KINGFISHER METALS CORP.

Condensed Consolidated Interim Financial Statements

Nine Months ended September 30, 2023

(Expressed in Canadian dollars)

KINGFISHER METALS CORP.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

		As at September 30, 2023		As at December 31, 2022
Assets				
Current assets				
Cash and cash equivalents	$	1,742,123	$	1,800,271
Amounts receivable		112,687		275,416
Prepaid expenses		808,183		571,060
		2,662,993		2,646,747
Exploration and evaluation assets (Note 3)		14,789,441		12,742,858
Property and equipment (Note 4)		230,219		282,498
Restricted cash		205,100		146,500
	$	17,887,753	$	15,818,603
Liabilities and Equity				
Current:				
Accounts payable and accrued liabilities	$	635,701	$	634,771
CFT – Share premium liability (Note 9)		200,886		-
		836,587		634,771
Deferred income taxes		1,682,000		1,636,000
		2,518,587		2,270,771
Shareholders' equity				
Capital stock (Note 5)		20,942,273		18,188,826
Contributed surplus (Note 5)		2,039,144		1,856,127
Deficit		(7,612,251)		(6,497,121)
		15,369,166		13,547,832
	$	17,887,753	$	15,818,603

Nature of operations and going concern (Note 1)
Subsequent event (Note 10)

See accompanying notes.

These financial statements are authorized for issue by the Board of Directors on November 28, 2023.

"Dustin Perry"
…………………………………………………Director

"David Loretto"
…………………………………………………Director

KINGFISHER METALS CORP.
Condensed Consolidated Interim Statements of Loss
(Expressed in Canadian Dollars)

	For the three months ended September 30, 2023	For the three months ended September 30, 2022	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
General and administrative expenses				
Amortization	$ 18,575	$ 22,173	$ 55,723	$ 65,524
Audit fees	26,500	-	26,500	25,298
Bank charges	1,084	1,060	2,200	2,800
Consulting and directors' fees	12,609	40,632	44,613	78,893
Corporate relations	105,720	64,442	267,514	245,625
Insurance	7,630	3,647	22,591	17,460
Legal	5,480	7,668	51,868	13,060
Management fee	99,000	99,000	297,000	315,167
Office and administration	15,366	24,342	95,977	120,635
Salaries and wages	8,438	7,677	77,163	49,890
Share-based compensation	141,225	73,514	181,380	287,537
Transfer and filing fees	41,773	21,640	121,871	51,075
Travel and entertainment	23,535	29,598	64,837	54,625
	(506,935)	(395,393)	(1,309,237)	(1,327,589)
Other Items				
Flow-through recovery	231,763	456,781	231,763	558,750
Interest	2,449	-	8,344	494
	234,212	456,781	240,107	559,244
Net loss before income taxes	(272,723)	61,388	(1,069,130)	(768,345)
Deferred income tax recovery (expense)	(247,000)	(772,000)	(46,000)	(918,100)
Net loss for the period	$ (519,723)	$ (710,612)	$ (1,115,130)	$ (1,686,445)
Loss per share, basic	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding	121,732,310	103,023,576	110,501,921	92,553,545

See accompanying notes.

KINGFISHER METALS CORP.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)

For the nine months ended	September 30, 2023	September 30, 2022
Operating activities		
Net loss for the period	$ (1,115,130)	$ (1,686,445)
Changes non-cash operating items:		
Amortization	55,723	65,524
Deferred income tax expense(recovery)	46,000	918,100
Flow-through recovery	(231,763)	(558,750)
Share-based compensation	181,380	287,537
	(1,063,790)	(974,034)
Changes non-cash working capital:		
Amounts receivable	162,729	(142,618)
Prepaid expenses	(237,123)	(637,316)
Accounts payable and accrued liabilities	7,407	407,482
	(66,987)	(372,452)
Cash used in operating activities	(1,130,777)	(1,346,486)
Financing activities		
Issuance of common shares from private placements	2,828,394	4,854,153
Share issue costs	(15,661)	(130,442)
Warrants exercised for common shares	-	25,000
Cash provided by financing activities	2,812,733	4,748,711
Investing activities		
Additions to exploration and evaluation assets	(1,678,060)	(4,381,670)
Additions to property and equipment	(3,444)	(70,368)
Restricted cash	(58,600)	-
Cash used in investing activities	(1,740,104)	(4,452,038)
Net inflow(outflow) of cash and cash equivalents	(58,148)	(1,049,813)
Cash and cash equivalents, beginning of the period	1,800,271	4,686,967
Cash and cash equivalents, end of the period	$ 1,742,123	$ 3,637,154

Non-cash investing activity:
The Company incurred $174,052 (September 30, 2022 - $244,764) in exploration and evaluation assets which were in accounts payable and accrued liabilities at September 30, 2023.

See accompanying notes.

KINGFISHER METALS CORP.

Condensed Consolidated Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Common Shares					
	Number	**Amount**	**Share Based Compensation**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2022	103,057,272	$ 18,188,826	$ 1,572,625	$ 283,502	$ (6,497,121)	$ 13,547,832
Shares issued for mining claims	3,571,429	375,000	-	-	-	375,000
Charity Flow-through shares issued – net of issue costs	21,632,450	2,581,520	-	-	-	2,581,520
Flow-through shares issued – net of issue costs	2,325,000	231,213	-	-	-	231,213
Agent warrants	-	(1,637)	-	1,637	-	-
Flow-through premium liability	-	(432,649)	-	-	-	(432,649)
Share-based compensation	-	-	181,380	-	-	181,380
Net loss for the period	-	-	-	-	(1,115,130)	(1,115,130)
Balance, September 30, 2023	130,586,151	$ 20,942,273	$ 1,754,005	$ 285,139	$ (7,612,251)	$ 15,369,166

	Common Shares					
	Number	**Amount**	**Share Based Compensation**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2021	84,673,300	$ 13,985,005	$ 1,228,873	$ 248,612	$ (4,324,346)	$ 11,138,144
				-		
Shares issued for mining claims	500,000	100,000	-	-	-	100,000
Charity Flow-through shares issued – net of issue costs	15,250,000	4,179,946	-	-	-	4,179,946
Flow-through shares issued – net of issue costs	2,433,972	543,765	-	-	-	543,765
Agent warrants	-	(34,890)	-	34,890	-	-
Flow-through premium liability	-	(610,000)	-	-	-	(610,000)
Warrants Exercised	200,000	25,000	-	-	-	25,000
Share-based compensation	-	-	287,537	-	-	287,537
Net loss for the period	-	-	-	-	(1,686,445)	(1,686,445)
Balance, September 30, 2022	103,057,272	$ 18,188,826	$ 1,516,410	$ 283,502	$ (6,010,791)	$ 13,977,947

See accompanying notes.

1. NATURE OF OPERATIONS AND GOING CONCERN

Kingfisher Metals Corp. (the "Company" or “Kingfisher”) was incorporated under the Business Corporations Act (British Columbia) on September 7, 2017 and its common shares are listed for trading on the TSX Venture Exchange (the “TSX-V”), Frankfurt Stock Exchange and OTCQB Venture Market in the United States. The principal business focus of the Company is the exploration and development of mineral prospects in Canada. The Company’s registered office is located in Vancouver, B.C.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to 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 for the foreseeable future. There is no assurance that the exploration activities of Kingfisher will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company currently has cash available to meet its administrative overhead and maintain its assets. The recoverability of amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned exploration, and future cashflow from the Company’s business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. The Company has not achieved profitable operations and has accumulated losses since inception. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

These condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. BASIS OF PRESENTATION

(a) Statement of compliance of basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS issued by the IASB.

The accounting policies applied by the Company in the condensed consolidated interim financial statements are the same as those applied by the Company in its most recent annual financial statements for the year ended December 31, 2022.

(b) Key judgements and estimates

The preparation of the Company’s condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and contingent liabilities at the date of the condensed consolidated interim financial statements and reported amounts of revenues and 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. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management judgements, estimates and assumptions include:

- The assessment of whether certain factors (both internal and external) would be considered an indicator of impairment and whether impairment testing is required on the exploration and evaluation assets.
- The determination that the Company will continue as a going concern for the next year.

(c) Basis of Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its wholly owned integrated subsidiary, Kingfisher Resources Ltd., which was incorporated in British Columbia and is engaged in mining exploration and evaluation activities.

(d) Change in accounting policies:

Amendment to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, Presentation of Financial Statements and the IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on the application of materiality judgements to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies. The amendments are effective for annual periods beginning on or after January 1, 2023, with early adoption permitted. Prospective applications are required on adoption. We do not expect these amendments to have a material effect on the consolidated financial statements.

3. EXPLORATION AND EVALUATION ASSETS

Ecstall

On April 10, 2019, the Company completed the Ecstall purchase of 18 mineral claims totalling 20,735 hectares in Northwestern B.C. for 8,200,000 shares (at a value of $205,000) from two executives.

The Company also acquired and staked 13 additional claims on adjacent land (totalling approximately 7,671 hectares).

Thibert

On June 24, 2020, the Company entered into an asset purchase agreement to acquire Thibert claims from Kenorland Minerals Ltd. (“Kenorland”) (a company with a common director), consisting of 8 mineral claims totaling 12,475 hectares in Northwestern B.C. for the following:

- 1,000,000 common shares of the Company (issued);
- common shares of the Company equal to a value of $100,000 on the first anniversary date of the listing on the TSX-V (issued); and
- a 2% net smelter return royalty.

On November 15, 2021, the Company staked 2 additional mineral claims adjacent to the existing claims totaling 502 hectares for a cost of $878.

(Expressed in Canadian Dollars)

Goldrange

On April 6, 2020, the Company completed a purchase from Kenorland of three mineral claims totaling 4,504 hectares in Southwestern B.C. (referred to here as Goldrange) for 500,000 common shares of the Company (at a value of $50,000) plus a 2% net smelter return royalty.

Subsequently during the 2020 year, the Company acquired and staked 24 additional mineral claims (totaling approximately 16,574 hectares) by incurring costs of $73,940 and issuing 70,000 common shares (at a value of $14,000).

The Company staked 18 additional mineral claims adjacent to the existing claims totaling 29,953 hectares.

HWY 37

On March 6, 2023 (amended on March 25, 2023), the Company entered into 2 option agreements to consolidate and acquire a 100% interest in a series of mineral claims in the Golden Triangle region of NW British Columbia, which consists of the Ball Creek East, and Hank properties (collectively the “HWY 37 Project”).

More specifically, the Company entered into a property option agreement with Evrim Exploration Canada Corp., a subsidiary of Orogen Royalties Inc. (“Orogen”), for the Ball Creek East project (the “Ball Creek East Option Agreement”), and a property option agreement with Golden Ridge Resources Ltd. for the Hank project (the “Hank Option Agreement”).

Ball Creek East Project

Pursuant to the terms of the Ball Creek East Option Agreement, Kingfisher has the right to earn a 100% ownership interest in the Ball Creek East Project as follows:

Due dates	Issuance of common shares ($)	Minimum exploration expenditures ($)	Cumulative exploration expenditures ($)
Upon TSX-V approval (issued)	300,000	-	-
March 25, 2024	400,000	500,000	500,000
March 25, 2025	500,000	1,000,000	1,500,000
March 25, 2026	1,000,000	2,000,000	3,500,000
March 25, 2027	1,300,000	4,000,000	7,500,000

The Company granted a 1% net smelter returns royalty to Orogen in respect of the Company’s Ecstall Property on the March 25, 2023.

The Ball Creek East NSR Royalty may be bought down by Orogen at any time by one half with a cash payment of $1,000,000.

(Expressed in Canadian Dollars)

Hank Project

Pursuant to the terms of the Hank Option Agreement, Kingfisher has the right to earn a 100% ownership interest in the Hank Project as follows:

Due dates	Cash payments ($)	Issuance of common shares ($)	Minimum exploration expenditures ($)	Cumulative exploration expenditures ($)
Upon TSX-V approval (paid and issued)	25,000	75,000	-	-
March 25, 2024	-	150,000	-	-
March 25, 2025	-	300,000	250,000	250,000
March 25, 2026	100,000	1,000,000	1,000,000	1,250,000
March 25, 2027	125,000	1,475,000	1,750,000	3,000,000

	Ecstall Claims	**Thibert Claims**	**Goldrange Claims**	**HWY 37 Claims**	**Total**
Acquisition costs:					
As at December 31, 2021	$ 219,093	$ 200,878	$ 192,184	-	$ 612,155
Staking (recovery)	5,931	-	(2,008)	-	3,923
As at December 31, 2022	**225,024**	**200,878**	**190,176**	**-**	**616,078**
Acquisition costs, agreement for sale	-	-	-	401,000	401,000
As at September 30, 2023	**225,024**	**200,878**	**190,176**	**401,000**	**1,017,078**
Exploration costs as at December 31, 2021	**858,329**	**201,251**	**4,869,549**	**-**	**5,929,129**
Expenditures during the period:					
Assays	155	-	513,132	-	513,287
Camp	-	-	464,515	-	464,515
Consulting	-	-	119,350	-	119,350
Drilling	-	-	2,019,603	-	2,019,603
Field gear	-	-	72,101	-	72,101
Geologist and sundry exploration costs	-	-	381,928	-	381,928
Geophysics	-	34,573	-	-	34,573
Helicopters	-	-	2,025,178	-	2,025,178
Reports	-	-	24,383	-	24,383
Labour	370	6,758	487,093	-	494,221
Transportation and travel	-	-	132,312	-	132,312
	525	41,331	6,239,595	-	6,281,451
Exploration costs as at December 31, 2022	**858,854**	**242,582**	**11,109,144**	**-**	**12,210,580**

(Expressed in Canadian Dollars)

Expenditures during the period:					
Assays	-	8,105	199,617	6,693	214,415
Camp	-	6,608	315	471,813	478,736
Consulting	1,884	-	-	-	1,884
Drilling	-	3,467	2,194	607,872	613,533
Fieldgear	-	-	-	8,809	8,809
Geologist and sundry exploration costs	-	19,142	10,092	121,933	151,167
Helicopters	-	12,302	-	226,662	238,964
Permit Applications	-	-	-	46,976	46,976
Reports	-	-	9,425	-	9,425
Labour	-	13,605	835	22,707	37,147
Transportation and travel	-	15,335	-	25,300	40,635
	1,884	78,564	222,478	1,538,765	1,841,691
As at September 30, 2023	**860,738**	**321,146**	**11,331,622**	**1,538,765**	**14,052,271**
Recovery – BCMETC, September 30, 2023	**(46,000)**	**-**	**(233,908)**	**-**	**(279,908)**
Balance, September 30, 2023	**$ 1,039,762**	**$ 522,024**	**$11,287,890**	**$1,939,765**	**$14,789,441**

4. PROPERTY AND EQUIPMENT

	Automotive Equipment	Shop Equipment	Exploration Equipment	Office Equipment	Portable Camp	Total
Cost						
At December 31, 2021	$ 14,820	$ 8,588	$138,076	$ 30,613	$ 168,561	$360,658
Capital expenditures	16,264	5,093	4,726	5,394	38,891	70,368
At December 31, 2022	31,084	13,681	142,802	36,007	207,452	431,026
Capital expenditures	-	-	925	2,519	-	3,444
At September 30, 2023	$ 31,084	$ 13,681	$143,727	$ 38,526	$ 207,452	$ 434,470
Accumulated depletion and depreciation						
At December 31, 2021	(6,002)	(859)	(20,308)	(8,713)	(25,284)	(61,166)
Depletion and depreciation	(5,085)	(2,055)	(24,026)	(7,379)	(48,817)	(87,362)
At December 31, 2022	$ (11,087)	$ (2,914)	$ (44,334)	$ (16,092)	(74,101)	$(148,528)
Depletion and depreciation	(4,499)	(1,615)	(14,840)	(4,765)	(30,004)	(55,723)
At September 30, 2023	$ (15,586)	$ (4,529)	$ (59,174)	$ (20,857)	(104,105)	$(204,251)
Net book value						
December 31, 2022	$ 19,997	$ 10,767	$ 98,468	$ 19,915	$ 133,351	$ 282,498
September 30, 2023	**$ 15,498**	**$ 9,152**	**$ 84,553**	**$ 17,669**	**$ 103,347**	**$ 230,219**

5. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the nine months ended September 30, 2023:

On August 3, 2023, the Company closed private placements for gross proceeds of approximately $2.8 million through the issuance of 21,632,450 charity flow-through units at a price of $0.12 per charity flow-through unit and 2,325,000 flow-through units at a price of $0.10 per flow-through unit of the Company. The Company recognized a flow-through premium liability of $432,649.

Each unit consists of one flow-through common share and one half of one transferable non-flow-through common share purchase warrant. Each full warrant shall be exercisable into one additional non-flow-through common share of the Company for 24 months at an exercise price of $0.15.

In connection with the offering, the agent received an aggregate cash fee of $9,059 and 45,000 non-transferable compensation warrants. Each compensation warrant will entitle the holder to purchase one common share at an exercise price equal to $0.15 for a period of 24 months.

On April 3, 2023 the Company issued 2,857,143 shares common shares at a price of $0.105 per share with a value of $300,000 pursuant to the Ball Creek East Option Agreement entered into on March 6, 2023 to consolidate a 362 km^2 copper-gold project in the Golden Triangle region of NW British Columbia. See Note 3.

On April 3, 2023 the Company issued 714,286 common shares at a price of $0.105 per share with a value of $75,000 and paid $25,000 pursuant to the Hank Option Agreement entered into on March 6, 2023 to consolidate a 362 km^2 copper-gold project in the Golden Triangle region of NW British Columbia. See Note 3.

During the nine months ended September 30, 2022:

On August 31, 2022, the Company issued a total of 50,000 common shares at $0.125 on the exercise of 50,000 warrants for proceeds of $6,250.

On June 7, 2022, the Company closed private placements for gross proceeds of $4,854,153. The offering was comprised of (i) 15,250,000 charity flow-through units at a price of $0.28 per unit for gross proceeds of $4,270,000; and (ii) 2,433,972 flow-through units at a price of $0.24 per unit for gross proceeds of $584,153.

Each unit consists of one flow-through common share and one half of one transferable non-flow-through common share purchase warrant. Each full warrant shall be exercisable into one additional non-flow-through common share of the Company for 24 months at an exercise price of $0.35. The Company recognized a flow-through premium liability of $610,000.

In connection with the offering, the agent received an aggregate cash fee of $69,500 and 327,083 non-transferable compensation warrants with a fair value of $34,890 (see Note 5(d)). Each compensation warrant will entitle the holder to purchase one common share at an exercise price equal to $0.35 for a period of 24 months.

(Expressed in Canadian Dollars)

On June 1, 2022, the Company issued a total of 150,000 common shares at $0.125 on the exercise of 150,000 warrants for proceeds of $18,750.

On March 18, 2022, the Company issued 500,000 common shares at a price of $0.20 per share as part of the asset purchase agreement with Kenorland. See Note 3.

(c) Incentive stock options

The Company has a stock option plan (the "Plan") allowing for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The term of any stock option granted under the Plan may not exceed five years and the exercise price may not be less than the discounted market price on the grant date. Unless otherwise specified by the Board of Directors at the time of granting an option, and subject to other term limits on option grants set out in the Plan, all options granted under the Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one quarter of the options vesting in any three-month period.

The purpose of the Plan is to provide directors, officers, key employees, and certain other persons who provided services to the Company and its subsidiaries with an increased incentive to contribute to the future success and prosperity of the Company.

On August 10, 2023, the Company also granted 3,650,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until August 10, 2028, at a price of $0.12 per share. These options vest over a period of one year.

On June 14, 2022, the Company also granted 2,000,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until June 14, 2027, at a price of $0.30 per share. These options vest over a period of one year.

The following is a continuity of outstanding share options:

	Weighted Average of Options	**Weighted Average of Exercise price**
Balance December 31, 2021	6,550,001	$ 0.17
Granted during the period	2,000,000	$ 0.30
Balance December 31, 2022	8,550,001	$ 0.20
Cancelled during the period	(205,000)	$ (0.41)
Granted during the period	3,650,000	$ 0.12
Balance September 30, 2023	11,995,001	$ 0.17

The fair value of each option is estimated using the Black-Scholes option pricing model with assumptions as follows:

	June 14, 2022	August 10, 2023
Risk-free interest rate	3.56%	3.93%
Expected annualized volatility	108%	195%
Expected life	5 years	5 years
Exercise price	$0.30	$0.12
Dividend rate	Nil	Nil

(Expressed in Canadian Dollars)

The following table summarizes information about stock options that are outstanding at September 30, 2023:

Number of Options	Price per Share	Expiry Date	Options Exercisable
400,000	$0.10	October 4, 2023	400,000*
2,106,667	$0.10	December 27, 2024	2,106,667
1,760,000	$0.10	September 25, 2025	1,760,000
1,833,334	$0.25	March 12, 2026	1,833,334
260,000	$0.55	May 25, 2026	260,000
50,000	$0.65	October 21, 2026	50,000
1,935,000	$0.30	June 14, 2027	1,935,000
3,650,000	$0.12	August 10, 2028	1,216,667
11,995,001			9,561,668

As at September 30, 2023, the weighted average contractual remaining life is 3.03 years.
**Subsequently expired unexercised.*

(d) Share purchase warrants

The following is a continuity of outstanding warrants:

	Weighted Average of Warrants	Weighted Average of Exercise Price
Balance at December 31, 2021	31,879,184	$ 0.49
Issued – Finder's warrants	327,083	$ 0.35
Issued – Charity Flow Through	7,625,000	$ 0.35
Issued – Flow Through	1,216,986	$ 0.35
Exercised	(200,000)	$ (0.125)
Balance at December 31, 2022	40,848,253	$ 0.46
Expired	(31,679,184)	$ (0.49)
Issued – Charity Flow Through	10,816,225	$ 0.15
Issued – Flow Through	1,162,500	$ 0.15
Issued – Finder's warrants	45,000	$ 0.15
Balance at September 30, 2023	21,192,794	$ 0.24

The fair value of finder's warrants is estimated using the Black-Scholes pricing model with assumptions as follows:

	June 7, 2022	August 3, 2023
Risk-free interest rate	3.04%	4.72%
Expected annualized volatility	100%	112%
Expected life	2 years	2 years
Dividend rate	Nil	Nil

(Expressed in Canadian Dollars)

The following table summarizes information about warrants that are outstanding at September 30, 2023:

Number of Warrants	Price per Share	Expiry Date	Warrants Exercisable
9,169,069	$0.35	June 7, 2024	9,169,069
10,816,225	$0.15	August 3, 2025	10,816,225
1,162,500	$0.15	August 3, 2025	1,162,500
45,000	$0.15	August 3, 2025	45,000
21,192,794			21,192,794

As at September 30, 2023, the weighted average contractual life of warrants is 1.34 years.

6. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel for the years ended were as follows:

	September 30, 2023	September 30, 2022
Share-based compensation	$ 124,838	$ 174,481
Director fees	37,830	37,753
Management fees	297,000	313,167
Exploration and evaluation assets	4,050	19,415
Operating expenses	9,000	9,000
	$ 472,718	$ 553,816

As at September 30, 2023, $nil (December 31, 2022 - $10,491) is included in accounts payable and accrued liabilities.

All transactions and balances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. FINANCIAL INSTRUMENTS RISK

The Company's financial instruments are exposed to the following risks:

Credit Risk

Credit risk is the risk of financial loss to the Company if counterparties do not fulfill their contractual obligations. Cash and cash equivalents consist of cash bank balances. There are no short-term investments currently.

The carrying amount of accounts receivable and cash and cash equivalents represents the maximum credit exposure. The Company does not have an allowance for doubtful accounts. As at September 30, 2023, there were no significant amounts past due or impaired.

Market Risk

Market risk is the risk that changes in foreign exchange rates and interest rates will affect the Company's cash flows, net income and comprehensive income. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its purchases and capital commitments, and other financial obligations as they are due. The Company's approach to managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking harm to the Company's reputation.

Foreign Exchange Risk

The Company currently does not have significant exposure to other currencies, and this is not expected to change in the foreseeable future as the capital commitments that are expected to be carried out in United States dollars will be limited.

Interest Rate Risk

The Company is exposed to interest rate risk on its cash and cash equivalents. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments, so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount. 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.

During the nine-month period ended September 30, 2023, and the year ended December 31, 2022, there were no transfers between level 1, 2 and 3 classified assets and liabilities.

8. CAPITAL MANAGEMENT

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support future exploration and maintain investor, creditor and market confidence.

The Company defines its capital as shareholders' equity and working capital. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In the event that adjustments to the capital structure are required, the Company may consider issuing additional equity, raising debt or revising its capital investment programs.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements or restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any contemplated. The Company may require equity issues to cover administrative and operating cost.

9. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the period ended September 30, 2023, the Company incurred, in aggregate, $1,390,579 in qualified flow-through expenditures and recognized a recovery flow-through recovery of $231,763.

As at September 30, 2023, the Company has approximately $1,437,815 to spend on qualified expenditures.

10. SUBSEQUENT EVENT

No subsequent events.