KINGFISHER METALS CORP.

Condensed Consolidated Interim Financial Statements

Three Months ended March 31, 2024

(Expressed in Canadian dollars)

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

		As at March 31, 2024		As at December 31, 2023
Assets				
Current assets				
Cash and cash equivalents	$	187,658	($	226,219
Amounts receivable		52,214		174,158
Prepaid expenses		559,377		605,184
		799,249	(	1,005,561
Exploration and evaluation assets (Note 3)		15,600,602	(	16,020,294
Property and equipment (Note 4)		353,095	(	375,381
Restricted cash		150,100	(	205,100
	$	16,903,046	($	17,606,336
Liabilities and Equity				
Current:				
Accounts payable and accrued liabilities	$	439,485	($	520,762
Lease Liability (Note 5)		29,370		20,287
		468,855	(	541,049
Deferred income taxes		1,600,000		1,909,000
Lease Liability (Note 5)		125,376		132,958
		2,243,231		2,583,007
Shareholders' equity				
Capital stock (Note 6)		21,475,156		20,926,156
Contributed surplus (Note 6)		2,099,542		2,068,038
Deficit		(8,865,883)		(7,970,865)
		14,708,815		15,023,329
	$	16,903,046	$	17,606,336

Nature of operations and going concern (Note 1)

See accompanying notes.

These financial statements are authorized for issue by the Board of Directors on May 30, 2024.

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

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

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

For the three months ended	March 31, 2024	March 31, 2023
General and administrative expenses		
Amortization	$ 22,286	$ 18,494
Audit and accounting	6,000	-
Bank charges	860	545
Consulting and directors' fees	-	19,394
Corporate relations	10,125	108,342
Insurance	7,464	7,509
Lease interest	3,331	-
Legal	1,062	3,586
Management fee	33,000	99,000
Office and administration	10,648	20,118
Salaries and wages	5,829	60,363
Share-based compensation	31,504	24,093
Transfer and filing fees	28,915	71,486
Travel and entertainment	3,385	19,494
	(164,409)	(452,424)
Other Items		
Interest	153	-
Write-off of exploration and evaluation assets	(1,039,762)	-
	(1,039,609)	-
Net loss and comprehensive loss before income taxes	(1,204,018)	(452,424)
Deferred income tax recovery	309,000	113,000
Net loss for the period	$ (895,018)	$ (339,424)
Loss per share, basic	$ (0.03)	$ (0.02)
Weighted average number of common shares outstanding	26,262,285	20,611,454

See accompanying notes.

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

For the three months ended	March 31, 2024	March 31, 2023
Operating activities		
Net loss for the period	$ (895,018)	$ (339,424)
Changes non-cash operating items:		
Amortization	22,286	18,494
Deferred income tax recovery	(309,000)	(113,000)
Lease interest	3,331	-
Share-based compensation	31,504	24,093
Write-off of exploration and evaluation assets	1,039,762	-
	(107,135)	(409,837)
Changes non-cash working capital:		
Amounts receivable	130,459	(21,028)
Prepaid expenses	45,807	15,059
Accounts payable and accrued liabilities	(6,543)	(16,320)
	169,723	(22,289)
Cash used in operating activities	62,588	(432,126)
Financing activities		
Repayment of lease liability	(10,345)	-
Share issue costs	(1,000)	-
Cash provided by financing activities	(11,345)	-
Investing activities		
Additions to exploration and evaluation assets	(144,804)	(332,035)
Additions to property and equipment	-	(1,004)
Release of restricted cash	55,000	-
Cash (used in) / provided by investing activities	(89,804)	(333,039)
Net inflow / (outflow) of cash and cash equivalents	(38,561)	(765,165)
Cash and cash equivalents, beginning of the period	226,219	1,800,271
Cash and cash equivalents, end of the period	$ 187,658	$ 1,035,106
Supplementary information – *non-cash investing and financing activities:*		
• *Exploration and evaluation assets in accounts payable*	$ 5,873	$ 67,307
• *Shares issued for mining claims*	$ 550,000	$ -

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, 2023	26,117,230	$ 20,926,156	$ 1,782,899	$ 285,139	$ (7,970,865)	$ 15,023,329
Shares issued for mining claims– net of issue costs	2,200,000	549,000	-	-	-	549,000
Share-based compensation	-	-	31,504	-	-	31,504
Net loss for the period	-	-	-	-	(895,018)	(895,018)
Balance, March 31, 2024	28,317,230	$ 21,475,156	$ 1,814,403	$ 285,139	$ (8,865,883)	$ 14,708,815

	Common Shares					
	Number	Amount	Share Based Compensation	Contributed Surplus	Deficit	Total
Balance, December 31, 2022	20,611,454	$ 18,188,826	$ 1,572,625	$ 283,502	$ (6,497,121)	$ 13,547,832
Share-based compensation	-	-	24,093	-	-	24,093
Net loss for the period	-	-	-	-	(339,424)	(339,424)
Balance, March 31, 2023	20,611,454	$ 18,188,826	$ 1,596,718	$ 283,502	$ (6,836,545)	$ 13,232,501

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 as a Capital Pool Corporation defined in the Policy 2.4 of the TSX Venture Exchange (the “TSX-V”). The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company’s registered office is 1710-1050 W. Pender Street, Vancouver, BC, V6E 3S7.

On March 12, 2021, the Company completed the share exchange transaction with Kingfisher Resources Ltd. (“KFR”) which constituted the Company’s QT. KFR was incorporated under the Business Corporations Act (British Columbia) on January 21, 2019 and its principal business focus is the exploration and development of mineral prospects in Canada. Upon completion of the QT, the Company began trading under its new name on the TSX-V with the symbol “KFR” (and shortly thereafter on the Frankfurt Stock Exchange under the symbol “970”). The Company announced on August 25, 2021, that it commenced trading on the OTCQB Venture Market in the United States under the symbol “KGFMF.”

On April 8, 2024, the company completed a five-for-one share consolidation of its issued and outstanding common shares. All share figures in these consolidated financial statements are shown as post-consolidated shares.

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 audited consolidated 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.

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. SIGNIFICANT ACCOUNTING POLICIES

(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, 2023, 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, 2023.

(b) Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements is in conformity with IFRS, which 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 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 assumptions about the future and other sources of uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Exploration and evaluation assets

The application of the Company's accounting policies for exploration and evaluation assets requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is impaired with a corresponding charge to profit or loss in the period in which the new information becomes available.

Going concern

Critical judgement and estimates are applied for the determination that the Company will continue as a going concern for the next year.

(c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned and controlled entity. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities.

Intercompany balances and transactions including any unrealized income and expenses arising from intercompany transactions are eliminated upon consolidation.

The following subsidiary has been consolidated from all dates presented within these consolidated financial statements:

Name of Subsidiary	Place of Incorporation	Principal Activity	Ownership Interest
Kingfisher Resources Ltd.	Canada	Mineral Exploration and Evaluation	100%

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 10 additional claims on adjacent land (totalling approximately 4,281 hectares) by incurring costs of $13,393.

The claims related to the Ecstall property are due to expire on May 30, 2024, as the Company was unable to achieve the social license required to further advance the Ecstall project due to opposition to mineral exploration and mining from local stakeholders.

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.

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

(Expressed in Canadian Dollars)

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 TSXV approval (issued)	300,000	-	-
March 25, 2024 (completed)	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 Ball Creek East underlying 2% net smelter returns royalty may be bought down by Orogen at any time by one half with a cash payment of $1,000,000.

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 (issued)	-	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

Orogen holds a 3% royalty on the Hank property. The owner of the Hank project (currently Golden Ridge) can buy down 1% of the royalty for US$3,000,000 at any time.

Golden Ridge has agreed to make a milestone payment of US$2,500,000 at the earliest of (i) the preparation of a NI 43-101 feasibility study, (ii) a development decision or the commitment of construction on any part of the Hank project, or (iii) the first day on which ore has been sold or shipped from the Hank project for the purpose of earning revenue. Kingfisher would become responsible for the milestone payment upon exercising the option.

If the owner of the Ball Creek East property also acquires the Hank project claims, then the Ball Creek East royalty will also apply there (2% net smelter returns to Sandstorm Gold Ltd. with 1% buyable to Orogen).

(Expressed in Canadian Dollars)

	Ecstall Claims	Thibert Claims	Goldrange Claims	HWY 37 Claims	Total
Acquisition costs:					
As at December 31, 2022	**$ 225,024**	**$ 200,878**	**$ 190,176**	**$ -**	**$ 616,078**
Acquisition costs, agreement for sale	-	-	-	401,000	401,000
As at December 31, 2023	**225,024**	**200,878**	**190,176**	**401,000**	**1,017,078**
Acquisition costs, agreement for sale	-	-	-	550,000	550,000
As at March 31, 2024	**225,024**	**200,878**	**190,176**	**951,000**	**1,567,078**
Exploration costs as at December 31, 2022	**858,854**	**242,582**	**11,109,144**	**-**	**12,210,580**
Expenditures during the period:					
Assays	-	8,105	199,617	55,943	263,665
Camp	-	6,608	315	765,235	772,158
Consulting	1,884	-	-	-	1,884
Drilling	-	3,467	2,193	958,819	964,479
Fieldgear	-	-	-	9,350	9,350
Geologist and sundry exploration costs	-	19,142	16,489	189,227	224,858
Geophysics	-	-	-	27,553	27,553
Helicopters	-	12,302	-	820,317	832,619
Permit Applications	-	-	-	49,814	49,814
Reports	-	-	9,425	-	9,425
Labour	-	13,605	836	62,928	77,369
Transportation and travel	-	15,352	-	41,732	57,084
	1,884	78,581	228,875	2,980,918	3,290,258
As at December 31, 2023	**860,738**	**321,163**	**11,338,019**	**2,980,918**	**15,500,838**
Expenditures during the period:					
Assays	-	-	8,978	-	8,978
Consulting	-	-	-	2,100	2,100
Geologist and sundry exploration costs	-	-	-	54,761	54,761
Labour					
Transportation and travel	-	2,251	-	1,980	2,251
	-	**2,251**	**8,978**	**58,841**	**70,070**
Recovery – BCMETC, March 31, 2024	**(46,000)**	**-**	**(451,622)**	**-**	**(497,622)**
Write-off, March 31, 2024	**(1,039,762)**	**-**	**-**	**-**	**(1,039,762)**
Balance, March 31, 2024	**$ -**	**$ 524,292**	**$11,085,551**	**$3,990,759**	**$15,600,602**

(Expressed in Canadian Dollars)

4. PROPERTY AND EQUIPMENT

	Automotive Equipment	Shop Equipment	Exploration Equipment	Office Equipment	Portable Camp
Cost					
At December 31, 2022	$ 31,084	$ 13,681	$ 142,802	$ 36,007	$ 207,452
Capital expenditures	-	-	925	2,519	-
At December 31, 2023	$ 31,084	$ 13,681	$ 143,727	$ 38,526	$ 207,452
Capital expenditures	-	-	-	-	-
At March 31, 2024	$ 31,084	$ 13,681	$ 143,727	$ 38,526	$ 207,452
Accumulated depletion and depreciation					
At December 31, 2022	$ (11,087)	$ (2,914)	$ (44,334)	$ (16,092)	$ (74,101)
Depletion and depreciation	(5,999)	(2,154)	(19,786)	(6,352)	(40,005)
At December 31, 2023	$ (17,086)	$ (5,068)	$ (64,120)	$ (22,444)	$ (114,106)
Depletion and depreciation	(1,050)	(431)	(3,980)	(1,207)	(7,001)
At March 31, 2024	$ (18,136)	$ (5,499)	$ (68,100)	$ (23,651)	$ (121,107)
Net book value					
December 31, 2023	$ 13,998	$ 8,613	$ 79,607	$ 16,082	$ 93,346
March 31, 2024	**$ 12,948**	**$ 8,182**	**$ 75,627**	**$ 14,875**	**$ 86,345**

	Right of use Assets	Leasehold Improvements	Total
Cost			
At December 31, 2022	$ -	$ -	$ 431,026
Capital expenditures	156,783	14,791	175,018
At December 31, 2023	$ 156,783	$ 14,791	$ 606,044
Capital expenditures	-	-	-
At March 31, 2024	$ 156,783	$ 14,791	$ 606,044
Accumulated depletion and depreciation			
At December 31, 2022	$ -	$ -	$ (148,528)
Depletion and depreciation	(7,839)	-	(82,135)
At December 31, 2023	$ (7,839)	$ -	$ (230,663)
Depletion and depreciation	(7,839)	(778)	(22,286)
At March 31, 2024	$ (15,678)	$ (778)	$ (252,949)
Net book value			
December 31, 2023	$ 148,944	$ 14,791	$ 375,381
March 31, 2024	**$ 141,105**	**$ 14,013**	**$ 353,095**

(Expressed in Canadian Dollars)

5. LEASE LIABILITY

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

		March 31, 2024		December 31, 2023
Undiscounted minimum lease payments				
Less than one year	$	**41,380**	$	32,865
Two to five years		**144,832**		155,177
		186,212		188,042
Effect of discounting		**(31,466)**		(34,797)
Present value of minimum lease payments		**154,746**		153,245
Less: current portion		**(29,370)**		(20,287)
Non-current portion	$	**125,376**	$	132,958

The net change in the lease liability is as follows:

		March 31, 2024		December 31, 2023
Balance, beginning of year	$	**153,245**	$	-
Additions		**-**		156,783
Principal payments		**(10,345)**		(6,897)
Lease incentives		**8,515**		-
Interest expense		**3,331**		3,359
Balance, end of year	$	**154,746**	$	153,245

6. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

On April 8, 2024, the company underwent a five-for-one share consolidation of its issued and outstanding common shares. The share consolidation was approved by the Board of Directors on April 3, 2024. Prior to the share consolidation, the number of issued and outstanding common shares was 141,586,151. Following the consolidation, the number of issued and outstanding common shares reduced to 28,317,230. This consolidation has been retrospectively applied to all periods presented in these financial statements. The impact of the share consolidation has been reflected in the loss per share calculations. All share and per share data for all periods presented have been adjusted to reflect the consolidation.

During the three months ended March 31, 2024:

On March 25, 2024, the Company issued 1,600,000 common shares at a price of $0.25 per share with a value of $400,000 pursuant to the Ball Creek East Option Agreement. See Note 3.

On March 25, 2024, and issued 600,000 common shares at a price of $0.25 per share with a value of $150,000 pursuant to the Hank Option Agreement. See note 3.

During the year ended December 31, 2023:

On August 3, 2023, the Company closed private placements for gross proceeds of approximately $2.8 million through the issuance of 4,326,490 charity flow-through units at a price of $0.60 per charity flow-through unit and 465,000 flow-through units at a price of $0.50 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 $0.75.

In connection with the offering, the agent received an aggregate cash fee of $9,059 and 9,000 non-transferable compensation warrants. Each compensation warrant will entitle the holder to purchase one common share at an exercise price equal to $0.75 for a period of 24 months.

On April 3, 2023, the Company issued 571,429 common shares at a price of $0.525 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 142,857 common shares at a price of $0.525 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.

(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 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 730,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until August 10, 2028, at a price of $0.60 per share. These options vest over a period of one year.

On June 14, 2022, the Company granted 400,000 stock options to various directors, executive officers, employees, and consultants. These options are exercisable until June 14, 2027, at a price of $1.50 per share. These options vest over a period of one year.

The following is a continuity of outstanding share options:

(Expressed in Canadian Dollars)

	Number of Options	Weighted Average of Exercise price
Balance December 31, 2022	1,710,000	$ 1.01
Cancelled during the period	(41,000)	$ (2.06)
Expired during the period	(80,000)	$ (0.50)
Granted during the period	730,000	$ 0.60
Balance December 31, 2023 and March 31, 2024	2,319,000	$ 0.88

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

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

The following table summarizes information about stock options that are outstanding at March 31, 2024:

Number of Options	Price per Share	Expiry Date	Options Exercisable
421,333	$0.50	December 27, 2024	421,333
352,000	$0.50	September 25, 2025	352,000
366,667	$1.25	March 12, 2026	366,667
52,000	$2.75	May 25, 2026	52,000
10,000	$3.25	October 21, 2026	10,000
387,000	$1.50	June 14, 2027	387,000
730,000	$0.60	August 10, 2028	486,667
2,319,000			2,075,667

As at March 31, 2024, the weighted average contractual remaining life is 2.63 years.

(d) Share purchase warrants

The following is a continuity of outstanding warrants:

	Number of Warrants	Weighted Average of Exercise Price
Balance at December 31, 2022	8,169,651	$ 2.29
Expired	(6,335,837)	$ (2.45)
Issued – Charity Flow Through	2,163,245	$ 0.75
Issued – Flow Through	232,500	$ 0.75
Issued – Finder’s warrants	9,000	$ 0.75
Balance at December 31, 2023 and March 31, 2024	4,238,559	$ 1.18

(Expressed in Canadian Dollars)

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

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

The following table summarizes information about warrants that are outstanding at March 31, 2024:

Number of Warrants	Price per Share	Expiry Date	Warrants Exercisable
1,833,814	$1.75	June 7, 2024	1,833,814
2,163,245	$0.75	August 3, 2025	2,163,245
232,500	$0.75	August 3, 2025	232,500
9,000	$0.75	August 3, 2025	9,000
4,238,559			4,238,559

As at March 31, 2024, the weighted average contractual life of warrants is 0.84 years.

7. RELATED PARTY TRANSACTIONS

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

	March 31, 2024	December 31, 2023
Share-based compensation	$ 21,578	$ 144,628
Director fees	-	46,236
Management fees	33,000	396,000
Exploration and evaluation assets	-	4,050
Operating expenses	2,000	12,000
	$ 56,578	$ 602,914

As at March 31, 2024, $nil (December 31, 2023 - $nil) 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.

8. 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 March 31, 2024, 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 three-month period ended March 31, 2024, and the year ended December 31, 2023, there were no transfers between level 1, 2 and 3 classified assets and liabilities.

9. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support future exploration and maintaining 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.

10. 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. As at March 31, 2024, the Company has approximately $Nil to spend on qualified expenditures.

11. SUBSEQUENT EVENTS

On May 28, 2024, the Company announced that, further to its news releases dated May 13, 2024, it has closed the second and final tranche of its previously announced private placement through the issuance of 6,869,998 units of the Company at a price $0.175 per unit for aggregate gross proceeds of $1,202,249.65. On May 13, 2024, the Company closed the first tranche of the offering for proceeds of $906,212. In total, 11,391,212 units and 511,111 flow-through units of the Company were issued for aggregate gross proceeds of $2,108,462. Each unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant will be exercisable to acquire one additional common share of the Company for 24 months from the closing date of the second tranche of the offering at an exercise price of $0.30.