TARANIS RESOURCES INC.

CONDENSED FINANCIAL STATEMENTS
UNAUDITED-PREPARED BY MANAGEMENT
(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED
MARCH 31, 2024

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

May 23, 2024

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

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

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

Yours truly,

"John J. Gardiner"

John J. Gardiner
President and Chief Executive Officer

TARANIS RESOURCES INC.
CONDENSED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(Expressed in Canadian Dollars)
AS AT MARCH 31, 2024 AND DECEMBER 31, 2023

	March 31, 2024	December, 31 2023
ASSETS		
Current		
Cash	$ 247,132	$ 475,171
Receivables	44,866	36,201
	291,998	511,372
Buildings and equipment (Note 4)	30,278	30,278
Exploration and evaluation assets (Note 5)	7,077,799	6,990,157
	$ 7,400,075	$ 7,531,807
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 417,178	$ 473,211
Loans payable (Note 7)	100,000	100,000
	517,178	573,211
Deferred income taxes	380,000	380,000
	897,178	953,211
Shareholders' equity		
Capital stock (Note 8)	12,616,000	12,616,000
Share-based payment reserve	2,001,893	2,001,893
Deficit	(8,114,996)	(8,039,297)
	6,502,897	6,578,596
	$ 7,400,075	$ 7,531,807

Nature and continuance of operations (Note 1)

Approved and authorized by the Board on May 23, 2024:

"John J. Gardiner" Director "Gary R. McDonald" Director

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

TARANIS RESOURCES INC.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)
(Expressed in Canadian Dollars)
THREE MONTHS ENDED MARCH 31

	2024	2023
EXPENSES		
Licenses and fees	$ 9,133	$ 10,834
Office and miscellaneous	20,210	11,347
Interest and bank charges (Note 6)	218	4,058
Professional fees (Note 6)	46,138	10,800
Share-based compensation	-	334,000
	$ (75,699)	$ (371,039)
Income (Loss) and comprehensive income (loss) for period	$ (75,699)	$ (371,039)
Basic and diluted gain (loss) per common share	$ (0.00)	$ (0.00)
Basic and diluted weighted average number of common shares outstanding	94,587,027	85,813,544

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

TARANIS RESOURCES INC.
CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Expressed in Canadian Dollars)
THREE MONTHS ENDED MARCH 31

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (75,699)	$ (371,039)
Item not affection cash		
Share-based compensation	-	334,000
Changes in non-cash working capital items:		
(Increase) decrease in receivables	(8,655)	(788)
Increase (decrease) in accounts payable and accrued liabilities	(29,848)	3,945
Net cash used in operating activities	(114,202)	(33,882)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(113,827))	(3,093))
Net cash used in investing activities	(113,827)	(3,093)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital stock issued	-	-
Net cash provided by financing activities	-	-
Increase (decrease) in cash during the period	(228,039)	(36,975)
Cash, beginning of period	475,171	422,907
Cash, end of period	$ 247,132	$ 385,932
Cash paid for interest	$ -	$ -
Cash received for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 11)

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

TARANIS RESOURCES INC.
CONDENSED, CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
(Expressed in Canadian Dollars)

	Capital Stock				
	Number of Shares	Amount	Share-based Payment Reserve	Deficit	Total
Balance as at January 1, 2023	85,681,351	$ 11,575,235	$ 1,667,893	$ (7,574,772)	$ 5,668,356
Income (loss) for the period)	-	-	-	(371,039)	(371,039)
Share issue costs		(2,700)			(2,700)
Share-based compensation			334,000		334,000
Shares issued in settlement of debt	255,753	43,478	-	-	43,478
Balance as at March 31, 2023	85,937,104	$ 11,616,013	$ 2,001,893	$ (7,945,811)	$ 5,672,095
Balance as at January 1, 2024	94,587,027	12,616,000	2,001,893	(8,039,297)	6,578,596
Income (loss) for the period)	-	-	-	(75,699)	(75,699)
Balance as at March 31, 2023	94,587,027	$ 12,616,000	$ 2,001,893	$ (8,114,996)	$ 6,502,897

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Taranis Resources Inc. (the "Company") is an exploration stage company incorporated in the Province of British Columbia. The registered office and records office of the Company are located at Suite 1710 – 1177 West Hastings Street, Vancouver, BC. The Company is in the process of acquiring and exploring its mineral properties and has not yet determined whether the properties contain ore reserves that are economically recoverable.

The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. The Company continues to be dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of exploration projects, and ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of the properties, and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain. While the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

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

Recent global issues, including the ongoing COVID-19 pandemic and recent geo-political conflicts have adversely affected workplaces, economies, supply chains, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of these issues and their effects on the Company's business or results of operations this time.

2. BASIS OF PRESENTATION

These financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). .The financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical accounting estimates and judgements

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

2. BASIS OF PRESENTATION *(cont'd…)*

Critical accounting estimates and judgements *(cont'd…)*

Judgements

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

ii) The useful lives of buildings and equipment which is based on industry standards for the term of use of the buildings and equipment. Those items of buildings and equipment that are not being utilized in operations or for which there is an indefinite life are not amortized.

Estimates

i) The inputs used in calculating the fair value for stock-based compensation expense included in profit and loss and stock-based share issuance costs included in shareholders' equity. The stock-based compensation expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

ii) The valuation of shares issued in non-cash transactions, including the settlement of debt. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

As at December 31, 2023, the Company's subsidiaries were dissolved. All intercompany transactions and balances were eliminated.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for the Company to be the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the exchange rate at the reporting date, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Financial instruments

Financial assets

IFRS 9 establishes three primary measurement categories for financial assets: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. The basis for classification depends on the entity's business model and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the requirements of IAS 39, except that fair value changes due to changes in an entity's own credit risk are recorded in other comprehensive income rather than in net earnings.

Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, FVTPL, or FVOCI. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Classification *(cont'd…)*

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

The following table shows the classification of the Company's financial instruments under IFRS 9:

Asset or Liability	IFRS 9 classification
Cash	Amortized costs
Receivables	Amortized cost
Due to related parties	Amortized cost
Loans payable	Amortized cost
Accounts payables and accrued liabilities	Amortized cost

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Financial Instruments *(cont'd…)*

Measurement (cont'd…)

Financial assets at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, the Company applies the expected credit loss impairment model.

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its 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.

Buildings and equipment

Buildings and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is recognized using the declining balance method at an annual rate of 4% for buildings and 20% for equipment. Buildings and equipment that are withdrawn from use, or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off. The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to items of buildings and equipment are capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditure is recognized as repairs and maintenance.

Gains and losses on disposal of an item of buildings and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the asset and are recognized in the statement of profit and loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Exploration and evaluation - mineral properties

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mining assets". Exploration and evaluation acquisition costs accumulated are also tested for impairment before they are transferred to development properties. If commercially profitable ore reserves are developed and the Company has commenced commercial production, capitalized costs of the related mining assets are amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral property. If payments received exceed the capitalized cost of the mineral property, the excess is recognized as income in the year received. The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mineral properties and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Provision for environmental rehabilitation *(cont'd…)*

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Stock-based compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. A corresponding increase in share-based payment reserve is recorded when stock options are expensed. When stock options are exercised, capital stock is credited by the sum of the consideration paid and the related portion of stock-based compensation previously recorded in share-based payment reserve. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

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 identified, they are measured at fair value of the stock-based compensation. Otherwise, stock-based compensation is measured at the fair value of goods or services received.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the Company does not recognize the deferred tax asset.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Flow-through shares

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in income at the same time the qualifying expenditures are made and renounced to the shareholders.

Capital stock

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Warrants issued by the Company typically accompany an issuance of shares in the Company (a "Unit") and entitle the warrant holder to exercise the warrants for a stated price and a stated number of common shares in the Company. The value of the warrant components is measured using the residual value approach.

New Standards not yet adopted

The Company has reviewed upcoming policies and determined that none are expected to have an impact on its financial statements.

4. BUILDINGS AND EQUIPMENT

	Buildings	Equipment	Total
Cost			
Balance, December 31, 2023 and March 31, 2024	$ 33,634	$ 45,662	$ 79,296
Accumulated depreciation			
Balance, December 31, 2023 and March 31, 2024	$ 10,547	$ 38,471	$ 49,018
Carrying amounts			
As at December 31, 2023 and March 31, 2024	$ 23,087	$ 7,191	$ 30,278

5. EXPLORATION AND EVALUATION ASSETS

	March 31, 2024
Acquisition costs:	
Balance, beginning of period	$ 843,401
Additions	-
Balance, end of period	843,401
Exploration costs:	
Balance, beginning of period	6,146,756
Assaying and metallurgy	1,268
Geological fees	12,069
Engineering	74,305
Balance, end of period	6,234,398
Total costs	$ 7,077,799

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

5. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

British Columbia Properties

Thor Property

The Company owns a 100% interest in certain mineral rights entitled the Thor Property located in the Revelstoke Mining District of British Columbia, Canada and has acquired additional contiguous mineral claims by staking and making certain payments.

The Company includes $182,075 (2022 - $128,075) in reclamation deposits within its exploration and evaluation assets.

6. RELATED PARTY TRANSACTIONS

The Company entered into transactions with related parties during the three month period ended March 31, 2024 as follows:

a) Paid or accrued professional fees of $6,500 (2023 - $10,000) to a corporation controlled by a director.
b) Paid or accrued administrative costs and deferred exploration of $31,040 (2023-$20,842) to a company controlled by a director.
c) Paid or accrued professional fees of $3,500 (2023 - $3,500) to a director.
d) Accrued interest of $Nil (2023 – $2,706) to two corporations related to the Company by virtue of a common director.
e) Settled debts to a corporation controlled by a director through the issuance of Nil (2023 -255,753 common shares) at a value of $Nil (2023 $43,478).

Due to related parties of $Nil (2023 - $12,299) and amounts included in accounts payable and accrued liabilities of $315,829 (2023 - $287,204) are due to a director, companies controlled by directors of the Company and to companies related to the Company by virtue of a common director. These amounts are without interest and have no specific repayment terms.

7. LOANS PAYABLE

	2024	2023
A loan of $100,000 is due to a corporation controlled by a former director of the Company. It is unsecured, bears interest at a rate of 5% per annum and is repayable on demand or upon the Company completing one or more financings totalling at least $2,000,000. At the discretion of the lender, the loan and any unpaid interest thereon may be converted into common shares of the Company at the minimum price per share provided for under the rules and policies of the TSX Venture Exchange. Such conversion would be subject to approval by the TSX Venture Exchange.	$ 100,000	$ 100,000
A loan of $100,000 is due to a corporation related by virtue of a common director. The loan bears interest at 8% per annum to be calculated and paid annually and matured on May 19, 2023 and was settled through the issuance of common shares (note 6) during the year ended December 31, 2023.	-	100,000
A loan of $35,300 is due to a corporation related by virtue of a common director. The loan bears interest at 8% per annum to be calculated and paid annually and matures on January 19, 2024. The loan is unsecured. During the year ended December 31, 2023, the loan was settled through the issuance of common shares (note 6).	-	35,300
Loans payable	$ 100,000	$ 235,300

8. CAPITAL STOCK AND SHARE-BASED PAYMENT RESERVE

Authorized

Unlimited common class shares without par value.
Unlimited class A preferred shares with a par value of $1.

Stock options and warrants

The Company has a stock option plan whereby, from time to time, at the discretion of the Board of Directors, stock options are granted to directors, officers, employees and certain consultants. The exercise price of each option is based on the market price of the Company's common stock at the date of grant, subject to a minimum price of $0.05. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, December 31, 2022	3,375,000	$ 0.20	2,700,000	$ 0.09
Granted	-	-	2,500,000	0.17
Expired/cancelled	-	-	(1,200,000)	0.10
Exercised	-	-	-	-
Outstanding, March 31, 2023	4,687,000	0.15	4,000,000	0.15
Outstanding, December 31, 2023	10,975,000	0.17	3,700,000	0.09
Granted	-		-	0.17
Expired/cancelled	-		-	0.10
Exercised	-	-	-	-
Outstanding, March 31, 2024	10,975,000	$ 0.20	3,700,000	$ 0.15
Number exercisable, March 31, 2024	10,975,000	$ 0.20	3,700,000	$ 0.15

8. CAPITAL STOCK AND SHARE-BASED PAYMENT RESERVE *(cont'd…)*

Stock options and warrants *(cont'd…)*

The following options and warrants to acquire common shares of the Company were outstanding at March 31, 2024:

	Number of Shares		Exercise Price	Expiry Date
Options	50,000	$	0.08	October 21, 2024
	1,150,000	$	0.10	September 14, 2026
	2,500,000	$	0.17	February 17, 2028
Warrants	7,600,000	$	0.15	July 24, 2026
	3,250,000	$	0.20	*June 24, 2024
	125,000	$	0.20	September 9, 2024

* Subsequent to March 31, 2024 2,500,000 warrants were exercised.

9. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition and exploration of mineral properties.

The Company's capital assets are all located in Canada.

10. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and,

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, loans payable, due to related parties and accounts payable and accrued liabilities approximate their carrying value, due to the short-term nature of these instruments. The Company's cash under the fair value hierarchy is based on level 1 quoted prices in active markets for identical assets or liabilities.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in these financial instruments included in receivables is remote, because these instruments are due primarily from government agencies and cash is held with reputable financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at March 31, 2024, the Company had a cash balance of $247,132 (December 31, 2023 – $475,171) to settle current liabilities of $517,178 (December 31, 2023 – $573,211). All of the Company's financial liabilities are subject to normal trade terms. Management is actively pursuing options to enable it to meet its current obligations as they become due.

10. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT *(cont'd…)*

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest rate risk

The Company has cash balances and loans payable bearing interest at 5% and 8% per annum. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions when deemed appropriate. Management periodically monitors such investments and debts and makes adjustments as necessary but does not believe interest rate risk to be significant.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in United States Dollars. Management believes the risk is not currently significant as only a small portion of these assets and liabilities as at March 31, 2024 and December 31, 2023 are denominated in United States Dollars. A 10% fluctuation on foreign exchange would have a $22,900 impact on profit and loss.

c) Price risk

The Company is not a producing entity so is not directly exposed to fluctuations in commodity prices. The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition and exploration of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the three month period ended March 31, 2024.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended March 31, 2024 included:

a) Accruing mineral property expenses of $117,448 through accounts payable and accrued liabilities.

Significant non-cash transactions during the period ended March 31, 2023 included:

a) Accruing mineral property expenses of $93,808 through accounts payable and accrued liabilities.