BIG GOLD INC

Annual Audited Financial Statements

As at and for the years ended

December 31, 2024, and 2023

(Stated in $CAD)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Big Gold Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Big Gold Inc. (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of loss and comprehensive loss, statements of cash flows and statements of changes in equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Relating to Going Concern

We draw your attention to Note 1 in the financial statements, which indicates that the Company incurred a comprehensive loss of $705,582 for the year ended December 31, 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Clearhouse LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
April 23, 2025

Big Gold Inc.
Statements of Financial Position
As at December 31, 2024 and December 31, 2023

(Expressed in Canadian dollars)

As at	Note		December 31, 2024		December 31, 2023
ASSETS					
Current:					
Cash		$	26,565	$	293,786
Accounts receivable			27,210		24,074
Prepaid expenses			7,500		50,000
Total Assets		**$**	**61,275**	**$**	**367,860**
LIABILITIES					
Current:					
Accounts payable and accrued liabilities	5	$	188,681	$	85,969
Share premium liability	7		-		14,925
			188,681		**100,894**
SHAREHOLDERS' EQUITY (DEFICIENCY)					
Common shares	8		2,394,075		2,190,996
Warrant reserve	9		343,535		236,971
Share based payments reserve	10		291,022		291,022
Contributed surplus			140,530		138,962
Accumulated deficit			(3,296,568)		(2,590,985)
Total Shareholders' Equity (Deficiency)			**(127,406)**		**266,966**
Total Liabilities and Shareholders' Equity (Deficiency)		**$**	**61,275**	**$**	**367,860**

Nature of operations and going concern (Note 1)
Commitments and contractual obligations (Note 14)
Subsequent events (Note 16)

Approved on behalf of the Board:

"Scott Walters" — Director

"Bob Leshchyshen" — Director

The accompanying notes form an integral part of these financial statements

Big Gold Inc.

Statements of Net Loss and Comprehensive Loss

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

		Years ended December 31,	
	Note	**2024**	**2023**
Expenses			
Consulting fees	6	$ 78,000	$ 131,000
Exploration and evaluation expense	15	325,720	130,801
Acquisition costs	4	-	48,500
Professional fees	6	76,458	117,218
Regulatory expenses	15	24,550	26,633
Investor relations	15	235,936	174,428
Office and general	15	22,427	36,013
Total expenses		763,091	664,593
Premium on flow-through shares	7	(57,509)	(71,837)
Net loss and comprehensive loss		$ 705,582	$ 592,756
Weighted average shares outstanding			
- Basic and diluted		43,806,072	32,956,067
Basic and diluted loss per share		$ (0.02)	$ (0.02)

Big Gold Inc.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

	Notes		Years ended December 31, 2024		2023
Operating activities					
Net Loss for the year		$	(705,582)	$	(592,756)
Items not affecting cash					
Shares issued for acquisition of mineral property		$	-	$	42,000
Premium on flow-through shares	7		(57,509)		(71,837)
Change in non-cash working capital items					
Accounts receivable			(3,136)		37,603
Prepaid expenses			42,500		(50,000)
Accounts payable and accrued liabilities	5		99,179		29,255
Cash Flows used for operating activities			(624,548)		(605,735)
Financing activities					
Proceeds from private placement, net of issue costs			354,327		677,372
Net advances from related parties	6		3,000		-
Cash Flows provided from financing activities			357,327		677,372
(Decrease) increase in cash			(267,221)		71,637
Cash, beginning of year			293,786		222,149
Cash, end of year		**$**	**26,565**	**$**	**293,786**
			(0)		**-**
Non-cash transaction					
Premium on flow-through shares			57,509		71,837

The accompanying notes form an integral part of these financial statements

Big Gold Inc.
Statements of Changes in Equity (Deficiency)
For the period from January 1, 2023 to December 31, 2024

(Expressed in Canadian dollars)

	Note	Common shares		Reserves			Accumulated deficit	Total
		No. of shares	**Dollar Amount**	**Warrants**	**Share based payments**	**Contributed Surplus**	**$$**	**$$**
As at January 1, 2023		**23,718,799**	**$ 1,766,288**	**$ 140,530**	**$ 291,022**	**$ -**	**$ (1,998,229)**	**$ 199,611**
Issuance in connection with acquisition of property	4	1,400,000	42,000	-	-	-	-	42,000
Common shares issued under private placement, net of issuance costs	8. ii), iii)	14,085,500	441,969	235,403	-	-	-	677,372
Premium liability recognized on flow-through shares		-	(59,261)	-	-	-	-	(59,261)
Expiry of warrants		-	-	(138,962)	-	138,962	-	-
Net loss for the year		-	-	-	-	-	(592,756)	(592,756)
As at December 31, 2023		**39,204,299**	**2,190,996**	**236,971**	**291,022**	**138,962**	**- 2,590,985**	**266,966**
Common shares issued under private placement	8. v), vi)	10,399,886	371,302	-	-	-	-	371,302
Share issue costs		-	(17,508)	-	-	-	-	(17,508)
Issuance of warrants		-	(108,131)	108,131	-	-	-	-
Expiry of warrants		-	-	(1,568)	-	1,568	-	-
Premium liability recognized on flow-through shares		-	(42,584)	-	-	-	-	(42,584)
Net loss for the year		-	-	-	-		(705,582)	(705,582)
As at December 31, 2024		**49,604,185**	**$ 2,394,075**	**$ 343,535**	**$ 291,022**	**$ 140,530**	**$ (3,296,568)**	**$ (127,406)**

1. NATURE OF OPERATIONS AND GOING CONCERN

Big Gold Inc. (the "Company" or "Big Gold") was formed by a plan of arrangement incorporated on October 19, 2016, under the British Columbia Corporations Act with its head office located at 9th floor 1021 West Hastings Street, Vancouver, British Columbia, Canada, V6E 0C3. The Company's shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "BG" on September 21, 2022.

The Company is a mineral exploration and development company focused on the acquisition and exploration of mineral properties. The Company's primary focus is the exploration and development of the Tabor and Martin Kenty projects (See Note 4) located in the Thunder Bay and Kenora/Rainy River mining district respectively.

Going concern

As at December 31, 2024, the Company had working capital deficiency of $127,406 (working capital at December 31, 2023 - $266,966) and had not yet achieved profitable operations, the Company had accumulated losses of $3,296,568 (December 31, 2023 - $2,590,985) and currently expects to incur further losses in the exploration and development of its business.

The Company will need to raise capital in order to fund its operations. To address its financing requirements, the Company will seek financing through debt and equity financings and rights offerings to existing shareholders. The Company successfully completed financings during the year ended December 31, 2024, however, the ability of the Company to raise sufficient capital on an ongoing basis cannot be predicted at this time. These conditions raise material uncertainties which cast significant doubt as to the use of the going concern assumption in these financial statements.

These audited financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

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

2. BASIS OF PRESENTATION

(a) Statement of compliance

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

These financial statements were authorized for issuance by the Board of Directors on April 16, 2025.

(b) Basis of measurement, functional and presentation currency

These audited financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

These audited financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value, as explained in the accounting policies described herein. Further these audited financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Significant judgements, estimates and assumptions

The preparation of these audited financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgements include but are not limited to the following:

i. Share-based compensation

The Company recognizes as compensation the fair value of stock options issued in exchange for services provided by officers and directors and outside consultants. The cost of officer and director compensation is calculated using the fair value method based on the fair value of the stock option on the granting date. The cost of outside consultant compensation is calculated using the fair value method based on the fair value of the common share purchase warrant or stock option on the earlier of a) date when performance is complete, b) date on which a commitment for performance by the counterparty to earn the compensation is reached, or c) the grant date. Compensation expense is recognized over the vesting period of the related instrument granted or the service period for which such instrument is granted, whichever is shorter.

The proceeds from the exercise of stock options are recognized in share capital upon exercise at the exercise price paid by the holder, along with the related cost of such items originally credited to the options.

2. BASIS OF PRESENTATION (continued)

Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the stock options issued.

ii. Share-based payments

The Company measures equity-settled share-based payment transactions based on an estimate of the fair value of goods or services received, unless that fair value cannot be estimated reliably, in which case the Company measures the fair value of the goods or services received based on the fair value of the equity instruments granted.

iii. Determination of fair value of equity settled transactions

The Company measures the cost of equity-settled transactions consisting of common shares offered to service providers and employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the payment. This estimate also requires determining the most appropriate inputs to the valuation model including the timing of the payment.

iv. Warrants

The Company uses the Black-Scholes model to calculate the value of warrants issued as part of the Company's private placements. The Black-Scholes model requires six key inputs to determine a value of warrants: risk-free interest rate, exercise price, market price at the date of issuance, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates which involve considerable judgment and are or could be, affected by significant factors that are out of the Company's control. For example, a longer expected life of the warrants or higher volatility number used would result in an increase in the warrant value.

v. Exploration and evaluation expenditures

The Company charges to operations all mineral property acquisition costs and exploration and evaluation expenses incurred prior to the determination of economically recoverable reserve. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value.

2. BASIS OF PRESENTATION (continued)

vi. Income taxes and recovery of deferred tax asset

The Company applies judgment in determining the tax rates applicable to the temporary differences to determine the provision for income taxes. Deferred taxes relate to temporary differences between accounting and tax asset values. They are measured using tax rates that are expected to apply in the year when the asset is realized, or the liability is settled. Temporary differences are differences between accounting and tax asset values expected to be deductible or taxable in the future.

The recognition of deferred tax assets is based on likelihood of future taxable income. The measurement of future taxable income for the purposes of determining whether or not to recognize deferred tax assets depends on many factors, including the Company's ability to generate such profits and the implementation of effective tax planning strategies. The occurrence or non-occurrence of such events in the future may lead to significant changes in the measurement of deferred tax assets.

vii. Going Concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in note 1.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These accounting policies applied in the preparation of the financial statements are set out below:

(a) Cash

The Company defines cash as highly liquid investments held for the purpose of meeting short-term cash commitments that are readily convertible into known amounts of cash.

(b) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes party to the financial instrument.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading including all derivative instruments are classified as FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure them at FVTPL.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The carrying value of the Company's financial assets held at amortized cost approximates fair value. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in other comprehensive income.

The component parts of compound instruments issued by the Company are classified separately as financial liabilities in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability is measured separately using an estimated market rate for a similar liability without an equity component and the residual is allocated to the conversion option. The liability component is subsequently recognized on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Fair value is measured using a fair value hierarchy that reflects the significance of the inputs used to make the measurements. The hierarchy is summarized as follows:

• Level 1 - quoted prices (unadjusted) that are in active markets for identical assets or liabilities
• Level 2 - inputs that are observable for the asset or liability, either directly (prices) for similar assets or liabilities in active markets or indirectly (derived from prices) for identical assets or liabilities in markets with insufficient volume or infrequent transactions
• Level 3 - inputs for assets or liabilities that are not based upon observable market data

The Company classifies its financial instruments as follows:

		Fair Value Hierarchy			
Financial Instrument	Classification	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Cash	FVTPL	26,565	-	-	26,565

Impairment of financial assets at amortized cost

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Company assesses all information available, including on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information. For receivables only, the Company applies the simplified approach as permitted by IFRS 9. The simplified approach to the recognition of expected losses does not require the Company to track the changes in credit risk; rather, the Company recognizes a loss allowance based on lifetime expected credit losses at each reporting date from the date of the receivable.

Evidence of impairment may include indications that the counterparty debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. Receivables are reviewed qualitatively on a case-by-case basis to determine whether they need to be written off.

Expected credit losses are measured as the difference in the present value of the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive. The Company assesses all information available, including past due status, credit ratings, the existence of third-party insurance, and forward looking macro-economic factors in the measurement of the expected credit losses associated with its assets carried at amortized cost.

The Company measures expected credit loss by considering the risk of default over the contract period and incorporates forward-looking information into its measurement.

Derecognition

Financial assets

The Company derecognizes financial assets when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains or losses on derecognition are generally recognized in the statement of loss and comprehensive loss.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of net loss and comprehensive loss.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount, but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. An impairment loss is reversed when there has been a change in estimate that is relevant for the determination of the asset's recoverable amount since the last impairment loss was recognized.

(c) Mineral properties

The Company charges to operations all mineral property acquisition costs and exploration and evaluation expenses incurred prior to the determination of economically recoverable reserve. These costs would also include periodic fees such as license and maintenance fees. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry practice for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(d) Share-based payments

Consultants (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby they render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically measured, they are measured at fair value of the share-based payment. The fair value of the share-based payments is recognized together with a corresponding increase in equity over a period that services are provided, or goods are received.

The costs of equity settled transactions with employees are measured by reference to the fair value at the date on which they are granted. The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative cost recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Flow-through shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors under Canadian income tax legislation. On issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the difference between the current market price of the Company's common shares and the issue price of the flow through share and ii) share capital. Upon expenses being incurred, the Company recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as premium on flow-through shares and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares must be expended on Canadian resource property exploration by December 31 of the calendar year following the year of the financing.

(f) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(g) Taxation

Income tax expense represents the sum of tax currently payable and any deferred tax.

Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax
Deferred taxation is recognized using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred taxation is not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred taxation is determined using tax rates (and laws) that have been enacted.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

(h) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

(i) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes conversion, exercise or contingent issuance of options, warrants and securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share.

New standards not yet adopted, and interpretations issued but not yet effective.

At the date of authorization of these Financial Statements, the IASB and the IFRS Interpretations Committee have issued certain new and revised Standards and Interpretations which are not yet effective. Many are not applicable or do not have a significant impact to the Company and have been excluded from these financial statements. The Company has not early adopted and is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

New accounting standards

Standards issued and effective for annual periods beginning on or after January 1, 2024

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and **IAS 28 – Investments in Associates and Joint Ventures ("IAS 28"**) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

IAS 1 – In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. **Presentation of Financial Statements ("IAS 1")** was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as a settlement of liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on or after January 1, 2024.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2024.

IFRS 18 – Presentation and Disclosures in Financial Statements is a new standard on presentation and disclosure in financial statements which replaces IAS 1, with a focus on updates to the statement of profit or loss. IFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods on or after January 1,2027, with earlier adoption permitted. IFRS 18 requires retrospective application with specific transition provisions.

The company is currently assessing the impact of these standards. The Company anticipates that the application of the above new and revised standards, amendments, and interpretations will have no material impact on its results and financial position.

4. ACQUISITION OF PROPERTIES

(A) MARTIN KENTY PROJECT

On July 19, 2021 the Company completed the acquisition of the resource property located in Kenora, Ontario in the Rainy River mining district, known as the Martin Kenty project ("Martin Kenty") which consists of 264 mineral claims.

In exchange for the 264 mineral claims the Company issued 4,000,000 common shares of the Company at a fair value of $0.145 per common share for a total consideration of $580,000. The Company has expensed the $580,000 as acquisition costs in the year ended December 31, 2021.

The Martin Kenty Property has a net smelter return royalty ("NSR") of two percent (2%) owed to the previous owner of the property. The Company has a right to purchase one percent of the NSR back for $1,000,000. The forementioned common shares issued pursuant to the Asset Purchase Agreement were issued on November 11, 2021.

(Expressed in Canadian dollars)

4. ACQUISITION OF PROPERTIES (continued)

On October 18, 2022 the Company completed the acquisition of resource claims located near Kenora, Ontario, adjacent to the Company's Martin Kenty mineral claims. The Company acquired 6,100 hectares of which 4,700 hectares of open mineral claims. In exchange for the mineral claims, the Company issued 2,000,000 shares at a fair value of $0.05 per common share for a total consideration of $100,000. The Company has expensed the $100,000 as acquisition costs in the year ended December 31, 2022. The Company also is obligated to pay a 2% net smelter royalty ("NSR") on the property. and has the right to purchase 1% of the NSR in return for paying $1,000,000.

During the year ended December 31, 2024, the Company incurred exploration expenses of $3,372 (2023 -$36,580) on the Martin Kenty Project (see Note 15).

(B) TABOR PROJECT

On April 5, 2023 the Company completed the acquisition of Tabor Project ("Tabor") located within the Shebandowan Greenstone Belt northwest of Thunder Bay, Ontario. The Tabor property consists of 156 mineral claims. Under the terms of the Acquisition, the Company issued 1,400,000 common shares at a fair value of $0.03 per common share for a total consideration of $42,000. In addition, the Company paid the Vendor $6,500 for a 100% interest in the Tabor Property, subject to a 2% net smelter royalty ("NSR"). The Company has the right to purchase 1% of the NSR in return for paying $1,000,000.

During the year ended December 31, 2024, the Company incurred exploration expenses of $322,348 (2023 - $94,221) on the Tabor Project (see Note 15).

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31, 2024		December 31, 2023
Consulting fees	$	89,527	$	52,613
Exploration expenses		52,967		9,309
Professional fees		4,952		-
Regulatory expenses		8,636		1,817
Office and general		6,800		2,231
		162,881		65,969
Accrued liabilities		25,800		20,000
Accounts payable and accrued liabilities	**$**	**188,681**	**$**	**85,969**

Accounts payable of the Company principally comprise of amounts outstanding for trade purchases relating to regular business activities and amounts payable for financing activities. The usual credit period taken for purchases is between 30 to 90 days.

6. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management salaries
Key management includes members of the board of directors, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the years ended December 31, 2024, and 2023:

i) During the year ended December 31, 2024, $60,000 (2023 - $60,000) was charged by the Chief Executive Officer for consulting fees.
ii) During the year ended December 31, 2024, $24,000 (2023 - $24,000) was charged by the Chief Financial Officer under contract with Grove Corporate Services Ltd.

For the year ended December 31, 2024, the Company expensed $9,000 (2023 - $18,000) in office rent to Venex Capital Corp. ("Venex"), a related party due to Venex's being a significant shareholder of the Company. As of July 1, 2024 the Company relinquished the office rented from Venex. At December 31, 2024, the Company owed $4,500 for office rent (December 31, 2023 - $1,500) to Venex.

7. FLOW THROUGH SHARE PREMIUM LIABILITY

On December 30, 2022, the Company closed a flow-through common share financing (see Note 8) for gross proceeds of $55,002. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers the premium associated with this financing was $27,501 this premium was derecognized through income by the end of December 31, 2023 as the flow-through expenditure commitment had been fulfilled.

On May 30, 2023, the Company closed another flow-through common shares financing (see Note 8) for gross proceeds of $110,005. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers the premium associated with this financing was $59,261 this premium was derecognized through income by March 31, 2024 as the flow through expenditure commitment had been fulfilled (December 31 2023 - $27,501).

On May 23, 2024, the Company closed another flow-through common share financing (see Note 8) for gross proceeds of $124,000. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The premium associated with this financing was $15,500.

On October 31, 2024, the Company closed another flow-through common share financing (see Note 8) for gross proceeds of $50,000. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The premium associated with this financing was $18,750.

On December 31, 2024, the Company closed another flow-through common share financing (see Note 8) for gross proceeds of $25,002. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The premium associated with this financing was $8,334.

(Expressed in Canadian dollars)

7. FLOW THROUGH SHARE PREMIUM LIABILITY (continued)

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For the year ended December 31, 2024, the Company satisfied all of its $42,584 flow-through expenditure commitment by incurring eligible expenditures and as a result the flow-through premium was reduced by $42,584.

8. SHARE CAPITAL

	ref	Number of Common Shares Outstanding	Share Capital	Contributed Surplus Warrant Reserve
Outstanding, December 31, 2022		**23,718,799**	**$ 1,766,288**	**$ 140,530**
Issued for mineral property acquisition	Note 4	1,400,000	42,000	-
Issued pursuant to private placement	i), (iii)	12,514,000	403,885	235,403
Flow-through shares issued pursuant to private placement	ii)	1,571,500	110,005	-
Premium on flow-through financing	ii)	-	(59,261)	-
Expiry of warrants				(138,962)
Issue costs associated with private placements		-	(71,921)	-
Outstanding, December 31, 2023		**39,204,299**	**$ 2,190,996**	**$ 236,971**
Issued pursuant to private placement	iv). v), vii), viii), x)	5,494,286	172,300	-
Flow-through shares issued pursuant to private placement	v), viii), x)	4,905,600	199,002	-
Share issue costs	vi), ix), xi)	-	(17,508)	-
Issuance of warrants	iv), v), vi), vii), viii), ix), x), xi)	-	(108,131)	108,131
Premium on flow-through financing	Note 7	-	(42,584)	-
Expiry of warrants	x)		-	1,568
Outstanding, December 31, 2024		**49,604,185**	**$ 2,394,075**	**$ 343,535**

i) The Company completed on May 30, 2023, and June 6, 2023, a private placement of 12,064,000 units at a price of $0.05 per unit. Each unit consists of 1 common share and 1 non-transferable purchase warrant with each warrant entitling the holder to purchase one additional common share at a price of $0.08 for a period of eighteen months from the closing date. The transaction costs amounted to $71,921 and have been netted against the gross proceeds on closing. In addition, the Company issued 765,720 broker warrants with an exercise price of $0.08 per common share purchase warrant for a period of eighteen months. The fair value of the warrants was $213,778, fair value of broker warrants was $13,569.

ii) The Company completed on May 30, 2023, a private placement of 1,571,000 common shares of the Company at a price of $0.07 per common shares issued as flow-through shares for gross proceeds of $110,005. The flow-through shares were issued at a premium of $0.038 to fair value of the Company's shares. The premium was recognized as a short term liability for $59,261 with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred.

8. SHARE CAPITAL (continued)

iii) On June 7, 2023, the Company had the treasury issue 450,000 shares at a price of $0.05 per unit. Each unit consisted of 1 common share and 1 non-transferable purchase warrant with each warrant entitling the holder to purchase one additional common share at a price $0.08 for a period of eighteen months from the closing date. The fair value of the warrants was $7,965.

iv) On May 23, 2024, the Company completed a private placement of 3,494,286 units at a price of $0.035 per unit for gross proceeds of $122,300. Each unit consists of one common share and one-half non-transferable purchase warrant with each full warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of eighteen months from the closing date. The fair value of the warrants was $31,082.

v) On May 23, 2024, the Company completed a private placement of 3,100,000 flow-through units at a price of $0.04 per FT unit for gross proceeds of $124,000. Each FT unit consists of one common share and one-half non-transferable purchase warrant with each full warrant entitling the holder to purchase one additional common share at a price of $0.08 for a period of three years from the closing date. The fair value of the warrants was $31,903.

vi) In connection with the financing on May 23, 2024, the Company paid a cash finder's fee of $8,225 and issued 210,000 finder's warrants. Each warrant entitles the holder to purchase one common share at a price of $0.05 for a period of eighteen months from the closing date. The fair value of the finder's warrants was $4,293.

vii) On October 31, 2024, the Company completed a private placement of 2,000,000 units at a price of $0.025 per unit for gross proceeds of $50,000. Each unit consists of one common share and one non-transferable purchase warrant with each Warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of twenty four months from the closing of the Offering. The fair value of the warrants was $20,715.

viii) On October 31, 2024, the Company completed a private placement of 1,250,000 flow-through units at a price of $0.04 per FT Share for gross proceeds of $50,000. Each FT unit consists of one common share and one half non-transferable purchase warrant with each full FT warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of twenty four months from the closing of the Offering. The fair value of the warrants was $8,165.

ix) In connection with the financing on October 31, 2024, the Company paid a cash finder's fee of $7,000 and issued 227,500 finder's warrants. Each warrant entitles the holder to purchase one common share at a price of $0.05 for a period of twenty-four months from the closing date. The fair value of the finder's warrants was $4,023.

x) On December 31, 2024, the Company completed a private placement of 555,600 flow-through units at a price of $0.045 per FT Share for gross proceeds of $25,002. Each FT unit consists of one common share and one non-transferable purchase warrant with each FT warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of twenty four months from the closing of the Offering. The fair value of the warrants was $7,088.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

xi) In connection with the financing on December 31, 2024, the Company paid a cash finder's fee of $1,750 and issued 38,892 finder's warrants. Each warrant entitles the holder to purchase one common share at a price of $0.05 for a period of twenty-four months from the closing date. The fair value of the finder's warrants was $863.

9. WARRANT RESERVE

Share purchase warrant transactions for the years ended December 31, 2024, and December 31, 2023, are as follows:

	Number of Warrants		Weighted Average Exercise Price		Fair Value
Balance outstanding, January 1, 2023	**2,610,216**	**$**	**0.290**	**$**	**140,530**
Warrants issued (i)	13,279,720		0.080		235,403
Warrants expired (iv)	(2,536,880)		0.300		(138,962)
Balance outstanding, December 31, 2023	**13,353,056**	**$**	**0.080**		**236,971**
Warrants issued v), vi), vii), viii), xi), xii)	6,954,135		0.057		108,131
Warrant expired x)	(73,336)		0.075		(1,568)
Balance outstanding, December 31, 2024	**20,233,855**	**$**	**0.072**		**343,535**

i.) The Company issued 73,336 common share purchase warrants as finder's fee in connection with the private placement closed on December 30, 2022. Each whole warrant is exercisable at a price of $0.075 per share and expire on December 30, 2024.

ii.) The Company issued 12,829,720 common shares purchase warrants in connection with the private placement closed on May 30, 2023, and June 6, 2023, (see note 8). Each whole warrant is exercisable at a price of $0.08 per share and expires 18 months from the date of issuance, November 30, 2024 and December 6, 2024 respectively.

iii.) As a treasury request, the Company issued 450,000 common share units (1 common share and 1 non-transferable purchase warrant) on June 7, 2023. Each whole warrant is exercisable at a price of $0.08 per share and expires 18 months from the date of issuance, December 7, 2024.

iv.) On October 1 and December 17, 2023, a total of 2,536,880 warrants expired, unexercised with $138,962 being reclassified from warrant reserve to Contributed Surplus - warrants.

v.) The Company issued 3,297,143 common share purchase warrants in connection with the private placement closed on May 23, 2024 (see note 8). 1,747,143 warrants are exercisable at a price of $0.05 per share and expire 18 months from the date of issuance, November 23, 2025 and 1,550,000 warrants are exercisable at a price of $0.08 per share and expire 3 years from the date of issuance, May 23, 2027.

(Expressed in Canadian dollars)

9. WARRANT RESERVE (continued)

vi.) The Company issued 210,000 common share purchase warrants as finder's fee in connection with the private placement closed on May 23, 2024. Each whole warrant is exercisable at a price of $0.05 per share and expires on November 23, 2025.

vii.) The Company issued 2,625,000 common share purchase warrants in connection with the private placement closed on October 31, 2024 (see note 8). Each whole warrant is exercisable at a price of $0.05 per share and expires on October 31, 2026.

viii.) The Company issued 227,500 common share purchase warrants as finder's fee in connection with the private placement closed on October 31, 2024 (see note 8). Each whole warrant is exercisable at a price of $0.05 per share and expires on October 31, 2026.

ix.) On October 31, 2024, the Company announced the extension of 13,279,720 warrants set to expire on November 30 and December 6&7, 2024 for 24 months.

x.) On December 30, 2024, 73,336 warrants expired, unexercised with $1,568 being reclassified from warrant reverse to Contributed surplus - warrants

xi.) The Company issued 555,600 common share purchase warrants in connection with the private placement closed on December 31, 2024. Each whole warrant is exercisable at a price of $0.05 per share and expires on December 31, 2026.

xii.) The Company issued 38,892 common share purchase warrants as finder's fee in connection with the private placement closed on December 31, 2024 (see note 8). Each whole warrant is exercisable at a price of $0.05 per share and expires on December 31, 2026.

The following table reflects the Black-Scholes pricing model assumptions:

	2024				2023
	Dec	Oct	May		
			LIFE	FT	
Average exercise price ($)	0.05	$ 0.05	$ 0.050	0.080	$ 0.080
Fair value of the award	$ 7,951	$ 32,903	$ 35,375	$ 31,903	$ 235,403
Risk free interest rate	2.89%	3.07%	4.29%	4.07%	3.69%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatility	178%	174%	185%	184%	166%
Expected life of the warrants	2 years	2 years	1.5 years	3 years	1.5 years

(Expressed in Canadian dollars)

10. SHARE BASED PAYMENTS RESERVE

Equity Incentive Plan
The shareholders of the Company have approved an executive incentive plan (the "Plan") pursuant to which the Company may issue up to 10% of the common shares of the Company to employees, directors and officers. The exercise price of each equity incentive issued pursuant to the terms of the Plan shall be established at the grant date by the Board of Directors of the Company and in all cases shall not be less than the closing price of the common shares of the Company on the trading day immediately preceding the grant date. The equity incentive plans granted can be exercised for up to 5 years and vest as determined by the Board of Directors.

Stock Options
A summary of the status of the stock option component of the Company's Plan as at December 31, 2024, is as follows:

	Number of options		Weighted Average Exercise Price
Balance outstanding, January 1, 2022	**-**	**$**	**-**
Issued	1,900,000		0.200
Balance outstanding, December 31, 2023 and December 31, 2022	**1,900,000**	**$**	**0.200**

The fair value of the options granted was estimated at the grant date using an option pricing model with the following assumptions:

	December 31, 2022
Average exercise price ($)	$ 0.20
Fair value of the award	$ 291,022
Risk free interest rate	2.40%
Expected dividend yield	0.00%
Expected volatility	103%
Expected life of the warrants	5 years

All 1,900,000 outstanding options at December 31, 2024 vested on the March 10, 2022, the grant date and have a remaining life of 2.19 years.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value
Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, advances or due from related parties. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

be materially affected by the use of different assumptions or methodologies.

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. The Company has no financial instruments affected by market risk.

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest-bearing cash.

Liquidity risk
The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing (see note 1).

Foreign exchange risk
The Company's functional currency is the Canadian dollar, and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with a reputable Canadian chartered bank. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

(Expressed in Canadian dollars)

12. INCOME TAX

The Company's provision for income taxes differs from the amounts computed by applying the basic current rate of 27.0% for British Columbia to the income (loss) for the year before taxes as shown in the following table at December 31, 2024.

		2024		2023
Loss before income taxes	$	(705,582)	$	(592,756)
Statutory rate		27.0%		27.0%
Expected income tax benefit based on statutory rates		(190,507)		(160,044)
Increase (decrease) to the income tax benefit resulting from:				
Non-deductible expenses		3,998		(73,086)
Share issue costs reordered in equity and other		(11,651)		(15,535)
Changes in deferred tax assets not recognized		198,160		248,665
Income tax (recovery) expense	**$**	**-**	**$**	**-**

Deferred income taxes

Deferred income taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying values of assets and liabilities. The temporary differences and unused tax losses that give rise to deferred income tax assets are presented below:

Deferred Income Taxes		**2024**		**2023**
Non-capital losses carried forward	$	403,307	$	365,650
Exploration and evaluation expenditures		501,327		334,807
20(1)(e) pool		13,785		19,802
Deferred tax assets (liability)		918,419		720,259
Less: deferred tax assets not recognized		(918,419)		(720,259)
Deferred tax asset (liability)	**$**	**-**	**$**	**-**

Deferred tax assets have not been recognized because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the statements of financial position are as follows:

		2024			**2023**	
		2024	**Expiry dates**		**2023**	**Expiry dates**
Share issue costs	$	51,055	2023-2028	$	73,342	2022-2025
Non-capital losses		1,493,731	2038-2044		1,354,258	2038-2043
Exploration and evaluation expenditure		1,856,768	N/A		1,240,027	N/A

13. 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 the development of its planned business activities. The Board of Directors does not establish 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 order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. 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 other externally imposed capital requirements. The Company considers its capital to be shareholders' equity (deficiency), which is comprised of share capital, reserves, and accumulated deficit.

The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements and issuance of convertible debentures. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

14. COMMITMENTS

In 2022 the Company raised $55,002 in flow-through funds and all of those funds were spent on eligible exploration expenditures by December 31, 2023.

In May 2023 the Company raised $110,005 in flow-through funds which must be spent on eligible exploration expenditures by December 31, 2024. As of June 30, 2024, the Company had incurred $110,005 (December 31, 2023 – 82,300) in eligible exploration expenditures completing its commitment.

In May 2024 the Company raised $124,000 in flow-through funds which must be spent on eligible exploration expenditure by December 31, 2025.

In October 2024 the Company raised $50,000 in flow-through funds which must be spent on eligible exploration expenditures by December 31, 2025.

In December 2024 the Company raised $25,002 in flow-through funds which must be spent on eligible exploration expenditures by December 31, 2025.

During the year end December 31, 2024, all of those flow-through funds were spent on eligible exploration expenditures thereby completing its commitment.

The Company has no other commitments as at December 31, 2024.

(Expressed in Canadian dollars)

15. EXPENSE BREAKDOWN

i) The following is the breakdown of exploration and evaluation expenses on Martin Kenty Project for the year ended December 31, 2024 and year ended December 31, 2023:

Martin Kenty Project	December 31, 2024	December 31, 2023	Total
Geological and technical consulting	3,372	36,580	39,952
Total	**$ 3,372**	**$ 36,580**	**$ 39,952**

ii) The following is the breakdown of exploration and evaluation expenses on Tabor Project for the year ended December 31, 2024 and year ended December 31, 2023:

Tabor Project	December 31, 2024	December 31, 2023	Total
Assaying	26,312	-	26,312
IP Surveys	118,800	-	118,800
Geological and technical consulting	87,848	94,221	182,069
Drilling	81,749	-	-
Travel	7,639	-	-
Total	**$ 322,348**	**$ 94,221**	**$ 327,181**

iii) The following is the breakdown of regulatory expenses for the year ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Transfer agent	$ 844	$ 4,588
Regulatory filings	23,706	22,044
	$ 24,550	**$ 26,633**

iv) The following is the breakdown of office and general expenses for the year ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Rent	$ 9,000	$ 18,000
Travel, meals and entertainment	3,464	9,604
Other office and administrative expenses	9,963	8,409
	$ 22,427	**$ 36,013**

(Expressed in Canadian dollars)

15. EXPENSE BREAKDOWN

v) The following is the breakdown of Investor relations and advertising and promotion expenses for the year ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Investor marketing	$ 235,936	$ 94,867
Advertising and promotion	-	79,561
	$ 235,936	**$ 174,428**

16. SUBSEQUENT EVENTS

a) On January 15, 2025, the Company completed a non-brokered private placement of 715,000 units at a price of $0.035 per unit for gross proceeds of $25,025. Each Unit consists of one common share and one non-transferable purchase warrant with each warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of twenty four months from the closing of the Offering.

In connection with the closing, the Company paid a cash finder's fee of $1,750 and issued 38,892 finder's warrants.

b) On February 6, 2025, the Company awarded 2,400,000 stock options at an exercise price of $0.05 per common share vesting immediately and expire February 10, 2030 to certain employees, officers, directors, consultants and other service providers. The number of stock options awarded to directors was 875,000 of the outstanding 2,400,000 stock options above.

c) On April 3, 2025, the Company completed a non-brokered private placement of 1,000,000 units at a price of $0.025 per unit for gross proceeds of $25,000. Each Unit consists of one common share and one half non-transferable purchase warrant with each warrant entitling the holder to purchase one additional common share at a price of $0.05 for a period of eighteen months from the closing of the Offering.