XCITE RESOURCES INC.

FINANCIAL STATEMENTS

For the Three-Months Ended January 31, 2024

Stated in Canadian Dollars

(unaudited)

XCITE RESOURCES INC.

INDEX TO THE UNAUDITED FINANCIAL STATEMENTS

For the Three-Months Ended January 31, 2024

XCITE RESOURCES INC.

Statement of Financial Position
(Stated in Canadian dollars)
(unaudited)

As at January 31, 2024 and October 31, 2023

		January 31, 2024		October 31, 2023
Assets				
Current assets:				
Cash	$	11,589	$	106,992
Goods and services taxes receivable		28,708		21,122
Total current assets		40,297		128,114
Deposit on exploration and evaluation asset (Note 3)		492,750		301,635
Total assets	**$**	**533,047**	**$**	**429,749**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 4)	$	163,563	$	141,274
Due to related parties (Note 7)		39,670		45,175
Short-term debt (Note 5)		30,000		-
Total current liabilities		233,233		186,449
Shareholders' equity:				
Share capital (Note 6)		883,015		739,161
Reserves		79,050		77,290
Deficit		(662,251)		(573,151)
Total shareholder's equity		299,814		243,300
Total liabilities and shareholder's equity	**$**	**533,047**	**$**	**429,749**

Nature of operations and continuance of business (Note 1)
Commitments (Note 9)
Subsequent events (Note 10)

The accompanying notes form and integral part of these financial statements

XCITE RESOURCES INC.

Statement of Loss and Comprehensive Loss
(Stated in Canadian dollars)
(unaudited)

For the Three-Months Ended January 31, 2024 and 2023

		2024		2023
Expenses				
Management consulting fees (Note 7)	$	20,500	$	13,500
Share-based compensation		39,454		-
Professional fees		17,406		6,651
Transfer agent and filing fees		5,539		14,269
General and administrative expenses		4,600		3,755
Travel		1,473		-
Bank charges		128		743
		89,100		38,918
Net loss and comprehensive loss	$	(89,100)	$	(38,918)
Weighted average shares outstanding		15,624,417		9,360,000
Loss per share	$	(0.01)	$	(0.00)

The accompanying notes form and integral part of these financial statements

XCITE RESOURCES INC.

Statement of Changes in Shareholders' Equity
(Stated in Canadian dollars)
(unaudited)

For the Three-Months Ended January 31, 2024

	Share Capital								
	# of shares		$		Reserves		Deficit		Total Equity
Balance, November 1, 2022	8,510,000	$	250,000	$	14,875	$	(233,506)	$	31,369
Issuance of common shares	850,000		85,000		-		-		85,000
Share issue costs	-		(33,358)		-		-		(33,358)
Net loss for the period	-		-		-		(38,918)		(38,918)
Balance, January 31, 2022	**9,360,000**	**$**	**301,642**	**$**	**14,875**	**$**	**(272,424)**	**$**	**44,093**
Balance, November 1, 2023	15,580,000	$	739,161	$	77,290	$	(573,151)	$	243,300
Exercise of stock options	500,000		87,694		(37,694)		-		50,000
Exercise of warrants	216,600		21,660		-		-		21,660
Shares issued on property acquisition	300,000		34,500		-		-		34,500
Share-based compensation	-		-		39,454		-		39,454
Net loss for the period	-		-		-		(89,100)		(89,100)
Balance, January 31, 2023	**16,596,600**	**$**	**883,015**	**$**	**79,050**	**$**	**(662,251)**	**$**	**299,814**

The accompanying notes form and integral part of these financial statements

XCITE RESOURCES INC.

Statement of Cash Flows
(Stated in Canadian dollars)
(unaudited)

For the Three-Months Ended January 31, 2024 and 2023

		2024		2023
Cash provided by (used in):				
Operating activities				
Net loss	$	(89,100)	$	(38,918)
Items not affecting cash:				
Share-based compensation		39,454		-
Change in non-cash working capital				
Good and services taxes receivable		(7,586)		(659)
Prepaid expenses		-		(66,959)
Accounts payable and accrued liabilities		22,289		77,481
Due to related parties		(5,505)		11,025
Net cash used in operations		**(40,448)**		**(18,030)**
Investing activities				
Purchase of exploration and evaluation assets		(156,615)		(35,000)
Net cash used in investing activities		(156,615)		(35,000)
Financing activities				
Net proceeds from issuance of common shares		71,660		51,642
Short-term loan		30,000		-
Net cash from financing activities		101,660		51,642
Increase (decrease) in cash		(95,403)		(1,389)
Cash, beginning of period		106,992		6,153
Cash, end of period	$	11,589	$	4,765

The accompanying notes form and integral part of these financial statements

1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

Xcite Resources Inc. (“Xcite” or the “Company”) is an exploration company incorporated on February 8, 2022 under the laws of the Province of British Columbia, Canada. The Company’s head office and principal address is Suite 1910, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3. On February 22, 2023, pursuant to the acceptance of a prospectus, the Company became a listed entity on the Canadian Securities Exchange (“CSE”) with the trading symbol XRI.CN.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding for this year, there is no assurance that such future financing will be available or be available on favorable terms. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financings, or generate profitable operations in the future.

The Company actively manages its cash flow and investment in exploration and evaluation expenses to match its cash generated from financing activities. In order to maximize cash generated from operations, the Company plans to focus on developing its mineral properties with positive indicators of recoverable resources; minimize operating expenses where possible; and limit capital expenditures. As the Company continues to expend on exploration and evaluation expenses, investments will be financed through external financing. Management believes that successful execution of its business plan will result in sufficient cash flow and new financing to fund projected operational and investment requirements. However, no assurances can be given that the Company will be able to achieve all or part of the objectives discussed above, or that sufficient financing from outside sources will be available. Further, if the Company’s operations are unable to generate cash flow levels at or above current projections, the Company may not have sufficient funds to meet its obligations over the next twelve months.

Should such events occur, management is committed to implementing all or a portion of its contingency plan. This plan has been developed and designed to provide additional cash flow, and includes, but is not limited to, deferring certain additional exploration activities, and reducing general and administrative expenses, while seeking outside financing or seeking a potential partner in the development of its mineral properties.

The failure of the Company to achieve one or all of the above items may have a material adverse impact on the Company’s financial position, results of financial performance and cash flows. These factors indicate the existence of material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

2. BASIS OF PREPARATION

Statement of Compliance and basis of presentation

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

These condensed interim financial statements have been prepared on the basis of accounting policies, methods of computation, and estimates and judgements consistent with those applied in the Company’s October 31, 2023 annual audited financial statements.

These condensed interim financial statements do not include all of the information required of full audited financial statements and therefore these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended October 31, 2023.

Functional and presentation currency

The financial statements are presented in Canadian Dollars, which is the Company’s functional and presentation currency.

Approval of the financial statements

The condensed interim financial statements of the Company for the period ended January 31, 2024, were approved and authorized for issuance by the Board of Directors on March 29, 2024.

3. EXPLORATION AND EVALUATION ASSETS

Turgeon Lake, Quebec

On April 12, 2021, the Company entered into a purchase and sale agreement to acquire 100% interest in the Turgeon Lake Gold Project located in the province of Quebec, consisting of 39 mineral claims covering 2,203.28 hectares. Further amendments were made on October 1, 2021, November 24, 2021 April 6, 2022, June 27, 2022, November 22, 2022 and January 31, 2023. On April 12, 2023, the agreement was amended again and the purchase and sale was completed under the following terms:

- Make cash payments totaling $20,000, which was paid on April 12, 2023, and
- Issue 600,000 common shares, which were issued on April 19, 2023.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $1,000,000 to the vendor. In addition, the Turgeon Lake Property is subject to an additional 2% NSR in favour of the prospectors who staked the property.

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

Gulch, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. ("EPL"), whereby the Company may earn up to an 80% interest in the property totaling 1,685 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

Beaver River, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. ("EPL"), whereby the Company may earn up to an 80% interest in the property totaling 1,455 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

Black Bay, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. (“EPL”), whereby the Company may earn up to an 80% interest in the property totaling 1,114 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

Don Lake, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. (“EPL”), whereby the Company may earn up to an 80% interest in the property totaling 524 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

Lardo, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. (“EPL”), whereby the Company may earn up to an 80% interest in the property totaling 245 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

Smitty, Saskatchewan

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. (“EPL”), whereby the Company may earn up to an 80% interest in the property totaling 882 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024; and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(Stated Amounts in Canadian dollars)

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and
- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

The Company is also required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $2,000,000 to the vendor.

	Turgeon Property	Gulch Property	Beaver River Property	Don Lake Property	Larado Property	Blackbay Property	Smitty Property	Total
	$	$	$	$	$	$	$	$
Balance, November 1, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfer from deposit	30,000	-	-	-	-	-	-	30,000
Acquisition costs								
Cash deposits	90,000	-	-	-	-	-	-	90,000
Shares issued	166,000	-	-	-	-	-	-	166,000
Exploration expenses	15,635	-	-	-	-	-	-	15,635
Balance, October 31, 2023	**301,635**	-	-	-	-	-	-	**301,635**
Acquisition costs								
Cash deposits	-	5,000	5,000	5,000	5,000	5,000	5,000	30,000
Shares issued	-	5,750	5,750	5,750	5,750	5,750	5,750	34,500
Exploration expenses	126,615	-	-	-	-	-	-	126,615
Balance, January 31, 2024	**428,250**	**10,750**	**10,750**	**10,750**	**10,750**	**10,750**	**10,750**	**492,750**

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are non-interest bearing and detailed below:

As at	January 31, 2024	October 31, 2023
Trade accounts payable	$ 63,411	$ 32,729
Accrued accounts payable	100,152	108,545
	$ 163,563	**$ 141,274**

5. SHORT-TERM LOAN

In December 2023, the Company was advanced $30,000 that is unsecured, non-interest bearing, and has no repayment terms.

6. SHARE CAPITAL

(a) Common shares

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

As at October 31, 2023, the Company had 15,580,000 common shares issued and outstanding. Transactions in the Company's shares were as follows for the year ended October 31, 2023:

- On December 5, 2022, the Company closed a private placement for gross proceeds of $85,000 by issuing 850,000 units of the Company. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable for one common share at an exercise price of $0.30 for 12 months.
- On February 22, 2023, concurrent with it becoming a listed entity on the CSE, the Company closed a public offering for gross proceeds of $420,000 by issuing 4,200,000 units of the Company. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable for one common share at an exercise price of $0.30 for 12 months.

  The Company incurred $223,839 of share issuance costs associated with the above share issuance. Included in the share issuance costs are 420,000 broker fee units with a value of $42,000. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable for one common share at an exercise price of $0.10 for 24 months. In addition, 420,000 broker compensation options were issued allowing the broker to purchase 420,000 shares of the Company with an exercise price of $0.10 per share. The compensation options carry a fair value of $42,721 using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate – 4.20%; expected life of the options – 2.0 years; Annualized volatility – 111.82%; dividend rate – 0%. The weighted average fair value per option granted was calculated as $0.0589.
- On February 23, 2023, the Company issued 1,000,000 common shares for the acquisition of the Turgeon Lake property with a value of $100,000.
- On April 19, 2023, the Company completed its purchase of the Turgeon Lake property with the issuance of 600,000 common shares with a fair value of $66,000.
- On December 21, 2023, the Company issued 300,000 common shares to acquire the Athabasca Property with a fair value of $34,500.
- On January 22,2024, the Company issued 500,000 common shares on the exercise of 500,000 stock options for gross proceeds of $50,000.
- On January 15, and January 17, 2024, a total of 216,600 common shares were issued upon the exercise of 216,600 warrants for proceeds of $21,660.

(Stated Amounts in Canadian dollars)

6. SHARE CAPITAL *(continued)*

(b) Options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the Company's issued and outstanding shares at the date of grant of the options. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the greater of the closing market price of the Company's shares on the CSE on (a) the date on which the Board of Directors grants and announces options (the "Award Date") and (b) the day prior to the Award Date. The Board of Directors may at any time and from time to time, fix limits, vesting requirements or restrictions in respect of which an Option Holder may exercise part of any Option held by him/her.

During the year ended January 31, 2024, the Company issued 500,000 share options to Company officers and/or directors. Each option allows the holder to purchase one common share at a price of $0.12 per share and have an expiry date of five years. Share-based compensation of $39,454 was recognized and included in reserves using the Black Scholes option pricing model and the following assumptions: risk-free interest rate – 3.3%; expected life of the options – 5.0 years; Annualized volatility – 108%; dividend rate – 0%. The fair value per option granted was calculated as $0.0789.

The continuity of share purchase options for the period ended January 31, 2024 is as follows:

	Number of Options	**Weighted Average Exercise Price**
		$
Balance, October 31, 2022	400,000	0.10
Issued as compensation for broker's fees	420,000	0.10
Issued as compensation to officer/director	500,000	0.10
Balance, October 31, 2023	**1,320,000**	**0.10**
Exercised	(716,600)	0.10
Issued as compensation to officer/director	500,000	0.13
Balance, January 31, 2024	**1,103,400**	**0.11**

(c) The following share purchase options were outstanding as at January 31, 2024:

Expiry date	**Number of warrants**	**Exercise price**	**Remaining contractual life (years)**
		$	
February 22, 2028	400,000	0.10	4.06
February 22, 2025	203,400	0.10	1.06
January 10, 2029	500,000	0.13	4.95
	1,103,400	**0.11**	**3.91**

(Stated Amounts in Canadian dollars)

6. SHARE CAPITAL *(continued)*

(c) Warrants

The continuity of share purchase warrants for the period ended October 31, 2023 is as follows:

	Number of Shares Upon exercise	Number of Warrants	Weighted Average Exercise Price
			$
Balance, October 31, 2022	3,900,000	3,900,000	0.10
Issued	2,945,000	2,945,000	0.27
Balance, October 31, 2023	**6,845,000**	**6,845,000**	**0.17**
Expired	850,000	850,000	0.30
Balance, January 31, 2024	**5,995,000**	**5,995,000**	**0.17**

The following share purchase warrants were outstanding as at October 31, 2023:

Expiry date	Number of warrants	Exercise price	Remaining contractual life (years)
		$	
February 8, 2026	3,900,000	0.10	2.02
February 22, 2024	2,095,000	0.30	0.06
	5,995,000	**0.17**	**1.33**

7. RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined the key personnel to be officers and directors of the Company.

Payments and accrual were made to the following officers and directors or to companies controlled by these officer and directors.

Management and consulting fees to a former CEO and director of $16,000 (2023 – $9,000).

Management and consulting fees to the CFO and director of $4,500 (2023 - $4,500).

As at January 31, 2024, $39,670 (October 31, 2023 - $45,175) were owed to related parties for the above services.

Transactions with related parties are in the normal course of business and initially recorded at fair value.

8. RISK AND CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the development of mineral property assets. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There have been no changes from the prior year.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2024, the Company had a cash balance of $11,589 (October 31, 2023 - $106,992) to settle current liabilities of $233,233 (October 31, 2023 - $186,449). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at January 31, 2024 and October 31, 2023, the Company did not have any investments in investment-grade short-term deposit certificates.

Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

9. COMMITMENTS

As a result of the acquisition of the Turgeon Lake Property described in Note 5, the Company is required to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The Company maintains the right to purchase half of the royalty from the vendor by making a payment of $1,000,000 to the vendor. In addition, the Turgeon Lake Property is subject to an additional 2% NSR in favour of the prospectors who staked the property.

10. SUBSEQUENT EVENTS

On February 21, 2024, 5,000 common shares were issued upon the exercise of 5,000 warrants for proceeds of $1,500.

On February 22, 2024, the outstanding balance of 2,095,000 warrants, exercisable at $0.30, expired.