AURIC MINERALS CORP.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED OCTOBER 31, 2023 AND 2022

(Expressed in Canadian Dollars)

CAN Partners LLP
Chartered Professional Accountants
PUBLIC ACCOUNTANTS and ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Auric Minerals Corp.:

Opinion

We have audited the financial statements of Auric Minerals Corp. (the "Company"), which comprise the statement of financial position as at October 31, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years ended October 31, 2023 and 2022, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Emphasis of Matter - Material Uncertainty Related to Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company incurred a comprehensive loss of $140,059 and negative cash flow from continuing operating activities of $123,917 during the year ended October 31, 2023 and, as of that date, the Company had a deficit of $174,063. As stated in Note 1, these events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

CAN Partners LLP

Markham, Ontario
January 31, 2024

Chartered Professional Accountants
Licensed Public Accountants

AURIC MINERALS CORP.

Statement of Financial Position

(Expressed in Canadian Dollars)

As at		October 31, 2023	October 31, 2022
ASSETS			
Current Assets			
Cash		$222,497	$285,306
Prepaid expense		48	68
Non-Current Assets			
Mineral Property	Note 6	95,000	95,000
Total Assets		**$317,545**	**$380,374**
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		$6,622	$3,000
Due to related party	Note 8	6,986	4,878
Non-Current Liabilities			
Loan from related party	Note 9	59,000	-
Total Liabilities		**72,608**	**7,878**
SHAREHOLDER'S EQUITY			
Share capital	Note 5	52,900	40,400
Warrant reserve	Note 7	366,100	366,100
Deficit		(174,063)	(34,004)
Total Shareholders' Equity		315,218	372,496
Total Liabilities and Shareholders' Equity		**$317,545**	**$380,374**

Nature of operations and going concern (Note 1)

Approved by the Board of Director and authorized on:

Director *Director*

The accompanying notes form an integral part of these financial statement

AURIC MINERALS CORP.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

		Years Ended October 31, 2023	October 31, 2022
Expenses			
Bank charges and interest		429	62
Filing fees		29,180	12,806
Office and admin		551	238
Professional fees		83,399	11,585
Compensation for related directors, officers and consultants	Note 5(b), 8	26,500	7,000
Net loss and comprehensive loss		**$(140,059)**	**$(31,691)**
Net Loss per share			
Basic and diluted loss per share		**$(0.04)**	**$(0.01)**
Weighted average common shares outstanding - basic and diluted		3,362,917	3,168,906

The accompanying notes form an integral part of these financial statement

AURIC MINERALS CORP.

Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

For the years ended October 31, 2023 and 2022

		Number of Shares	Capital Stock	Warrants	Deficit	Total
Balance, October 31, 2021		**3,290,000**	**$40,400**	**$366,100**	**$(2,313)**	**$404,187**
Loss for the year		-	-	-	(31,691)	(31,691)
Balance, October 31, 2022		**3,290,000**	**$40,400**	**$366,100**	**$(34,004)**	**$372,496**
Share based compensation	Note 5(b)	125,000	12,500	-	-	12,500
Loss for the year		-	-	-	(140,059)	(140,059)
Balance, October 31, 2023		**3,415,000**	**$52,900**	**$366,100**	**$(174,063)**	**$244,937**

The accompanying notes form an integral part of these financial statement

AURIC MINERALS CORP.

Statements of Cash Flows

(Expressed in Canadian Dollars)

		Years Ended	
		October 31, 2023	October 31, 2022
Cash flows from operating activities			
Net loss for the year		**$(140,059)**	**$(31,691)**
Items not affecting cash:			
Stock based compensation	Note 5(b)	12,500	-
Changes in non-cash working capital:			
Decrease (increase) in prepaid expenses		20	(68)
Increase in operating accounts payable and accrued liabilities		3,622	1,500
Cash used in operating activities		(123,917)	(30,259)
Cash flow from investing activities			
Purchase of mineral property	Note 6	-	(45,000)
Cash used in investing activities		-	(45,000)
Cash flow from financing activities			
Due to related-party	Note 8	2,108	4,484
Loan from related-party	Note 9	59,000	-
Cash provided by financing activities		61,108	4,484
Decrease in cash during the year		(62,809)	(70,775)
Cash, beginning of year		285,306	356,081
Cash, end of year		**$222,497**	**$285,306**

The accompanying notes form an integral part of these financial statement

1. NATURE OF OPERATIONS AND GOING CONCERN

Auric Minerals Corp. (the “Company” or "Auric Minerals") was incorporated on February 18, 2021 pursuant to the Canada Business Corporations Act. The Company is currently engaged in the acquisition, exploration and development of mineral properties. The address of the Company's corporate office and principal place of business is 106-482 South Service Road East, Suite 125 Oakville, Ontario, L6J 2X6, Canada.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At present, the Company has no operating income. The Company incurred a net loss of $140,059 during the year ended October 31, 2023 (net loss of $31,691 - October 31, 2022), and as of that date, had a deficit of $174,063 ($34,004 - October 31, 2022). Without additional financing, the Company may not be able to fund its ongoing operations and complete development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and include interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The policies set out were consistently applied to all periods presented unless otherwise noted below.

(b) Basis of Presentation

These financial statements have been prepared on the historical cost basis, except for financial instruments designated at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency. All values are rounded to the nearest dollar.

(c) Summary of significant accounting policies

The financial statements of the Company for the year ended October 31, 2023 were reviewed, approved and authorized for issue by the Board of Directors of the Company on January 31, 2024.

(d) Use of Estimates and Judgement

The preparation of financial statements in conformity with IFRS requires that management make judgements, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities, profits and expenses. 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. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income 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.

2. BASIS OF PREPARATION (Continued)

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

Going concern

Management has applied significant judgment in the assessment of the Company's ability to continue as a going concern when preparing these financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or has no realistic alternative but to do so.

Title to exploration and evaluation property interests

The Company has taken steps to verify title to exploration and evaluation 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.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

2. BASIS OF PREPARATION (Continued)

Capitalization of mineral property acquisition costs

When mineral properties are acquired through an acquisition agreement, management has determined that capitalized acquisition costs have future economic benefits and are economically recoverable. Management has assessed various sources of information including, but not limited to, the geologic and metallurgic information, operating management expertise and existing permits. See Note 6 for details of the Company's capitalized acquisition costs in respect of mineral properties.

Impairment of mineral properties

When assessing for indications of impairment related to mineral properties, consideration is given to both external and internal sources of information. These includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of mineral properties. Internal sources of information include the manner in which the mineral properties are being or expected to be used and indications of expected economic performance of the properties. Estimates include, but are not limited to, the discounted future cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate, fluctuation in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and/or adverse current economics can result in a write-down of the carrying amounts of the Company's mineral properties.

Segment Information

The Company has one operating segment, acquisition, exploration and evaluation of resource properties, and all long-term assets of the Company are located in Canada.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies

The accounting policies set out below have been applied consistently to all period presented in these financial statements except where noted.

The Company did not adopt any new accounting policies during the period. New accounting pronouncements not yet effective are not expected to have significant impacts to the financial statements of the Company.

(a) Cash

Cash consists of cash on deposit with a major Canadian bank. Cash is measured at amortised cost.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Exploration and Development

Acquisition Costs

The costs of acquiring mineral property interests comprised of payments of cash and common shares, are capitalized as mineral property assets where the ultimate acquisition of the property is certain at the time the initial payment is made.

Exploration and Evaluation Expenditures

The costs of staking and all expenditures on exploration and evaluation activities are recorded as exploration and evaluation expenses until it has been established that a mineral property is commercially viable.

Development Assets

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures related to development and construction are capitalized as construction-in-progress and classified as a component of property, plant and equipment. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management are capitalized. Development expenditure is net of the proceeds of the sale of metals from ore extracted during the development phase. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

Disposition or Abandonment of Mineral Properties

Proceeds received from the sale of any interest in a mineral property are first credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned, the acquisition cost of the property is written off to operations.

Impairment

The application of the Company's accounting policy for acquisition costs related to mineral properties requires judgement in determining whether there are future economic benefits based on assumptions about future events. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of the carrying value is unlikely, the amount to be written off is expensed in the statement of operations in the period when the new information becomes available. The Company assesses each cash generating unit ("CGU") at each reporting date to determine if any impairment exists.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

When an indicator of impairment exists, a formal estimate of the recoverable amount is made based on the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the amount that would be obtained from the sale of the assets in an arm's length transaction between knowledgeable and willing parties. The carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss for the period.

(c) Financial Instruments

Financial assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit or loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement – financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statement of loss. The Company measures its investments at FVPL.

Subsequent measurement – financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. Cash and subscriptions receivable held for collection of contractual cash flows are measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company uses a simplified approach, as per IFRS 9, to assess impairment, which requires the expected lifetime loss to be recognized at the time of initial recognition of the financial assets. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be tied to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities, which are measured at amortized cost. All financial liabilities are recognized initially at fair value.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Subsequent measurement – financial liabilities at FVPL

Financial liabilities measured at FVPL include financial liabilities management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial liabilities measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statement of loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any gain or loss recognized in other income or expense in the statement of loss.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. 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 the risks specific to the liability.

Fair Value Hierarchy

Financial instruments recorded at fair value on the statements of financial position are classified using a financial value hierarchy that reflects the significance of the inputs used in marking the measurements. The fair value hierarchy has the following levels:

(i) Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
(ii) Level 2 - valuation techniques based on inputs other than quoted prices including Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
(iii) Level 3 - valuation techniques using inputs for the asset and liability that are not based on observable market data (unobservable inputs).

The Company's cash are classified as level 1.

(d) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred tax is recognized on temporary differences arising from the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realized or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(e) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. 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 and warrants, are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from proceeds.

(f) Warrants

Proceeds from unit placements are allocated between shares and warrants issued according to their relative fair value. The relative fair value of the share component is credited to share capital and the relative fair value of the warrant component is credited to warrant reserve. Upon exercise of the warrants, consideration paid by the warrant holder together with the amount previously recognized in the warrant reserve account is recorded as an increase to share capital. For those warrants that expire unexercised, the recorded fair value is transferred from warrant reserve to deficit.

(g) Stock based compensation

The Company grants share-based compensation to certain directors in the form of common shares. The fair value of the granted shares is recognized as an expense over the vesting period. The fair value is determined at the grant date using an appropriate valuation model, taking into account any market conditions or performance criteria. The cumulative expense is recognized in the statement of loss and comprehensive loss and the corresponding equity is adjusted accordingly.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Loss per Share

The Company presents basic and diluted loss per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for own shares held, for the effects of all dilutive potential common shares, which comprise convertible warrants and stock options granted by the Company. Diluted loss per share for the periods presented does not include the effect of the stock options and warrants issued by the Company, as they are anti-dilutive.

(i) Reclamation Obligation

A legal or constructive obligation to incur restoration, rehabilitation, and environmental costs may arise when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. The Company's exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive.

The fair value of the liability for an asset retirement obligation is recorded when the legal obligation arises and the corresponding increase to the asset is amortized over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. The Company does not currently have any significant legal or constructive obligations and therefore, no reclamation provision has been recorded as at October 31, 2023.

4. FINANCIAL INSTRUMENTS

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks (commodity prices, foreign currency exchange rate and interest rate), credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required, through the use of derivative financial instruments. The Company does not use derivative financial instruments for purposes other than risk management. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up to date market information.

4. FINANCIAL INSTRUMENTS (Continued)

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to manage certain exposures. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

Commodity Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices as they relate to gold and the stock market to determine the appropriate course of action to be taken.

Liquidity Risk

Liquidity risk is the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock and warrants issuances. These funds are used to finance working capital, operating and capital expenditures and acquisitions. As at October 31, 2023 the Company held cash of $222,497 (October 31, 2022 - $285,306) to settle current liabilities (excluding due to related party) of $6,622 (October 31, 2022 - $3,000).

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears interest at market rates. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. The Company does not have any interest-bearing debt. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash with a Canadian chartered bank.

Capital Management

The Company manages its debts and equity as capital. The Company's main objectives when managing its capital are:

- to maintain a flexible capital structure which optimizes the cost of capital at acceptable risk while providing an appropriate return to its shareholders;
- to maintain a sufficient capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business;
- to safeguard the Company's ability to obtain financing; and
- to maintain financial flexibility in order to have access to capital in the event of future acquisitions.

The Company manages its capital structure and makes adjustments to it in accordance with the objectives stated above, as well as responds to changes in economic conditions and the risk characteristics of the underlying assets.

5. SHARE CAPITAL

(a) Authorized

The Company is authorized to issue an unlimited number of common shares ("Class A") without par value and an unlimited number of special shares ("Class B").

(b) Issued and outstanding

On March 31, 2023, The Company issued 125,000 common shares as compensation to one director at fair value of $12,500 based on the price of $0.10 per share and recorded in the compensation for related directors, officers and consultants expenses.

As at October 31, 2023, The Company has 3,415,000 common shares outstanding (October 31, 2022 – 3,290,000).

6. MINERAL PROPERTIES

Trail Creek mineral property

On June 21, 2021, the Company entered into an option agreement to acquire 100% interest in six mineral claims covering approximately 1,906.95 hectares, located in the Trail Creek Mining Division, British Columbia, from Geomap Exploration Inc. and Afzaal Pirzada in exchange for:

(i) $85,000 cash - paid $40,000 on June 21, 2021; $45,000 was paid on November 16, 2021;
(ii) 250,000 common shares of Auric Minerals Corp. - issued on June 21, 2021;
(iii) 2.0% net smelter returns ("NSR") royalty on the mineral claims where the Company may purchase 1% for $1,000,000 at any time;
(iv) fund exploration and development at least $100,000 by October 31, 2022;
(v) fund additional exploration and development at least $200,000 by October 31, 2023.

The fair value of the 250,000 shares of Auric Minerals Corp. was estimated at $10,000 based on their price of $0.04 per share, on the date the agreement was signed. The cash payment of $85,000 and issuance of 250,000 common shares valued at $10,000 are capitalized accordingly.

The funding requirements under (iv) and (v) have been extended from October 31, 2022 and 2023 to May 31, 2023 and 2024 on November 14, 2022, then extended to October 31, 2023 and 2024 on April 4, 2023 and further extended to October 31, 2024 and 2025 on August 23, 2023.

(Expressed in Canadian Dollars)

7. WARRANTS

Between March 24, 2021 and October 15, 2021, the Company issued special warrants which entitle the holder to acquire, for no additional consideration, one common share unit from the date that the Company's shares commence trading on a recognized stock exchange. The special warrant is exercisable by the recognized holder at any time after the closing date of the offering for no additional consideration and are deemed exercised on the day following the closing and the third business day after a receipt is issued for a prospectus by the security's regulatory authorities in each of the provinces of Canada where the special warrants are sold qualifying the common shares to be issued upon the exercise or deemed exercise of the special warrants.

The following tables summarize the movements of the Company's special warrants:

	During the Year					
Opening Balance **October 31, 2022**	Granted	Exercised	Closing Balance **October 31, 2023**	Date of Issuance	Exercise Price and weighted average exercise price (C$)	Fair Value of warrants at issuance (C$)
7,405,000	-	-	7,405,000	04-May-21	0.02	148,100
3,787,500	-	-	3,787,500	01-Jun-21	0.04	151,500
665,000	-	-	665,000	15-Oct-21	0.10	66,500
11,857,500	-	-	11,857,500		0.03	366,100

	During the Year					
Opening Balance **October 31, 2021**	Granted	Exercised	Closing Balance **October 31, 2022**	Date of Issuance	Exercise Price and weighted average exercise price (C$)	Fair Value of warrants at issuance (C$)
7,405,000	-	-	7,405,000	04-May-21	0.02	148,100
3,787,500	-	-	3,787,500	01-Jun-21	0.04	151,500
665,000	-	-	665,000	15-Oct-21	0.10	66,500
11,857,500	-	-	11,857,500		0.03	366,100

(Expressed in Canadian Dollars)

8. 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 that key management personnel consist of members of the Board of Directors.

As at October 31, 2023, the Company owed $6,986 (October 31, 2022 - $4,878) for reimbursements owed to the Directors of the Company. The amount owing is unsecured, non-interest bearing, and due on demand.

The Company paid $26,500 director fees to two directors during the year ended October 31, 2023 (October 31, 2022 - $5,000). Of this amount, $14,000 was paid in cash and $12,500 in stock-based compensation.

9. LOAN FROM RELATED PARTY

During the year ended October 31, 2023, the Company received a $59,000 loan (October 31, 2022 - $Nil) from a Director of the Company. The amount owing is unsecured, non-interest bearing, and was originally due on October 31, 2024. Subsequent to the year end, the maturity date of the loan has been extended to October 31, 2025.

10. INCOME TAXES

Provision for Income Taxes

Major items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% were as follows:

	2023	2022
Loss before income taxes	$(140,059)	$(31,691)
Expected income tax recovery based on statutory rate	(37,116)	(8,398)
Benefit of tax assets not recognized	37,116	8,398
Deferred income tax provision (recovery)	$ -	$ -

Deferred Income Tax

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2023	2022
Loss before income taxes	$46,127	$9,011

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

(Expressed in Canadian Dollars)

Non-Capital Losses Carried Forward

For the year ended October 31, 2023, the Company has $46,127 ($9,011 - October 31, 2022) of non-capital losses available to be carried forward against future taxable income. The non-capital losses will expire as follows:

Year of Expiry	October 31, 2023
2041	613
2042	8,398
2043	37,116
	$46,127

11. SUBSEQUENT EVENTS

On December 5, 2023, the Company's prospectus in connection with the issuance of special warrants (note 7) was approved by Ontario Securities Commission.

On December 8, 2023, the Company's 11,857,500 special warrants (note 7) were exercised, at no additional consideration, in return for 11,857,500 common shares.

On December 12, 2023, the Company received formal notice from the Canadian Securities Exchange (CSE) that its shares were approved for listing. The Company's shares began trading on the CSE on December 14, 2023 under the symbol AUMC.