Property to NewQuest was $56,970 (see "*Acquisition of Other Mineral Properties*").

AUDITORS

The current auditor of the Company is Baker Tilly WM LLP, with offices at 900 – 400 Burrard Street, Vancouver, BC, V6C 3B7. Baker Tilly WM LLP is independent of the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

REGISTRAR AND TRANSFER AGENT

The Company's registrar and transfer agent is Endeavor Trust Corporation of 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S2.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company, other than as set forth below:

(a) the Escrow Agreement, referred to under "*Escrowed Securities*";

(b) the Property Purchase and Sale Agreement (Scraper Springs Property) dated February 22, 2021 between NQ Holdings Inc. and RC Metals Inc.; and

(c) the Property Purchase and Sale Agreement (Hilltop Claim) dated June 27, 2022 between Steven Scott and Red Canyon Resources Ltd.

EXPERTS AND INTERESTS OF EXPERTS

Information of a scientific or technical nature regarding the Peak Property included in this Prospectus is excerpted or derived from the Peak Technical Report. As at the date hereof, the author of the Peak Technical Report does not beneficially own, directly or indirectly, any of the outstanding securities of the Company.

Information of a scientific or technical nature regarding the Scraper Springs Property included in this Prospectus is excerpted or derived from the Scraper Springs Technical Report. As at the date hereof, the author of the Scraper Springs Technical Report does not beneficially own, directly or indirectly, any of the outstanding securities of the Company.

The independent auditor of the Company, Baker Tilly WM LLP has informed the Company that it is independent with respect to the Company in accordance with applicable Canadian auditing standards.

AGENT FOR SERVICE OF PROCESS

Messrs. Lauren Roberts and Caleb Stroup have appointed the Company's counsel, DuMoulin Black LLP, located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, as their agent for service of process in British Columbia. It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

OTHER MATERIAL FACTS

There are no material facts about the Company that are not otherwise disclosed in this Prospectus.

SCHEDULE "A"

RED CANYON RESOURCES LTD.
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM INCORPORATION ON OCTOBER 2, 2020 TO DECEMBER 31, 2020, THE YEARS ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2022 AND THE SIX MONTH PERIOD ENDED JUNE 30, 2023

RED CANYON RESOURCES LTD.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
AND PERIOD ENDED DECEMBER 31, 2020

(Expressed in Canadian Dollars)

Baker Tilly WM LLP
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Red Canyon Resources Ltd.:

Opinion

We have audited the consolidated financial statements of Red Canyon Resources Ltd. and its subsidiary (together the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022, 2021 and 2020, and the consolidated statements of comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2022 and 2021 and the period from incorporation on October 2, 2020 to December 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2022, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2022 and 2021 and the period from incorporation on October 2, 2020 to December 31, 2022, 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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Graeme L. Cocke.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
October 12, 2023

RED CANYON RESOURCES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	Note	December 31, 2022 $	December 31, 2021 $	December 31, 2020 $
Assets				
Current assets				
Cash	2	269,396	783,311	139,801
Restricted cash	2	20,210	5,005	-
Amounts and other receivables		11,868	8,153	-
Prepaid expenses		3,296	1,209	-
Deferred share issuance costs		278	-	-
		305,048	797,678	139,801
Non-current assets				
Equipment	4	883	1,261	-
Exploration and evaluation assets	5	1,015,386	456,862	-
Total assets		1,321,317	1,255,801	139,801
Liabilities				
Current liabilities				
Trade and other payables	9	229,970	76,214	3,570
Total liabilities		229,970	76,214	3,570
Equity				
Share capital	6	1,463,841	1,251,641	140,000
Share subscriptions	6	-	92,200	-
Share-based payment reserve	6	233,538	180,292	-
Accumulated other comprehensive income (loss)		(2,854)	(247)	52
Accumulated deficit		(603,178)	(344,299)	(3,821)
		1,091,347	1,179,587	136,231
Total liabilities and equity		1,321,317	1,255,801	139,801

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

These consolidated financial statements were approved and authorized for issue by the Board of Directors on October 12, 2023 and are signed on its behalf by:

/s/"Wendell Zerb" Director *"/s/"Cecil R. Bond"* Director

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

RED CANYON RESOURCES LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Note	Year ended December 31, 2022 $	Year ended December 31, 2021 $	Period from October 2, 2020 to December 31, 2020 $
Expenses				
Accounting and audit		56,351	28,227	-
Consulting	9	30,164	105,110	-
Depreciation	4	378	66	-
Filing fees		2,487	819	1,677
General exploration		55,999	12,641	-
Investor communication		542	3,675	-
Legal		1,384	1,773	1,945
Management	9	38,937	-	-
Office		18,731	5,790	16
Salaries and benefits	9	60,661	17,155	-
Share-based payments	6, 7, 9	30,482	164,948	-
Travel		2,321	10	-
Total expenses		(298,437)	(340,214)	(3,638)
Other income (expenses)				
Finance income		3,477	5	-
Foreign exchange gain (loss)		39,630	(269)	(183)
Impairment of exploration and evaluation assets	5	(3,549)	-	-
Total other income (expenses)		39,558	(264)	(183)
Net loss		(258,879)	(340,478)	(3,821)
Other comprehensive loss				
Items that may be reclassified to comprehensive income (loss):				
Cumulative translation adjustment		(2,607)	(299)	52
Comprehensive loss		(261,486)	(340,777)	(3,769)
Loss per common share, basic and diluted		(0.01)	(0.02)	0.00
Weighted average number of common shares outstanding		25,945,754	16,645,007	7,933,333

The accompanying notes form an integral part of these consolidated financial statements.

RED CANYON RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital $	Share Subscriptions $	Share-based Payment Reserve $	Accumulated Other Comprehensive Income (Loss) $	Accumulated Deficit $	Total $
Balance, October 2, 2020	-	-	-	-	-	-	-
Shares issued for private placements (Note 6)	13,000,000	140,000	-	-	-	-	140,000
Net loss	-	-	-	-	-	(3,821)	(3,821)
Other comprehensive income	-	-	-	-	52	-	52
Balance, December 31, 2020	13,000,000	140,000	-	-	52	(3,821)	136,231
Shares issued for private placements (Note 6)	6,925,450	1,044,995	-	-	-	-	1,044,995
Shares issued for warrant exercise (Note 6)	5,000,000	100,000	-	-	-	-	100,000
Share subscriptions	-	-	92,200	-	-	-	92,200
Share-based payments (Note 7)	-	-	-	180,292	-	-	180,292
Share issue costs (Note 6)	-	(33,354)	-	-	-	-	(33,354)
Net loss	-	-	-	-	-	(340,478)	(340,478)
Other comprehensive loss	-	-	-	-	(299)	-	(299)
Balance, December 31, 2021	24,925,450	1,251,641	92,200	180,292	(247)	(344,299)	1,179,587
Shares issued for private placement (Note 6)	1,061,000	212,200	(92,200)	-	-	-	120,000
Share-based payments (Note 7)	-	-	-	53,246	-	-	53,246
Net loss	-	-	-	-	-	(258,879)	(258,879)
Other comprehensive loss	-	-	-	-	(2,607)	-	(2,607)
Balance, December 31, 2022	25,986,450	1,463,841	-	233,538	(2,854)	(603,178)	1,091,347

The accompanying notes form an integral part of these consolidated financial statements.

RED CANYON RESOURCES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended December 31, 2022 $	Year ended December 31, 2021 $	Period from October 2, 2020 to December 31, 2020 $
Operating activities			
Net loss	(258,879)	(340,478)	(3,821)
Items not involving cash:			
Depreciation	378	66	-
Unrealized foreign exchange	(35,192)	(5,481)	-
Share-based payments	30,482	164,948	-
Impairment of exploration and evaluation assets	3,549	-	-
Changes in non-cash working capital accounts:			
Amounts and other receivables	(3,715)	(8,153)	-
Prepaid expenses	(2,082)	(1,209)	-
Trade and other payables	89,134	48,056	3,622
Cash used in operating activities	(176,325)	(142,251)	(199)
Investing activities			
Expenditures on exploration and evaluation	(444,721)	(412,679)	-
Purchase of equipment	-	(1,327)	-
Cash used in investing activities	(444,721)	(414,006)	-
Financing activities			
Proceeds from share issuances	120,000	1,144,995	140,000
Share subscriptions received	-	92,200	-
Share issuance costs	(278)	(33,354)	-
Cash provided by financing activities	119,722	1,203,841	140,000
Effect of foreign exchange on cash	2,614	931	-
Increase (decrease) in cash	(498,710)	648,515	139,801
Cash, beginning of year	788,316	139,801	-
Cash, end of year	289,606	788,316	139,801
Supplemental information			
Cash on hand	269,396	783,311	139,801
Restricted cash	20,210	5,005	-
	289,606	788,316	139,801
Share-based payments capitalized to exploration and evaluation assets	22,764	15,344	-
Interest paid	-	-	-
Income taxes paid	-	-	-

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Red Canyon Resources Ltd. (the "Company") was incorporated on October 2, 2020 under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets in Canada and the United States. The address of the Company's corporate office and its principal place of business is Suite 1210 – 1130 West Pender Street, Vancouver, British Columbia, Canada, V6E 4A4.

The Company has one wholly owned subsidiary: RC Metals Inc. The accounts of the subsidiary are consolidated with the Company.

As at December 31, 2022, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The Company has not generated revenue or positive cash flows from operations, has recurring net losses and an accumulated deficit of $603,178 at December 31, 2022 (2021 - $344,299; 2020 - $3,821). The Company's ability to continue its operations, develop its properties and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors indicate a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern.

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

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and related interpretations of the IFRS Interpretations Committee ("IFRICs") as issued by the International Accounting Standards Board ("IASB").

b) Basis of Presentation

The consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, RC Metals Inc., since its incorporation in Nevada on October 27, 2020. A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Inter-company balances and transactions are eliminated on consolidation.

d) Use of Estimates

The preparation of these consolidated financial statements requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. Significant areas requiring the use of management estimates and judgments are described in Note 3.

e) Cash and Restricted Cash

Cash is comprised of demand deposits with financial institutions.

Restricted cash consists of a savings account held by a financial institution as security against a Company credit card.

f) Exploration and Evaluation Assets

Once the Company has legal title to or the right to explore a mineral property, all costs related to the acquisition, exploration and development of those mineral properties are capitalized and classified as exploration and evaluation assets ("E&E Assets"), which are intangible assets. Costs incurred prior to acquiring the legal title to or right to explore a mineral property are expensed in the period incurred.

The carrying values of E&E Assets are assessed for indicators of impairment at least annually, or when changes in facts or circumstances suggests that the carrying value of E&E Assets may not be recoverable. The recoverability of the carrying amounts of E&E Assets is dependent on maintaining the rights and title to E&E Assets, continued plans to explore the property in question, identifying the existence of economically recoverable ore reserves and the ability to obtain the necessary financing to complete the exploration for and development of such ore reserves. The Company has not yet determined whether any of its E&E Assets contains economically recoverable reserves. Amounts capitalized as E&E Assets represent costs incurred to date, less impairments (if any) and recoveries, and does not necessarily reflect present or future values.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Equipment

Equipment is recorded at cost, less accumulated depreciation and accumulated impairment losses (if any). Depreciation is calculated using the following rates and methods, over the useful lives of the equipment:

Field equipment	30% declining balance basis

Equipment is assessed annually to determine whether the remaining useful lives and or depreciation rate should be adjusted. Any adjustments thereto are applied on a prospective basis.

h) Impairment of Non-Financial Assets

Equipment and E&E assets are assessed for indicators of impairment on an annual basis or whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Where indications of impairment exist, the recoverable amount of the equipment or an E&E Asset in question is calculated. The recoverable amount is the higher of an asset's fair value less cost of disposal or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Value in use is determined using discounted estimated future cash flows of the relevant asset. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows, which are cash-generating units. Impairments are recognized in profit or loss in the period in which they occur.

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration. Where an impairment loss is reversed, the carrying amount of the asset is adjusted to a value not higher than the value of the asset would have been had the original impairment not been recognized.

i) 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.

Financial assets – Classification

The Company classifies its financial assets in the following 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Financial Instruments (continued)

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs for the asset or liability that are not based upon observable market data.

Cash and restricted cash are carried at fair value using a level 1 fair value measurement. The carrying value of trade and other payables approximate their fair values because of the short-term nature of the instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial assets – Measurement

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

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial 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 method. The 'effective interest rate', is the rate that discounts the contractual cash flows over the instruments life, or a shorter period if appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Financial Instruments (continued)

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

Financial liabilities

The Company classifies its financial liabilities into the following categories:

- FVTPL; and
- Amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value change to financial liabilities at FVTPL are presented as follows:

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

The Company has classified its trade and other payables at amortized cost. The Company has not designated any financial liabilities at 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.

j) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented the Company has not incurred any decommissioning costs related to the exploration and evaluation of its E&E Assets and accordingly no provision has been recorded for such site reclamation or abandonment.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Income Taxes

Income tax expense comprises current income tax and deferred tax. Income tax is recognized in profit or loss except to the extent it relates to items recognized in OCI or directly in equity.

Current income tax

Current income tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current income tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on the difference between the carrying amounts of assets in the consolidated statement of financial position and their corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities

- are recognized for all taxable temporary differences;
- are recognized for taxable temporary differences arising on investments in subsidiaries except where the reversal of the temporary difference can be controlled, and it is probable that the difference will not reverse in the foreseeable future; and
- are not recognized on temporary differences that arise from goodwill which is not deductible for tax purposes.

Deferred tax assets:

- are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilized; and
- are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of an asset to be recovered.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and stock options are classified as equity instruments.

The proceeds from the issue of units are allocated between common shares and share purchase warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares, and any residual value is allocated to share purchase warrants. As the Company's common shares aren't quoted or listed, management estimates the fair value of common shares issued in a unit based on all available information about the Company's performance and operations that would indicate that the cash subscription price of the most recent common share issuance might not be representative of fair value. Where there is a wide range of possible fair value measurements and the recent cash subscription price received from parties that are not related to the Company represents the best estimate of fair value within that range, that cash subscription price is determined to be the fair value.

Equity instruments issued to agents as financing costs are measured at their fair value at the date of grant as determined using the Black-Scholes option pricing model using comparable public company volatilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Flow-Through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) share capital, and ii) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability. Upon expenses being incurred and renounced, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under Look-back Rule, in accordance with the Government of Canada flow-through regulations. When applicable, this tax is accrued as an expense until qualifying expenditures are incurred.

m) Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing the net income (loss) applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Earnings (Loss) Per Share (continued)

Diluted income per common share is computed by dividing the net income applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. This follows the treasury stock method in which the dilutive effect on net income per share is recognized based on the proceeds that could be obtained from the exercise of options, warrants, and similar instruments. It assumes the proceeds would be used to purchase common shares at the average market price during the year. Where the Company incurs a net loss for the year, the effect of potentially dilutive instruments would be anti-dilutive. As such, diluted net loss per share is equivalent to basic net loss per share. The weighted average number of common shares outstanding for the periods ended December 31, 2022, 2021 and 2020 does not include options outstanding as the inclusion of the amounts would be anti-dilutive.

n) Share-based Payments

The Company operates an incentive stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued at the date of grant, and recognized over the vesting periods.

Share-based payments to non-employees are measured at the fair value of goods or services received, or the fair value of the equity instruments issued where the fair value of the goods or services cannot be reliably determined. The fair value of share-based payments is charged to profit or loss with a corresponding credit recorded to share-based payment reserve. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

The fair value of stock options is determined using the Black-Scholes option pricing model. Because the Company is not publicly listed, volatility for the model is determined using comparable public company volatilities. The number of stock options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense in profit or loss.

The Black-Scholes option pricing model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o) Foreign Currency Translation

The presentation and functional currency of the Company is the Canadian dollar as this is the principal currency of the economic environment in which it operates. The functional currency of the subsidiary is the United States Dollar.

The Company translates transactions in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in profit or loss.

A subsidiary that has a functional currency different from the presentation currency, is translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- All resulting exchange differences are recognized in OCI as cumulative translation adjustments.

p) Adoption of New and Revised Standards and Interpretations

A number of new or amended accounting standards were scheduled for mandatory adoption on or after January 1, 2022. New or amended accounting standards adopted on January 1, 2022 have not had a material impact on the Company's consolidated financial statements.

The Company has not early adopted new or amended standards with adoption dates subsequent to January 1, 2023 in preparing these consolidated financial statements. These new standards are either not applicable to the Company or are not expected to have a material impact on the Company's consolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments 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 profit 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 accounting 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 consolidated financial statements are discussed below:

(Expressed in Canadian Dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

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 that the E&E Assets to which the expenditures are attached are impaired, the amount capitalized is written off in profit or loss in the period the new information becomes available.

ii) Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

iii) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the estimated grant date share price, expected life of the share option, volatility based on comparable companies and dividend yield, and making assumptions about them. The assumptions and models used for estimating the fair value for share-based payment transactions are disclosed in Note 7.

4. EQUIPMENT

	Field Equipment $	Total $
Cost		
Balance at October 2, 2020 and December 31, 2020	-	-
Additions	1,327	1,327
Balance at December 31, 2021 and 2022	1,327	1,327
Depreciation		
Balance at October 2, 2020 and December 31, 2020	-	-
Depreciation	66	66
Balance at December 31, 2021	66	66
Depreciation	378	378
Balance at December 31, 2022	444	444
Carrying amounts		
At December 31, 2020	-	-
At December 31, 2021	1,261	1,261
At December 31, 2022	883	883

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation assets are summarized as follows:

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, October 2, 2020 and December 31, 2020	-	-	-	-
Additions	12,916	168,750	118,611	300,277
Foreign exchange	-	646	256	902
Balance, December 31, 2021	12,916	169,396	118,867	301,179
Additions	23,335	50,378	15,452	89,165
Impairment	(2,640)	-	-	(2,640)
Foreign exchange	-	13,474	8,739	22,213
Balance, December 31, 2022	33,611	233,248	143,058	409,917
Exploration costs				
Balance, October 2, 2020 and December 31, 2020	-	-	-	-
Additions				
Administration	-	15,427	-	15,427
Geology	24,273	71,847	-	96,120
Mapping and sampling	24,188	-	-	24,188
Reports	-	19,310	-	19,310
	48,461	106,584	-	155,045
Foreign exchange	-	638	-	638
Balance, December 31, 2021	48,461	107,222	-	155,683
Additions				
Administration	22,764	-	-	22,764
Geology	204,923	26,331	117	231,371
Mapping and sampling	127,912	11,212	-	139,124
Project manager	43,254	1,436	-	44,690
Reports	17,717	-	-	17,717
BC Mineral Exploration Tax Credit	(14,538)	-	-	(14,538)
	402,032	38,979	117	441,128
Impairment	(909)	-	-	(909)
Foreign exchange	-	9,563	4	9,567
Balance, December 31, 2022	449,584	155,764	121	605,469
Total acquisition costs and exploration expenditures				
December 31, 2020	-	-	-	-
December 31, 2021	61,377	276,618	118,867	456,862
December 31, 2022	483,195	389,012	143,179	1,015,386

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

a) British Columbia Properties

The Company holds a 100% interest in five mineral properties in British Columbia.

(i) Peak Property - Peak is comprised of twelve mineral claims totalling 5,632 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired eleven of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time.

During the year ended December 31, 2022, the Company received a British Columbia Mining Exploration Tax Credit ("METC") of $3,408 which reduced the carrying value of the Peak Property.

(ii) SP Property - SP was acquired by staking and is comprised of four mineral claims totalling 3,763 hectares located in south central British Columbia, approximately 50 km northeast of Williams Lake.

During the year ended December 31, 2022, the Company received a British Columbia METC of $11,130 which reduced the carrying value of the SP Property.

(iii) Hatter Property - Hatter was acquired by staking and is comprised of three mineral claims totalling 1,849 hectares located in south central British Columbia, approximately 20 km south of Merritt.

(iv) Kendal Property - Kendal was acquired by staking and is comprised of five mineral claims totalling 2,738 hectares located in west central British Columbia, approximately 25 kilometres northeast of Terrace.

(v) Ping Property - Ping was acquired by staking and is comprised of five mineral claims totalling 5,408 hectares located in south central British Columbia, approximately 50 km northwest of Prince George.

(vi) Lou Property - Lou was acquired by staking and was comprised one mineral claim totalling 1,508 hectares located in south central British Columbia. The Company elected not to maintain the claim and accordingly $2,640 in acquisition costs and $909 in exploration costs were written off during the year ended December 31, 2022.

b) Nevada Property

The Company holds a 100% interest in the Scraper Springs property, which is comprised of 190 mineral claims totalling 1,589 hectares located in Elko County, Nevada. The Property was acquired pursuant to a property purchase and sale agreement with NewQuest Capital Inc. ("NewQuest"). NewQuest is a shareholder of the Company with certain directors in common. The purchase and sale agreement was dated February 22, 2021 for consideration of $100,000 (Canadian dollars) and is subject to a 2% NSR royalty. The Company has staked additional claims on federal Bureau of Land Management ("BLM") land to expand the Property.

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

c) Utah Property

The Company holds a 100% interest in the Keg property, which is comprised of 63 mineral claims on BLM land and two Utah State leased sections totalling 1,049 hectares located in Juab County, Utah. The Property was acquired pursuant to a property purchase and sale agreement with NewQuest dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty.

6. SHARE CAPITAL

a) Common Shares

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

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

The Company issued the following common shares during the year ended December 31, 2022:

i) On January 14, 2022, the Company raised gross proceeds of $212,200 by way of a non-brokered private placement of 1,061,000 common shares priced at $0.20.

The Company issued the following common shares during the year ended December 31, 2021:

ii) On January 11, 2021, the Company raised gross proceeds of $6,000 by way of a non-brokered private placement of 300,000 common shares priced at $0.02.

iii) On April 9, 2021, the Company raised gross proceeds of $240,000 by way of a non-brokered private placement of 2,400,000 common shares priced at $0.10.

iv) On September 20, 2021, the Company raised gross proceeds of $100,000 by way of exercise of 5,000,000 share purchase warrants priced at $0.02.

v) On November 19, 2021, the Company raised gross proceeds of $46,095 by way of a non-brokered private placement of 460,950 common shares priced at $0.10.

vi) On December 16, 2021, the Company raised gross proceeds of $752,900 by way of a non-brokered private placement of 3,764,500 common shares priced at $0.20. Finder's fees of $33,354 was paid on $555,900 of the placement.

The Company issued the following common shares during the period ended December 31, 2020:

vii) On October 9, 2020, the Company raised gross proceeds of $40,000 by way of a non-brokered private placement of 8,000,000 common shares priced at $0.005.

viii) On December 21, 2020, the Company raised gross proceeds of $100,000 by way of a non-brokered unit private placement of 5,000,000 units priced at $0.02. Each unit consists of one common share and one share purchase warrant exercisable into a further common share at a price of $0.02 for a two year term.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

b) Share-Based Payment Reserves

	December 31, 2022 $	December 31, 2021 $	December 31, 2020 $
Fair value of stock options granted or vested	233,538	180,292	-
Reserves	233,538	180,292	-

c) Share Purchase Warrants

A summary of the Company's share purchase warrants at December 31, 2022, 2021 and 2020 and the changes for the periods then ended is presented below:

	Number of Warrants	Weighted Average Exercise Price
Balance at October 2, 2020	-	-
Issue of warrants	5,000,000	$0.02
Balance at December 31, 2020	5,000,000	$0.02
Exercise of warrants	(5,000,000)	$0.02
Balance at December 31, 2021 and 2022	-	-

On December 21, 2020, the Company issued 5,000,000 warrants exercisable at $0.02 per share for a two-year term pursuant to the private placement described in Note 6(a)(viii). These warrants were exercised on September 20, 2021 for gross proceeds of $100,000.

As at December 31, 2022, 2021 and 2020, the Company had outstanding and exercisable warrants as follows:

Number of Warrants Outstanding and Exercisable				
December 31, 2022	December 31, 2021	December 31, 2020	Exercise Price per Share	Expiry Date
-	-	5,000,000	$0.02	December 21, 2022

7. SHARE-BASED PAYMENTS

a) Option Plan Details

The Company has a Stock Option Plan dated November 15, 2021 (the "Plan"). The Plan provides for the issuance, from time to time, of options to acquire common shares of the Company ("Shares") in number equal to a maximum of 15% of the then issued and outstanding shares of the Company as long as the Company is a non-reporting issuer. From and after the date that the Company becomes a reporting issuer whose Shares are listed on a public stock exchange, the maximum number of Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time-to-time. The Plan is administered by the Board and options are granted at the discretion of the Board to eligible optionees, subject to the price restrictions and other requirements under the Plan. Options granted under the Plan are subject to vesting terms determined by the Board.

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS (CONTINUED)

a) Option Plan Details (continued)

A summary of the Company's stock options at December 31, 2022, 2021 and 2020 and the changes for the periods then ended is presented below:

	December 31, 2022		December 31, 2021		December 31, 2020	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	2,350,000	$0.10	-	-	-	-
Granted	350,000	$0.20	2,350,000	$0.10	-	-
Cancelled	(150,000)	$0.10	-	-	-	-
Ending balance	2,550,000	$0.11	2,350,000	$0.10	-	-

On November 15, 2021, the Company granted 2,350,000 stock options exercisable at $0.10 per share for a five year term to directors, officers, employees and consultants of the Company. The options vested immediately. 150,000 of these options were cancelled on June 13, 2022.

On April 1, 2022, the Company granted 150,000 stock options exercisable at $0.20 per share for a five year term to a consultant of the Company. The options vested immediately.

On November 16, 2022, the Company granted 200,000 stock options exercisable at $0.20 per share for a five year term to consultants of the Company. The options vested immediately.

Details of stock options outstanding and exercisable as at December 31, 2022, 2021 and 2020 are as follows:

Expiry Date	Exercise Price	December 31, 2022	December 31, 2021	December 31, 2020	Weighted Average Remaining Contractual Life (Years)
November 15, 2026	$0.10	2,200,000	2,350,000	-	3.88
April 1, 2027	$0.20	150,000	-	-	4.25
November 16, 2027	$0.20	200,000	-	-	4.88
		2,550,000	2,350,000	-	3.98

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS (CONTINUED)

b) Fair Value of Options Issued During the Years Ended

The weighted average fair value at grant date of options granted during the year ended December 31, 2022 was $0.15 per option (December 31, 2021: $0.07 per option). The total fair value of options granted during the year was $53,246 (December 31, 2021: $180,292), of which $22,764 was capitalized to E&E Assets in the year ended December 31, 2022 (December 31, 2021: capitalized $15,344). The fair value was determined using the Black-Scholes option-pricing model using the following assumptions:

	2022	2021	2020
Expected stock price volatility	101%	105%	-
Risk-free interest rate	1.56%	1.47%	-
Dividend yield	-	-	-
Expected life of options	5 years	5 years	-
Stock price on date of grant	$0.20	$0.10	-
Forfeiture rate	-	-	-

8. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2022	2021	2020
Statutory tax rate	27%	27%	26%
	$	$	$
Net loss for the period	(258,879)	(340,478)	(3,821)
Income tax (recovery) at combined statutory rate	(69,897)	(91,929)	(993)
Non-deductible expenses and other items	8,735	45,172	-
Share issue costs and other	(1,749)	(1,783)	-
Change in unrecognized deferred tax assets	62,911	48,540	993
Income tax expense	-	-	-

As at December 31, 2022 and 2021, the deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized are as follows:

	2022	2021	2020
Exploration and evaluation assets	-	1,932	-
Non-capital loss carry-forwards	388,670	183,599	3,821
Share issuance costs	20,012	26,683	-
Total	408,682	212,214	3,821
Unrecognized	(408,682)	(212,214)	(3,821)
	-	-	-

As at December 31, 2022, the Company has available for deduction against future taxable income non-capital losses of approximately $342,760 in Canada, which will expire between 2040 and 2042. As at December 31, 2022, the Company has non-capital losses of approximately $45,910 to reduce future taxable income in the United States with an indefinite expiry period.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are persons or entities that have control, joint control or significant influence over the Company, or who are members of key management personnel of the Company.

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	2022 $	2021 $	2020 $
Short-term employee benefits and director fees	159,600	16,545	-
Share-based payments	-	69,048	-
	159,600	85,593	-

The Company has entered into a Management Agreement with the Chairman, President and Chief Executive Officer (the "CEO") effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the Agreement without Cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for Good Cause during the first two years of the Agreement; (iv) eighteen times the monthly compensation if the CEO resigns for Good Cause during the third or any subsequent year of the Agreement; and (v) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CEO resigns with or without Good Cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company's exploration properties or the creation of a new or spin-off company, he will be awarded a Special Bonus in the amount of 0.5% of the sale of any of the Company's exploration properties or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company's issued and outstanding common shares, he will be awarded a Special Bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level. During the year ended December 31, 2022, the Company recorded $129,600 (2021: $12,545; 2020: $nil) in fees payable to the CEO, of which $93,312 (2021: $12,545) was capitalized to Exploration and Evaluation Assets in the Consolidated Statement of Financial Position and $13,608 (2021: $nil) was expensed to general exploration and $22,680 (2021: $nil) was expensed to Management in the Consolidated Statement of Loss.

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

a) Key Management Compensation (continued)

The Company has entered into an Employment Agreement with the Chief Financial Officer and Corporate Secretary (the "CFO") effective January 1, 2022 for no fixed term (Note 13). As compensation for the services to be provided, the CFO will receive a monthly salary of $2,500 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause; (ii) three months of compensation in the event the CFO resigns for Good Cause; and (iii) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CFO resigns with or without Good Cause, within twelve months following a change of control of the Company. During the year ended December 31, 2022, the Company recorded $30,000 (2021: $4,000; 2020: $nil) in fees payable to the CFO, of which $15,000 (2021: $nil) was expensed to Management and $15,000 (2021: $4,000) was expensed to Salaries and Benefits in the Consolidated Statement of Loss. This agreement was superseded subsequent to year end, refer to note 13(f).

b) Service Agreement

During the year ended December 31, 2022, the Company recorded $30,000 in strategic consulting fees payable to NewQuest pursuant to a Contract for Services for a six month term from January 1, 2022 to June 30, 2022 for compensation of $5,000 per month. During the year ended December 31, 2021, the Company recorded $102,000 in strategic consulting fees payable to NewQuest pursuant to a Contract for Services for a twelve month term from January 1, 2021 to December 31, 2021 for compensation of $8,500 per month.

c) Private Placements

In connection with the private placement that closed on October 9, 2020, NewQuest and five key management personnel of the Company purchased a total of 7,750,000 common shares for total proceeds of $38,750. The terms and conditions offered to the related parties in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on December 21, 2020, NewQuest purchased a total of 5,000,000 units for total proceeds of $100,000. The unit warrants were exercised on September 20, 2021 for proceeds of $100,000.

In connection with the private placement that closed on April 9, 2021, two directors and members of key management of the Company purchased a total of 200,000 common shares for total proceeds of $20,000. The terms and conditions offered to the related parties in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on November 19, 2021, an officer and member of key management of the Company purchased a total of 100,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on December 16, 2021, NewQuest and three directors or close family members of directors of the Company purchased a total of 300,000 common shares for total proceeds of $60,000. The terms and conditions offered to the related parties in this transaction are identical to those offered to non-related common shareholders.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

c) Private Placements (continued)

In connection with the private placement that closed on January 14, 2022, a director and member of key management of the Company purchased a total of 50,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

d) Due to Related Party

As at December 31, 2022, the Company has $130,218 (December 31, 2021: $23,683; December 31, 2020: $737) due to related parties which consists of amounts owed to directors, officers and shareholders for salaries, fees and expense reimbursements, which is due on demand, unsecured and is non-interest bearing.

e) Exploration and Evaluation Assets

On February 22, 2021, the Company purchased the Scraper Springs property from NewQuest for $100,000 as described in Note 5(b).

On March 22, 2021, the Company purchased the Keg property from NewQuest for $100,000 as described in Note 5(c).

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair values

The Company's financial instruments include cash, restricted cash and trade and other payables.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	December 31, 2022		December 31, 2021		December 31, 2020	
	Fair Value $	Carrying Value $	Fair Value $	Carrying Value $	Fair Value $	Carrying Value $
FVTPL assets (i)	289,606	289,606	788,316	788,316	139,801	139,801
Amortized cost liabilities (ii)	229,970	229,970	76,214	76,214	3,570	3,570

(i) Cash and restricted cash
(ii) Trade and other payables

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at December 31, 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Cash	139,801	-	-	

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

As at December 31, 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Cash and restricted cash	788,316	-	-	

As at December 31, 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Cash and restricted cash	289,606	-	-	

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their short-term nature and respective maturity dates.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of cash represents the Company's maximum exposure to credit risk. To minimize credit risk, the Company only holds its cash with chartered Canadian financial institutions. As at December 31, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults. The Company's management of credit risk has not changed during the year ended December 31, 2022, from that of the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's financial liabilities consist of its trade and other payables. The Company has a working capital surplus of $75,078 as at December 31, 2022 and does not require additional financing to meet its current obligations. The Company handles its liquidity risk through the management of its capital structure as described in Note 11. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms. The Company's management of liquidity risk has not changed during the year ended December 31, 2022, from that of the prior year.

The following are the contractual maturities of financial liabilities as at December 31, 2022:

	Carrying Amount $	Contractual Cash Flows $	Within 1 year $	Within 2 years $	Within 3 years $	Over 3 years $
Trade and other payables	229,970	229,970	229,970	-	-	-

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of interest rate risk, currency risk and other price risk. The Company is not exposed to significant interest rate risk as the Company has no interest bearing debt. The Company does not hold any equity securities; as such, the Company is not exposed to material other price risk. The Company's management of market risk has not changed during the year ended December 31, 2022, from that of the prior year.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. A portion of the Company's exploration property expenditures are intended to be incurred in United States dollars. A change in the foreign exchange rate as at December 31, 2022 of +/- 10% would have an impact of $1,280 on profit or loss.

11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can support continued development of its E&E Assets, pursue the acquisition and exploration of other mineral interests, and maintain a flexible capital structure for its projects for the benefit of its shareholders and other stakeholders. The Company is not exposed to externally imposed capital requirements.

The Company considers items included in Equity to be capital, which totalled $1,091,347 at December 31, 2022 (December 31, 2021: $1,179,587). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, option its properties for cash from optionees, enter into joint venture arrangements, return capital to its shareholders or adjust the amount of cash.

12. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with all current exploration activities being conducted in both Canada and the United States:

	December 31, 2022			December 31, 2021		
	Canada $	**USA $**	**Total $**	**Canada $**	**USA $**	**Total $**
Current assets	293,896	11,152	305,048	715,149	82,529	797,678
Equipment	883	-	883	1,261	-	1,261
Exploration and evaluation assets	483,195	532,191	1,015,386	61,377	395,485	456,862
Total assets	777,974	543,343	1,321,317	777,787	478,014	1,255,801
Total liabilities	210,792	19,178	229,970	53,678	22,536	76,214

	December 31, 2020		
	Canada $	**USA $**	**Total $**
Current assets	139,801	-	139,801
Total assets	139,801	-	139,801
Total liabilities	737	2,833	3,570

13. SUBSEQUENT EVENTS

a) Exploration and Evaluation Assets

In January 2023, the Company expanded the Ping property by staking an additional mineral claim totalling 606 hectares in south central British Columbia.

In May 2023, the Company expanded the Peak property by staking three mineral claims totalling 1,086 hectares located in south central British Columbia.

b) Unit Private Placement

On March 31, 2023, the Company completed the first tranche of a non-brokered private placement (the “Unit Offering”) consisting of 2,450,000 units priced at $0.22 (each, a “Unit”) for gross proceeds of $539,000. Each Unit is comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Unit Offering was allocated to the warrants. Finder’s fees of $10,758 and 48,900 finder’s warrants with a fair value of $3,855 exercisable into common shares at $0.40 for a two year term were paid on $179,300 of the placement. One director and member of key management of the Company purchased a total of 100,000 Units for total proceeds of $22,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

On April 25, 2023, the Company completed the second tranche of the Unit Offering consisting of 2,439,500 Units priced at $0.22 for gross proceeds of $536,690. $Nil of the Unit Offering was allocated to the warrants. Finder’s fees of $2,501 and 11,370 finder’s warrants with a fair value of $927 exercisable into common shares at $0.40 for a two year term were paid on $41,690 of the placement.

On May 5, 2023, the Company completed the third tranche of the Unit Offering consisting of 288,500 Units priced at $0.22 for gross proceeds of $63,470. $Nil of the Unit Offering was allocated to the warrants. Finder’s fees of $1,398 and 2,400 finder’s warrants with a fair value of $197 exercisable into common shares at $0.40 for a two year term were paid on $13,420 of the placement. One director and member of key management of the Company purchased a total of 80,000 Units for total proceeds of $17,600. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

On July 10, 2023, the Company completed the fourth tranche of the Unit Offering consisting of 43,600 Units priced at $0.22 for gross proceeds of $9,592. $Nil of the Unit Offering was allocated to the warrants. Finder’s fees of $180 and 816 finder’s warrants with a fair value of $254 exercisable into common shares at $0.40 for a two year term were paid on $2,992 of the placement.

13. SUBSEQUENT EVENTS (CONTINUED)

c) Flow-Through Unit Private Placement

On April 25, 2023, the Company completed the first tranche of a non-brokered private placement (the "FT Unit Offering") consisting of 856,682 flow-through units (each, a "FT Unit") priced at $0.33 for gross proceeds of $282,705. Each FT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the FT Unit Offering was allocated to the warrants. Finder's fees of $7,989 and 24,210 finder's warrants with a fair value of $1,975 exercisable into common shares at $0.40 for a two year term were paid on $133,155 of the placement. One member of key management personnel of the Company purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders. The Company recorded a flow-through premium liability of $94,235.

On May 5, 2023, the Company completed the second tranche of the FT Unit Offering consisting of 100,000 FT Units priced at $0.33 for gross proceeds of $33,000. $Nil of the FT Unit Offering was allocated to the warrants. One member of key management personnel of the Company purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders. The Company recorded a flow-through premium liability of $11,000.

The proceeds of the FT Unit Offering are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

The Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

c) Charity Flow-Through Unit Private Placement

On May 4, 2023, the Company completed a non-brokered private placement (the "Charity FT Unit Offering") consisting of 2,772,727 charity flow-through units (each, a "CFT Unit") of the Company priced at $0.352 for gross proceeds of $976,000. Each CFT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Charity FT Unit Offering was allocated to the warrants. The Company recorded a flow-through premium liability of $366,000.

The proceeds of the Charity FT Unit Offering are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act.

The Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

d) Stock Options

On June 1, 2023, 250,000 stock options exercisable at $0.22 per share for a five year term were granted to a director and an employee of the Company. The options vested immediately.

13. SUBSEQUENT EVENTS (CONTINUED)

e) Employment Agreement

The Company has entered into an Employment Agreement with the Chief Financial Officer and Corporate Secretary (the "CFO") effective June 1, 2023 for $6,700 per month and no fixed term.

f) Cooper Property (British Columbia)

On August 3, 2023, the Company acquired a 100% royalty free interest in the Cooper property by way of staking. Cooper is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the community of 100 Mile House.

g) Director's Fees

The Company has approved the payment of a director's fee of $1,000 per month to each of three directors and $2,000 per month to a director and chair of the audit committee, effective September 1, 2023.

RED CANYON RESOURCES LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

UNAUDITED

(Expressed in Canadian Dollars)

RED CANYON RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022
(UNAUDITED – SEE "NOTICE TO READER" BELOW)

NOTICE TO READER OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements of Red Canyon Resources Ltd. and the accompanying condensed interim consolidated statements of financial position as at June 30, 2023 and the condensed interim consolidated statements of comprehensive loss, statements of changes in equity and cash flows for the three and six months ended June 30, 2023 and 2022 are the responsibility of the Company's management.

The condensed interim consolidated financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed interim consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting* under International Financial Reporting Standards as issued by the IASB. The Audit Committee of the Board of Directors, consisting of three members, has reviewed the condensed interim consolidated financial statements and related financial reporting matters prior to submitting the condensed interim consolidated financial statements to the Board for approval.

"Wendell Zerb"	*"Sandra Wong"*
Wendell Zerb	Sandra Wong
Chief Executive Officer	Chief Financial Officer
September 1, 2023	September 1, 2023

RED CANYON RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(Expressed in Canadian Dollars)

	Note	June 30, 2023 $	December 31, 2022 $
Assets			
Current assets			
Cash		2,149,202	269,396
Restricted cash		20,000	20,210
Amounts and other receivables		14,618	11,868
Prepaid expenses		3,187	3,296
Deferred share issuance costs		-	278
		2,187,007	305,048
Non-current assets			
Reclamation bonds	4	120,000	-
Equipment	5	4,196	883
Exploration and evaluation assets	6	1,148,922	1,015,386
Total assets		3,460,125	1,321,317
Liabilities			
Current liabilities			
Trade and other payables	9	115,712	229,970
Flow-through premium liability	7	471,235	-
Total liabilities		586,947	229,970
Equity			
Share capital	7	3,378,485	1,463,841
Share-based payment reserve	7	277,799	233,538
Accumulated other comprehensive loss		(1,496)	(2,854)
Accumulated deficit		(781,610)	(603,178)
		2,873,178	1,091,347
Total liabilities and equity		3,460,125	1,321,317

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on September 1, 2023 and are signed on its behalf by:

/s/"Wendell Zerb" Director *
/s/"Cecil R. Bond"* Director

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

RED CANYON RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(Expressed in Canadian Dollars)

		Three months ended		Six months ended	
	Note	**June 30, 2023 $**	**June 30, 2022 $**	**June 30, 2023 $**	**June 30, 2022 $**
Expenses					
Accounting and audit		1,525	317	1,525	4,017
Consulting	9	376	15,153	640	29,653
Depreciation	5	124	94	191	189
Filing fees		2,318	-	2,318	750
General exploration		9,157	17,312	24,236	39,413
Investor communication		275	191	942	501
Legal		1,465	250	1,465	981
Management	9	20,331	8,882	42,723	17,922
Office		8,175	3,914	15,660	6,986
Salaries and benefits	9	24,666	12,414	40,032	29,833
Share-based payments	7, 8, 9	37,307	-	37,307	-
Travel		451	2,190	5,088	2,190
Total expenses		(106,170)	(60,717)	(172,127)	(132,435)
Other income (expenses)					
Finance income		11,274	675	12,428	965
Foreign exchange gain (loss)		(18,286)	17,545	(18,733)	9,470
Total other income (expenses)		(7,012)	18,220	(6,305)	10,435
Net loss		(113,182)	(42,497)	(178,432)	(122,000)
Other comprehensive loss					
Items that may be reclassified to comprehensive income (loss):					
Cumulative translation adjustment		1,323	(1,131)	1,358	(583)
Comprehensive loss		(111,859)	(43,628)	(177,074)	(122,583)
Loss per common share, basic and diluted		0.00	0.00	(0.01)	0.00
Weighted average number of common shares outstanding, basic		32,802,927	25,986,450	29,413,519	25,904,384

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

RED CANYON RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital $	Share Subscriptions $	Share-based Payment Reserve $	Accumulated Other Comprehensive Income (Loss) $	Accumulated Deficit $	Total $
Balance, December 31, 2021	24,925,450	1,251,641	92,200	180,292	(247)	(344,299)	1,179,587
Shares issued for private placement (Note 7)	1,061,000	212,200	(92,200)	-	-	-	120,000
Share-based payments (Note 8)	-	-	-	22,764	-	-	22,764
Net loss for the period	-	-	-	-	-	(122,000)	(122,000)
Other comprehensive loss for the period	-	-	-	-	(583)	-	(583)
Balance, June 30, 2022	25,986,450	1,463,841	-	203,056	(830)	(466,299)	1,199,768
Balance, December 31, 2022	25,986,450	1,463,841	-	233,538	(2,854)	(603,178)	1,091,347
Shares issued for private placement (Note 7)	5,178,000	1,139,160	-	-	-	-	1,139,160
Shares issued for flow-through private placement (Note 7)	3,729,409	820,470	-	-	-	-	820,470
Share-based payments (Note 8)	-	-	-	37,307	-	-	37,307
Share issue costs (Note 7)	-	(44,986)	-	6,954	-	-	(38,032)
Net loss for the period	-	-	-	-	-	(178,432)	(178,432)
Other comprehensive income for the period	-	-	-	-	1,358	-	1,358
Balance, June 30, 2023	34,893,859	3,378,485	-	277,799	(1,496)	(781,610)	2,873,178

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

RED CANYON RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2023 AND 2022
(Expressed in Canadian Dollars)

	June 30, 2023 $	June 30, 2022 $
Operating activities		
Net loss for the period	(178,432)	(122,000)
Items not involving cash:		
Depreciation	191	189
Unrealized foreign exchange	13,396	(8,171)
Share-based payments	37,307	-
Changes in non-cash working capital accounts:		
Amounts and other receivables	(2,750)	16,179
Prepaid expenses	98	(18,158)
Trade and other payables	(36,735)	808
Cash used in operating activities	(166,925)	(131,153)
Investing activities		
Expenditures on exploration and evaluation assets	(222,920)	(138,367)
Deposits for reclamation bonds	(120,000)	-
Purchase of equipment	(3,504)	-
Cash used in investing activities	(346,424)	(138,367)
Financing activities		
Proceeds from share issuances	2,430,865	120,000
Share issuance costs	(37,754)	-
Cash provided by financing activities	2,393,111	120,000
Effect of foreign exchange on cash	(166)	692
Increase (decrease) in cash	1,879,596	(148,828)
Cash, beginning of period	289,606	788,316
Cash, end of period	2,169,202	639,488
Supplemental information		
Cash on hand	2,149,202	619,423
Restricted cash	20,000	20,065
	2,169,202	639,488
Interest paid	-	-
Income taxes paid	-	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Red Canyon Resources Ltd. (the "Company") was incorporated on October 2, 2020 under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets in Canada and the United States. The address of the Company's corporate office and its principal place of business is Suite 1210 – 1130 West Pender Street, Vancouver, British Columbia, V6E 4A4, Canada.

The Company has one wholly owned subsidiary: RC Metals Inc. The accounts of the subsidiary are consolidated with the Company.

As at June 30, 2023, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The Company has not generated revenue or positive cash flows from operations, has recurring net losses and an accumulated deficit of $781,610 at June 30, 2023 (December 31, 2022 - $603,178). The Company's ability to continue its operations, develop its properties and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors create a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern.

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

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements for the six-month period ended June 30, 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of consolidated financial statements and should be read in conjunction with the Company's 2022 annual consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company's 2022 annual consolidated financial statements except for new standards, interpretations and amendments mandatorily effective for the first time from January 1, 2023. Note 2c) sets out the impact of new standards, interpretations and amendments that have had a material effect on the condensed interim consolidated financial statements.

The condensed interim financial statements were authorized for issue by the Board of Directors on September 1, 2023.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Basis of Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, RC Metals Inc., since its incorporation in Nevada on October 27, 2020. A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Inter-company balances and transactions are eliminated on consolidation.

b) Foreign Currency Translation

The presentation and functional currency of the Company is the Canadian dollar as this is the principal currency of the economic environment in which it operates. The functional currency of the subsidiary is the United States Dollar.

The Company translates transactions in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in profit or loss.

A subsidiary that has a functional currency different from the presentation currency, is translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- All resulting exchange differences are recognized in OCI as cumulative translation adjustments.

c) Adoption of New and Revised Standards and Interpretations

A number of new or amended accounting standards were scheduled for mandatory adoption on or after January 1, 2023. New or amended accounting standards adopted on January 1, 2023 have not had a material impact on the Company's consolidated financial statements.

The Company has not early adopted new or amended standards with adoption dates subsequent to January 1, 2024 in preparing these consolidated financial statements. These new standards are either not applicable to the Company or are not expected to have a material impact on the Company's consolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's 2022 annual consolidated financial statements.

(Expressed in Canadian Dollars)

4. RECLAMATION BONDS

During the period ended June 30, 2023, the Company advanced cash reclamation bond deposits of $120,000 directly to the Province of British Columbia. The bond deposits are returnable to the Company only after the government agencies are satisfied that there is no outstanding reclamation liability associated with the land. The deposits were applied to the projects as follows:

	Peak $	Ping $	Kendal $	SP $	Total $
Balance at December 31, 2021 and 2022	-	-	-	-	-
Additions	30,000	32,500	46,500	11,000	120,000
Balance at June 30, 2023	30,000	32,500	46,500	11,000	120,000

5. EQUIPMENT

	Computer Equipment $	Field Equipment $	Total $
Cost			
Balance at December 31, 2021 and 2022	-	1,327	1,327
Additions	3,505	-	3,505
Balance at June 30, 2023	3,505	1,327	4,832
Depreciation			
Balance at December 31, 2021	-	66	66
Depreciation	-	378	378
Balance at December 31, 2022	-	444	444
Depreciation	59	133	192
Balance at June 30, 2023	59	577	636
Carrying amounts			
At December 31, 2021	-	1,261	1,261
At December 31, 2022	-	883	883
At June 30, 2023	3,446	750	4,196

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation assets are summarized as follows:

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2021	12,916	169,396	118,867	301,179
Additions	23,335	50,378	15,452	89,165
Impairment	(2,640)	-	-	(2,640)
Foreign exchange	-	13,474	8,739	22,213
Balance, December 31, 2022	33,611	233,248	143,058	409,917
Additions	2,961	-	1,731	4,692
Foreign exchange	-	(5,235)	(3,248)	(8,483)
Balance, June 30, 2023	36,572	228,013	141,541	406,126
Exploration costs				
Balance, December 31, 2021	48,461	107,222	-	155,683
Additions				
Administration	22,764	-	-	22,764
Geology	204,923	26,331	117	231,371
Mapping and sampling	127,912	11,212	-	139,124
Project manager	43,254	1,436	-	44,690
Reports	17,717			17,717
BC Mineral Exploration Tax Credit	(14,538)	-	-	(14,538)
	402,032	38,979	117	441,128
Impairment	(909)	-	-	(909)
Foreign exchange	-	9,563	4	9,567
Balance, December 31, 2022	449,584	155,764	121	605,469
Additions				
Drilling	-	5,525	-	5,525
Geology	87,516	14,362	9,079	110,957
Mapping and sampling	4,356	-	-	4,356
Project manager	18,826	-	-	18,826
Reports	1,600	-	-	1,600
	112,298	19,887	9,079	141,264
Foreign exchange	-	(3,804)	(133)	(3,937)
Balance, June 30, 2023	561,882	171,847	9,067	742,796
Total acquisition costs and exploration expenditures				
December 31, 2021	61,377	276,618	118,867	456,862
December 31, 2022	483,195	389,012	143,179	1,015,386
June 30, 2023	598,454	399,860	150,608	1,148,922

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

a) British Columbia Properties

The Company holds a 100% interest in five mineral properties in British Columbia.

(i) Peak Property - Peak is comprised of fifteen mineral claims totalling 6,718 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired eleven of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time.

During the year ended December 31, 2022, the Company received a British Columbia Mining Exploration Tax Credit ("METC") of $3,408 which reduced the carrying value of the Peak Property.

(ii) SP Property - SP Property was acquired by staking and is comprised of four mineral claims totalling 3,763 hectares located in south central British Columbia, approximately 50 km northeast of Williams Lake.

During the year ended December 31, 2022, the Company received a British Columbia METC of $11,130 which reduced the carrying value of the SP Property.

(iii) Hatter Property - Hatter was acquired by staking and is comprised of three mineral claims totalling 1,849 hectares located in south central British Columbia, approximately 20 km south of Merritt.

(iv) Kendal Property - Kendal was acquired by staking and is comprised of five mineral claims totalling 2,738 hectares located in west central British Columbia, approximately 25 kilometres northeast of Terrace.

(v) Ping Property - Ping was acquired by staking and is comprised of six mineral claims totalling 5,408 hectares located in south central British Columbia, approximately 50 km northwest of Prince George.

(vi) Lou Property - Lou was acquired by staking and was comprised of one mineral claim totalling 1,508 hectares located in south central British Columbia. The Company elected not to maintain the claim and accordingly $2,640 in acquisition costs and $909 in exploration costs were written off during the year ended December 31, 2022.

b) Nevada Property

The Company holds a 100% interest in the Scraper Springs property, which is comprised of 190 mineral claims totalling 1,589 hectares located in Elko County, Nevada. The Company acquired 96 of the claims pursuant to a property purchase and sale agreement with NewQuest Capital Inc. ("NewQuest"). NewQuest is a significant shareholder of the Company with certain directors in common. The purchase and sale agreement was dated February 22, 2021 for consideration of $100,000 (Canadian dollars) and is subject to a 2% NSR royalty. The Company staked an additional 94 claims on federal Bureau of Land Management ("BLM") land in September and October 2021.

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

c) Utah Property

The Company holds a 100% interest in the Keg property, which is comprised of 63 mineral claims on BLM land and two Utah State leased sections totalling 1,049 hectares located in Juab County, Utah. The Property was acquired pursuant to a property purchase and sale agreement with NewQuest dated March 22, 2021 for consideration of $100,000 (Canadian dollars) and is subject to a 2% NSR royalty.

7. SHARE CAPITAL

a) Common Shares

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

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

The Company issued the following common shares during the period ended June 30, 2023:

i) On March 31, 2023, the Company completed the first tranche of a non-brokered private placement (the "Unit Offering") consisting of 2,450,000 units priced at $0.22 (each, a "Unit") for gross proceeds of $539,000. Each Unit is comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Unit Offering was allocated to the warrants. Finder's fees of $10,758 and 48,900 finder's warrants with a fair value of $3,855 exercisable into common shares at $0.40 for a two year term were paid on $179,300 of the placement. One director and member of key management of the Company purchased a total of 100,000 Units for total proceeds of $22,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

ii) On April 25, 2023, the Company completed the second tranche of the Unit Offering consisting of 2,439,500 Units priced at $0.22 for gross proceeds of $536,690. $Nil of the Unit Offering was allocated to the warrants. Finder's fees of $2,501 and 11,370 finder's warrants with a fair value of $927 exercisable into common shares at $0.40 for a two year term were paid on $41,690 of the placement.

iii) On April 25, 2023, the Company completed the first tranche of a non-brokered private placement (the "FT Unit Offering") consisting of 856,682 flow-through units (each, a "FT Unit") priced at $0.33 for gross proceeds of $282,705. Each FT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the FT Unit Offering was allocated to the warrants. Finder's fees of $7,989 and 24,210 finder's warrants with a fair value of $1,975 exercisable into common shares at $0.40 for a two year term were paid on $133,155 of the placement. One member of key management personnel of the Company purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders. The Company recorded a flow-through premium liability of $94,235.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (CONTINUED)

iv) On May 4, 2023, the Company completed a non-brokered private placement (the "Charity FT Unit Offering") consisting of 2,772,727 charity flow-through units (each, a "CFT Unit") of the Company priced at $0.352 for gross proceeds of $976,000. Each CFT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Charity FT Unit Offering was allocated to the warrants. The Company recorded a flow-through premium liability of $366,000.

The proceeds of the Charity FT Unit Offering are to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act.

The Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

v) On May 5, 2023, the Company completed the third tranche of the Unit Offering consisting of 288,500 Units priced at $0.22 for gross proceeds of $63,470. $Nil of the Unit Offering was allocated to the warrants. Finder's fees of $1,398 and 2,400 finder's warrants with a fair value of $197 exercisable into common shares at $0.40 for a two year term were paid on $13,420 of the placement. One director and member of key management of the Company purchased a total of 80,000 Units for total proceeds of $17,600. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

vi) On May 5, 2023, the Company completed the second tranche of the FT Unit Offering consisting of 100,000 FT Units priced at $0.33 for gross proceeds of $33,000. $Nil of the FT Unit Offering was allocated to the warrants. One member of key management personnel of the Company purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders. The Company recorded a flow-through premium liability of $11,000.

The proceeds of the FT Unit Offering are to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

The Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

The Company issued the following common shares during the year ended December 31, 2022:

vii) On January 14, 2022, the Company raised gross proceeds of $212,200 by way of a non-brokered private placement of 1,061,000 common shares priced at $0.20.

b) Share-Based Payment Reserve

	June 30, 2023 $	December 31, 2022 $
Fair value of stock options granted or vested	270,845	233,538
Fair value of warrants issued	6,954	-
Share-based Payment Reserve	277,799	233,538

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (CONTINUED)

c) Share Purchase Warrants

A summary of the Company's share purchase warrants at June 30, 2023 and December 31, 2022 and the changes for the periods then ended is presented below:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2021 and 2022	-	-
Issue of warrants	4,540,584	$0.40
Balance at June 30, 2023	4,540,584	-

On March 31, 2023, the Company issued 1,225,000 warrants and 48,900 broker warrants exercisable at $0.40 per share for a two-year term pursuant to the private placement described in Note 7(a)(i).

On April 25, 2023, the Company issued 1,648,091 warrants and 35,580 broker warrants exercisable at $0.40 per share for a two-year term pursuant to the private placements described in Notes 7(a)(ii) and 7(a)(iii).

On May 4, 2023, the Company issued 1,386,363 warrants exercisable at $0.40 per share for a two-year term pursuant to the private placement described in Note 7(a)(iv).

On May 5, 2023, the Company issued 194,250 warrants and 2,400 broker warrants exercisable at $0.40 per share for a two-year term pursuant to the private placements described in Notes 7(a)(v) and 7(a)(vi).

Number of Warrants Outstanding			
June 30, 2023	December 31, 2022	Exercise Price per Share	Expiry Date
1,273,900	-	$0.40	March 31, 2025
1,683,671	-	$0.40	April 25, 2025
1,386,363	-	$0.40	May 4, 2025
196,650	-	$0.40	May 5, 2025
4,540,584			

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS

a) Option Plan Details

The Company has a Stock Option Plan dated November 15, 2021 (the "Plan"). The Plan provides for the issuance, from time to time, of options to acquire common shares of the Company ("Shares") in number equal to a maximum of 15% of the then issued and outstanding shares of the Company as long as the Company is a non-reporting issuer. From and after the date that the Company becomes a reporting issuer whose Shares are listed on a public stock exchange, the maximum number of Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time-to-time. The Plan is administered by the Board and options are granted at the discretion of the Board to eligible optionees, subject to the price restrictions and other requirements under the Plan. Options granted under the Plan are subject to vesting terms determined by the Board.

A summary of the Company's stock options at June 30, 2023 and December 31, 2022 and the changes for the periods then ended is presented below:

	June 30, 2023		December 31, 2022	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	2,550,000	$0.11	2,350,000	$0.10
Granted	250,000	$0.22	350,000	$0.20
Cancelled	-	-	(150,000)	$0.10
Ending balance	2,800,000	$0.12	2,550,000	$0.11

On April 1, 2022, the Company granted 150,000 stock options exercisable at $0.20 per share for a five year term to a consultant of the Company. The options vested immediately.

On November 16, 2022, the Company granted 200,000 stock options exercisable at $0.20 per share for a five year term to consultants of the Company. The options vested immediately.

On June 1, 2023, the Company granted 250,000 stock options exercisable at $0.22 per share for a five year term to a director and an employee of the Company. The options vested immediately.

Details of stock options outstanding and exercisable as at June 30, 2023 and December 31, 2022 are as follows:

Expiry Date	Exercise Price	June 30, 2023	December 31, 2022	Weighted Average Remaining Contractual Life (Years)
November 15, 2026	$0.10	2,200,000	2,200,000	3.38
April 1, 2027	$0.20	150,000	150,000	3.76
November 16, 2027	$0.20	200,000	200,000	4.38
June 30, 2028	$0.22	250,000	-	4.93
		2,800,000	2,550,000	3.61

The weighted average remaining contractual life of stock options outstanding at June 30, 2023 was 3.61 years (December 31, 2022: 3.98 years).

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS (CONTINUED)

b) Fair Value of Options Issued During the Periods Ended

The weighted average fair value at grant date of options granted during the period ended June 30, 2023 was $0.15 per option (2022: $0.15 per option). The total fair value of options granted during the period was $37,307 (2022: $53,246, of which $22,764 was capitalized to E&E Assets). The fair value was determined using the Black-Scholes option pricing model using the following assumptions:

	2023	2022
Expected stock price volatility	100%	101%
Risk-free interest rate	3.28%	1.56%
Dividend yield	-	-
Expected life of options	5 years	5 years
Stock price on date of grant	$0.22	$0.20
Forfeiture rate	-	-

9. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are persons or entities that have control, joint control or significant influence over the Company, or who are members of key management personnel of the Company.

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	2023 $	2022 $
Short-term employee benefits and director fees	84,000	79,800
Share-based payments	22,384	-
	106,384	79,800

The Company has entered into a Management Agreement with the Chairman, President and Chief Executive Officer (the "CEO") effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the Agreement without Cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for Good Cause during the first two years of the Agreement; (iv) eighteen times the monthly compensation if the CEO resigns for Good Cause during the third or any subsequent year of the Agreement; and (v) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CEO resigns with or without Good Cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company's exploration properties or the creation of a new or spin-off company, he will be awarded a Special Bonus in the amount of 0.5% of the sale of any of the Company's exploration properties

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

a) Key Management Compensation (continued)

or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company's issued and outstanding common shares, he will be awarded a Special Bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level. During the period ended June 30, 2023, the Company recorded $64,800 (2022: $64,800) in fees payable to the CEO, of which $32,400 (2022: $43,092) was capitalized to Exploration and Evaluation Assets in the Consolidated Statement of Financial Position and $nil (2022: $11,988) was expensed to General Exploration and $32,400 (2022: 9,720) was expensed to Management in the Consolidated Statement of Loss.

The Company has entered into an Employment Agreement with the Chief Financial Officer and Corporate Secretary (the "CFO") effective June 1, 2023 for no fixed term. As compensation for the services to be provided, the CFO will receive a monthly salary of $6,700 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause; (ii) three months of compensation in the event the CFO resigns for Good Cause; and (iii) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CFO resigns with or without Good Cause, within twelve months following a change of control of the Company. This Employment Agreement supersedes an Employment Agreement dated January 1, 2022 for the CFO to provide services for compensation of a monthly salary of $2,500. During the period ended June 30, 2023, the Company recorded $19,200 (2022: $15,000) in fees payable to the CFO, of which $9,600 (2022: $nil) was expensed to Management and $9,600 (2022: $15,000) was expensed to Salaries and Benefits in the Consolidated Statement of Loss.

b) Service Agreement

During the year ended December 31, 2022, the Company recorded $30,000 in strategic consulting fees payable to NewQuest pursuant to a Contract for Services for a six month term from January 1, 2022 to June 30, 2022 for compensation of $5,000 per month.

c) Private Placements

In connection with the private placement that closed on January 14, 2022, a director and member of key management of the Company purchased a total of 50,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on March 31, 2023, a director and member of key management of the Company purchased a total of 100,000 Units for total proceeds of $22,000, and an insider purchased a total of 200,000 Units for total proceeds of $44,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on April 25, 2023, a director and member of key management of the Company purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

c) Private Placements (continued)

In connection with the private placements that closed on May 5, 2023, insiders of the Company purchased a total of 80,000 Units for total proceeds of $17,600 and 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

d) Due to Related Party

As at June 30, 2023, the Company has $1,657 (December 31, 2022: $130,218) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements, which is due on demand, unsecured and is non-interest bearing.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair values

The Company's financial instruments include cash, restricted cash and trade and other payables.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	June 30, 2023		December 31, 2022	
	Fair Value $	Carrying Value $	Fair Value $	Carrying Value $
FVTPL assets (i)	2,169,202	2,169,202	289,606	289,606
Amortized cost liabilities (ii)	115,712	115,712	229,970	229,970

(i) Cash and restricted cash
(ii) Trade and other payables

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at December 31, 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Cash and restricted cash	289,606	-	-	

As at June 30, 2023	Level 1 $	Level 2 $	Level 3 $	Total $
Cash and restricted cash	2,169,202	-	-	

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their short-term nature and respective maturity dates.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of cash represents the Company's maximum exposure to credit risk. To minimize credit risk, the Company only holds its cash with chartered Canadian financial institutions. As at June 30, 2023, the Company has no financial assets that are past due or impaired due to credit risk defaults. The Company's management of credit risk has not changed during the period ended June 30, 2023, from that of the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's financial liabilities consist of its trade and other payables. The Company has a working capital surplus of $1,600,060 as at June 30, 2023 and does not require additional financing to meet its current obligations. The Company handles its liquidity risk through the management of its capital structure as described in Note 11. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms. The Company's management of liquidity risk has not changed during the period ended June 30, 2023, from that of the prior year.

The following are the contractual maturities of financial liabilities as at June 30, 2023:

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 years	Over 3 years
	$	$	$	$	$	$
Trade and other payables	115,712	115,712	115,712	-	-	-

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of interest rate risk, currency risk and other price risk. The Company is not exposed to significant interest rate risk as the Company has no interest bearing debt. The Company does not hold any equity securities; as such, the Company is not exposed to material other price risk. The Company's management of market risk has not changed during the period ended June 30, 2023, from that of the prior year.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. A portion of the Company's exploration property expenditures are intended to be incurred in United States dollars. A change in the foreign exchange rate as at June 30, 2023 of +/- 10% would have an impact of $1,865 on profit or loss.

(Expressed in Canadian Dollars)

11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can support continued development of its E&E Assets, pursue the acquisition and exploration of other mineral interests, and maintain a flexible capital structure for its projects for the benefit of its shareholders and other stakeholders. The Company is not exposed to externally imposed capital requirements.

The Company considers items included in Equity to be capital, which totalled $2,873,178 at June 30, 2023 (December 31, 2022: $1,091,347). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, option its properties for cash from optionees, enter into joint venture arrangements, return capital to its shareholders or adjust the amount of cash.

12. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with all current exploration activities being conducted in both Canada and the United States:

	June 30, 2023			December 31, 2022		
	Canada $	**USA** $	**Total** $	**Canada** $	**USA** $	**Total** $
Current assets	2,180,255	6,752	2,187,007	293,896	11,152	305,048
Reclamation bonds	120,000	-	120,000	-	-	-
Equipment	4,196	-	4,196	883	-	883
Exploration and evaluation assets	598,454	550,468	1,148,922	483,195	532,191	1,015,386
Total assets	2,902,905	557,220	3,460,125	777,974	543,343	1,321,317
Total liabilities	557,288	29,659	586,947	210,792	19,178	229,970

13. SUBSEQUENT EVENTS

a) Unit Private Placement

On July 10, 2023, the Company completed the fourth tranche of the Unit Offering consisting of 43,600 Units priced at $0.22 for gross proceeds of $9,592. $Nil of the Unit Offering was allocated to the warrants. Finder's fees of $180 and 816 finder's warrants with a fair value of $254 exercisable into common shares at $0.40 for a two year term were paid on $2,992 of the placement.

b) Cooper Property (British Columbia)

On August 3, 2023, the Company acquired a 100% royalty free interest in the Cooper property by way of staking. Cooper is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the community of 100 Mile House.

13. SUBSEQUENT EVENTS (CONTINUED)

c) Director's Fees

The Company has approved the payment of a director's fee of $1,000 per month to each of three directors and $2,000 per month to a director and chair of the audit committee, effective September 1, 2023.

SCHEDULE "B"

RED CANYON RESOURCES LTD.
MANAGEMENT'S DISCUSSION FOR THE YEAR ENDED DECEMBER 31, 2022
AND THE SIX MONTH PERIOD ENDED JUNE 30, 2023

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RED CANYON RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022

This report ("Management's Discussion and Analysis") provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess material changes in financial condition between December 31, 2022 and December 31, 2021 and results of operations for the years ended December 31, 2022 and 2021, as well as forward-looking statements relating to the potential future performance. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below. This Management's Discussion and Analysis has been prepared as of **October 12, 2023** ("Report Date"). This Management's Discussion and Analysis is intended to supplement and complement the audited consolidated financial statements and notes thereto for the years ended December 31, 2022 and 2021, and for the period ended December 31, 2020 (collectively the "Financial Statements"). You are encouraged to review the Financial Statements in conjunction with your review of this Management's Discussion and Analysis. Certain notes to the Financial Statements are specifically referred to in this Management's Discussion and Analysis and such notes are incorporated by reference herein.

1. CORE BUSINESS

Red Canyon Resources Ltd. ("Red Canyon" or the "Company") was incorporated on October 2, 2020 under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets in North America. The address of the Company's corporate office and its principal place of business is Suite 1210 – 1130 West Pender Street, Vancouver, British Columbia, Canada.

The Company has one wholly owned subsidiary: RC Metals Inc. The accounts of the subsidiary are consolidated with the Company.

The Company is focused on mineral exploration in British Columbia and the western United States. As of December 31, 2022, the Company held a 100% interest in five copper related properties in British Columbia, a copper-gold-molybdenum property in Nevada, and a copper-gold property in Utah as follows:

- British Columbia – **Peak** (Cariboo Regional District), **SP** (Cariboo Regional District), **Kendal** (Kitimat-Stikine Regional District), **Ping** (Fraser-Fort George Regional District), **Hatter** (Thompson-Nicola Regional District);
- Nevada – **Scraper Springs** (Elko County); and
- Utah – **Keg** (Juab County).

Subsequent to yearend, the Company acquired a 100% interest in the **Cooper** copper property in the Cariboo Regional District of British Columbia.

See Section 7.1 "Exploration and Evaluation Activities" below for a description of the properties and the work programs.

2. FINANCIAL CONDITION

As at December 31, 2022, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainty may cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a net loss of $258,879 for the year ended December 31, 2022 (2021: $340,478) and, as of that date, the Company had an accumulated deficit of $603,178. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company had a working capital surplus of $75,078 at December 31, 2022 (2021: $721,464).

Cash was $269,396 at December 31, 2022 (2021: $783,311). Restricted cash was $20,210 at December 31, 2022 (2021: 5,005) and consists of a savings account held at a financial institution as security against a company credit card. The Company's sources and uses of cash are discussed in Section 4 "Cash Flows" below.

Amounts and other receivable of $11,868 at December 31, 2022 (2021: $8,153) consist of GST input tax credits and expense recovery.

Prepaid expenses of $3,296 at December 31, 2022 (2021: $1,209) include normal operating expenses.

Equipment of $883 at December 31, 2022 (2021: $1,261) consists of field equipment.

Exploration and evaluation assets of $1,015,386 at December 31, 2022 (2021: $456,862) consist of acquisition and exploration expenditures on the Company's mineral properties and are discussed in Section 7 "Exploration and Evaluation Activities" below.

Trade and other payables were $229,970 at December 31, 2022 (2021: $76,214). Trade and other payables are unsecured and are usually paid within 30 days of recognition. Included in trade and other payables is $130,218 (2021: $23,683) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements.

3. FINANCIAL PERFORMANCE

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with current exploration activities being conducted in both Canada and the United States.

Because the Company is in the exploration stage, it did not earn any revenue from production and its expenses relate to the costs of operating a private company of its size. Net loss for the year ended December 31, 2022 was $258,879 and comprehensive loss after cumulative translation adjustment was $261,486 or $0.01 per share, compared to a net loss of $340,478 and comprehensive loss of $340,777 for the year ended December 31, 2021 or $0.02 per share. Net loss for the three months ended December 31, 2022 was $134,834 and comprehensive loss after cumulative translation adjustment was $135,084 or $0.01 per share, compared to a net loss of $245,641 and comprehensive loss of $245,742 for the three months ended December 31, 2021 or $0.01 per share.

3.1 Total expenses for the year ended December 31, 2022

Total expenses for the year ended December 31, 2022 were $298,437 compared to total expenses of $340,214 for the year ended December 31, 2021.

Accounting and audit fees were $56,351 for the year ended December 31, 2022 compared to $28,227 in expenses recorded in the 2021 comparative year, and include a provision of $50,205 (2021: $26,908) for the preparation of the year-end audit and income tax returns.

Employee costs were $160,244 for the year ended December 31, 2022 compared to $287,213 in employee costs recorded in the 2021 comparative year. Employee costs consist of consulting fees, management, salaries and benefits and share-based payments. The following is a breakdown of material components of the Company's employee costs for the years ended December 31, 2022 and 2021.

	Year ended December 31, 2022 $	Year ended December 31, 2021 $
Consulting fees	30,164	105,110
Management	38,937	-
Salaries and benefits	60,661	17,155
Share-based payments	30,482	164,948
	160,244	287,213

Consulting fees include payments for administrative, corporate, technical and geological services and advisors. NewQuest Capital Inc. ("NewQuest", a significant shareholder of the Company) was paid $30,000 (2021: $102,000) in strategic consulting fees. (See Section 12 "Transactions Between Related Parties" below).

Management expenses consist of salary allocations paid to the CEO and CFO of the Company.

Salaries and benefits consist of salaries paid to the officers and employees of the Canadian head office.

Share-based payments of $30,482 for the year ended December 31, 2022 (2021: $164,948) represent stock options granted and vested during the year. A further $22,764 (2021: $15,344) in share-based payments that vested during the year were capitalized to exploration and evaluation assets.

Depreciation expense on field equipment was $378 for the year ended December 31, 2022 (2021: $66).

Filing fees were $2,487 for the year ended December 31, 2022 compared to $819 in filing fees recorded for the 2021 comparative year.

General exploration expenses were $55,999 for the year ended December 31, 2022 compared to $12,641 in general exploration expenses recorded for the 2021 comparative year. General exploration expenses include project generation costs.

Investor communication expenses were $542 for the year ended December 31, 2022 compared to $3,675 in expenses incurred during the 2021 comparative year, and consist of advertising and website maintenance.

Legal fees were $1,384 for the year ended December 31, 2022 compared to $1,773 in legal fees recorded for the 2021 comparative year. Legal fees consist of general corporate and commercial matters.

Office expenses were $18,731 for the year ended December 31, 2022 compared to $5,790 in expenses recorded for the 2021 comparative year. Office expenses increased to support the Company's active and growing operations. The following is a breakdown of the Company's office expenses for the years ended December 31, 2022 and 2021.

	Year ended December 31, 2022 $	**Year ended December 31, 2021 $**
Bank charges and interest	888	1,276
IT and web	4,499	701
Meals and entertainment	3,736	850
Office supplies and expenses	4,928	2,963
Rent	4,000	-
Telephone	680	-
	18,731	5,790

Travel expenses were $2,321 for the year ended December 31, 2022 compared to $10 in expenses recorded for the 2021 comparative year. Travel includes attendance at trade shows and conferences.

3.2 Total other income and expenses for the year ended December 31, 2022

Finance income of $3,477 recorded during the year ended December 31, 2022 (2021: $5) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary. Impairment expense of $3,549 was recorded on the write-down of the Lou property during the year ended December 31, 2022 (2021: $nil).

3.3 Total expenses for the three months ended December 31, 2022

Total expenses for the three months ended December 31, 2022 were $125,306 compared to total expenses of $242,229 for the 2021 comparative period.

Accounting and audit fees were $50,229 for the three months ended December 31, 2022 compared to $28,227 in expenses recorded in the 2021 comparative period, and include a provision of $50,205 (2021: $26,908) for the preparation of the year-end audit and income tax returns.

Employee costs were $59,646 for the three months ended December 31, 2022 compared to $208,649 in employee costs recorded in the 2021 comparative period. Employee costs consist of consulting fees, management, salaries and benefits and share-based payments. The following is a breakdown of material components of the Company's employee costs for the periods ended December 31, 2022 and 2021.

	Three months ended December 31, 2022 $	**Three months ended December 31, 2021 $**
Consulting fees	173	27,546
Management	12,129	-
Salaries and benefits	16,862	16,155
Share-based payments	30,482	164,948
	59,646	208,649

Consulting fees include payments for administrative, corporate, technical and geological services and advisors. NewQuest was paid $nil (2021: $25,500) in strategic consulting fees. (See Section 12 "Transactions Between Related Parties" below).

Management expenses consist of salary allocations paid to the CEO and CFO of the Company.

Salaries and benefits consist of salaries paid to the officers and employees of the Canadian head office.

Share-based payments of $30,482 for the three months ended December 31, 2022 (2021: $164,948) represent stock options granted and vested during the period. A further $nil (2021: $15,344) in share-based payments that vested during the period were capitalized to mineral properties.

Depreciation expense on field equipment was $94 for the three months ended December 31, 2022 (2021: $66).

Filing fees were $1,737 for the three months ended December 31, 2022 compared to $276 in filing fees recorded for the 2021 comparative period.

General exploration expenses were $6,626 for the three months ended December 31, 2022 compared to $1,082 in general exploration expenses recorded for the 2021 comparative period. General exploration expenses include project generation costs.

Legal fees were $398 for the three months ended December 31, 2022 compared to $485 in legal fees recorded for the 2021 comparative period. Legal fees consist of general corporate and commercial matters.

Office expenses were $6,523 for the three months ended December 31, 2022 compared to $3,433 in expenses recorded for the 2021 comparative period. The following is a breakdown of the Company's office expenses for the periods ended December 31, 2022 and 2021.

	Three months ended December 31, 2022 $	**Three months ended December 31, 2021 $**
Bank charges and interest	18	615
IT and web	1,381	631
Meals and entertainment	612	590
Office supplies and expenses	1,173	1,597
Rent	3,000	-
Telephone	339	-
	6,523	3,433

3.4 Total other income and expenses for the three months ended December 31, 2022

Finance income of $1,143 recorded during the three months ended December 31, 2022 (2021: $2) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary. Impairment expense of $3,549 was recorded on the write-down of the Lou property during the three months ended December 31, 2022 (2021: $nil).

4. CASH FLOWS

The Company is still in the exploration and evaluation stage and as such does not earn any revenue from production. Total cash used in operating activities was $161,787 for the year ended December 31, 2022 compared to cash used of $142,251 during the 2021 comparative year. The Company incurred a net loss of $258,879 with adjustments to add back items not involving cash (depreciation, foreign exchange, share-based payments and impairment) and adjustments for non-cash working capital items (amounts receivable, prepaid expenses, trade and other payables) to calculate the cash used in operating activities.

Total cash flows used in investing activities were $444,721 during the year ended December 31, 2022 (2021: $414,006) and consist of expenditures on exploration and evaluation assets.

Total cash flows provided by financing activities were $119,722 during the year ended December 31, 2022 and include $120,000 in proceeds from share issuances less $278 in share issuance costs. Cash flows provided by financing activities were $1,203,841 for the 2021 comparative year and consisted of $1,144,995 in proceeds from share issuances, $92,200 in share subscriptions received and less $33,354 in share issuance costs.

5. SELECTED ANNUAL INFORMATION

The table below presents selected financial data for the Company's annual financial statements for each of the three most recently completed financial periods. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	December 31, 2022 $	December 31, 2021 $	December 31, 2020 $
Total revenue	-	-	-
Net loss for the period	(258,879)	(340,478)	(3,821)
Comprehensive loss for the period	(261,486)	(340,777)	(3,769)
Loss per share, basic	(0.01)	(0.02)	0.00
Loss per share, diluted	(0.01)	(0.02)	0.00
Total assets	1,321,317	1,255,801	139,801
Total long term liabilities	-	-	-
Cash dividend declared per share	-	-	-

During the period from October 2, 2020 to December 31, 2020, the Company realized a net loss of $3,821 that consists largely of incorporation related expenses. There was not much activity during the period given the Company was only incorporated on October 2, 2020.

During the year ended December 31, 2021, the Company realized a net loss of $340,478 in the Company's first full year of operations. Employee costs totalled $287,213 which includes $102,000 in strategic consulting fees paid to NewQuest and $164,948 in share-based payments for the grant of 2,150,000 stock options to directors, officers, employees and consultants of the Company. A further 200,000 stock options were granted to geological consultants and the fair value of $15,344 was capitalized to exploration and evaluation assets.

During the year ended December 31, 2022, the Company realized a net loss of $258,879. Employee costs totalled $160,244 which includes $30,000 in strategic consulting fees paid to NewQuest and $30,482 in share-based payments for the grant of 200,000 stock options to consultants of the Company. A further 150,000 stock options were granted to a geological consultant and the fair value of $22,764 was capitalized to exploration and evaluation assets.

Comprehensive income (loss) includes cumulative translation adjustments on the translation of the US functional currency subsidiary into the presentation currency.

During the 2020 financial period, the Company raised gross proceeds of $140,000 from private placements.

During the 2021 financial year, the Company raised gross proceeds of $1,251,641 from private placements and warrant exercises and received gross subscription receipts of $92,200 for a private placement that closed in January 2022. The Company's mineral property acquisition and exploration activities during the year contributed to the $456,862 in exploration and evaluation assets at December 31, 2021.

During the 2022 financial year, the Company raised gross proceeds of $212,200 from private placements. The Company's mineral property acquisition and exploration activities during the year contributed to the $1,015,386 in exploration and evaluation assets at December 31, 2022.

6. MAJOR OPERATING MILESTONES

6.1 Period from January 1 to December 31, 2022

On January 14, 2022, the Company raised gross proceeds of $212,200 through the issuance of 1,061,000 common shares priced at $0.20 per share.

In January 2022, the Company staked the Hatter, Kendal and Lou properties in British Columbia and expanded the Peak property by staking additional claims.

On March 15, 2022, 150,000 stock options exercisable at $0.10 per share were cancelled.

During the first quarter of 2022, first pass environmental work and First Nations communication was initiated on the new claim areas in British Columbia prior to planning 2022 work programs.

During the first quarter of 2022, a 203.5 line kilometre drone aeromagnetic survey was completed on the Peak property and a quaternary geologist was engaged to conduct a surficial geology review of the project area.

On April 1, 2022, 150,000 stock options exercisable at $0.20 per share for a five year term were granted to a consultant. The options vested immediately.

In April 2022, the Company staked the Ping property in British Columbia.

From May to September 2022, the Company undertook a sampling program on the Peak property and collected 21 rock samples and 1,263 soil samples in aggregate.

In June 2022, the Company expanded the Peak property by acquiring one additional mineral claim from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time.

During the second quarter of 2022, the Company engaged Fathom Geophysics to complete a compilation and full assessment of the 203.5-line km drone aeromagnetic survey and the historical 2008 aeromagnetic survey covering the eastern area of our claim position at Peak.

During the third quarter of 2022, the Company focused on detailed geochemical sampling programs in British Columbia, following up on encouraging geology, alteration and/or magnetic and IP interpretation. In addition, Red Canyon senior management conducted onsite project evaluation reviews at the Peak, Ping, Kendal and Hatter projects. 2022 work programs were as follows: (i) SP: data consolidation and soil sampling over selective target areas; (ii) Hatter: preliminary field assessment, mapping, sampling, soil geochemistry; (iii) Kendal: preliminary field assessment, mapping, sampling, soil geochemistry; and (iv) Lou: data compilation and the property was ultimately abandoned.

On November 16, 2022, 200,000 stock options exercisable at $0.20 per share for a five year term were granted to two consultants. The options vested immediately.

6.2 Period from January 1, 2023 to the Date of this Report

In January 2023, the Company expanded the Ping property by staking an additional mineral claim totalling 606 hectares.

On March 31, 2023, the Company raised gross proceeds of $539,000 through the issuance of 2,450,000 units priced at $0.22 (each, a "Unit"). Each Unit is comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Units was allocated to the warrants. Finder's fees of $10,758 and 48,900 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $536,690 through the issuance of 2,439,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $2,501 and 11,370 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $282,705 through the issuance of 856,682 flow-through units priced at $0.33 (each, a "FT Unit"). Each FT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the FT Units was allocated to the warrants. Finder's fees of $7,989 and 24,210 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing. The Company recorded a flow-through premium liability of $94,235.

The flow-through proceeds are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

On May 4, 2023, the Company raised gross proceeds of $976,000 through the issuance of 2,772,727 charity flow-through units priced at $0.352 (each, a "CFT Unit"). Each CFT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the CFT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $366,000.

In connection with the CFT Unit Offering closed on May 4, 2023, the Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

On May 5, 2023, the Company raised gross proceeds of $63,470 through the issuance of 288,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $1,398 and 2,400 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On May 5, 2023, the Company raised gross proceeds of $33,000 through the issuance of 100,000 FT Units priced at $0.33. $Nil of the FT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $11,000.

In connection with the FT Unit Offering closed on April 25, 2023 and May 5, 2023, the Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

In May 2023, the Company expanded the Peak property by staking an additional three mineral claims totalling 1,086 hectares.

On June 1, 2023, Lauren Roberts was appointed as a director of the Company to replace Tero Kosonen, who resigned from the role and transitioned to a corporate advisor to the Company.

On June 1, 2023, 250,000 stock options exercisable at $0.22 per share for a five year term were granted to a director and an employee. The options vested immediately.

In June 2023, the Company received a Mines Act permit to conduct exploration activities on the Kendal project.

On July 10, 2023, the Company raised gross proceeds of $9,592 through the issuance of 43,600 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $180 and 816 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

In July 2023, the Company received a Mines Act permit to conduct exploration activities on the Ping project.

On August 3, 2023, the Company acquired a 100% royalty free interest in the Cooper property by way of staking. Cooper is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the community of 100 Mile House.

In August 2023, the Company received Mines Act permits to conduct exploration activities on the Peak and SP projects.

7. Exploration and Evaluation Activities

7.1 Exploration and Evaluation Activities for the Year Ended December 31, 2022

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $1,015,386 as at December 31, 2022 (2021: $456,862).

Total costs incurred on exploration and evaluation assets for the years ended December 31, 2022 and 2021 are summarized as follows:

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2020	-	-	-	-
Additions	12,916	168,750	118,611	300,277
Foreign exchange	-	646	256	902
Balance, December 31, 2021	12,916	169,396	118,867	301,179
Additions	23,335	50,378	15,452	89,165
Impairment	(2,640)	-	-	(2,640)
Foreign exchange	-	13,474	8,739	22,213
Balance, December 31, 2022	33,611	233,248	143,058	409,917
Exploration costs				
Balance, December 31, 2020	-	-	-	-
Additions				
Administration	-	15,427	-	15,427

Geology	24,273	71,847	-	96,120
Mapping and sampling	24,188	-	-	24,188
Reports	-	19,310	-	19,310
	48,461	106,584	-	155,045
Foreign exchange	-	638	-	638
Balance, December 31, 2021	48,461	107,222	-	155,683
Additions				
Administration	22,764	-	-	22,764
Geology	204,923	26,331	117	231,371
Mapping and sampling	127,912	11,212	-	139,124
Project manager	43,254	1,436	-	44,690
Reports	17,717			17,717
Recovery	(14,538)	-	-	(14,538)
	402,032	38,979	117	441,128
Impairment	(909)	-	-	(909)
Foreign exchange	-	9,563	4	9,567
Balance, December 31, 2022	449,584	155,764	121	605,469
Total acquisition costs and exploration expenditures				
December 31, 2020	-	-	-	-
December 31, 2021	61,377	276,618	118,867	456,862
December 31, 2022	483,195	389,012	143,179	1,015,386

As at December 31, 2022, the Company held 100% interest in five copper-gold properties in British Columbia, a copper-gold-molybdenum property in Nevada, and a copper-gold property in Utah.

7.2 Peak (Cariboo Regional District, British Columbia)

As at December 31, 2022, Peak was comprised of twelve mineral claims totalling 5,632 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired eleven of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time. Subsequent to year-end, in May 2023, the Company expanded the Peak property by staking an additional three mineral claims totalling 1,086 hectares.

During the year ended December 31, 2022, the Company expended $4,263 in acquisition costs (2021: $6,330) and $260,469 in exploration costs (2021: $11,360) on Peak. The Company received a British Columbia Mining Exploration Tax Credit ("METC") of $3,408 which reduced the carrying value of the Peak Property. As at December 31, 2022, total acquisition and exploration expenditures recorded on Peak was $279,014 (2021: $17,690).

About the Peak Property

The Peak Project, located in the South Cariboo region in south-central British Columbia, covers a strategic land position of 6718 hectares underlain by geology of the Quesnel Terrane. The project area covers a 15 km trend of the Pinchi fault, a regional northwest-trending structure associated with multiple copper-gold deposits. Previous exploration completed on the property includes local geological mapping, soil and rock geochemistry, airborne and ground-based magnetic surveys, Induced Polarization (IP) geophysical surveys, and limited diamond drilling.

Large scale soil geochemical programs conducted by the Company have identified areas considered to be highly anomalous in copper and other related elements. In addition, Peak hosts multiple magnetic features that could be related to copper porphyry deposits found elsewhere in BC. At Peak Central, surface grab samples of porphyritic rocks have assayed over 2% copper.

2022 Work Program - Peak

During the first quarter of 2022, communications were initiated with local Indigenous communities prior to planning 2022 exploration programs at Peak.

During the first quarter of 2022, a 203.5 line-km drone aeromagnetic survey was completed along the western portion of the Peak property. A quaternary geologist was engaged to conduct a thorough review of the surficial geology in the project area.

During the second quarter of 2022, the Company engaged Fathom Geophysics to complete a compilation and full assessment of the 203.5-line km drone aeromagnetic survey and a 2008 aeromagnetic survey extending over the eastern area of the Peak claims to the east.

From May to September 2022, the Company undertook an extensive geochemical sampling program on the Peak property, including the collection and analysis of 1,263 soil samples. Rock outcrops were mapped and described, and 21 rock samples were collected for analysis.

7.3 SP (Cariboo Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the SP property, which it acquired by way of staking. At December 31, 2022, SP was comprised of four mineral claims totalling approximately 3,763 hectares located in south central British Columbia approximately 50 km northeast of Williams Lake.

During the year ended December 31, 2022, the Company expended $nil in acquisition costs (2021: $6,586) and $8,132 in exploration costs (2021: $37,101) on SP. The Company received a British Columbia METC of $11,130 which reduced the carrying value of the SP Property. As at December 31, 2022, total acquisition and exploration expenditures recorded on SP was $40,689 (2021: $43,687).

About the SP Property

The SP Project located in the South Cariboo region in the south-central British Columbia covers a strategic land position of 3,763 hectares underlain by geology of the Quesnel Terrane. The Project area is located 6 km southwest of the Mount Polley copper-gold mine within geologically similar rocks. Previous exploration at SP has identified areas of anomalous copper and gold soil geochemistry, coincident with large magnetic highs that may indicate the presence of porphyry-related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2022 Work Program - SP

During the first quarter of 2022, communications were initiated with local Indigenous communities prior to planning subsequent exploration programs at SP.

7.4 Hatter (Thompson-Nicola Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Hatter property, which it acquired by way of staking. At December 31, 2022, Hatter was comprised of three mineral claims totalling approximately 1,849 hectares located in south central British Columbia approximately 20 km south of Merritt, BC.

During the year ended December 31, 2022, the Company expended $3,236 in acquisition costs (2021: $nil) and $24,267 in exploration costs (2021: $nil) on Hatter. As at December 31, 2022, total acquisition and exploration expenditures recorded on Hatter was $27,503 (2021: $nil).

About the Hatter Property

The Hatter Project in south-central British Columbia represents a strategic land position including three mineral claims covering 1,849 hectares underlain by Quesnel Terrane rocks. Nicola Group rocks, which host neighbouring alkalic porphyry systems at the Copper Mountain and New Afton copper-gold mines, underlie the Hatter claims. The Hatter Project hosts anomalous copper in soils and in rock grab samples, coincident with large magnetic highs that may indicate the presence of porphyry related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2022 Work Program - Hatter

During the first quarter of 2022, following acquisition of the Hatter claims, communications with local Indigenous communities were initiated prior to planning 2022 work programs.

During the third quarter of 2022, the Company conducted onsite project evaluation reviews at Hatter, including preliminary field assessments, geological mapping, and rock and soil geochemistry.

7.5 Kendal (Kitimat-Stikine Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Kendal property, which it acquired by way of staking. At December 31, 2022, Kendal was comprised of five mineral claims totalling approximately 2,738 hectares located in west central British Columbia approximately 25 km northeast of Terrace.

During the year ended December 31, 2022, the Company expended $4,792 in acquisition costs (2021: $nil) and $63,243 in exploration costs (2021: $nil) on Kendal. As at December 31, 2022, total acquisition and exploration expenditures recorded on Kendal was $68,035 (2021: $nil).

About the Kendal Property

The Kendal Project is located in west central BC, within the geology of the Stikine Terrane. The Company controls a strategic land position totaling 2,738 hectares. The area is underlain by Jurassic Hazelton Group volcanic rocks that are intruded by stocks and dykes of the Cretaceous to Tertiary Coast Plutonic Complex. A 2,300 metre by 1,000 metre, east-west trending gossan zone locally hosts copper and molybdenite mineralization. This area of interest may represent a large zone of phyllic alteration that could occur as part of a calc-alkaline copper system.

2022 Work Program - Kendal

During the first quarter of 2022, following the acquisition of the claims, communications were initiated with local Indigenous communities prior to planning 2022 work programs at Kendal.

During the third quarter of 2022, the Company conducted project evaluations at Kendal, including preliminary field assessments, geological mapping, and targeted rock and soil geochemistry.

7.6 Ping (Fraser-Fort George Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Ping property, which it acquired by way of staking. At December 31, 2022, Ping was comprised of five mineral claims totalling approximately 4,803 hectares located in south central British Columbia approximately 50 km northwest of Prince George.

During the year ended December 31, 2022, the Company expended $8,404 in acquisition costs (2021: $nil) and $59,550 in exploration costs (2021: $nil) on Ping. As at December 31, 2022, total acquisition and exploration expenditures recorded on Ping was $67,954 (2021: $nil).

About the Ping Property

The Ping Project, situated in the central British Columbia, in the northern Cariboo region, covers a strategic land position of 4,803 hectares underlain by geology of the Quesnel Terrane. Regional geological mapping situates the Ping Project on the western boundary of the Takla volcanics, which hosts multiple copper porphyry systems in BC. Previous exploration conducted on the property includes MMI (Mobile Metal Ion) soil geochemistry, an extensive aeromagnetic survey, and IP geophysics. The Company has compiled data from these surveys and has identified multiple targets that may represent copper porphyry intrusive rocks.

2022 Work Program - Ping

During the first quarter of 2022, following the acquisition of the Ping mineral claims, communications were initiated with local Indigenous communities prior to planning 2022 work programs at Ping.

During the third quarter of 2022, the Company conducted project evaluations at Ping, including a preliminary field assessment, which indicated extensive overburden cover. Subsequently, the Company has engaged Fathom Geophysics to compile and fully assess aeromagnetic data from the 2007 survey and IP data collected in 2008 and 2011 to identify exploration targets for further investigation.

7.7 Lou (British Columbia)

Lou was acquired by staking and was comprised one mineral claim totalling 1,508 hectares located in South Central British Columbia. The Company elected not to maintain the claim and accordingly $2,640 in acquisition costs and $909 in exploration costs were written off during the year ended December 31, 2022.

7.8 Scraper Springs (Elko County, Nevada)

The Company holds a 100% interest in the Scraper Springs property, which at December 31, 2022 was comprised of 190 mineral claims totalling approximately 1,589 hectares located in Elko County, Nevada. The property was originally acquired pursuant to a property purchase and sale agreement dated February 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The Company has staked additional claims on federal Bureau of Land Management ("BLM") land to expand the property.

During the year ended December 31, 2022, the Company expended $50,378 in acquisition costs (2021: $168,750) and $38,979 in exploration costs (2021: $106,584) on Scraper Springs. As at December 31, 2022, total acquisition and exploration expenditures recorded on Scraper Springs was $389,012 (2021: $276,618).

About the Scraper Springs Property

The Scraper Springs Project occurs at the northernmost exposure of Paleozoic rocks in the north-central Nevada Carlin Trend in Elko County, Nevada. Scraper Springs is interpreted to host high temperature alteration minerology overlying a potential porphyry mineralizing system at depth. A deep IP survey conducted by Red Canyon has identified a large chargeability feature at depth that could represent a mineralized copper porphyry system.

2022 Work Program – Scraper Springs

Historical data from Scraper Springs was organized, digitized and compiled by Red Canyon personnel.

7.9 Keg (Juab County, Utah)

The Company holds a 100% interest in the Keg property, which at December 31, 2022 was comprised of 63 mineral claims on BLM land and two Utah State leased sections totalling approximately 1,049 hectares located in Juab County, Utah. The property was acquired pursuant to a property purchase and sale agreement dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty.

During the year ended December 31, 2022, the Company expended $15,452 in acquisition costs (2021: $118,867) and $117 in exploration costs (2021: $nil) on Keg. As at December 31, 2022, total acquisition and exploration expenditures recorded on Keg was $143,179 (2021: $118,867).

About the Keg Property

The Keg Property is located in Juab County, 100 kilometres south of Salt Lake City, in central Utah's Great Basin. The property is considered to have potential for porphyry copper and related skarn mineralization. Previous work includes geological mapping and sampling and airborne and surface geophysical surveys.

No work was completed on the Keg property in 2022.

7.10 Qualified Person

The scientific and technical information contained in this document has been reviewed and approved by Wendell Zerb, P. Geol, a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

8. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q4 Dec 31, 2022 $	Q3 Sep 30, 2022 $	Q2 Jun 30, 2022 $	Q1 Mar 31, 2022 $
Total revenue	-	-	-	-
Net income (loss) for the period	(134,834)	(2,045)	(42,497)	(79,503)
Comprehensive income (loss) for the period	(135,084)	(3,819)	(43,628)	(78,955)
Net income (loss) per share, basic	(0.005)	(0.000)	(0.002)	(0.003)
Net income (loss) per share, diluted	(0.005)	(0.000)	(0.002)	(0.003)

	Q4 Dec 31, 2021 $	Q3 Sep 30, 2021 $	Q2 Jun 30, 2021 $	Q1 Mar 31, 2021 $
Total revenue	-	-	-	-
Net income (loss) for the period	(245,641)	(22,779)	(42,099)	(29,959)

Comprehensive income (loss) for the period	(245,742)	(23,143)	(41,993)	(29,899)
Net income (loss) per share, basic	(0.011)	(0.001)	(0.003)	(0.002)
Net income (loss) per share, diluted	(0.011)	(0.001)	(0.003)	(0.002)

8.1 Total Revenue

Because the Company is in the exploration stage, it did not earn any significant revenue.

8.2 Earnings (Loss) for the Period

The following table presents selected financial data for the Company's eight most recently completed fiscal quarters that helps to explain significant contributions to the variance in losses across each period.

	Q4 Dec 31, 2022 $	Q3 Sep 30, 2022 $	Q2 Jun 30, 2022 $	Q1 Mar 31, 2022 $
Expenses				
Accounting and audit	50,229	2,105	317	3,700
Depreciation	94	95	94	95
Employee costs	59,646	23,190	36,449	40,959
Filing fees	1,737	-	-	750
General exploration	6,626	9,960	17,312	22,101
Investor communication	41	-	191	310
Legal	398	5	250	731
Office	6,523	5,222	3,914	3,072
Travel	12	119	2,190	-
Total expenses	(125,306)	(40,696)	(60,717)	(71,718)
Other items				
Finance income	1,143	1,369	675	290
Foreign exchange	(7,122)	37,282	17,545	(8,075)
Impairment of E&EA	(3,549)	-	-	-
	(9,528)	38,651	18,220	(7,785)
Net loss for the period	(134,834)	(2,045)	(42,497)	(79,503)

	Q4 Dec 31, 2021 $	Q3 Sep 30, 2021 $	Q2 Jun 30, 2021 $	Q1 Mar 31, 2021 $
Expenses				
Accounting and audit	28,227	-	-	-
Depreciation	66	-	-	-
Employee costs	208,649	27,564	25,500	25,500
Filing fees	276	43	-	500
General exploration	1,082	37	7,954	3,568
Investor communication	1	124	3,450	100
Legal	485	379	909	-
Office	3,433	1,279	894	184
Travel	10	-	-	-
Total expenses	(242,229)	(29,426)	(38,707)	(29,852)
Other items				
Finance income	2	3	-	-
Foreign exchange	(3,414)	6,644	(3,392)	(107)
	(3,412)	6,647	(3,392)	(107)

Net loss for the period	(245,641)	(22,779)	(42,099)	(29,959)

The factors that have caused variations over the quarters are explained as follows.

Accounting and audit fees in the fourth quarters of 2022 and 2021 include provisions of $50,205 and $26,908 respectively for preparation of the Company's year end audit and income tax returns.

Employee costs consist of consulting fees, management fees, salaries and benefits and share-based payments expense. Share-based payments expense of $30,482 and $164,948 were recorded during the fourth quarters of 2022 and 2021 respectively for the grant of incentive stock options.

General exploration expenses consist of expenditures for project generation and are a function of opportunities rather than seasonality.

Office expenses increased steadily over the eight quarters to support growing operations.

Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary and are dependent on fluctuation of exchange rates.

Impairment of exploration and evaluation assets of $3,549 recorded in the fourth quarter of 2022 relates to abandonment of the Lou property.

9. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management has been successful in raising equity financing in the past. However, there is no assurance that it will be able to do so in the future.

Factors that could impact on the Company's liquidity are monitored regularly and include market changes, copper price changes, and economic upturns or downturns that affect the market price of the Company's securities for the purposes of raising financing. World economic and geopolitical events and resulting inflation has created uncertainty in the equity and commodity markets, which makes it a challenge to raise financing. Management believes that this condition will continue over the next twelve months.

Cash was $269,396 at December 31, 2022 (2021: $783,311). Restricted cash was $20,210 at December 31, 2022 (2021: $5,005) and consists of a savings account held at a financial institution as security against a company credit card.

Amounts and other receivable consist of GST input tax credits and office expense recoveries. Prepaid expenses were recorded for ordinary operating expenses.

Current liabilities total $229,970 at December 31, 2022 compared to $76,214 at December 31, 2022. Current liabilities consist of trade payables and includes $130,218 owing to related parties for accrued salary at December 31, 2022 (2021: $23,683).

Working capital surplus was $75,078 at December 31, 2022 compared to a surplus of $721,464 at December 31, 2021.

The Company has no debt or debt arrangements.

Based on the financial condition at December 31, 2022, the Company will need to raise additional equity financing or secure a joint venture partner in order to execute its planned exploration and evaluation activities.

Subsequent to year end, between March and July 2023, the Company completed the following private placements:

- Gross proceeds of $1,148,752 from the sale of 5,221,600 units (each unit comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable into an additional common share at a price of $0.40 for a two year term) priced at $0.22;

- Gross proceeds of $315,705 from the sale of 956,682 flow-through units (each flow-through unit comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable into an additional common share at a price of $0.40 for a two year term) priced at $0.33; and

- Gross proceeds of $976,000 from the sale of 2,772,727 charity flow-through units (each charity flow-through unit comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable into an additional common share at a price of $0.40 for a two year term) priced at $0.352.

The proceeds are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares. The Company is committed to renounce $1,291,668 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

10. CAPITAL RESOURCES

The Company does not have any commitments for capital expenditures. The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

11. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

12. TRANSACTIONS BETWEEN RELATED PARTIES

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

12.1 Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	2022 $	2021 $
Short-term employee benefits and director fees	159,600	16,545
Share-based payments	-	69,048
	159,600	85,593

The Company has entered into a Management Agreement with Wendell Zerb, the Chairman, President and Chief Executive Officer (the "CEO") effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the Agreement without Cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for Good Cause during the first two years of the Agreement; (iv) eighteen times the monthly compensation if the CEO resigns for Good Cause during the third or any subsequent year of the Agreement; and (v) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CEO resigns with or without Good Cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company's exploration properties or the creation of a new or spin-off company, he will be awarded a Special Bonus in the amount of 0.5% of the sale of any of the Company's exploration properties or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company's issued and outstanding common shares, he will be awarded a Special Bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level. During the year ended December 31, 2022, the Company recorded $129,600 (2021: $12,545) in fees payable to the CEO.

The Company has entered into an Employment Agreement with Sandra Wong, the Chief Financial Officer and Corporate Secretary (the "CFO") effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CFO will receive a monthly salary of $2,500 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause; (ii) three months of compensation in the event the CFO resigns for Good Cause; and (iii) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CFO resigns with or without Good Cause, within twelve months following a change of control of the Company. During the year ended December 31, 2022, the Company recorded $30,000 (2021: $4,000) in fees payable to the CFO.

Wendell Zerb, Caleb Stroup and Alistair Waddell are officers and/or directors of the Company and are also directors and shareholders of NewQuest Capital Inc., which holds a 25.61% interest in the Company. Sandra Wong is CFO and Corporate Secretary of the Company and is also CFO, Corporate Secretary and a shareholder of NewQuest.

During the year ended December 31, 2022, the Company recorded $30,000 in consulting fees payable to NewQuest pursuant to a Contract for Services for a six month term from January 1, 2022 to June 30, 2022 for compensation of $5,000 per month. During the year ended December 31, 2021, the Company recorded $102,000 in consulting fees payable to NewQuest pursuant to a Contract for Services for a twelve month term from January 1, 2021 to December 31, 2021 for compensation of $8,500 per month.

12.2 Private Placements

In connection with a private placement that closed on April 9, 2021, two insiders of the Company purchased a total of 200,000 common shares for total proceeds of $20,000. Zerb and Cecil Bond ("Bond") each purchased 100,000 shares. The terms and conditions offered to the related parties in this transaction are identical to those offered to non-related common shareholders.

In connection with a private placement that closed on November 19, 2021, Wong purchased a total of 100,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with a private placement that closed on December 16, 2021, three insiders of the Company purchased a total of 300,000 common shares for total proceeds of $60,000. NewQuest and Zerb's spouse each purchased 100,000 shares and Kosonen and Bond's spouse each purchased 50,000 shares. The terms and conditions offered to the related parties in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on January 14, 2022, Waddell Consulting Inc., a company owned by Alistair Waddell, a director of the Company, purchased a total of 50,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

12.3 Property Purchase Agreements

On February 22, 2021, the Company purchased the Scraper Springs property from NewQuest for $100,000.

On March 22, 2021, the Company purchased the Keg property from NewQuest for $100,000.

12.4 Due to Related Parties

As at December 31, 2022, the Company has $130,218 (2021: $23,683) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees, advances and expense reimbursements, which is due on demand, unsecured and is non-interest bearing. The amounts due to related parties are payable to the following:

	2022 $	2021 $
Wendell Zerb, President, Chairman, CEO, Director	129,776	18,823
Sandra Wong, CFO and Corporate Secretary	-	4,127
NewQuest, significant shareholder and common directors	442	734
	130,218	23,683

13. FOURTH QUARTER

See Sections 3.3 and 3.4 above.

14. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential joint venture partners, mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions other than disclosed in this Report. Other than disclosed in this Management's Discussion and Analysis, the Company does not have any proposed transactions.

15. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

Other than disclosed in this Management's Discussion and Analysis, the Company does not have any commitments, expected or unexpected events, or uncertainties.

16. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

Not applicable because there has not been any previous disclosure.

17. CHANGES IN ACCOUNTING POLICES INCLUDING INITIAL ADOPTION

A number of new or amended accounting standards were scheduled for mandatory adoption on or after January 1, 2022. The Company has not early adopted these new standards in preparing the Financial Statements. These new standards are either not applicable or are not expected to have a material impact on the Company's Financial Statements.

18. KNOWN TRENDS, RISKS OR DEMANDS

Credit risk

Credit risk is the risk of an unexpected loss associated with a counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash with high credit chartered Canadian financial institutions. As at December 31, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its trade and other payables. The Company has a working capital surplus of $75,078 as at December 31, 2022 and requires additional financing for operations and to meet its current obligations, which it raised subsequent to yearend. The Company handles its liquidity risk through the management of its capital structure as described in Note 11 of the Financial Statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no variable interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in copper and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

- Currency risk

  Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. A portion of the Company's exploration property expenditures will be incurred in United States dollars.

19. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at October 12, 2023, the Company has 34,937,459 common shares issued and outstanding.

As at October 12, 2023, the Company has 2,800,000 stock options outstanding.

As at October 12, 2023, the Company has 4,563,200 warrants outstanding.

20. BOARD OF DIRECTORS AND OFFICERS

The directors of the Company are Cecil R. Bond, Lauren Roberts, Caleb Stroup, Alistair Waddell and Wendell Zerb.

The officers of the Company are Wendell Zerb (Chairman, President and Chief Executive Officer and Sandra Wong (Chief Financial Officer and Corporate Secretary).

21. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion & Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the year ended December 31, 2022. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

22. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying Financial Statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the Financial Statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the Financial Statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and two of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the Financial Statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the Financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors.

RED CANYON RESOURCES LTD.

Wendell Zerb

Chairman, President and Chief Executive Officer

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RED CANYON RESOURCES LTD.

INTERIM MD&A – QUARTERLY HIGHLIGHTS
FOR THE SIX MONTHS ENDED JUNE 30, 2023

The following interim MD&A – Quarterly Highlights of the financial position of Red Canyon Resources Ltd. ("the Company") and results of operations of the Company should be read in conjunction with the unaudited condensed interim consolidated financial statements including the notes thereto for the period ending June 30, 2023 and the audited consolidated financial statements for the year ending December 31, 2022.

The accompanying unaudited condensed interim consolidated financial statements and related notes are presented in accordance with International Financial Reporting Standards for interim financial statements and accordingly do not include all disclosures required for annual financial statements. These statements, together with the following interim MD&A – Quarterly Highlights dated **October 12, 2023** ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the interim MD&A – quarterly highlights may contain forward-looking statements.

These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

Economic and industry factors are substantially unchanged with respect to a comparison of the Company's interim consolidated financial condition to the consolidated financial condition as at the most recently completed financial year end.

1. CORE BUSINESS

Red Canyon Resources Ltd. ("Red Canyon" or the "Company") was incorporated on October 2, 2020 under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets in North America. The address of the Company's corporate office and its principal place of business is Suite 1210 – 1130 West Pender Street, Vancouver, British Columbia, Canada.

The Company has one wholly owned subsidiary: RC Metals Inc. The accounts of the subsidiary are consolidated with the Company.

The Company is focused on mineral exploration in British Columbia and the western United States. As of June 30, 2023, the Company held 100% interest in five copper related properties in British Columbia, a copper-gold-molybdenum property in Nevada, and a copper-gold property in Utah as follows:

- British Columbia – **Peak** (Cariboo Regional District), **SP** (Cariboo Regional District), **Kendal** (Kitimat-Stikine Regional District), **Ping** (Fraser-Fort George Regional District), **Hatter** (Thompson-Nicola Regional District);
- Nevada – **Scraper Springs** (Elko County); and
- Utah – **Keg** (Juab County).

Subsequent to period end, the Company acquired 100% interest in the Cooper copper property in the Cariboo Regional District of British Columbia.

See Section 7.1 "Exploration and Evaluation Activities" below for a description of the properties and the work programs.

2. FINANCIAL CONDITION

As at June 30, 2023, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a net loss of $178,432 for the six months ended June 30, 2023 (2022: $122,000) and, as of that date, the Company had an accumulated deficit of $781,610. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company had a working capital surplus of $1,600,060 at June 30, 2023 (December 31, 2022: $75,078) which includes a flow-through premium liability of $471,235 that will be extinguished when the Company incurs eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

Cash was $2,149,202 at June 30, 2023 (December 31, 2022: $269,396). Restricted cash was $20,000 at June 30, 2023 (December 31, 2022: $20,210) and consists of a savings account held at a financial institution as security against a company credit card. The Company's sources and uses of cash are discussed in Section 4 "Cash Flows" below.

Amounts and other receivable of $14,618 at June 30, 2023 (December 31, 2022: $11,868) consist of GST input tax credits and expense recovery.

Prepaid expenses of $3,187 at June 30, 2023 (December 31, 2022: $3,296) include normal operating expenses.

Equipment of $4,196 at June 30, 2023 (December 31, 2022: $883) consists of computer and field equipment.

Exploration and evaluation assets of $1,148,922 at June 30, 2023 (December 31, 2022: $1,015,386) consist of acquisition and exploration expenditures on the Company's mineral properties and are discussed in Section 7 "Exploration and Evaluation Activities" below.

Trade and other payables were $115,712 at June 30, 2023 (December 31, 2022: $229,970). Trade and other payables are unsecured and are usually paid within 30 days of recognition. Included in trade and other payables is $1,657 (December 31, 2022: $130,218) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements.

Flow-through premium liability of $471,235 will be extinguished when the Company incurs eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

3. FINANCIAL PERFORMANCE

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with current exploration activities being conducted in both Canada and the United States.

Because the Company is in the exploration stage, it did not earn any revenue from production and its expenses relate to the costs of operating a private company of its size. Net loss for the six months ended June 30, 2023 was $178,432 and comprehensive loss after cumulative translation adjustment was $177,074 or $0.01 per share, compared to a net loss of $122,000 and comprehensive loss of $122,583 for the six months ended June 30, 2022 or $0.00 per share. Net loss for the three months ended June 30, 2023 was $113,182 and comprehensive loss after cumulative translation adjustment was $111,859 or $0.00 per share, compared to a net loss of $42,497 and comprehensive loss of $43,628 for the three months ended June 30, 2022 or $0.00 per share.

3.1 Total expenses for the six months ended June 30, 2023

Total expenses for the six months ended June 30, 2023 were $172,127 compared to total expenses of $132,435 for the six months ended June 30, 2022.

Accounting and audit fees were $1,525 for the six months ended June 30, 2023 compared to $4,017 in expenses recorded in the 2022 comparative period, and include accounting, administrative fees and tax return preparation.

Employee costs were $120,702 for the six months ended June 30, 2023 compared to $77,408 in employee costs recorded in the 2022 comparative period. Employee costs consist of consulting fees, management, salaries and benefits and share-based payments. The following is a breakdown of material components of the Company's employee costs for the six months ended June 30, 2023 and 2022.

	Six months ended June 30, 2023 $	Six months ended June 30, 2022 $
Consulting fees	640	29,653
Management	42,723	17,922
Salaries and benefits	40,032	29,833
Share-based payments	37,307	-
	120,702	77,408

Consulting fees include payments for administrative, corporate, technical and geological services and advisors. During the six months ended June 30, 2022, NewQuest Capital Inc. ("NewQuest", a significant shareholder of the Company) was paid $30,000 in strategic consulting fees. (See Section 12 "Transactions Between Related Parties" below).

Management expenses consist of salary allocations paid to the CEO and CFO of the Company.

Salaries and benefits consist of salaries paid to the officers and employees of the Canadian head office.

Share-based payments of $37,307 for the six months ended June 30, 2023 (2022: $nil) represent 250,000 stock options granted and vested during the period.

Depreciation expense on computer and field equipment was $191 for the six months ended June 30, 2023 (2022: $189).

Filing fees were $2,318 for the six months ended June 30, 2023 compared to $750 in filing fees recorded for the 2022 comparative period and consist largely of reports of exempt distribution for share issuances.

General exploration expenses were $24,236 for the six months ended June 30, 2023 compared to $39,413 in general exploration expenses recorded for the 2022 comparative period. General exploration expenses include project generation costs.

Investor communication expenses were $942 for the six months ended June 30, 2023 compared to $501 in expenses incurred during the 2022 comparative period, and consist of advertising, attendance at trade shows and conferences and website maintenance.

Legal fees were $1,465 for the six months ended June 30, 2023 compared to $981 in legal fees recorded for the 2022 comparative period. Legal fees consist of general corporate and commercial matters.

Office expenses were $15,660 for the six months ended June 30, 2023 compared to $6,986 in expenses recorded for the 2022 comparative period. Office expenses increased to support the Company's active and growing operations. The following is a breakdown of the Company's office expenses for the six months ended June 30, 2023 and 2022.

	Six months ended June 30, 2023 $	**Six months ended June 30, 2022 $**
Bank charges and interest	883	639
IT and web	3,585	1,514
Meals and entertainment	1,602	1,843
Office supplies and expenses	2,912	2,813
Rent	6,000	-
Telephone	678	177
	15,660	6,986

Travel expenses were $5,088 for the six months ended June 30, 2023 compared to $2,190 in expenses recorded for the 2022 comparative period. Travel includes attendance at trade shows and conferences.

3.2 Total other income and expenses for the six months ended June 30, 2023

Finance income of $12,428 recorded during the six months ended June 30, 2023 (2022: $965) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary.

3.3 Total expenses for the three months ended June 30, 2023

Total expenses for the three months ended June 30, 2023 were $106,170 compared to total expenses of $60,717 for the 2022 comparative period.

Employee costs were $82,680 for the three months ended June 30, 2023 compared to $36,449 in employee costs recorded in the 2022 comparative period. Employee costs consist of consulting fees, management, salaries and benefits and share-based payments. The following is a breakdown of material components of the Company's employee costs for the periods ended June 30, 2023 and 2022.

	Three months ended June 30, 2023 $	**Three months ended June 30, 2022 $**
Consulting fees	376	15,153
Management	20,331	8,882
Salaries and benefits	24,666	12,414
Share-based payments	37,307	-
	82,680	36,449

Consulting fees include payments for administrative and corporate services and advisors. NewQuest was paid $nil (2022: $15,000) in strategic consulting fees during the three months ended June 30, 2023. (See Section 12 "Transactions Between Related Parties" below).

Management expenses consist of salary allocations paid to the CEO and CFO of the Company.

Salaries and benefits consist of salaries paid to the officers and employees of the Canadian head office.

Share-based payments of $37,307 for the three months ended June 30, 2023 (2022: $nil) represent 250,000 stock options granted and vested during the period.

Depreciation expense on computer and field equipment was $124 for the three months ended June 30, 2023 (2022: $94).

Filing fees were $2,318 for the three months ended June 30, 2023 compared to $nil in filing fees recorded for the 2022 comparative period and consist largely of report of exempt distribution filings.

General exploration expenses were $9,157 for the three months ended June 30, 2023 compared to $17,312 in general exploration expenses recorded for the 2022 comparative period. General exploration expenses include project generation costs.

Legal fees were $1,465 for the three months ended June 30, 2023 compared to $250 in legal fees recorded for the 2022 comparative period. Legal fees consist of general corporate and commercial matters.

Office expenses were $8,175 for the three months ended June 30, 2023 compared to $3,914 in expenses recorded for the 2022 comparative period. The following is a breakdown of the Company's office expenses for the periods ended June 30, 2023 and 2022.

	Three months ended June 30, 2023 $	**Three months ended June 30, 2022 $**
Bank charges and interest	603	395
IT and web	1,853	882
Meals and entertainment	781	758
Office supplies and expenses	1,623	1,777
Rent	3,000	-
Telephone	315	102
	8,175	3,914

3.4 Total other income and expenses for the three months ended June 30, 2023

Finance income of $11,274 recorded during the three months ended June 30, 2023 (2022: $675) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary.

4. CASH FLOWS

The Company is still in the exploration and evaluation stage and as such does not earn any significant revenue from production. Total cash used in operating activities was $166,925 for the six months ended June 30, 2023 compared to cash used of $131,153 during the 2022 comparative period. The Company incurred net loss of $178,432 with adjustments to add back items not involving cash (depreciation, foreign exchange, and share-based payments) and adjustments for non-cash working capital items (amounts receivable, prepaid expenses, trade and other payables) to calculate the cash used in operating activities.

Total cash flows used in investing activities was $346,424 during the six months ended June 30, 2023 (2022: $138,367) and consist of expenditures on exploration and evaluation assets.

Total cash flows provided by financing activities was $2,393,111 during the six months ended June 30, 2023 and include $2,430,865 in proceeds from share issuances less $37,754 in share issuance costs. Cash flows provided by financing activities was $120,000 for the 2022 comparative period and consisted of $120,000 in proceeds from share issuances.

5. SELECTED ANNUAL INFORMATION

N/A

6. MAJOR OPERATING MILESTONES

6.1 Period from January 1 to June 30, 2023

In January 2023, the Company expanded the Ping property by staking an additional mineral claim totalling 606 hectares.

On March 31, 2023, the Company raised gross proceeds of $539,000 through the issuance of 2,450,000 units priced at $0.22 (each, a "Unit"). Each Unit is comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Units was allocated to the warrants. Finder's fees of $10,758 and 48,900 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $536,690 through the issuance of 2,439,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $2,501 and 11,370 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $282,705 through the issuance of 856,682 flow-through units priced at $0.33 (each, a "FT Unit"). Each FT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the FT Units was allocated to the warrants. Finder's fees of $7,989 and 24,210 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing. The Company recorded a flow-through premium liability of $94,235.

The flow-through proceeds are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

On May 4, 2023, the Company raised gross proceeds of $976,000 through the issuance of 2,772,727 charity flow-through units priced at $0.352 (each, a "CFT Unit"). Each CFT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the CFT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $366,000.

In connection with the CFT Unit Offering closed on May 4, 2023, the Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

On May 5, 2023, the Company raised gross proceeds of $63,470 through the issuance of 288,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $1,398 and 2,400 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On May 5, 2023, the Company raised gross proceeds of $33,000 through the issuance of 100,000 FT Units priced at $0.33. $Nil of the FT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $11,000.

In connection with the FT Unit Offering closed on April 25, 2023 and May 5, 2023, the Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

In May 2023, the Company expanded the Peak property by staking an additional three mineral claims totalling 1,086 hectares.

On June 1, 2023, Lauren Roberts was appointed as a director of the Company to replace Tero Kosonen, who resigned from the role and transitioned to a corporate advisor to the Company.

On June 1, 2023, 250,000 stock options exercisable at $0.22 per share for a five year term were granted to a director and an employee. The options vested immediately.

In June 2023, the Company received a Mines Act permit to conduct exploration activities on the Kendal project.

6.2 Period from July 1, 2023 to the Date of this Report

On July 10, 2023, the Company raised gross proceeds of $9,592 through the issuance of 43,600 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $180 and 816 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

In July 2023, the Company received a Mines Act permit to conduct exploration activities on the Ping project.

On August 3, 2023, the Company acquired a 100% royalty free interest in the Cooper property by way of staking. Cooper is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the community of 100 Mile House.

In August 2023, the Company received Mines Act permits to conduct exploration activities on the Peak and SP projects.

7. Exploration and Evaluation Activities

7.1 Exploration and Evaluation Activities for the Six Months Ended June 30, 2023

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $1,148,922 as at June 30, 2023 (June 30, 2022: $642,498).

Total costs incurred on exploration and evaluation assets for the six months ended June 30, 2023 and 2022 are summarized as follows:

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2021	12,916	169,396	118,867	301,179
Additions	23,137	6,274	1,621	31,032
Foreign exchange	-	2,838	1,979	4,817
Balance, June 30, 2022	36,053	178,508	122,467	337,028
Exploration costs				
Balance, December 31, 2021	48,461	107,222	-	155,683
Additions				
Administration	22,763	-	-	22,763
Geology	83,394	19,931	-	103,325
Mapping and sampling	3,265	11,212	-	14,477
Project manager	20,060	-	-	20,060
Technical review	-	1,436	-	1,436
BC Mineral Exploration Tax Credit	(14,538)	-	-	(14,538)
	114,944	32,579	-	147,523
Foreign exchange	-	2,264	-	2,264
Balance, June 30, 2022	163,405	142,065	-	305,470
Total acquisition costs and exploration expenditures				
June 30, 2022	199,458	320,573	122,467	642,498

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2022	33,611	233,248	143,058	409,917
Additions	2,961	-	1,731	4,692
Foreign exchange	-	(5,235)	(3,248)	(8,483)
Balance, June 30, 2023	36,572	228,013	141,541	406,126
Exploration costs				

Balance, December 31, 2022	449,584	155,764	121	605,469
Additions				
Drilling	-	5,525	-	5,525
Geology	87,516	14,362	9,079	110,957
Mapping and sampling	4,356	-	-	4,356
Project manager	18,826	-	-	18,826
Reports	1,600	-	-	1,600
	112,298	19,887	9,079	141,264
Foreign exchange	-	(3,804)	(133)	(3,937)
Balance, June 30, 2023	561,882	171,847	9,067	742,796
Total acquisition costs and exploration expenditures				
June 30, 2023	598,454	399,860	150,608	1,148,922

7.2 Peak (Cariboo Regional District, British Columbia)

As at June 30, 2023, Peak was comprised of 15 mineral claims totalling 6,718 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired 14 of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time.

During the six months ended June 30, 2023, the Company expended $1,901 in acquisition costs (2022: $4,066) and $30,804 in exploration costs (2022: $94,522) on Peak. During the six months ended June 30, 2022, the Company received a British Columbia Mining Exploration Tax Credit ("METC") of $3,408 which reduced the carrying value of the Peak Property. As at June 30, 2023, total acquisition and exploration expenditures recorded on Peak was $311,719 (2022: $112,870).

About the Peak Property

The Peak Project, located in the South Cariboo region in south-central British Columbia, covers a strategic land position of 6,718 hectares underlain by geology of the Quesnel Terrane. The project area covers a 15 km trend of the Pinchi fault, a regional northwest-trending structure associated with multiple copper-gold deposits. Previous exploration completed on the property includes local geological mapping, soil and rock geochemistry, airborne and ground-based magnetic surveys, Induced Polarization (IP) geophysical surveys, and limited diamond drilling.

Large scale soil geochemical programs conducted by the Company have identified areas considered to be highly anomalous in copper and other related elements. In addition, Peak hosts multiple magnetic features that could be related to copper porphyry deposits found elsewhere in BC. At Peak Central, surface grab samples of porphyritic rocks have assayed over 2% copper.

2023 Work Program - Peak

Work completed during the period ended June 30, 2023 includes significant reprocessing of existing airborne and drone magnetic data completed to better characterize and prioritize magnetic anomalies, particularly in the area covered by the 2022 geochemical and geological work. These surveys were successful in delineating targets for potential drill testing later this year.

7.3 SP (Cariboo Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the SP property, which it acquired by way of staking. At June 30, 2023, SP was comprised of four mineral claims totalling approximately 3,763 hectares located in south central British Columbia approximately 50 km northeast of Williams Lake.

During the six months ended June 30, 2023, the Company expended $nil in acquisition costs (2022: $nil) and $7,275 in exploration costs (2022: $2,760) on SP. The Company received a British Columbia METC of $11,130 which reduced the carrying value of the SP Property. As at June 30, 2023, total acquisition and exploration expenditures recorded on SP was $47,964 (2022: $35,317).

About the SP Property

The SP Project located in the South Cariboo region in the south-central British Columbia covers a strategic land position of 3,763 hectares underlain by geology of the Quesnel Terrane. The Project area is located 6 km southwest of the Mount Polley copper-gold mine within geologically similar rocks. Previous exploration at SP has identified areas of anomalous copper and gold soil geochemistry, coincident with large magnetic highs that may indicate the presence of porphyry-related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2023 Work Program - SP

Work completed during the period ended June 30, 2023 includes reprocessing of existing airborne magnetic data completed to better characterize and prioritize magnetic anomalies associated with historical geochemically anomalous soil samples and an interpreted cross trend structure.

7.4 Hatter (Thompson-Nicola Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Hatter property, which it acquired by way of staking. At June 30, 2023, Hatter was comprised of three mineral claims totalling approximately 1,849 hectares located in south central British Columbia approximately 20 km south of Merritt, BC.

During the six months ended June 30, 2023, the Company expended $nil in acquisition costs (2022: $nil) and $6,567 in exploration costs (2022: $6,024) on Hatter. As at June 30, 2023, total acquisition and exploration expenditures recorded on Hatter was $34,070 (2022: $9,260).

About the Hatter Property

The Hatter Project in south-central British Columbia represents a strategic land position including three mineral claims covering 1,849 hectares underlain by Quesnel Terrane rocks. Nicola Group rocks, which host neighbouring alkalic porphyry systems at the Copper Mountain and New Afton copper-gold mines, underlie the Hatter claims. The Hatter Project hosts anomalous copper in soils and in rock grab samples, coincident with large magnetic highs that may indicate the presence of porphyry related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2023 Work Program - Hatter

Exploration expenditures during the period ended June 30, 2023 consist of geological review by the exploration manager, geologists and field techs.

7.5 Kendal (Kitimat-Stikine Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Kendal property, which it acquired by way of staking. At June 30, 2023, Kendal was comprised of five mineral claims totalling approximately 2,738 hectares located in west central British Columbia approximately 25 km northeast of Terrace.

During the six months ended June 30, 2023, the Company expended $nil in acquisition costs (2022: $nil) and $38,197 in exploration costs (2022: $7,849) on Kendal. As at June 30, 2023, total acquisition and exploration expenditures recorded on Kendal was $106,232 (2022: $12,641).

About the Kendal Property

The Kendal Project is located in west central BC, within the geology of the Stikine Terrane. The Company controls a strategic land position totaling 2,738 hectares. The area is underlain by Jurassic Hazelton Group volcanic rocks that are intruded by stocks and dykes of the Cretaceous to Tertiary Coast Plutonic Complex. A 2,300 metre by 1,000 metre, east-west trending gossan zone locally hosts copper and molybdenite mineralization. This area of interest may represent a large zone of phyllic alteration that could occur as part of a calc-alkaline copper system.

2023 Work Program - Kendal

In June 2023, Precision Geosurveys Inc. completed a 213-line kilometre airborne magnetic and radiometric survey at Kendal.

7.6 Ping (Fraser-Fort George Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Ping property, which it acquired by way of staking. At June 30, 2023, Ping was comprised of six mineral claims totalling approximately 5,408 hectares located in south central British Columbia approximately 50 km northwest of Prince George.

During the six months ended June 30, 2023, the Company expended $1,060 in acquisition costs (2022: $8,404) and $29,455 in exploration costs (2022: $17,467) on Ping. As at June 30, 2023, total acquisition and exploration expenditures recorded on Ping was $98,469 (2022: $25,871).

About the Ping Property

The Ping Project, situated in the central British Columbia, in the northern Cariboo region, covers a strategic land position of 5,408 hectares underlain by geology of the Quesnel Terrane. Regional geological mapping situates the Ping Project on the western boundary of the Takla volcanics, which hosts multiple copper porphyry systems in BC. Previous exploration conducted on the property includes MMI (Mobile Metal Ion) soil geochemistry, an extensive aeromagnetic survey, and IP geophysics. The Company has compiled data from these surveys and has identified multiple targets that may represent copper porphyry intrusive rocks.

2023 Work Program - Ping

During the period ended June 30, 2023, Fathom Geophysics (“Fathom”) reprocessed existing airborne and induced polarization (IP) data. Fathom completed magnetic inversion studies to better characterize and prioritize magnetic anomalies, and reviewed historical IP for porphyry related chargeability and resistivity features. Fathom also completed depth of till cover estimates.

7.7 Scraper Springs (Elko County, Nevada)

The Company holds a 100% interest in the Scraper Springs property, which at June 30, 2023 was comprised of 190 mineral claims totalling approximately 1,589 hectares located in Elko County, Nevada. The property was originally acquired pursuant to a property purchase and sale agreement dated February 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The Company has staked additional claims on federal Bureau of Land Management ("BLM") land to expand the property.

During the six months ended June 30, 2023, the Company expended $nil in acquisition costs (2022: $6,274) and $19,887 in exploration costs (2022: $32,579) on Scraper Springs. As at June 30, 2023, total acquisition and exploration expenditures recorded on Scraper Springs was $399,860 (2022: $320,573).

About the Scraper Springs Property

The Scraper Springs Project occurs at the northernmost exposure of Paleozoic rocks in the north-central Nevada Carlin Trend in Elko County, Nevada. Scraper Springs is interpreted to host high temperature alteration minerology overlying a potential porphyry mineralizing system at depth. A deep IP survey conducted by Red Canyon has identified a large chargeability feature at depth that could represent a mineralized copper porphyry system.

2023 Work Program – Scraper Springs

Exploration expenditures during the period ended June 30, 2023 consist of a site visit and geological review by geologists and field techs.

7.8 Keg (Juab County, Utah)

The Company holds a 100% interest in the Keg property, which at June 30, 2023 was comprised of 63 mineral claims on BLM land and two Utah State leased sections totalling approximately 1,049 hectares located in Juab County, Utah. The property was acquired pursuant to a property purchase and sale agreement dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty.

During the six months ended June 30, 2023, the Company expended $1,731 in acquisition costs (2022: $1,621) and $9,079 in exploration costs (2022: $nil) on Keg. As at June 30, 2023, total acquisition and exploration expenditures recorded on Keg was $150,608 (2022: $122,467).

About the Keg Property

The Keg Property is located in Juab County, 100 kilometres south of Salt Lake City, in central Utah's Great Basin. The property is considered to have potential for porphyry copper and related skarn mineralization. Previous work includes geological mapping and sampling and airborne and surface geophysical surveys.

2023 Work Program – Keg

Exploration expenditures during the period ended June 30, 2023 consist of a site visit and geological review by geologists and field techs.

7.9 Qualified Person

The scientific and technical information contained in this document has been reviewed and approved by Wendell Zerb, P. Geol, a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

8. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q2 Jun 30, 2023 $	Q1 Mar 31, 2023 $	Q4 Dec 31, 2022 $	Q3 Sep 30, 2022 $
Total revenue	-	-	-	-
Net income (loss) for the period	(113,182)	(65,250)	(134,834)	(2,045)
Comprehensive income (loss) for the period	(111,859)	(65,215)	(135,084)	(3,819)
Net income (loss) per share, basic	(0.003)	(0.003)	(0.005)	(0.000)
Net income (loss) per share, diluted	(0.003)	(0.003)	(0.005)	(0.000)

	Q2 Jun 30, 2022 $	Q1 Mar 31, 2022 $	Q4 Dec 31, 2021 $	Q3 Sep 30, 2021 $
Total revenue	-	-	-	-
Net income (loss) for the period	(42,497)	(79,503)	(245,641)	(22,779)
Comprehensive income (loss) for the period	(43,628)	(78,955)	(245,742)	(23,143)
Net income (loss) per share, basic	(0.002)	(0.003)	(0.011)	(0.001)
Net income (loss) per share, diluted	(0.002)	(0.003)	(0.011)	(0.001)

Because the Company is in the exploration stage, it did not earn any significant revenue.

Net losses of $113,182 for 2023 Q2, $134,834 for 2022 Q4 and $245,641 for 2021 Q4 are wider than the other periods, and the 2022 Q3 loss of $2,045 is more narrow. The factors that have caused variations over the quarters are explained as follows.

Accounting and audit fees in the fourth quarters of 2022 and 2021 include provisions of $50,205 and $26,908 respectively for preparation of the Company's year end audit and income tax returns.

Share-based payments expense for the grant of incentive stock options were $37,307 for the second quarter of 2023, $30,482 for the fourth quarter of 2022 and $164,948 for the fourth quarter of 2021.

A foreign exchange gain of $37,282 was recorded during the third quarter of 2022. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary and are dependent on fluctuation of exchange rates.

9. LIQUIDITY

The Company's condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management has been successful in raising equity financing in the past. However, there is no assurance that it will be able to do so in the future.

Factors that could impact on the Company's liquidity are monitored regularly and include market changes, copper price changes, and economic upturns or downturns that affect the market price of the Company's securities for the purposes of raising financing. World economic and geopolitical events and resulting inflation has created uncertainty in the equity and commodity markets, which makes it a challenge to raise financing. Management believes that this condition will continue over the next twelve months.

Cash was $2,149,202 at June 30, 2023 (2022: $269,396). Restricted cash was $20,000 at June 30, 2023 (2022: $20,210) and consists of a savings account held at a financial institution as security against a company credit card.

Amounts and other receivable consist of GST input tax credits and office expense recoveries. Prepaid expenses were recorded for ordinary operating expenses.

Current liabilities total $586,947 at June 30, 2023 compared to $229,970 at December 31, 2022. Current liabilities consist of trade payables and flow-through share premium of $471,235 that will be extinguished when the Company incurs eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

Working capital surplus was $1,600,060 at June 30, 2023 compared to a surplus of $75,078 at December 31, 2022.

The Company has no debt or debt arrangements.

Based on the consolidated financial condition at June 30, 2023, the Company can meet its financial obligations as they become due in the current fiscal year.

10. CAPITAL RESOURCES

The Company does not have any commitments for capital expenditures. The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

11. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

12. TRANSACTIONS BETWEEN RELATED PARTIES

12.1 Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	Six months ended June 30, 2023 $	Six months ended June 30, 2022 $
Short-term employee benefits and director fees	84,000	79,800
Share-based payments	22,384	-
	106,384	79,800

The Company has entered into a Management Agreement with Wendell Zerb, the Chairman, President and Chief Executive Officer (the "CEO") effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the Agreement without Cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for Good Cause during the first two years of the Agreement; (iv) eighteen times the monthly compensation if the CEO resigns for Good Cause during the third or any subsequent year of the Agreement; and (v) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CEO resigns with or without Good Cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company's exploration properties or the creation of a new or spin-off company, he will be awarded a Special Bonus in the amount of 0.5% of the sale of any of the Company's exploration properties or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company's issued and outstanding common shares, he will be awarded a Special Bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level. During the period ended June 30, 2023, the Company recorded $64,800 (2022: $64,800) in fees payable to the CEO, of which $32,400 (2022: $43,092) was capitalized to Exploration and Evaluation Assets in the Consolidated Statement of Financial Position and $nil (2022: $11,988) was expensed to General Exploration and $32,400 (2022: 9,720) was expensed to Management in the Consolidated Statement of Loss.

The Company has entered into an Employment Agreement with Sandra Wong, the Chief Financial Officer and Corporate Secretary (the "CFO") effective June 1, 2023 for no fixed term. As compensation for the services to be provided, the CFO will receive a monthly salary of $6,700 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause; (ii) three months of compensation in the event the CFO resigns for Good Cause; and (iii) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CFO resigns with or without Good Cause, within twelve months following a change of control of the Company. This Employment Agreement supersedes an Employment Agreement dated January 1, 2022 for the CFO to provide services for compensation of a monthly salary of $2,500. During the period ended June 30, 2023, the Company recorded $19,200 (2022: $15,000) in fees payable to the CFO, of which $9,600 (2022: $nil) was expensed to Management and $9,600 (2022: $15,000) was expensed to Salaries and Benefits in the Consolidated Statement of Loss.

Wendell Zerb, Caleb Stroup and Alistair Waddell are officers and/or directors of the Company and are also directors and shareholders of NewQuest Capital Inc., which holds a 25.61% interest in the Company. Sandra Wong is CFO and Corporate Secretary of the Company and is also CFO, Corporate Secretary and a shareholder of NewQuest.

During the year ended December 31, 2022, the Company recorded $30,000 in consulting fees payable to NewQuest pursuant to a Contract for Services for a six month term from January 1, 2022 to June 30, 2022 for compensation of $5,000 per month.

12.2 Private Placements

In connection with the private placement that closed on January 14, 2022, Waddell Consulting Inc., a company owned by Alistair Waddell, a director of the Company, purchased a total of 50,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on March 31, 2023, Wendell Zerb, the Chairman, President, CEO and a director of the Company, purchased a total of 100,000 Units for total proceeds of $22,000, and Lauren Roberts, a director of the Company, purchased a total of 200,000 Units for total proceeds of $44,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on April 25, 2023, Mr. Zerb purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placements that closed on May 5, 2023, NewQuest purchased a total of 80,000 Units for total proceeds of $17,600 and Cecil R. Bond, a director of the Company, purchased

100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

12.3 Due to Related Parties

As at June 30, 2023, the Company has $1,657 (December 31, 2022: $130,218) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements, which is due on demand, unsecured and is non-interest bearing. The amounts due to related parties are payable to the following:

	June 30, 2023 $	December 31, 2022 $
Wendell Zerb, President, Chairman, CEO, Director	302	129,776
NewQuest, significant shareholder and common directors	1,355	442
	1,657	130,218

13. FOURTH QUARTER

N/A

14. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential joint venture partners, mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions other than disclosed in this Report. Other than disclosed in this Report, the Company does not have any proposed transactions.

15. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

Other than disclosed in this Report, the Company does not have any commitments, expected or unexpected events, or uncertainties.

16. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

There are no significant changes from previous disclosure.

17. CHANGES IN ACCOUNTING POLICES INCLUDING INITIAL ADOPTION

A number of new or amended accounting standards were scheduled for mandatory adoption on or after January 1, 2024. The Company has not early adopted these new standards in preparing these condensed interim consolidated financial statements. These new standards are either not applicable or are not expected to have a material impact on the Company's consolidated financial statements.

18. KNOWN TRENDS, RISKS OR DEMANDS

Credit risk

Credit risk is the risk of an unexpected loss associated with a counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash with high credit chartered Canadian financial institutions. As at June 30, 2023, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its trade and other payables. The Company has a working capital surplus of $1,600,060 as at June 30, 2023 and can meet its current obligations. The Company handles its liquidity risk through the management of its capital structure as described in Note 11 of the financial statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no variable interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in copper and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

- Currency risk

  Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. A portion of the Company's exploration property expenditures will be incurred in United States dollars.

19. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at October 12, 2023, the Company has 34,937,459 common shares issued and outstanding.

As at October 12, 2023, the Company has 2,800,000 stock options outstanding.

As at October 12, 2023, the Company has 4,563,200 warrants outstanding.

20. BOARD OF DIRECTORS AND OFFICERS

The directors of the Company are Cecil R. Bond, Lauren Roberts, Caleb Stroup, Alistair Waddell and Wendell Zerb.

The officers of the Company are Wendell Zerb (Chairman, President and Chief Executive Officer and Sandra Wong (Chief Financial Officer and Corporate Secretary).

21. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion & Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the year ended December 31, 2022. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

22. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the consolidated financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and two of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors.

RED CANYON RESOURCES LTD.

Wendell Zerb

Chairman, President and Chief Executive Officer

SCHEDULE "C"

STOCK OPTION PLAN

RED CANYON RESOURCES LTD.

STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for directors, senior officers, Employees, Consultants, Consultant Company or Management Company Employees (as such terms are defined below) of the Company and its subsidiaries, or an Eligible Charitable Organization (collectively "**Eligible Persons**"), to be known as the "Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten years, as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the greater of: (i) the Market Price prevailing on the trading day preceding the date on which the Board grants such stock options; and (ii) the Market Price prevailing on the date of grant of such stock options.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

2.1 "**Associate**" means an "Associate" as defined in the National Instrument 45-106.

2.2 "**Board**" means the Board of Directors of the Company.

2.3 "**Change of Control**" means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

2.4 "**Company**" means Red Canyon Resources Ltd. and its successors.

2.5 "**Consultant**" means a "Consultant" as defined in NI 45-106.

2.6 "**Consultant Company**" means a corporation controlled or operated by a Consultant.

2.7 "**CSA**" means the Canadian Securities Administrators, and for British Columbia in particular, the B.C. Securities Commission.

2.8 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:

(a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or

(b) acting as a director or officer of the Company or its subsidiaries.

2.9 "**Eligible Persons**" has the meaning given to that term in section 1 hereof.

2.10 "**Employee**" means an "Employee" as defined in NI 45-106.

2.11 “**Exchange**” means the Canadian Securities Exchange and, if applicable, any other stock exchange on which the Shares are listed.

2.12 “**Expiry Date**” means the date set by the Board under subsection 3.1 of the Plan, as the last date on which an Option may be exercised.

2.13 “**Grant Date**” means the date specified in the Option Agreement as the date on which an Option is granted.

2.14 “**Insider**” means an “Insider” as defined in the British Columbia *Securities Act*.

2.15 “**Investor Relations Activities**” means “Investor Relations Activities” as defined in the CSE policies.

2.16 “**Joint Actor**” has the meaning defined in NI 62-103, *The Early Warning System and Related Take-Over Bid and insider Reporting Issues*.

2.17 “**Listing Date**” has the meaning given to that term in Section 3.2 hereof.

2.18 “**Management Company Employee**” means an Employee of an “external management company” as such term is defined under Form 51-102F6 “Statement of Executive Compensation” in respect of financial years ending on or after December 31, 2008, of NI 51-102, “Continuous Disclosure Obligations” published by the CSA.

2.19 “**Market Price**” of Shares means: (i) if the Company is listed on the Exchange or any other recognized stock exchange, the closing price per Share on such stock exchange on the trading day specified; or (ii) if the Shares are not listed on any recognized stock exchange, “Market Price” of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the date specified.

2.20 “**NI 45-106**” means NI 45-106, “Prospectus and Registration Exemptions” published by the CSA.

2.21 “**Option**” means an option to purchase Shares granted pursuant to this Plan.

2.22 “**Option Agreement**” means an agreement, in the form attached hereto as Schedule “A”, whereby the Company grants to an Optionee an Option.

2.23 “**Optionee**” means each of Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.

2.24 “**Option Price**” means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.

2.25 “**Option Shares**” means the aggregate number of Shares which an Optionee may purchase under an Option.

2.26 “**Plan**” means this Stock Option Plan.

2.27 “**Shares**” means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.

2.28 “**Securities Act**” means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.

2.29 "**Unissued Option Shares**" means the number of Shares which have, at a particular time, been reserved for issuance upon the exercise of an Option, but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.

2.30 "**Vested**" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. GRANT OF OPTIONS

3.1 Option Terms

The Board may from time to time authorize the allocation and issue of Options to specific Eligible Persons of the Company and its subsidiaries. The Option Price under each Option so allocated shall be not less than the greater of: (i) the Market Price prevailing on the trading day preceding the date on which the Board grants such Option; and (ii) the Market Price prevailing on the date of grant of such Option. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee. Both the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a *bona fide* Eligible Person.

3.2 Limits on Shares Issuable on Exercise of Options

As long as the Company is a non-reporting issuer, the maximum number of Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 15% of the Company's issued share capital on the date on which an Option is granted under the Plan.

From and after the date that the Company becomes a reporting issuer whose Shares are listed on the Exchange (the "Listing Date"), the maximum number of Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time-to-time. After the Listing Date, the number of Shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements:

(a) in aggregate shall not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis; and

(b) to any one Optionee within a 12 month period shall not exceed 5% of the total number of issued and outstanding shares on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company).

After the Listing Date, the number of Shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

(a) to all Insiders shall not exceed 10% of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis;

(b) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company);

(c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and

(d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, which Options must be vested in stages over not less than 12 months and no more than one-quarter (1/4) of such Options may be vested in any three (3) month period. The Company must publicly announce by press release at the time of the grant, any Options granted to Eligible Persons who undertake Investor Relations Activities.

3.3 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options to Employees, Consultants, Consultant Company or Management Company Employees, each of the Company and the Optionee is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to subsections 4.4 and 4.5, an Option shall be granted as fully Vested on the Grant Date, and may be exercised to purchase any number of Shares up to the number of Unissued Option Shares at any time after the Grant Date, provided that this Plan has been previously approved by the shareholders of the Company, where such prior approval is required by Exchange policies, up to 4:00 p.m. local time on the Expiry Date and shall not be exercisable thereafter.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon notice and payment there will be binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's certified cheque or bank draft payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the certified cheque is not honoured upon presentation for any reason, in which case the Option shall not have been validly exercised.

4.3 Tax Withholding and Procedures

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in 4.2 and elsewhere in this Plan, and as a condition of exercise:

(a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or

(b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

4.4 Vesting of Option Shares

An Option shall be granted hereunder as fully Vested, unless a vesting schedule is imposed by the Board as a condition of the grant on the Grant Date; and provided that if the Option is being granted to an Eligible Person who is providing Investor Relations Activities to the Company, then the Option must vest in stages over not less than 12 months and no more than one-quarter (1/4) of such Options may be vested in any three (3) month period.

4.5 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

(i) 365 days after the date of death or Disability; and

(ii) the Expiry Date.

(b) Termination For Cause

If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company’s retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

4.6 Effect of a Take-Over Bid

If a *bona fide* offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the *Securities Act*, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon the Option Shares subject to such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer.

4.7 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, are Vested (subject to the proviso below), and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer, PROVIDED THAT where an Option was granted to a consultant providing Investor Relations Activities, the Directors declaration that Option Shares issuable upon the exercise of such Options granted under the Plan be Vested with respect to such Option Shares, is subject to prior approval of the Exchange. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days and not more than 35 days notice is required.

4.8 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option may be exercised in whole or in part by the Optionee.

4.9 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, by the cancellation of the right to purchase Option Shares under the Option Agreement shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.10 Shares Not Acquired or Exercised

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired, and any Option Shares acquired by an Optionee under an Option when exercised, may be made the subject of a further Option granted pursuant to the provisions of the Plan.

4.11 Extension of Term During Trading Black Out

In the event the Expiry Date of an Option falls on a date during a trading black out period that has been self imposed by the Company, the Expiry Date of the Option will be extended to the 10^{th} business day following the date that the self imposed trading black out period is lifted by the Company. For greater certainty, the Expiry Date of an Option will not be extended in the event a cease trade order is issued by a securities regulatory authority against the Company or an Optionee.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a **"Share Reorganization"**) then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

(a) the Option Price will be adjusted to a price per Share which is the product of:

(i) the Option Price in effect immediately before that effective date or record date; and

(ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and

(b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subparagraph (a)(ii).

5.2 Special Distribution

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares:

(a) shares of the Company, other than the Shares;

(b) evidences of indebtedness;

(c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board of Directors of the Company has determined to be outside the normal course); or

(d) rights, options or warrants,

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Whenever there is:

(a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in subsections 5.1 or 5.2;

(b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or

(c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation,

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Certified Professional Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of subsection 5.1, 5.2 or 5.3 is subject to the approval of the Exchange where required pursuant to their policies, and compliance with the applicable securities rules or regulations of any other governmental authority having jurisdiction.

6. MISCELLANEOUS

6.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

6.2 Necessary Approvals

The Plan shall be effective immediately upon the approval of the Board of directors of the Company, where the Company is a non-reporting issuer. If the Company is a reporting issuer whose Shares are listed on any Exchange, then the Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution of the disinterested shareholders in the case of a new Plan, and the written acceptance of the Plan by the Exchange where such prior approval is required by the policies of the Exchange. Any Options granted under this Plan before such approval shall only be exercised upon the receipt of such approval, where it is required by the policies of the Exchange. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to compliance with the policies of the Exchange and applicable securities rules or regulations of any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to comply with such policies, rules or regulations, then the obligation of the Company to issue such Shares shall terminate and any

Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

6.3 Administration of the Plan

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in subsection 5.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

6.4 Income Taxes

As a condition of and prior to participation of the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

6.5 Amendments to the Plan

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted to Insiders thereunder will be subject to the approval of the shareholders, where such approval is required by the policies of the Exchange.

6.6 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

6.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

6.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

6.9 No Assignment

No Optionee may assign any of his or her rights under the Plan or any Option granted thereunder.

6.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

6.11 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

6.12 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the Province of British Columbia.

6.13 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

6.14 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

Approved by the Board of Directors on November 15, 2021.

(signed) *"Wendell Zerb"*

Wendell Zerb,
Chief Executive Officer

SCHEDULE "A"

RED CANYON RESOURCES LTD.

STOCK OPTION PLAN

OPTION AGREEMENT

This Option Agreement is entered into between **Red Canyon Resources Ltd.** (the "Company") and the Optionee named below pursuant to the Company Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on ●, 20● (the "Grant Date");

2. ● (the "Optionee");

3. was granted the option (the "Option") to purchase ● Common Shares (the "Option Shares") of the Company;

4. for the price (the "Option Price") of $● per share;

5. which shall be exercisable as fully Vested from the Grant Date, unless the granting of this Option is to a consultant providing Investor Relations Activities in which case the Option will be vested over a 12 month period from the Grant Date in accordance with the terms of the Plan;

6. terminating on the ●, 20● (the "Expiry Date");

7. when exercised, the Company will forthwith calculate all applicable Canadian government withholding taxes of the Optionee, and Canada or Quebec (if applicable) Pension Plan contributions, and the Optionee agrees to remit to the Company such taxes and contributions to the Company, which will be remitted by the Company to Canada Revenue Agency and reflected on any annual statement of remuneration issued by the Company; and

8. by signing this Option Agreement, the Optionee acknowledges and consents to:

   (a) the disclosure of Personal Information by the Company to the Canadian Securities Exchange (the "Exchange") (as defined in Appendix I hereto); and

   (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix I or as otherwise identified by the Exchange, from time to time;

   (Where "Personal Information" means any information about the Optionee, and includes the information contained in the tables, as applicable),

all on the terms and subject to the conditions set out in the Plan.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, 20●.

RED CANYON RESOURCES LTD.
Per:

______________________________	______________________________
OPTIONEE	Authorized Signatory

Appendix I

ACKNOWLEDGEMENT – PERSONAL INFORMATION

Canadian Securities Exchange and its affiliates, authorized agents, subsidiaries and divisions (collectively referred to as "the Exchange") collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

(a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and

(b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.

SCHEDULE "D"

AUDIT COMMITTEE CHARTER

RED CANYON RESOURCES LTD.

(the "**Company**")

AUDIT COMMITTEE CHARTER

I. PURPOSE

This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**"), annual evaluation and compliance with this charter. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

II. COMPOSITION

A majority of the members of the Audit Committee must not be executive officers, as defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), or employees or control persons of the Company or of an affiliate of the Company, as these terms are otherwise defined under applicable securities legislation, provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange and of NI 52-110.

The Audit Committee will consist of at least three members, all of whom must be directors of the Company. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, each member of the Audit Committee will also satisfy the financial literacy requirements of such exchange and of NI 52-110.

The Chair of the Audit Committee will be appointed by the Board.

III. AUTHORITY

In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

A. engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

B. communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

C. incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

IV. DUTIES AND RESPONSIBILITIES

A. The duties and responsibilities of the Audit Committee include:

1. recommending to the Board the external auditor to be nominated by the Board;

2. recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;

3. reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);

4. overseeing the work of the external auditor;

5. ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;

6. ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;

7. ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;

8. reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("**MD&A**"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;

9. reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;

10. reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;

11. reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;

12. reviewing the external auditor's report to the shareholders on the Company's annual financial statements;

13. reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;

14. satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;

15. overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;

16. reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;

17. reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;

18. satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;

19. resolving disputes between management and the external auditor regarding financial reporting;

20. establishing procedures for:

- **a.** the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto, and

- **b.** the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

21. reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

22. pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

23. overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;

24. establishing procedures for:

a. reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;

b. reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;

c. obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

d. reviewing fraud prevention policies and programs, and monitoring their implementation;

e. reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:

i. tax and financial reporting laws and regulations;

ii. legal withholding requirements;

iii. environmental protection laws and regulations;

iv. other laws and regulations which expose directors to liability; and

B. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

C. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

V. TERM

The members of the Audit Committee shall be appointed by designation of the Board and shall continue to be a member thereof until the earlier of (i) the Board, at its discretion, decides to remove the member from the Committee, or (ii) the expiration of his or her term of office as a Director. Vacancies at any time occurring shall be filled by designation of the Board.

VI. MEETINGS

The Committee shall meet at least once per year or more frequently as circumstances dictate. A majority of the members appearing at a duly convened meeting shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. These documents will be shared with the Board as needed to discharge the Committee's delegated responsibilities and stored in a centralized electronic archive administered by the Corporate Secretary. In case of absence of the Chair, the participating Audit Committee members will designate an interim Chair. The Committee may invite members of Management or others to attend their meetings and they will be asked to step-out during sensitive conversations. As part of its responsibility to foster open communication, the Committee should meet at least annually with each of the CEO and Chief Financial Officer in separate executive sessions to discuss any matters that the Committee or the executive officers believe should be discussed privately with the Committee.

VII. REPORTS

The Audit Committee will report, at least annually, to the Board regarding the Audit Committee’s examinations and recommendations.

The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

VIII. MINUTES

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IX. ANNUAL PERFORMANCE EVALUATION

The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the charter, to determine the effectiveness of the Committee.

CERTIFICATE OF THE COMPANY

Dated: October 12, 2023

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Wendell Zerb"
Wendell Zerb
Chairman, President, Chief Executive Officer and Director

"Sandra Wong"
Sandra Wong
Chief Financial Officer and Corporate Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Caleb Stroup"
Caleb Stroup
Director

"Alistair Waddell"
Alistair Waddell
Director

CERTIFICATE OF THE PROMOTER

Dated: October 12, 2023

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Wendell Zerb"
Wendell Zerb