Jayden Resources Inc.

Consolidated Financial Statements

For the years ended December 31,

2023 and 2022

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Management's Responsibility

To the Shareholders of Jayden Resources Inc. (the "Company"):

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safe guarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

April 25, 2024

(signed)

David Eaton
CEO and director

(signed)

Herrick Lau
CFO

Independent Auditor's Report

To the Shareholders of Jayden Resources Inc.:

Opinion

We have audited the consolidated financial statements of Jayden Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the consolidated statements of loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and December 31, 2022, 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 audits 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 (b) in the financial statements, which indicates that during the year ended December 31, 2023, the Company has note generated revenues and has incurred accumulated deficits. As stated in Note 1 (b), these events or conditions along with others stated in Note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Exploration and Evaluation Assets Impairment Indicator Assessment

Key Audit Matter Description

The net book value of exploration and evaluation assets amounted to $7,261,908 (PY $7,291,096) as at December 31, 2023. At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Management assesses deferred exploration and evaluation expenditures for impairment based on the following indicators: (i) the period for which the entity has the right to explore in the specific area has expired during the year or will expire in the near future; (ii) substantive expenditure on further exploration for an evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) sufficient data exists to determine that extracting the resources will not be technically feasible or commercially viable; and (iv) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at December 31, 2023.

We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of indicators of impairment related to exploration and evaluation assets, and these have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

Refer to Note 2 and Note 6 exploration and evaluation assets.

Audit Response

We responded to this matter by performing procedures in relation to the impairment indicator assessment for exploration and evaluation assets. Our audit work in relation to this included, but was not restricted to, the following:

- Assessed the judgments made by management in determining the impairment indicators, which included the following:

  • Obtained evidence to support the existence of the right to explore the area and the claim expiration by reference to public government registries;

  • Evaluated budget approvals and board minutes to obtain evidence of continuing and planned exploration expenditures and included evaluations of the work completed in the current year; and

  • Assessed whether there are any indications that extracting resources will not be technically feasible or commercially viable, or if other facts and circumstances exist that may suggest the carrying amount exceeds the recoverable amount, based on evidence obtained in other areas of the audit.

- Assessed the appropriateness of the related disclosures in Note 2 and Note 6 of the consolidated financial statements.

Other Information

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

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

In connection with our audits 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 audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

MNP LLP

Vancouver, British Columbia
April 25, 2024

Chartered Professional Accountants

Jayden Resources Inc.
Consolidated Statements of Loss
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes	Years Ended December 31, 2023	2022
Expenses			
Administrative expenses	4	$ (585,979)	$ (740,300)
Operating loss for the year		(585,979)	(740,300)
Other income (loss)			
Interest income		1,894	8,582
Gain on debt settlement	8	-	300,000
Realized loss on disposal of marketable securities	5	(19,865)	-
Unrealized loss on marketable securities	5	(15,385)	(225,000)
Other income (loss) for the year		(33,356)	83,582
Loss from continuing operations		**$ (619,335)**	**$ (656,718)**
Other loss	9	(544,000)	-
Loss for the year		**$ (1,163,335)**	**$ (656,718)**
Loss per share			
- Basic and diluted		$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding			
- Basic and diluted		58,517,849	51,713,920

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

Jayden Resources Inc.
Consolidated Statements of Financial Position
As at December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes	December 31, 2023	December 31, 2022
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		392,502	271,180
GST and QST receivables		12,810	364,644
Tax credit receivables		-	899,835
Prepaid expenses		11,637	11,374
Marketable securities	5	40,000	135,000
		456,949	1,682,033
Non-current assets			
Exploration and evaluation assets	6	7,261,908	7,291,096
		7,261,908	7,291,096
Total Assets		7,718,857	8,973,129
Liabilities and Shareholders' Equity			
Current liabilities			
Account payable and accrued liabilities	8	250,085	341,022
Total Liabilities		250,085	341,022
Shareholders' Equity			
Share capital	7	56,531,433	56,531,433
Contributed surlpus		2,315,132	2,315,132
Accumulated deficit		(51,377,793)	(50,214,458)
Total equity		7,468,772	8,632,107
Total Liabilities and Shareholders' Equity		7,718,857	8,973,129

(Nature of operations and going concern – Note 1)
(Subsequent events – Note 14)

Approved on Behalf of the Board

"Denise Lok" Director
Denise Lok

"Queenie Kuang" Director
Queenie Kuang

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

Jayden Resources Inc.
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars, except per share values)

	Number of issued shares	Share capital	Contributed surplus	Accumulated deficit	Total
		$	$	$	$
Balances, January 1, 2022	48,560,402	54,685,816	2,315,132	(49,557,740)	7,443,208
Shares issued for property acquisition (Note 7(a))	9,957,447	1,845,617	-	-	1,845,617
Loss for the year	-	-	-	(656,718)	(656,718)
Balances, December 31, 2022	58,517,849	56,531,433	2,315,132	(50,214,458)	8,632,107
Balances, January 1, 2023	58,517,849	56,531,433	2,315,132	(50,214,458)	8,632,107
Loss for the year	-	-	-	(1,163,335)	(1,163,335)
Balances, December 31, 2023	58,517,849	56,531,433	2,315,132	(51,377,793)	7,468,772

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

Jayden Resources Inc.
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Years Ended December 31, 2023	2022
	$	$
Cash flows from operating activities		
Loss for the year	(1,163,335)	(656,718)
Adjustments for:		
Interest income	50	(8,582)
Gain on debt settlement	-	(300,000)
Loss on disposal of marketable securities	19,865	-
Unrealised loss on marketable securities	15,385	225,000
Operating loss before working capital changes	(1,128,035)	(740,300)
Decrease in GST and QST receivables	351,834	18,909
Decrease (increase) in tax credit receivables	899,785	(891,792)
Decrease in subscription receivable	-	21,000
Increase in prepaid expenses	(263)	(7,590)
(Decrease) increase in accounts payables and accrued liabilities	(90,937)	37,812
Net cash provided by (used in) operating activities	32,384	(1,561,961)
Cash flows from investing activities		
Proceeds from disposal of marketable securities	59,750	-
Expenditures of exploration and evaluation assets	(206,878)	(1,807,624)
Acquisition of exploration and evaluation assets	-	(425,000)
Mineral exploration tax credits received	236,066	-
Interest received	-	539
Net cash provided by (used in) investing activities	88,938	(2,232,085)
Net increase (decrease) in cash	121,322	(3,794,046)
Cash and cash equivalents, beginning of the year	271,180	4,065,226
Cash and cash equivalents, end of the year	392,502	271,180

(Supplementary disclosure – Note 13)

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

1. Nature of operations and going concern

(a) Nature of operations

Jayden Resources Inc. (the “Company”) was incorporated under the laws of the Province of British Columbia. On October 15, 2015, the Company’s common shares ceased trading on the TSE and began trading on the TSX Venture Exchange under the symbol JDN. On August 8, 2012, the Company changed its place of jurisdiction and was registered in the Cayman Islands as an exempted company with limited liability by way of continuation. Its subsidiary, Jayden Resources (Canada) Inc. (“Jayden Canada”) was disposed of during the year ended December 31, 2018, as such the financial statements have been deconsolidated in 2018. On September 2, 2021, the Company completed the continuation from the Companies Law (2021 Revision) of the Cayman Islands into the jurisdiction of British Columbia under the Business Corporations Act (British Columbia) with the intention to increase flexibility, and to reduce administrative costs. On December 17, 2021, the Company incorporated a wholly owned subsidiary, Jayden Resources (Quebec) Ltd. under the laws of the Province of Quebec.

The Company is principally engaged in the business of acquiring, exploring and developing interests in mining projects. To date, the Company has not generated revenues from its principal activities and is considered to be in the exploration stage.

The head office and principal address of the Company are located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The registered and records office are located at 1500 Royal Centre P.O. Box 11117, 1055 West Georgia Street, Vancouver, BC, V6E 4N7.

(b) Going concern

These consolidated 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 operation, and do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

The Company has not generated any revenues and has accumulated deficits of $51,377,793 (2022: $50,214,458) since inception. The Company incurred a net loss for the year ended December 31, 2023 of $1,163,335 (2022: $656,718). The Company is not expected to generate cash inflow from its operation during the next twelve months and therefore must rely on securing additional funds from either debt or equity financings for cash consideration.

The Company’s continuing operations are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production or proceeds from the disposition of the mineral property interests. These matters and conditions, primarily as a result of the conditions described above, indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as going concern. If the going concern assumption is not appropriate, material adjustments to the consolidated financial statements could be required.

2. Basis of presentation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Boards ("IASB"). These consolidated financial statements were approved by the board of directors for issue on April 25, 2024.

(b) Basis of measurement

These consolidated financial statements have been prepared on a going concern basis, under the historical cost basis except for the financial instruments that are recorded at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Critical accounting judgements, estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations as of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of E&E assets
The Company reviews and assesses the carrying amount of exploration and evaluation assets for indicators of impairment when facts or circumstances suggest that the carrying amount is not recoverable. If impairment is indicated, the amount by which the carrying value of the assets exceeds the estimated fair value is charged to the statement of loss.

Critical judgments in applying the Company's accounting policies

The following is the critical judgment, apart from those involving estimations that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern
Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the year ended December 31, 2023. Management prepares the consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. 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 considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded the ultimate appropriateness of the use of accounting principles applicable to a going concern.

3. Material accounting policies

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term money market instruments with an original maturity of three months or less when acquired, which are readily convertible into a known amount of cash and which are subject to an insignificant risk of change in value. The cash and cash equivalents are mainly denominated in Canadian dollars and US dollars. As at December 31, 2023 and 2022, the cash and cash equivalents held by the Company comprised of bank balances only.

(b) Exploration and evaluation assets

The Company's exploration and evaluation assets are intangible assets relating to mineral rights acquired and exploration and valuation expenditure capitalized in respect of projects that are at the exploration/ predevelopment stage.

Exploration and evaluation expenditure related to an area of interest where the Company has tenure are capitalized on initial recognition at cost. Exploration and evaluation assets are subsequently stated at cost less any accumulated impairment losses and are not amortized. These assets are transferred to mine development assets in property, plant and equipment upon the commencement of mine development.

Exploration and evaluation expenditure in the relevant area of interest comprises costs which are directly attributable to:

- Acquisition:
- Surveying, geological, geochemical and geophysical;
- Exploratory drilling;
- Land maintenance;
- Sampling; and
- Assessing technical feasibility and commercial viability.

Exploration and evaluation expenditure also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. Capitalized costs, including general and administrative costs, are only allocated to the extent that those costs can be related directly to operation activities in the relevant area of interest. Proceeds received from government assistances in a property will be credited against the carrying value of the property, with any excess included in operations for the year.

The carrying amount of the exploration and evaluation assets is reviewed whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of discounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. An impairment loss is recognized in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

Tax Credit Related to Resources and Mining Tax Credit

The Company is entitled to a tax credit related to resources on eligible exploration expenses incurred in the province of Quebec. In addition, the Company is entitled to a mining tax credit on eligible exploration expenditures, reduced of tax credit related to resources. The mining tax credits and mining duties are recognized in the year of receipt. Quebec mining exploration tax credits for certain exploration expenditures incurred in Quebec are treated as a reduction of exploration and evaluation costs of the respective mineral property.

3. Material accounting policies (continued)

(c) Earnings(loss) per share

Basic earnings (loss) per share is calculated by dividing the earnings (loss) for the year by the weighted average number of shares outstanding during the year.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

(d) Related parties

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, 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.

(e) Financial Instruments

Financial assets

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value and are subsequently measured at either (i) amortized cost; (ii) fair value through other comprehensive income, or (iii) at fair value through profit or loss.

• Amortized cost

Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified at amortized cost are measured using the effective interest method. The Company's financial asset classified as amortized costs includes cash and cash equivalents.

• Fair value through other comprehensive income ("FVTOCI")

Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. This classification includes certain equity instruments where IFRS 9 allows an entity to make an irrevocable election to classify the equity instruments, on an instrument-by-instrument basis, that would otherwise be measured at fair value through profit or loss ("FVTPL") to present subsequent changes in FVTOCI. The Company did not have financial asset classified as FVTOCI.

• Fair value through profit or loss ("FVTPL")

Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. This category includes marketable securities and debt instruments whose cash flow characteristics are not SPPI or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell the financial asset. The Company's financial asset classified as FVTPL includes marketable securities.

(Expressed in Canadian Dollars)

3. Material accounting policies (continued)

(e) Financial Instruments (continued)

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at fair value through profit or loss and equity investments. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

Financial liabilities

The Company's financial liabilities are generally classified and measured at fair value at initial recognition and subsequently measured at amortized cost using effective interest method. The Company's financial liabilities classified as amortized costs include accounts payable and accrued liabilities. The Company did not have financial liabilities classified as FVTPL.

Financial liabilities measured at fair value through profit or loss are liabilities which were not measured at amortized cost, such as derivatives and financings that are designated at fair value option.

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

(g) Recent accounting pronouncements and future changes in accounting standards

Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2023. All future accounting changes are either not applicable or do not have a significant impact to the Company and have been excluded.

4. Administrative expenses

	Years Ended December 31, 2023	2022
	$	$
Consulting fees	207,000	162,000
Corporate administration	234,895	194,146
Investor relations and marketing	813	72,500
Net foreign exchange gain loss	7	2,421
Professional fees	97,633	152,958
Regulatory and shareholder services	45,631	156,275
	585,979	740,300

(Expressed in Canadian Dollars)

5. Marketable securities

On September 12, 2023, Blackwolf Copper and Gold Ltd. ("Blackwolf") acquired all the issued and outstanding shares of Optimum Ventures Ltd. ("Optimum"), and, in exchange, shareholders of Optimum received 0.65 of a common share of Blackwolf for each Optimum share held. After the acquisition, the Company holds 487,500 common shares of Blackwolf.

During the year ended December 31, 2023, the Company sold shares with a carrying amount of $79,615 and received proceeds of $59,750 and a loss of $19,865 has been recorded.

The schedule below summarizes the carrying amounts and fair values of Blackwolf shares as at December 31, 2023 and 2022:

	As at December 31, 2023			As at December 31, 2022		
	Carrying Amount	Fair Value	Unrealized Loss	Carrying Amount	Fair Value	Unrealized Loss
	$	$	$	$	$	$
Blackwolf Copper and Gold Ltd. (Formerly Optimum Ventures Ltd.)	55,385	40,000	(15,385)	360,000	135,000	(225,000)

6. Exploration and evaluation assets

The schedule below summarizes the exploration and evaluation costs incurred on each property as at December 31, 2023 and 2022:

	As at December 31, 2023	As at December 31, 2022
Acquisition	$	$
Storm Lake Properties	3,602,300	3,602,300
Wheatcroft Property	958,617	958,617
	4,560,917	4,560,917
Exploration and evaluation expenditures		
Storm Lake Properties	1,962,845	2,166,694
Wheatcroft Property	738,146	563,485
	2,700,991	2,730,179
Exploration and evaluation assets	7,261,908	7,291,096

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued)

Storm Lake Gold Property

On February 17, 2021, the Company entered into a property option agreement with three arm's length vendors (the "Optionors") to acquire a 100% interest in the Storm Lake Gold Property located in the Frotet-Evans Greenstone Belt in central Quebec. Under the terms of the agreement, the Company can acquire a 100% interest in the Storm Lake Gold Property by making cash and share payments to the Optionors totaling $750,000 and 6,600,000 post-consolidation common shares respectively.

Upon TSXV approval of the transaction (the "Effective Date"), the Company will pay $200,000 and issue 2,200,000 shares to the Optionors. On the nine (9) month anniversary of the Effective Date an additional 2,200,000 shares will be issued. On the fifteen (15) month anniversary of the Effective Date an additional $300,000 and 2,200,000 shares; and on the thirty (30) month anniversary of the Effective Date a further $250,000.

On July 5, 2021, the Company paid $200,000 and issued 2,200,000 shares to the Optionors. On April 5, 2022, the Company issued 2,200,000 shares to the Optionors at the nine-month anniversary. On October 5, 2022, the Company paid $300,000 cash and issued 2,200,000 shares to the Optionors at the fifteen-month anniversary. The final payment of $250,000 has been subsequently extended beyond the thirty month anniversary to October 31, 2024.

Pursuant to the terms of the option agreement, the Company may acquire a 100% interest in the Property by making the following:

Date		Cash	Shares		Expenditures
Effective Date (July 5, 2021 paid and issued)	$	200,000	2,200,000	$	-
9-month anniversary (April 5, 2022 issued)		-	2,200,000		-
1-year anniversary (incurred)		-	-		150,000
15-month anniversary (October 5, 2022 paid and issued)		300,000	2,200,000		-
2-year anniversary (incurred)		-	-		1,350,000
30-month anniversary (subsequently extended to October 31, 2024)		250,000	-		-
3-year anniversary		-	-		1,500,000
	$	750,000	6,600,000	$	3,000,000

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued)

Storm Lake Gold Property (continued)

The schedule below outlines the costs incurred on the Property as at December 31, 2023:

	As at December 31 2021	Additions/ (Writedowns)	As at December 31 2022	Additions/ (Writedowns)	As at December 31 2023
	$	$	$	$	$
Acquisition					
Cash payment	200,300	300,000	500,300	-	500,300
Share issuance	2,090,000	1,012,000	3,102,000	-	3,102,000
	2,290,300	1,312,000	3,602,300	-	3,602,300

	Cumulative to December 31, 2021	Expenditures during the year	Cumulative to December 31, 2022	Expenditures during the year	Cumulative to December 31, 2023
Exploration and evaluation expenditures	$	$	$	$	$
Assays and reports	-	1,250	1,250	-	1,250
Camp construction	242,507	103,477	345,984	-	345,984
Drilling	1,835,094	108,578	1,943,672	-	1,943,672
Equipment and supplies	184,651	19,311	203,962	-	203,962
Field expenses	24,771	157,561	182,332	-	182,332
General administration	171,876	37,503	209,379	12,341	221,720
Geological consulting	53,206	113,190	166,396	19,876	186,272
Permitting	3,142	1,386	4,528	-	4,528
Surveys and geophysics	24,278	65,980	90,258	-	90,258
Travel and accommodation	1,691	21,803	23,494	-	23,494
Tax credits	-	(1,004,561)	(1,004,561)	(236,066)	(1,240,627)
Total exploration and evaluation expenditures	2,541,216	(374,522)	2,166,694	(203,849)	1,962,845

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued)

Wheatcroft Property

On October 27, 2022, the Company has received TSX Venture Exchange approval to purchase a 100% interest in the Wheatcroft Project from Kenorland Minerals North America Ltd. ("Kenorland"). The Company and Kenorland later entered into an amended and restated purchase and sale agreement whereby the Company will pay Kenorland $125,000 cash and issue 5,557,447 common shares equaling to 9.9% of the Company's issued and outstanding shares following the announcement of the transaction. Going forward, upon the Company's closing future financings up to and totalling $10,000,000, the Company will issue additional shares to Kenorland equaling 9.9% of the shares issued (or a value of up to $990,000) pursuant to the future financings. The maximum number of additional shares that may be issued to Kenorland would be 19,800,000 shares representing a value of $990,000 at the minimum deemed price of $0.05 per additional share, being the lowest dollar amount a financing may be conducted pursuant to the TSXV policies. The property is subject to a 3% net smelter return in favour of the vendor and the Company can reduce to 2% by making a cash payment of $1,000,000.

On October 28, 2022, the Company paid $125,000 cash and issued 5,557,447 shares with a fair value of $833,617 to Kenorland to close the transaction.

The schedule below outlines the costs incurred on the Property as at December 31, 2023:

	As at December 31 2021	Additions/ (Writedowns)	As at December 31 2022	Additions/ (Writedowns)	As at December 31 2023
	$	$	$	$	$
Acquisition					
Cash payment	-	125,000	125,000	-	125,000
Share issuance	-	833,617	833,617	-	833,617
	-	958,617	958,617	-	958,617

	Cumulative to December 31, 2021	Expenditures during the year	Cumulative to December 31, 2022	Expenditures during the year	Cumulative to December 31, 2023
Exploration and evaluation expenditures	$	$	$	$	$
Assays and reports	-	45,872	45,872	8,100	53,972
Drilling / Helicopter services	-	121,984	121,984	-	121,984
Environmental / Community Relations	-	3,209	3,209	28,283	31,492
Equipment and supplies	-	1,062	1,062	416	1,478
Field expenses	-	690	690	10,311	11,001
General administration	-	49,815	49,815	16,910	66,725
Geological consulting	-	14,022	14,022	44,071	58,093
Reclamation	-	-	-	2,771	2,771
Surveys and geophysics	-	248,540	248,540	-	248,540
Travel and accommodation	-	78,291	78,291	63,799	142,090
Total exploration and evaluation expenditures	-	563,485	563,485	174,661	738,146

7. Share capital and stock options

(a) Share capital

The authorized share capital of the Company is unlimited common shares without par value.

Fiscal 2023

The Company had no share capital transactions for the year ended December 31, 2023.

7. Share capital and stock options (continued)

(a) Share capital (continued)

Fiscal 2022

On April 5, 2022, the Company issued 2,200,000 shares to the Optionors of the Storm Lake Property at the nine-month anniversary to acquire a 100% interest in the Storm Lake Gold Property located in the Frotet-Evans Greenstone Belt in central Quebec (Note 6).

On October 5, 2022, the Company issued 2,200,000 shares to the Optionors in the Storm Lake Gold property option agreement at the fifteen-month anniversary (Note 6).

On October 28, 2022, the Company issued 5,557,447 shares to Kenorland to close the transaction of the Wheatcroft Project acquisition.

The warrants will be subject to an acceleration clause whereby, commencing on the date that is four months and one day following the closing date (March 27, 2022), the Company may, in its sole discretion, provide notice to warrant holders to shorten the warrant expiry date to 30 days from the notice date if the daily volume weighted average closing price of the Company’s shares is greater than $1.00 for the 10 consecutive trading days preceding the notice date.

The Company also paid finder’s fees totaling $142,520 in cash equal to 7% of the proceeds raised by the finders and issued a total of 142,520 whole finder’s warrants equal to 3.5% of the number of units sold by the finders. The finder’s warrants are exercisable on the same terms as above and are subject to the acceleration clause.

(b) Stock options

The Company has a stock option plan whereby the maximum number of shares subject to the plan, in the aggregate, shall not exceed 10% of the Company’s issued and outstanding shares. The maximum term of any option will be ten years and the vesting is at the direction of the board, however, options granted to consultants performing “investor relations’ activities” must at a minimum vest in stages over a period of not less than twelve months, with no more than ¼ of the options vesting in any three month period or such longer period as the board determines. The exercise price shall be no less than the discount market price as determined in accordance with TSE policies.

On May 2, 2022 the Company’s Board adopted a new form of stock option plan which was conditionally approved by the TSX Venture Exchange and was ratified and approved by the shareholders of the Company at the Company’s Annual General Meeting of Common Shareholders on July 7, 2022. The new stock option plan was created to comply with the new TSX Venture Exchange policy governing security-based compensation which became effective November 24, 2021. The new stock option plan also allows option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as now expressly permitted by the new policy.

The new stock option plan replaces the Company’s September 4, 2015 stock option plan.

The Company had no stock options outstanding as at December 31, 2023 and 2022 and has no stock option transactions for the years then ended.

(Expressed in Canadian Dollars)

7. Share capital and stock options (continued)

(b) Share purchase warrants

Fiscal 2023

During the year ended December 31, 2023, 5,920,104 share purchase warrants were expired unexecuted.

Fiscal 2022

On September 13, 2022, the Company received TSX Venture Exchange approval to extend the expiry date of the 2,999,999 warrants from November 5, 2022 to November 5, 2025.

On September 13, 2022, the Company received TSX Venture Exchange approval to extend the expiry date of the 833,334 warrants to from January 12, 2023 to January 12, 2026.

Share purchase warrant transactions during the years ended December 31, 2023 and 2022 are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, December 31, 2022 and 2021	9,753,437	$	0.55
Expired During the Year	(5,920,104)	$	0.77
Balance, December 31, 2023	3,833,333	$	0.21

The outstanding warrants as at December 31, 2023 are as follows:

Number Outstanding	Expiry Date	Exercise Price	Remaining Life (in years)
		$	
2,999,999	November 5, 2025	0.21	1.85
833,334	January 12, 2026	0.21	2.03

(Expressed in Canadian Dollars)

8. Related party balances and transactions

The Company entered into the following material related party transactions during the following years:

		As at	
		December 31,	December 31,
	Notes	2023	2022
		$	$
Amounts due to related companies/ directors			
- Baron Global Financial Canada Ltd.	(1)	-	4,240
- David Eaton	(2)	132,020	-
- Queenie Kuang	(3)	110	213

		Years Ended	
		December 31,	December 31,
	Notes	2023	2022
		$	$
Management services provided by			
- Baron Global Financial Canada Ltd.	(1)	120,000	120,000
- David Eaton	(2)	120,000	138,000

(1) Baron Global Financial Canada Ltd provided CFO and corporate advisory services.
(2) Mr. David Eaton, officer of the Company, provided CEO services.
(3) Ms. Queenie Kuang serves on the Company's Board of Directors.

On November 1, 2022, the Company settled debt owing to Mr. David Eaton in the amount of $315,000 by debt forgiveness. The Company recognized a gain of $300,000 and a GST payable reversal of $15,000 at the time of the settlement.

9. Other loss

During the year ended December 31, 2023, the Company incurred a financial loss of $544,000 due to a business compromise, which is undergoing investigations. The Company is devoting the utmost efforts towards recovery of the funds.

(Expressed in Canadian Dollars)

10. Income Taxes

The following table reconciles the expected income tax (expense) recovery at BC statutory income tax rates to the amounts recognized in the consolidated statements of loss for the years ended December 31, 2023 and 2022:

	2023	2022
	$	$
Loss before taxes	(1,163,335)	(656,718)
Statutory tax rate	27.00%	27.00%
Expected income tax recovery	(314,100)	(177,314)
Non-deductible items and other	565	46,478
Share Issuance cost	(37,116)	-
Change in deferred tax asset not recognized	350,651	130,835
	-	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Details of deferred tax assets (liabilities) are as follows:

	2023	2022
	$	$
Non-capital losses carry forwards	689,184	314,723
Exploration and evaluation assets	(689,184)	(314,723)
Net deferred tax assets (liabilities)	-	-

The unrecognized deductible temporary differences as at December 31, 2023 and 2022 are comprised of the following:

	2023	2022
	$	$
Non-capital loss carry-forwards	2,308,241	1,058,729
Marketable securities	100,022	206,050
Intangible Assets	26,767	-
Capital losses	142,400	-
Share issuance costs	120,403	116,160
Total unrecognized deductible temporary differences	2,697,833	1,380,938

The Company has unrecognized non-capital loss carryforwards of approximately $2,308,241 (2022: $1,058,729) which may be carried forward to apply against future income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	$
2042	1,195,829
2043	1,112,412
Total	**2,308,241**

The Company was required to file Canadian tax returns for December 31, 2023 and 2022 taxation years.

11. Financial instruments

The Company is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks. The Company has not used any derivatives or other instruments for hedging purposes and does not hold or issue derivative financial instruments for trading purposes. The most significant risks to which the Company is exposed to are described below.

(i) Currency risk

Some of the operating expenses and cash and cash equivalents held are denominated in foreign currencies and as such are subject to currency risk. The Company does not enter into derivative financial instruments to mitigate this risk but the Company does not believe its net exposure to foreign exchange risk is significant as most funds are held by the Company in Canadian dollars.

(ii) Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to subscription receivables from private placements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash at banks and cash equivalents carried at floating interest rates with reference to the market. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest bearing borrowings.

The policies to manage interest rate risk have been followed by the Company since prior years and are considered to be effective.

(iv) Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company had net current assets as at December 31, 2023 of $206,864 (2022: $1,341,011). The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the board of directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The liquidity policies have been followed by the Company since prior years and are considered to have been effective in managing liquidity risk.

11. Financial instruments (continued)

(v) Fair value measurements

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following three levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets;
Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorized in its entirety is based on the lowest level of input that is significant to the fair value measurement.

There have been no significant transfers between levels 1 and 2 in the respective reporting years. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting years. Marketable securities are measured at fair value using level 1.

Financial instruments that are not measured at fair value are represented by cash and cash equivalents, subscription receivables and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

12. Capital risk management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern so as to benefit from its operations to provide an adequate return for its shareholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties. The Company defines capital that it manages as its shareholders' equity. 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.

The Company has historically relied on the equity markets to fund the acquisition, exploration and development of mineral properties. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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.

(Expressed in Canadian Dollars)

13. Supplementary cash flow information

	Years Ended December 31, 2023	2022
	$	$
Non-cash Investing and Financing Activities		
Gain on debt settlement with a related party	-	300,000
Value of shares issued for acquisition of an exploration property	-	1,845,617
Mineral exploration expenditures included in accounts payable	-	1,618,661

14. Subsequent event

On January 4, 2024, the Company entered into an extension agreement with two arm's length vendors. The Company offered the vendors an added $30,000 payable upon signing this agreement, in exchange for extending the final payment date of $250,000 of the Storm Lake Option Agreement from January 5, 2024 to October 31, 2024.