HIGHROCK RESOURCES LTD.
Financial Statements
For the years ended January 31, 2024 and 2023
Expressed in Canadian Dollars

Independent Auditor's Report

To the Shareholders of Highrock Resources Ltd.

Opinion

We have audited the financial statements of Highrock Resources Ltd. (the "Company"), which comprise the statements of financial position as at January 31, 2024 and 2023, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has incurred losses from operations, expects to incur further losses and has a working capital deficiency of $23,171 as at January 31, 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

May 17, 2024

HIGHROCK RESOURCES LTD.
Statements of Financial Position
(Expressed in Canadian dollars)

	January 31, 2024	January 31, 2023
ASSETS		
Current Assets		
Cash	**$ 89,945**	$ 32,311
Amounts recoverable	**3,332**	1,918
Prepaid expenses and deposits (Note 6)	**3,000**	10,000
Total current assets	**96,277**	44,229
Non-current Assets		
Reclaimation bond (Note 3)	**15,700**	15,700
Exploration and evaluation assets (Note 3)	**189,196**	118,602
Total assets	**$ 301,173**	$ 178,531
LIABILITIES AND SHAREHODERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities (Notes 4 and 6)	**$ 18,171**	$ 62,568
Due to related parties (Note 6)	**101,277**	23,150
Total liabilities	**119,448**	85,718
Shareholders' equity		
Share Capital (Note 5)	**540,850**	252,001
Reserves (Note 5)	**39,264**	22,258
Deficit	**(398,389)**	(181,446)
Total shareholders' equity	**181,725**	92,813
Total liabilities and shareholders' equity	**$ 301,173**	$ 178,531

Nature and continuance of opertions (Note 1)
Subsequent event (Note 10)

Approved on behalf of the Board of Directors

"*Gary Musil*" Director
Gary Musil

"*Anthony Roodenburg*" Director
Anthony Roodenburg

The accompanying notes are an integral part of these financial statements

HIGHROCK RESOURCES LTD.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended January 31, 2024	2023
Expenses		
Bank and interest charges (Note 6)	**$ 1,766**	$ 420
Consulting fees (Note 6)	**68,635**	5,000
Filing and transfer agent fees	**25,428**	5,195
Management fees (Note 6)	**22,500**	30,000
Professional fees (Note 6)	**52,412**	70,917
Rent (Note 6)	**850**	1,300
Office and administrative	**3,000**	-
Travel and promotion	**8,032**	-
Shareholder information	**2,645**	-
Initial public offering (Note 5)	**31,675**	-
Loss before income taxes	**(216,943)**	(112,832)
Deferred income tax recovery (Note 9)	**-**	11,784
Loss and comprehensive loss	**$ (216,943)**	$ (101,048)
Weighted average number of common shares outstanding (basic and diluted)	**12,970,919**	9,600,001
Basic and net loss per share	**$ (0.02)**	$ (0.01)

The accompanying notes are an integral part of these financial statements

HIGHROCK RESOURCES LTD.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of shares		Amount		Reserves		Deficit		Total
Balance at January 31, 2022	9,600,001	$	252,001	$	22,258	$	(80,398)	$	193,861
Loss for the year	-		-		-		(101,048)		(101,048)
Balance, January 31, 2023	**9,600,001**	**$**	**252,001**	**$**	**22,258**	**$**	**(181,446)**	**$**	**92,813**

	Number of shares		Amount		Reserves		Deficit		Total
Balance at January 31, 2023	9,600,001	$	252,001	$	22,258	$	(181,446)	$	92,813
Loss for the year	-		-		-		(216,943)		(216,943)
Shares issued for initial public offering	3,500,000		350,000		-		-		350,000
Shares issued to agent	105,000		10,500		-		-		10,500
Shares issued for exploration and evaluation assets	100,000		7,500		-		-		7,500
Share issue costs - cash fee and shares	-		(62,145)		-		-		(62,145)
Share issue costs - brokers' warrants	-		(17,006)		17,006		-		-
Balance, January 31, 2024	**13,305,001**	**$**	**540,850**	**$**	**39,264**	**$**	**(398,389)**	**$**	**181,725**

The accompanying notes are an integral part of these financial statements

HIGHROCK RESOURCES LTD.
Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended January 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	**$ (216,943)**	$ (101,048)
Adjustments to reconcile loss to net cash used in operating activities		
Deferred income tax (recovery)	**-**	(11,784)
Interest accrued	**1,277**	-
Changes in non-cash items;		
Amounts recoverable	**(1,414)**	3,545
Prepaid expenses and deposits	**7,000**	(5,000)
Accounts payable and accrued liabilities	**(43,977)**	47,601
Due to related parties	**(23,150)**	14,900
Net cash used in operating activities	**(277,207)**	(51,786)
CASH FLOWS FROM INVESTING ACTIVITIES		
Reclamation bond	**-**	(15,700)
Exploration and evaluation assets	**(63,514)**	(19,631)
Net cash used in investing activities	**(63,514)**	(35,331)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares, net	**298,355**	-
Promissory note advanced by related party	**100,000**	-
Net cash provided by financing activities	**398,355**	-
Net change in cash	**57,634**	(87,117)
Cash at the beginning	**32,311**	119,428
Cash at the end	**$ 89,945**	$ 32,311

Supplemental disclosure with respect to cash flows (Note 8)

1. Nature and continuance of operations

Highrock Resources Ltd. (the "Company") was incorporated on August 3, 2021 under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company's registered office and place of business is #600 – 890 West Pender Street, Vancouver, British Columbia, V6C 1J9, and its head office is at 82, Richmond St E 1st Floor, Toronto, Ontario, M5C 1P1.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As at January 31, 2024, the Company was in the exploration stage and had an interest in a property in Canada.

The Company is publicly listed on the Canadian Securities Exchange ("CSE") and trades under the symbol "HRK".

Going Concern
These financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. The Company has sustained losses from operations and expects to incur further losses in the development of its business, and has an ongoing requirement for capital investment to explore its exploration and evaluation asset. As at January 31, 2024, the Company had a working capital deficiency of $23,171. Based on its expected activities, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its expected activities. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. The Company expects that it will need to raise additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Material accounting policy information and basis of preparation

The financial statements were authorized for issue on May 16, 2024 by the directors of the Company.

Statement of compliance
The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. Material accounting policy information and basis of preparation (cont'd)

Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments classified as fair value through profit and loss ("FVTPL"), which are stated at their fair value. The financial statements are presented in Canadian dollars, which is the Company's functional currency, unless otherwise noted.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant estimates made in the preparation of these financial statements include the carrying value of exploration and evaluation assets, recovery of deferred tax assets and the valuation of provisions for restoration and environmental liabilities.

Significant judgements include assessment of going concern assumption and whether there are indicators of impairment of exploration and evaluation assets.

Income taxes

Deferred income tax:
Income tax expense consisting of current and deferred tax expense is recognized in the statements of comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. Material accounting policy information and basis of preparation (cont'd)

Exploration and evaluation assets

Where the Company has entered into option agreements for the acquisition of an interest in exploration and evaluation assets which provided for periodic payments, such amounts unpaid are not recorded as a liability when they are payable entirely at the Company's discretion. Although the Company has taken steps to verify title to the exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. The exploration and evaluation assets may be subject to prior undetected agreements or transfers and title may be affected by such defects.

i. Exploration and evaluation expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation costs incurred prior to obtaining licenses or a legal right are expensed in the period in which they are incurred. Once a legal right to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and classified as a component of mineral properties. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs, including drilling costs directly attributable to a property, and directly attributable to general and administrative costs. From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine development cost". Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

Any incidental revenue earned in connection with exploration activities is applied as a reduction to capitalized exploration costs. Any operational income earned in connection with exploration activities is recognized in the profit or loss.

ii. Impairment

Exploration and evaluation assets are assessed for impairment by management when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, when a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written-off to profit or loss.

The recoverability of the carrying amount of mineral properties is dependent on successful development and commercial exploitation, or alternatively, the sale of the respective areas of interest.

The Company assesses exploration and evaluation assets for indications of impairment at each reporting date.

2. Material accounting policy information and basis of preparation (cont'd)

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense. The Company does not have any provisions for rehabilitation obligations.

Share capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company. The Company's common shares, share warrants and flow-through shares are classified as equity instruments. 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.

Loss per share

Basic loss per share is calculated based on the weighted average aggregate number of common shares outstanding during each period. Diluted loss per share is computed similarly to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the period presented, this calculation proved to be anti-dilutive.

Financial instruments

(i) Classification
The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL") or at amortized cost.

The following table shows the classification of the Company's financial assets and liabilities:

	Classification IFRS 9
Cash	FVTPL
Amount recoverable	Amortized cost
Reclamation bond	Amortized cost
Accounts payable	Amortized cost
Due to related parties	Amortized cost

2. Material accounting policy information and basis of preparation (cont'd)

Financial instruments (cont'd)

(ii) Measurement
Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

(iii) Derecognition
Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Share-based payments

The Company follows guidance provided by IFRS 2, which requires that a fair value based method of accounting be applied to all share-based payments. The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. For equity-settled share-based payment transactions for non-employees, the Company measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case, the Company measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option-Pricing Model, taking into account the terms and conditions under which the options were granted. The Company currently estimates the expected volatility of its common shares based on historical volatility taking into consideration the expected life of the options. The risk-free interest rate assumption is based on the Bank of Canada marketable bonds with a remaining term equal to the stock options' expected life.

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

(Expressed in Canadian dollars)

2. Material accounting policy information and basis of preparation (cont'd)

Accounting standards issued but not yet effective

The Company has not yet adopted certain standards, interpretations to existing standards and amendments that have been issued, but have an effective date of later than January 31, 2024. These updates are not expected to have a significant impact on the Company and are therefore not discussed herein.

3. Exploration and evaluation assets

Pathfinder Property (British Columbia)

On August 26, 2021, the Company entered into an option agreement to acquire up to a 75% interest in five mining claims in the Greenwood Mining Division, British Columbia. The optionor under the option agreement, Belmont Resources Inc. ("Belmont"), has two common directors with the Company, Gary Musil and James Place. As a result, the option agreement constitutes a 'related party transaction' pursuant to IAS 24. See Note 6.

To acquire a 51% interest, the Company must issue 100,000 common shares (issued) and make a cash payment of $5,000 (paid) to the optionor.

To earn the further 24% of the total 75% interest, the Company must pay the optionor $10,000 on or before August 26, 2022 (paid), issue 100,000 common shares on or before six months from the date of initial listing of the Company's shares on a Canadian Stock Exchange (issued), and incur aggregate exploration expenditures of $200,000 of which $75,000 must be incurred before August 26, 2022 (incurred) and $125,000 on or before the first anniversary of the initial listing of the Company's shares on an exchange which occurred on February 28, 2023 (incurred $114,196 as at January 31, 2024) for a total of $189,196. Belmont has confirmed that the Company has met the requirement to incur an aggregate of $200,000 in expenditures. The property is subject to a net smelter royalty of 2% payable to the optionor.

In February 2022, the Company remitted a $15,700 bond to the Government of British Columbia to acquire a multi-year permit under the Mines Act which is valid until April 30, 2027.

A continuity of the expenditures on the Company's Exploration and Evaluation Assets is as follows:

Pathfinder	**Year ended January 31, 2024**	**January 31, 2023**
Acquisition costs:		
Beginning	**$ 17,000**	$ 7,000
Cash	**-**	10,000
Shares issued	**7,500**	-
	$ 24,500	$ 17,000
Exploration costs:		
Beginning	**$ 101,602**	$ 91,563
Consulting	**4,138**	-
Reports and administration	**58,956**	10,039
	164,696	101,602
Balance, ending	**$ 189,196**	$ 118,602

(Expressed in Canadian dollars)

4. Accounts payable and accrued liabilities

	January 31, 2024		January 31, 2023	
Accounts payable	**$**	**3,171**	$	6,458
Accrued liabilities		**15,000**		56,110
	$	**18,171**	$	62,568

5. Share capital

Authorized share capital
Unlimited number of common shares without par value.

Issuances

Year ended January 31, 2024

On February 28, 2023 the Company completed its initial public offering of 3,500,000 shares at a price of $0.10 per share for gross proceeds of $350,000. In connection to the initial public offering the Company paid commission costs of $35,000, corporate finance fees of $34,000, of which $23,500 was paid in cash and $10,500 in common shares, legal fees of $65,293 (of which $40,473 was expensed in the prior year) and 350,000 brokers' warrants (valued at $17,006) at a price of $0.10 per share, exercisable on or before February 28, 2025. The Company recorded share issue costs of $79,151 and expensed initial public offering costs of $31,675.

On August 29, 2023, the Company issued 100,000 common shares for the second option on the Pathfinder property acquisition at $0.075 per share with a share price of $7,500. This was part of exploration and evaluation assets (Note 3).

Year ended January 31, 2023

There were no share issuances during the year ended January 31, 2023.

Stock options
The Company adopted a stock option plan to grant options to individuals exercisable up to 10 years from the date of grant to purchase shares at the market price, less applicable discount, if any. Such grants not to exceed an aggregate of 10% of the issued and outstanding shares and vesting periods will be determined by the Board of Directors.

On January 28, 2022, the Company granted 700,000 stock options that vested upon grant and are exercisable at a price of $0.10 until January 28, 2025 to senior officers and directors. The estimated fair value of the options was $22,258 which was determined by the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 128%; an expected life of 3 years; a dividend yield of 0%; and a risk-free rate of 1.42%.

Details of options outstanding as at January 31, 2024 are as follows:

Number of Options	Exercise Price		Expiry date	Exercisable
700,000	$	0.10	January 28, 2025	700,000

(Expressed in Canadian dollars)

5. Share capital (cont'd)

As at January 31, 2024, the options outstanding had a weighted average exercise price of $0.10 and a weighted average life of 1.25 years.

Warrants
On February 28, 2023, the Company granted 350,000 broker's warrants exercisable at a price of $0.10 until February 28, 2025. The estimated fair value of the warrants was $17,006 which was determined by the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 87.44%; an expected life of 2 years; a dividend yield of 0%; and a risk-free rate of 4.20%.

	Number of warrants	Weighted average exercise price
Balance at January 31, 2022 and 2023	**-**	$ -
Issued	**350,000**	$ 0.10
Balance at January 31, 2024	**350,000**	$ 0.10

Number of Warrants	Exercise price	Expiry date
350,000	$ 0.10	February 28, 2025

Reserves
Reserves include items recognized as share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

6. Related party transactions

Key management compensation
Key management personnel include those persons having 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 Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel made during the years ended January 31, 2024 and 2023, are as follows:

	Year ended January 31, 2024	Year ended January 31, 2023
Management and consulting fees	**$ 36,135**	$ 30,000
Accounting fees	**15,506**	12,000
Total	**$ 51,737**	$ 42,000

6. Related party transactions (cont'd)

Effective August 15, 2021 the Company entered into a management services agreement with a company controlled by a director and former senior officer. Terms include a monthly fee of $2,500, monthly rent of $100, and automatic renewal every six months unless terminated by either the Company or the service provider. The Company incurred rent expense of $96 in the year ended January 31, 2024 (2023 - $1,300). This agreement was mutually terminated on October 31, 2023.

During the year ended January 31, 2024, the Company paid professional fees, office and general totaling $8,266 (2023 - $nil) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, and (ii) bookkeeping and regulatory filing services. The Marrelli Group was owed $1,753 (2023 - $nil) and these amounts were included in amounts payable and accrued liabilities. The Marrelli Group was also paid a retainer fee of $3,000 included in prepaids.

As at January 31, 2024, a total of $nil (January 31, 2023 - $13,650) is payable to a company controlled by a director and former senior officer and $nil (January 31, 2023 - $9,500) has been accrued/payable as due to a director and former senior officer. Amounts due to related parties are non-interest bearing with no specific terms of repayment.

The optionor under the Company's option agreement to acquire the Pathfinder Property (Note 3), Belmont Resources Inc., has two directors in common with the Company.

On November 30, 2023, the Company issued to an non-arm's length creditor of the Company, Greencastle Resources Ltd. ("Greencastle") an interest bearing promissory note in the principal amount of $100,000. Greencastle is a significant shareholder and has a director in common with the Company. Interest on the outstanding Principal Amount of the Note will accrue from time to time of the Principal Amount until the Principal Amount is repaid in full at the rate per annum equal to the Prime Rate plus two per cent, calculated monthly, as well after as before maturity and both before and after default. The Principal Amount and any accrued and unpaid interest owing shall become due and be paid in full on December 31, 2024. For the year ended January 31, 2024, the Company accrued interest of $1,277 in connection with this loan.

7. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

<u>Credit Risk</u>
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 Company is exposed to credit risk by holding cash. Holding the cash in large Canadian financial institutions minimizes this risk. The Company has minimal accounts receivable exposure, and its amounts recoverable are due from a Canadian government agency. Credit risk is assessed as low.

<u>Currency Risk</u>
The Company's functional currency is the Canadian dollar. There is minimal foreign exchange risk to the Company as its mineral property interests are located in Canada. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

7. Financial risk management (cont'd)

Interest Rate Risk
The Company’s exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company’s cash accounts is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates. The Company's amount due to related parties accrues interest at variable rates (Note 6). Interest rate risk is assessed as moderate.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company’s approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation. As at January 31, 2024, the Company had a cash balance of $89,945 to settle current liabilities of $119,448. All the liabilities presented as accounts payable and accrued liabilities are due within 90 days of January 31, 2024 and the amount due to related party matures on December 31, 2024.

The Company’s expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at January 31, 2024 and expected cash flows for the next 12 months are not sufficient to fund the Company’s ongoing operational needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof. Liquidity risk is assessed as high.

Capital Management
The Company is engaged in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental issues and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

The Company includes the components of equity in the definition of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

There were no changes in the Company’s approach to capital management during the period.

Fair value

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

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

The Company’s cash, accounts payable and accrued liabilities, and amounts due to related parties approximate their current fair values because of their nature and anticipated settlement dates.

(Expressed in Canadian dollars)

8. Supplemental disclosure with respect to cash flows

During the years ended January 31, 2024 and 2023, the Company incurred the following non-cash financing and investing transactions that are not reflected in the statement of cash flows:

	January 31, 2024	January 31, 2023
Non-cash financing and investing activities:		
Shares issued for share issuance costs	**$ 10,500**	$ -
Shares issued for property acquisitions (Note 3 and 5)	**7,500**	-
Fair value of brokers' warrants	**17,006**	-
Exploration and evaluation expenditures in accounts payable	**-**	420

9. Income taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows;

	Year ended January 31, 2024	Year ended January 31, 2023
Net loss before income taxes for the year	**$ (216,943)**	$ (112,832)
Statutory Canadian corporate tax rate	**27**%	27%
Anticipated tax recovery	**$ (58,574)**	$ (30,465)
Non-deductible expenses	**976**	338
Share issuance cost	**(21,370)**	-
Change in unrecognized deductible temporary differences	**78,872**	18,343
Other	**96**	-
Total income tax expense (recovery)	**$ -**	$ (11,784)

The significant components of the Company's unrecognized deferred tax assets as follows:

	January 31, 2024	January 31, 2023
Non-capital losses carried forward	**$ 104,515**	$ 42,643
Exploration and evaluation assets	**(24,300)**	(24,300)
Share issuance cost	**17,096**	-
	97,311	18,343
Unrecognized deferred tax assets	**(97,311)**	(18,343)
Net deferred tax liability	**$ -**	$ -

The Company has non-capital losses of $387,094 available to carry forward to reduce future years' income for income tax purposes. The losses expire from 2041 to 2043. Tax attributes are subject to review and potential adjustment by tax authorities.

10. Subsequent event

On April 12, 2024 the Company completed a non-brokered private placement financing for gross proceeds of $325,000 through the issuance of 6,500,000 units in the capital of the Company at a price of $0.05 per unit. Each unit is comprised of one common share and one common share purchase warrant. Each warrant allows the holder to purchase one additional common share for $0.075 per share until April 12, 2026.