BAYRIDGE RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three and six months ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

As at		June 30, 2024 (Unaudited)		December 31, 2023 (Audited)
ASSETS				
CURRENT ASSETS				
Cash	$	4,407,827	$	250,750
GST receivable		106,851		7,789
Prepaid expenses and deposits (Note 5)		163,612		40,184
		4,678,290		298,723
Mineral property (Note 4)		1,283,000		108,000
TOTAL ASSETS	**$**	**5,961,290**	**$**	**406,723**
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	117,009	$	50,270
Due to related parties (Note 7)		-		5,602
Flow-through premium liability (Note 6)		607,998		-
TOTAL LIABILITIES		725,007		55,872
SHAREHOLDERS' EQUITY				
Share capital (Note 6)		7,245,638		838,241
Reserves		1,888,618		-
Deficit		(3,897,973)		(487,390)
TOTAL SHAREHOLDERS' EQUITY		5,236,283		350,851
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**5,961,290**	**$**	**406,723**

Nature and continuance of operations (Note 1)
Subsequent events (Note 8)

These financial statements were approved by the Board of Directors on August 29, 2024.

/s/ Satvir "Saf" Dhillon ,
Director

/s/ Trevor Nawalkowski ,
Director

The accompanying notes are an integral part of these condensed interim financial statements.

(Expressed in Canadian dollars)

	Three months ended June 30, 2024 (Unaudited)	Three months ended June 30, 2023 (Unaudited)	Six months ended June 30, 2024 (Unaudited)	Six months ended June 30, 2023 (Audited)
OPERATING EXPENSES				
Advertising expense	$ 1,310,749	$ -	$ 1,364,437	$ -
Consulting fees (Note 7)	75,154	3,000	131,288	6,000
Directors' fees (Note 7)	1,500	-	5,500	-
Exploration expenses (Note 4)	339,462	156,648	346,012	156,648
Office and administration (Note 7)	16,206	1,121	23,151	1,257
Professional fees	108,287	36,776	165,539	45,110
Salaries and benefits (Note 7)	3,196	-	6,392	-
Stock-based compensation (Notes 6)	1,400,210	-	1,417,710	-
Total operating expenses	(3,254,764)	(197,545)	(3,460,029)	(209,015)
OTHER ITEMS				
Exchange gain (loss)	1,309	-	1,011	-
Flow-through premium recovery	48,435	-	48,435	-
Net loss and comprehensive loss for the period	**$ (3,205,020)**	**$ (197,545)**	**$ (3,410,583)**	**$ (209,015)**
Basic and diluted loss per share	$ (0.05)	$ (0.01)	$ (0.06)	$ (0.01)
Weighted average number of common shares outstanding	67,206,398	38,166,188	55,118,587	27,061,178

The accompanying notes are an integral part of these condensed interim financial statements.

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Condensed Interim Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2024 and 2023
(Expressed in Canadian dollars)

	Number of Shares		Share Capital		Shares or Special Warrants Subscribed		Reserves		Deficit		Total Shareholders' Equity
Balance, December 31, 2022	**14,000,132**	**$**	**140,000**	**$**	**116,499**	**$**	**-**	**$**	**(46,572)**	**$**	**209,927**
Private placements – net	22,326,056		496,093		(116,499)		-		-		379,594
Special warrants subscribed – net	-		-		150,876		-		-		150,876
Shares issued pursuant to property acquisition	800,000		8,000		-		-		-		8,000
Net loss for the period	-		-		-		-		(209,015)		(209,015)
Balance, June 30, 2023 (audited)	**37,126,188**	**$**	**644,093**	**$**	**150,876**	**$**	**-**	**$**	**(255,587)**	**$**	**539,382**
Balance, December 31, 2023	**42,057,688**	**$**	**838,241**	**$**	**-**	**$**	**-**	**$**	**(487,390)**	**$**	**350,851**
Private placement of flow-through units – net	13,128,667		3,118,425		(150,876)		488,408		-		3,455,937
Private placement of non-flow through units – net	12,060,000		2,343,692		-		-		-		2,343,692
Shares issued for RSU settlement	50,000		17,500		-		(17,500)		-		-
Shares issued pursuant to Option Agreement	1,118,624		685,000		-		-		-		685,000
Shares issued on exercise of warrants – net	4,408,000		242,800		-				-		242,800
Share-based compensation	-		-		-		1,417,710		-		1,417,710
Net loss for the period	-		-		-		-		(3,410,583)		(3,410,583)
Balance, June 30, 2024 (unaudited)	**72,822,979**	**$**	**7,245,638**	**$**	**-**	**$**	**1,888,618**	**$**	**(3,897,973)**	**$**	**5,236,283**

The accompanying notes are an integral part of these condensed interim financial statements.

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)

		Six months ended June 30, 2024 (Unaudited)		Six months ended June 30, 2023 (Audited)
Operating activities				
Net loss for the period	$	(3,410,583)	$	(209,015)
Items not affecting cash:				
Stock-based compensation		1,416,710		-
Flow-through premium liability recovery		(48,435)		-
Changes in non-cash working capital items				
GST receivable		(99,062)		(2,036)
Prepaid expenses and deposits		(123,428)		-
Accounts payable and accrued liabilities		66,739		49,176
Due to related parties		(5,602)		-
Cash used in operating activities		**(2,202,661)**		**(161,875)**
Investing activities				
Mineral property		(490,000)		(25,000)
Cash used in investing activities		**(490,000)**		**(25,000)**
Financing activities				
Proceeds from (return of) refundable deposits		-		(184,000)
Proceeds from issuance of shares and units		6,606,938		387,672
Share and special warrant issuance costs		-		(16,477)
Shares issued on warrant exercise		242,800		-
Shares or special warrants subscriptions received in advance		-		159,275
Cash provided by financing activities		**6,849,738**		**346,470**
Net change in cash		4,157,077		159,595
Cash, beginning of the period		250,750		404,708
Cash, end of the period	**$**	**4,407,827**	**$**	**564,303**

SUPPLEMENTAL INFORMATION

Shares issued pursuant to mineral property agreement (Note 5)	$	685,000	$	8,000
Interest paid	$	-	$	-
Taxes paid	$	-	$	-

1. NATURE AND CONTINUANCE OF OPERATIONS

Bayridge Resources Corp. (previously Aspen Resources Corp.) (the "Company") was incorporated in British Columbia under the British Columbia Corporations Act on October 7, 2022 as Shock Energy Metals Corp. On May 2, 2023, the Company changed its name from Shock Energy Metals Corp. to Aspen Resources Corp. and on May 30, 2023, from Aspen Resources Corp to Bayridge Resources Corp. The Company's registered office is located at 220 – 333 Terminal Avenue, Vancouver, BC, V6A 4C1. The Company's common shares were approved for listing on the Canadian Securities Exchange (the "**CSE**") and began trading on November 27, 2023, under the stock ticker symbol "**BYRG**".

The Company is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

At June 30, 2024, the Company had a working capital of $3,953,283 (December 31, 2023 - $242,851), had not yet achieved profitable operations and has an accumulated deficit of $3,897,973 (December 31, 2023 - $487,390) since its inception. During the six months ended June 30, 2024, the Company recorded a loss of $3.410,583 (2023 - $209,015) and expects to incur further losses in the development of its business. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned work programs on its mineral properties, meet its on-going levels of corporate overhead and commitments, keep its properties in good standing and discharge its liabilities as they come due. 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 liabilities in the normal course of business. Although the Company presently has sufficient financial resources to undertake its currently planned work programs and has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Accordingly, the financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in these financial statements.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements, as at and for the six months ended June 30, 2024, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements were approved and authorized by the Board of Directors on August 29, 2024.

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for the cash flow information. All financial information in these financial statements is presented in Canadian dollars which is the functional currency of the Company.

The accounting policies, estimates, and judgments applied in the preparation of these unaudited condensed interim

2. BASIS OF PRESENTATION (continued)

(b) Basis of preparation (continued)

financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year-ended December 31, 2023, unless noted below. The Company's interim results are not necessarily indicative of its results for a full year.

Flow-Through Shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a flow-through tax expense.

(c) Significant accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the application of policies and reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statements, along with reported amounts of expenses and net losses during the period. Actual results may differ from these estimates, and as such, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statements of financial position reporting date that could result in a material adjustment to the carrying value of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Judgments:

- The Company capitalizes acquisition costs on its statements of financial position and evaluates these amounts at least annually for indicators of impairment. The Company is required to conduct this review on an annual basis, and it requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount;

- Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects; and

- The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based

(Expressed in Canadian dollars – Unaudited)

2. BASIS OF PRESENTATION (continued)

(c) Significant accounting estimates and judgments (continued)

on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The factors considered by management are disclosed in Note 1.

Estimates:

Stock-based compensation

The fair value of stock-based compensation is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices and forfeiture rates, changes in subjective input assumptions can materially affect the fair value estimate.

3. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL DISCLOSURES

(a) Fair value of financial instruments

As at June 30, 2024 and December 31, 2023, the Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties.

IFRS requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. IFRS establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS prioritizes the inputs into three levels that may be used to measure fair value.

Level 1: Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2: Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the net asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3: Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

Financial assets included in the statement of financial position are as follows:

	Level in fair value hierarchy	June 30, 2024	December 31, 2023
FVTPL:			
Cash	Level 1	$ 4,407,827	$ 250,750
		$ 4,407,827	$ 250,750

(Expressed in Canadian dollars – Unaudited)

3. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL DISCLOSURES (continued)

(a) Fair value of financial instruments (continued)

Financial liabilities included in the statement of financial position are as follows:

	Level in fair value hierarchy	June 30, 2024	December 31, 2023
Amortized cost:			
Accounts payable and accrued liabilities		$ 117,009	$ 50,270
Due to related parties		-	5,602
		$ 117,009	$ 55,872

As at June 30, 2024 and December 31, 2023, the Company believes that the carrying values of cash, accounts payable and accrued liabilities and due to related parties approximate their fair values because of their nature and relatively short maturity dates or durations. During the six months ended June 30, 2024, and the year ended December 31, 2023, there were no transfers between levels of the fair value hierarchy.

(b) Risk Management

Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in financial loss to the Company. Credit risk is primarily related to the Company's cash balance. To minimize this risk, cash has been placed with major Canadian financial institutions. The maximum exposure to credit risk for cash is $4,407,827 (December 31, 2023 – $250,750).

Interest Rate Risk

The Company is not exposed to significant interest rate risk due to the lack of interest-bearing financial assets and liabilities.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, and cash holdings. As the Company does not have operating cash flows, the Company has relied primarily on equity financings and loans from related parties to meet its capital requirements and current financial obligations (Note 1).

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities and the determination of impairment of exploration and evaluation assets is subject to risk associated with fluctuations in the market prices of lithium.

(c) Capital Management

The Company considers its capital structure to include working capital and shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable. The Company's share capital is not subject to any external restrictions and the Company did not change its approach to capital management during the period.

(Expressed in Canadian dollars – Unaudited)

4. MINERAL PROPERTY

The Company has capitalized the following acquisition costs during the six months ended June 30, 2024.

	Sharpe Lake Ontario $	Waterbury East Property $	Constellation Property $	Total $
Balance, October 7, 2022 and December 31, 2022	-	-	-	-
Property acquisition	108,000	-	-	108,000
Balance, December 31, 2023	**108,000**	**-**	**-**	**108,000**
Property acquisition	-	635,000	540,000	1,175,000
Balance, June 30, 2024	**108,000**	**635,000**	**540,000**	**1,283,000**

The Company has expensed the following exploration expenditures during the six months ended June 30, 2024 and 2023.

For the six months ended June 30, 2024	Sharpe Lake Ontario $	Waterbury East Property $	Constellation Property $	Total $
Geological consulting	1,083	11,449	9,018	21,550
Survey	126,400	49,514	145,346	321,260
Travel	2,641	-	-	2,641
Other	-	459	102	561
Balance, June 30, 2024	**130,124**	**61,422**	**154,466**	**346,012**

For the six months ended June 30, 2023	Sharpe Lake Ontario $	Waterbury East Property $	Constellation Property $	Total $
Geological consulting	14,500	-	-	14,500
Survey	-	-	-	-
Travel	-	-	-	-
Other – expense reimbursement	142,148	-	-	142,148
Balance, June 30, 2023	**156,648**	**-**	**-**	**156,648**

(a) Sharpe Lake Property, Ontario

On February 23, 2023, and amended on March 27, 2023 and July 18, 2023, the Company entered into a purchase option agreement with Mosam Venture Inc. ("Mosam") to acquire a one hundred percent (100%) undivided interest in the un-patented twelve (12) mining claims in Ontario.

As consideration for the property, the Company is required to issue a total of 800,000 common shares and make cash payments of $1,100,000. The Company will also pay up to maximum amount of $150,000 for all bona fide out of pocket expenses incurred on property by Mosam ($142,148 paid). The breakdown of payments and issuance of common shares are follows:

- Pay $25,000 upon signing the agreement (paid);
- Issue 800,000 common shares upon signing the agreement (issued with a fair value of $8,000);
- Pay $75,000 upon the Company's shares being listed for trading on a Canadian stock exchange, being November 27, 2023 (Note 1) (the "Listing") (paid);
- Pay $250,000 on the date that is 13 months following the date of Listing; and
- Pay $750,000 on the 2nd anniversary of the date of Listing.

Upon exercise of the option, Mosam will retain a 3% production royalty.

4. MINERAL PROPERTY (continued)

(b) Waterbury Easy Property, Saskatchewan

On March 25, 2024 (the "Effective Date"), the Company entered into an option agreement with CanAlaska Uranium Ltd. ("CanAlaska") to acquire up to an 80% interest in and to those certain mineral dispositions comprising land located in Saskatchewan, Canada, commonly referred to as the Waterbury East Property ("Waterbury East Property").

In order to earn an initial 40% interest in the Waterbury East Property, the Company must do the following:

(i) Pay cash consideration as follows:
- $100,000 within 10 business days after the Effective Date (paid April 5, 2024).
- $165,000 within 45 business days after the Effective Date (paid May 9, 2024).

(ii) Issue shares equal in value to:
- $150,000 within 10 business days after the Effective Date (issued 263,158 shares on April 4, 2024, with a fair value of $0.57 per share).
- $220,000 within 45 business days after the Effective Date. (issued 338,462 shares on May 9, 2024, with a fair value of $0.65 per share).

(iii) Incur $1,500,000 in exploration expenditures on the Waterbury East Property within 18 months of the Effective Date.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its 40% initial interest within 18 months of the Effective Date.

To increase its interest by an additional 20%, from 40% to 60%, the consideration payable is as follows:
(i) Pay to CanAlaska an additional $220,000 cash upon delivering written notice of exercising 40% interest.
(ii) Issue and deliver to CanAlaska common shares of Bayridge equal in value to $385,000 upon delivering written notice of exercising 40% interest.
(iii) Incur an additional $1,500,000 in exploration expenditures on the Waterbury East Property within 12 months of the date of delivering written notice of exercising 40% interest.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its further 20% interest (for a total of 60% interest) within 12 months of delivering written notice of exercising 40% interest.

To increase its interest by an additional 20%, from 60% to 80%, the consideration payable is as follows:
(i) Pay to CanAlaska an additional $275,000 cash upon delivering written notice of exercising 60% interest.
(ii) Issue and deliver to CanAlaska common shares of Bayridge as will be equal in value to $550,000 upon delivering written notice of exercising 60% interest.
(iii) Incur an additional $2,000,000 in exploration expenditures on the Waterbury East Property within 12 months of delivering written notice of exercising 60% interest.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its further 20% interest (for a total of 80% interest) within 12 months of delivering written notice of exercising 60% interest.

(c) Constellation Property, Saskatchewan

On March 25, 2024, the Company entered into an option agreement with CanAlaska, to acquire up to an 80% interest in and to those certain mineral dispositions comprising land located in Saskatchewan, Canada, commonly referred to as the Constellation Property ("Constellation Property").

In order to earn an initial 40% interest in the Constellation Property, the Company must do the following:
(i) Pay cash consideration as follows:
- $100,000 within 10 business days after the Effective Date (paid April 5, 2024).
- $125,000 within 45 business days after the Effective Date (paid May 9, 2024).

(ii) Issue shares equal in value to:
- $150,000 within 10 business days after the Effective Date (issued 263,158 shares on April 4, 2024, with a fair value of $0.57 per share).

(Expressed in Canadian dollars – Unaudited)

4. MINERAL PROPERTY (continued)

- $165,000 within 45 business days after the Effective Date (issued 253,846 shares on May 9, 2024, with a fair value of $0.65 per share).

(iii) Incur $1,500,000 in exploration expenditures on the Constellation Property within 18 months of the Effective Date.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its 40% initial interest within 18 months of the Effective Date.

To increase its interest by an additional 20%, from 40% to 60%, the proposed consideration payable is as follows:
(i) Pay to CanAlaska an additional $165,000 cash upon delivering written notice of exercising 40% interest.
(ii) Issue and deliver to CanAlaska common shares of Bayridge as will equal in value to $290,000 upon delivering written notice of exercising 40% interest.
(iii) Incur an additional $1,500,000 in exploration expenditures on the Constellation Property within 12 months of delivering written notice of exercising 40% interest.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its further 20% interest (for a total of 60% interest) within 12 months of delivering written notice of exercising 40% interest.

To increase its interest by an additional 20%, from 60% to 80%, the consideration payable is as follows:
(i) Pay to CanAlaska an additional $210,000 cash upon delivering written notice of exercising 60% interest.
(ii) Issue and deliver to CanAlaska common shares of Bayridge as will equal in value to $415,000 upon delivering written notice of exercising 60% interest.
(iii) Incur an additional $2,000,000 in exploration expenditures on the Constellation Property within 12 months of delivering written notice of exercising 60% interest.
(iv) Deliver written notice to CanAlaska indicating the Company's exercise of its further 20% interest (for a total of 80% interest) within 12 months of delivering written notice of exercising 60% interest.

5. PREPAID EXPENSES AND DEPOSITS

		June 30, 2024		December 31, 2023
Prepaid expenses	$	121,208	$	-
Prepaid insurance		6,904		14,904
Exploration advances		35,500		25,280
		163,612		**40,184**
Current portion		163,312		40,184
Long-term portion	$	-	$	-

6. SHARE CAPITAL

(a) Authorized

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

(b) Issued and outstanding

As of June 30, 2024, the Company had 72,822,979 (December 31, 2023 – 42,057,688) shares outstanding. At June 30, 2024, 3,000,150 (December 31, 2023 – 3,600,180) shares were in escrow. 600,030 of these shares are to be released from escrow on November 27, 2024, with 600,030 shares being released every six months thereafter.

(Expressed in Canadian dollars – Unaudited)

6. SHARE CAPITAL (continued)

(b) Issued and outstanding (continued)

On March 11, 2024, the Company effected a subdivision of its total issued and outstanding common shares on a 2 to 1 share split basis. The references to the number of common shares and warrants, have been adjusted retroactively to reflect the share subdivision. The exercise or conversion price of, and the number of common shares issuable under any securities of the Company has been proportionally adjusted upon the completion of the share subdivision.

During the six months ended June 30, 2024:

a) On January 2, 2024, the Company granted 50,000 restricted share units (the "RSUs") as compensation for consulting services to a consultant of the Company. These RSUs vested immediately, resulting in the issuance of 50,000 shares. As a result $17,500 was allocated from reserves to share capital.

b) In January 2024, the Company issued 453,000 on the exercise of 453,000 warrants for total cash proceeds of $25,300.

c) In February 2024, the Company issued 1,118,000 shares on the exercise of 1,118,000 warrants for total cash proceeds of $61,800.

d) In March 2024, the Company issued 660,000 shares on the exercise of 660,000 warrants for total cash proceeds of $46,000.

e) In April 2024, the Company issued 971,000 shares on the exercise of 971,000 warrants for total cash proceeds of $49,100.

f) On April 9, 2024, the Company issued 526,316 shares with a fair value of $300,000 as the first share payment pursuant to two property option agreements with CanAlaska Uranium Ltd . (Note 4).

g) On April 17, 2024, the Company closed its non-brokered private placement for gross proceeds of $6,953,600, through the issuance of 12,060,000 non-flow through units (each, a "NFT Unit") at $0.25 per NFT Unit, for gross proceeds of $3,015,000 (the "NFT Offering"), and 13,128,667 flow-through units (each, a "FT Unit") at $0.30 per FT Unit, for gross proceeds of $3,938,600 (together, the "Offering"), of which $656,433 was recognized as a flow-through premium liability. Each NFT Unit is comprised of one common share of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant entitling the holder thereof to purchase one Common Share at a price of $0.35, for a period of 24 months from the date of the closing. Each FT Unit is comprised of one common share, issued on a flow-through basis, and one-half of one Warrant. All proceeds received were allocated to common shares and no fair value was allocated to the attached warrants.

   In conjunction with the Offering, the Company paid an aggregate of $330,162 in finders' fees and issued an aggregate of 1,217,206 finders' warrants (each, a "Finder's Warrant") to finders. Each Finder's Warrant is exercisable into one Common Share at a price of $0.35 for a period of 24 months from the date of issuance. The fair value of the Finders' Warrants was determined to be $488,408 using the Black-Scholes Options Pricing Model using the following assumptions: risk-free rate of 4.19%, expected life of 2 years, volatility factor of 107.26% and dividend yield of Nil. The Company incurred an additional $16,500 in cash share issuance costs related to the Offering.

Balance as at December 31, 2023	$	-
Flow through premium liability recognized		656,433
Recognized in profit or loss upon incurring qualifying expenditures		(48,435)
Balance as at June 30, 2024	**$**	**607,998**

(Expressed in Canadian dollars – Unaudited)

6. SHARE CAPITAL (continued)

(b) Issued and outstanding (continued)

h) On May 9, 2024, the Company issued 592,308 shares as the second share payment pursuant to two property option agreements with CanAlaska Uranium Ltd. The shares were valued at $385,000 (Note 4).

i) In May 2024, the Company issued 1,202,000 shares on the exercise of 1,202,000 warrants for total cash proceeds of $60,200.

j) In June 2024, the Company issued 4,000 shares on the exercise of 4,000 warrants for total cash proceeds of $400.

During the six months ended June 30, 2023:

a) In February 2023, the Company issued 800,000 shares at a fair value of $0.01 per share for a total value of $8,000 pursuant to the Sharpe Lake mineral property agreement ("Sharpe Lake Property, Ontario") (Note 4).

b) In March 2023, the Company issued 5,332,000 shares at $0.01 for gross proceeds of $53,320.

c) In March 2023, the Company issued 18,034,056 units at $0.025 for gross proceeds of $450,851. Each unit consists of one share and one share purchase warrant. Each warrant will entitle the holder to purchase a share for a period of 24 months from the date on which common shares of the issuer begin to trade on the Canadian Securities Exchange at an exercise price of $0.05 per common share. The share issuance costs were $8,078.

(c) Warrants

A summary of the Company's issued and outstanding share purchase warrants as at June 30, 2024 and December 31, 2023 and changes during those periods are presented below:

	Warrants Outstanding	Weighted Average Exercise Price ($)
Balance, October 7, 2022 and December 31, 2022	-	-
Granted	21,717,556	0.06
Exercised	(208,000)	0.10
Balance, December 31, 2023	**21,509,556**	**0.06**
Granted	13,811,539	0.35
Exercised	(4,408,000)	0.06
Balance, June 30, 2024	**30,913,095**	**0.19**

At June 30, 2024, the following warrants were outstanding and exercisable:

Number of Warrants Issued and Exercisable	Exercise Price ($)	Expiry Date	Weighted Average Remaining Contractual Life
14,074,056	0.05	November 27, 2025	1.41
3,027,500	0.10	November 27, 2025	1.41
12,594,333	0.35	April 17, 2026	1.80
1,217,206	0.35	April 17, 2026	1.80
30,913,095			**0.78**

(Expressed in Canadian dollars – Unaudited)

6. SHARE CAPITAL (continued)

(d) Stock Options

The Company issued a new Equity Incentive Plan (the "Plan"), the purpose of which is to attract, retain, motivate, and reward qualified Directors, Employees and Consultants, and to encourage such Directors, Employees and Consultants to acquire shares as long-term investments and proprietary interests in the Company. The Plan allows for the issuance of stock options or restricted share units ("RSUs") (together referred to as "Awards"). The terms and conditions of the Awards granted shall be determined at the sole discretion of the Board of Directors.

The aggregate number of shares reserved for issuance pursuant to awards granted under this Plan shall not exceed 10% of the Company's total issued and outstanding shares from time to time. The maximum number of shares for which Awards may be issued to any one participant in any 12-month period shall not exceed 5% of the outstanding shares, calculated on the date an Award is granted to a participant, unless the Company obtains disinterested shareholder approval. The maximum number of shares for which Awards may be issued to any Consultant or persons retained to provide investor relations activities in any 12-month period shall not exceed 2% of the outstanding shares, calculated on the date an Award is granted to the Consultant or any such person.

To the extent that any Awards (or portion(s) thereof) under the Plan are exercised, terminated or are cancelled for any reason prior to exercise in full, any shares subject to such Awards (or portion(s) thereof) shall be added back to the number of shares reserved for issuance under the Plan and will again become available for issuance pursuant to the exercise of Awards granted under the Plan.

A summary of the changes in the Company's stock options during the six months ended June 30, 2024 are as follows:

	Number of options	Weighted average exercise price
Outstanding, December 31, 2023	-	$ -
Granted	2,100,000	0.62
Outstanding, June 30, 2024	2,100,000	$ 0.62

On April 5, 2024, the Company granted 600,000 stock options (the "Options") exercisable at $0.57 for a period of three years to certain consultants of the Company. These Options vested immediately upon grant.

On April 26, 2024, the Company granted an aggregate of 1,500,000 Options, exercisable at $0.64 until April 26, 2027, to certain directors, officers and consultants of the Company. The Options vested immediately upon grant.

During the six months ended June 30, 2024, the Company recognized share-based compensation totaling $825,013 (2023 - $Nil) in relation to the grant of its stock options with a corresponding credit to reserves.

The weighted average grant date fair value of the stock options granted during the six months ended June 30, 2024 was $0.28 (2023 - $Nil) per option. Option pricing models require the use of highly subjective estimates and assumptions including expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates. The fair value of stock options was estimated on the measurement date using the Black-Scholes Option Pricing Model.

The assumptions used to calculate the fair value were as follows:

	June 30, 2024	June 30, 2023
Risk free rate of interest	4.14%	Nil
Expected life of options	3 years	Nil
Exercise price of options	$0.62	Nil
Expected annualized volatility	99.21%	Nil
Expected dividend rate	Nil	Nil

(Expressed in Canadian dollars – Unaudited)

6. SHARE CAPITAL (continued)

(d) Stock Options (continued)

The Company has limited trading history, and therefore expected annualized volatility was determined through the use of comparable companies that are publicly listed.

As at June 30, 2024, the following options were outstanding:

Options outstanding	Options exercisable	Exercise price	Expiry date	Remaining contractual life (years)
600,000	600,000	$0.57	April 5, 2027	2.76
1,500,000	1,500,000	$0.64	April 26, 2027	2.82
2,100,000	2,100,000			

As of June 30, 2024, there were 2,100,000 stock options outstanding and exercisable (December 31, 2023 – Nil), with a weighted average life of stock options outstanding being 2.81 years.

(e) Restricted Share Units ("RSUs")

At the discretion of the Board of Directors, RSUs may be settled in equity, cash or a combination of both except as otherwise provided in an Award Agreement. The fair value of RSUs, which are settled in equity, are recognized as a share-based payment with a corresponding increase in reserves, over the vesting period.

On January 2, 2024, the Company granted 50,000 restricted share units ("RSUs") to a consultant of the Company, which vested immediately. The fair value of each RSU was determined to be $0.35, based on the market value of the shares on the grant date.

On April 5, 2024, the Company granted 800,000 underlying restricted share units (the "RSUs") as compensation for consulting services. The fair value of each RSU was determined to be $0.57, based on the average market value of the shares from the grant date to period end. These RSUs expire three years from grant date and vest as follows:

- 200,000 on August 5, 2024;
- 200,000 on December 5, 2024;
- 200,000 on April 5, 2025; and
- 200,000 on August 5, 2025.

On April 26, 2024, the Company granted 300,000 RSUs to certain directors, officers and consultants of the Company. The fair value of each RSU was determined to be $0.56, based on the average market value of the shares from the grant date to period end. The RSUs are exercisable until April 26, 2027, and will vest four months following the grant date, on August 26, 2024.

On April 26, 2024, the Company granted an aggregate of 1,800,000 RSUs to an officer of the Company. The fair value of each RSU was determined to be $0.64, based on the market value of the shares on the grant date. The RSUs are exercisable until April 26, 2027, and will vest as follows:

- 450,000 will vest on August 26, 2024;
- 450,000 will vest on December 26, 2024;
- 450,000 will vest on April 26, 2025; and
- 450,000 will vest on August 26, 2025.

During the six months ended June 30, 2024, the Company recognized share-based compensation of $575,197 (2023 - $Nil) relating to the vesting of RSUs with a corresponding credit to reserves.

(Expressed in Canadian dollars – Unaudited)

6. SHARE CAPITAL (continued)

(e) Restricted Share Units ("RSUs") (continued)

As at June 30, 2024, the Company had 2,900,000 RSUs outstanding (2023 – Nil).

A summary of the changes in the Company's RSUs during the six months ended June 30, 2024 are as follows:

	Number of Restricted Share Units
Balance, December 31, 2023	-
Granted	2,950,000
Vested	(50,000)
Balance, June 30, 2024	**2,900,000**

7. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate values of transactions relating to key management personnel were as follows:

For the three months ended	**Three months ended June 30, 2024**	Three months ended June 30, 2023	**Six months ended June 30, 2024**	Six months ended June 30, 2023
Consulting fees	$ 52,500	$ 3,000	$ 75,000	$ 6,000
Directors' fees	1,500	-	5,500	-
Office and administration	8,265	-	9,483	-
Wages and benefits	3,196	-	6,392	-
Share-based compensation	930,243	-	930,243	-
	$ 995,704	**$ 3,000**	**$ 1,026,618**	$ 6,000

a) During the three and six months ended June 30, 2024, the Company incurred consulting fees of $15,000 and $30,000 (2023 - $3,000 and $6,000), respectively, and $Nil and $1,218 in office and administration expenses (2023 - $Nil and $Nil), respectively, with a company owned by the former Chief Executive Officer ("CEO").

b) During the three and six months ended June 30, 2024, the Company incurred directors' fees of $1,500 and $5,500 (2023 - $Nil and $Nil), respectively, with a company owned by the former Chief Financial Officer ("CFO").

c) During the three and six months ended June 30, 2024, the Company incurred wages and benefits of $3,196 and $6,392 (2023 - $Nil and $Nil), respectively, with the CFO of the Company.

d) During the three and six months ended June 30, 2024, the Company incurred consulting fees of $37,500 and $45,000 (2023 - $Nil and $Nil), respectively, and $8,265 and $8,265 (2023 - $Nil and $Nil), respectively, with a company associated with the CEO.

e) As at June 30, 2024, $Nil (December 31, 2023 - $5,602) was owing to a company controlled by the former CEO. The amounts due to the related party are unsecured and without interest or stated terms of repayment.

8. SUBSEQUENT EVENTS

On August 27, 2024, the Company issued 300,000 common shares as a result of vesting of 300,000 RSUs settled at no cost to the holder.