STRIKEPOINT GOLD

TSX.V: SKP | OTC: STKXF

Consolidated Financial Statements

Years Ended December 31, 2024 and 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
StrikePoint Gold Inc.

Opinion

We have audited the accompanying consolidated financial statements of StrikePoint Gold Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had an accumulated deficit of $63,065,144 and working capital of $2,092,589, however additional financing will be required to carry out additional exploration and development of its properties. As stated in Note 1, these factors indicate the existence of material uncertainty 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 consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, 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, 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 Consolidated Financial Statements

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended 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 Zachary Faure.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 9, 2025

(Expressed in Canadian Dollars)

	Note		2024		2023
ASSETS					
Current					
Cash		$	**1,950,674**	$	1,400,473
Receivables			**33,511**		431,727
Prepaid expenses and deposits	5		**418,204**		125,805
Total current assets			**2,402,389**		1,958,005
Reclamation bonds	4, 6		**263,747**		70,000
Total assets		$	**2,666,136**	$	2,028,005
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	4, 7	$	**309,800**	$	272,584
Total liabilities			**309,800**		272,584
Shareholders' Equity					
Share capital	8		**54,000,987**		49,495,539
Reserves	8		**11,393,613**		10,630,001
Accumulated other comprehensive income			**26,880**		23,671
Accumulated deficit			**(63,065,144)**		(58,393,790)
Total shareholders' equity			**2,356,336**		1,755,421
Total liabilities and shareholders' equity		$	**2,666,136**	$	2,028,005

Nature of Operations and Going Concern (Note 1)
Commitments (Note 14)

On behalf of the Board:

"Adrian Fleming" Director	*"Michael G. Allen"* Director
Adrian Fleming	Michael G. Allen

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

STRIKEPOINT GOLD INC.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Note		2024		2023
Expenses					
Exploration and evaluation	6, 9	$	**2,468,855**	$	1,614,354
Management fees, salaries and wages	9		**618,586**		603,708
Office			**110,039**		100,338
Professional fees	9		**318,691**		351,600
Property investigation			**36,057**		149,285
Rent			**92,075**		95,458
Share-based compensation	8, 9		**519,637**		339,117
Shareholder communication			**480,741**		148,242
Transfer agent and regulatory			**14,415**		12,771
Travel and related			**93,751**		42,918
			(4,752,847)		(3,457,791)
Other items					
Foreign exchange gain (loss)			**(7,854)**		(25,832)
Interest income			**89,347**		76,353
Other expense	6		**-**		(145,217)
Realized and unrealized gain on marketable securities	6		**-**		65,494
			81,493		(29,202)
Loss for the year			**(4,671,354)**		(3,486,993)
Other comprehensive income or loss					
Foreign currency translation differences			**3,209**		23,671
Comprehensive loss for the year		$	**(4,668,145)**	$	(3,463,322)
Loss per common share - basic and diluted		$	**(0.17)**	$	(0.16)
Weighted average number of common shares outstanding - basic and diluted			**27,376,972**		21,277,154

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

STRIKEPOINT GOLD INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Note	2024	2023
Cash flows from operating activities			
Loss for the year		**$ (4,671,354)**	$ (3,486,993)
Items not affecting cash			
Value of shares issued for property acquisition		**-**	321,429
Unrealized foreign exchange gain or loss		**(1,244)**	23,671
Share-based compensation		**519,637**	339,117
Realized and unrealized gain on marketable securities		**-**	(65,494)
Change in non-cash working capital items			
Change in receivables		**398,216**	149,360
Change in prepaid expenses and deposits		**(292,399)**	(95,570)
Change in accounts payable and accrued liabilities		**37,318**	(26,761)
Net cash used in operating activities		**(4,009,826)**	(2,841,241)
Cash flows from investing activities			
Changes to reclamation bond	4, 6	**(191,963)**	-
Proceeds from sale of marketable securities		**-**	1,540,494
Net cash provided by (used in) investing activities		**(191,963)**	1,540,494
Cash flows from financing activities			
Proceeds from the issuance of shares, net	8	**4,749,423**	-
Net cash from financing activities		**4,749,423**	-
Effect of exchange rate changes on cash		**2,567**	-
Change in cash		**550,201**	(1,300,747)
Cash, beginning of year		**1,400,473**	2,701,220
Cash, end of year		**$ 1,950,674**	$ 1,400,473
Other information:			
Interest paid - cash		**$ -**	$ -
Taxes paid - cash		**$ -**	$ -

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

STRIKEPOINT GOLD INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Note	Number of Shares	Share Capital	Reserves	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance at December 31, 2022		20,734,690	$ 49,174,110	$ 10,290,884	$ -	$ (54,906,797)	$ 4,558,197
Shares issued on property acquisition	6	642,857	321,429	-	-	-	321,429
Share-based compensation	8	-	-	339,117	-	-	339,117
Foreign currency translation adjustment		-	-	-	23,671	-	23,671
Loss for the year		-	-	-	-	(3,486,993)	(3,486,993)
Balance at December 31, 2023		**21,377,547**	**$ 49,495,539**	**$ 10,630,001**	**$ 23,671**	**$ (58,393,790)**	**$ 1,755,421**
Shares issued on private placement	8	20,217,375	4,505,448	243,975	-	-	4,749,423
Share-based compensation	8	-	-	519,637	-	-	519,637
Foreign currency translation adjustment		-	-	-	3,209	-	3,209
Loss for the year		-	-	-	-	(4,671,354)	(4,671,354)
Balance at December 31, 2024		**41,594,922**	**$ 54,000,987**	**$ 11,393,613**	**$ 26,880**	**$ (63,065,144)**	**$ 2,356,336**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

StrikePoint Gold Inc. (the "Company" or "StrikePoint") is incorporated under the laws of the Province of British Columbia and listed on the TSX Venture Exchange under the ticker symbol "SKP" and on the OTCQB in the United States under the ticker symbol "STKXF". The Company is in the exploration stage with respect to its mineral properties and based on the information available to date, the Company has not yet determined whether its mineral properties contain ore reserves. The Company's corporate head office is located at Suite 3123 – 595 Burrard Street, PO Box 49139, Vancouver, BC, V7X 1J1. The registered address and records office of the Company is located at 1111 West Hastings, 15th Floor, Vancouver, BC, V6E 2J3.

These consolidated financial statements have been prepared by management on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to complete its exploration projects by issuance of share capital, through joint ventures, realizing future profitable production, and/or proceeds from the disposition of a property. As of December 31, 2024, the Company had an accumulated deficit of $63,065,144 and working capital of $2,092,589, however additional financing will be required to carry out additional exploration and development of its properties. These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Effective at the market opening on October 18, 2024, a share consolidation occurred of the Company's issued and outstanding common shares on the basis of ten (10) pre-consolidated common shares for one (1) post-consolidated common share. As a result, the Company's issued and outstanding warrants and stock options were also consolidated on a ten-to-one basis. All information relating to basic and diluted loss per share, issued and outstanding common shares, share purchase warrants, stock options, share and per common share amounts in these consolidated financial statements have been adjusted retrospectively to reflect the share consolidation. There were 41,594,922 (December 31, 2023 – 21,377,547) common shares issued and outstanding as at December 31, 2024 on a post-consolidated basis.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements were authorized for issue on April 9, 2025 by the directors of the Company.

Basis of Preparation

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). They have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars unless otherwise noted.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Basis of Consolidation

The consolidated financial statements of the Company include the accounts of its wholly-owned subsidiaries, Mount Rainey Silver Inc., 1391512 BC Ltd. and 1391515 BC Ltd. (all of which were incorporated in Canada). The Company also organized its wholly-owned subsidiary Stimitant LLC ("Stimitant"), in Nevada, U.S.A. during the year ended December 31, 2023. Stimitant owns the Cuprite Gold Project ("Cuprite") acquired in early 2023 (Note 6). In addition, during the year ended December 31, 2024, the Company completed the acquisition of all the issued and outstanding shares of Alcmene Mining Inc. ("Alcmene") (a Canadian incorporated holding company), which owns 100% of Hercules Gold USA, LLC ("Hercules") (organized in the United States of America and owns the Hercules Gold Project), see Note 4 for further details.

These consolidated financial statements include the accounts of the Company and entities controlled by the Company. Control is achieved when the Company is exposed to variable returns and has the ability to affect those returns through power to direct the relevant activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Subsidiaries will be de-consolidated from the date that control ceases. All transactions and balances between the Company and its subsidiaries are eliminated on consolidation. Profit or loss and other loss and other comprehensive income of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Company accounted for the acquisition of Alcmene as an asset acquisition. Significant judgment and estimates were required to determine that the application of this accounting treatment was appropriate for the transaction. These included, among others, the determination that Alcmene was not considered a business under IFRS 3 *Business Combinations,* as Alcmene did not have significant inputs, processes and output, that together constitute a business.

Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of Company and all its subsidiaries, with the exception of its inactive holding company Alcmene, and the Company's two wholly-owned U.S. subsidiaries, Stimitant and Hercules, whose functional currency is the U.S. dollar. Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. On the closing date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate, and non-monetary assets and liabilities, at historical rates. Exchange differences arising on the settlement of monetary items or on translating monetary items at different rates from those at which they are translated on initial recognition during the period or in previous consolidated financial statements are recognized in profit or loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of Stimitant and Hercules are expressed in Canadian dollars using the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case exchange rates at the dates of the transactions are used. Exchange differences are recognized in other comprehensive income (loss) and reported as a currency translation adjustment in equity.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, payments made and/or received under option and joint venture agreements and costs associated with exploration and evaluation activity. Costs incurred before the Company has obtained the legal rights to explore an area are expensed in the consolidated statements of loss and comprehensive loss. Exploration and evaluation expenditures related to the determination of a property or project's feasibility and exploration expenditures and payments pursuant to option and joint venture agreements made and/or received prior to the determination of the technical feasibility and commercial feasibility of a mineral property are expensed in profit or loss as incurred. Proceeds from the sale of mineral licenses and related net smelter returns prior to the determination of the feasibility of the mineral property are recognized in profit or loss when sold. Exploration and evaluation expenditures including payments pursuant to option and joint venture agreements made after a mineral property has been deemed commercially feasible are capitalized as development assets.

To date the Company's mineral properties have not advanced past the exploration stage and, accordingly, no amounts have been capitalized in respect of exploration and evaluation expenditures.

Share-Based Payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of options is determined using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. When the options are exercised, the applicable amounts of reserves are transferred to share capital.

Loss Per Share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the year. For all years presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. In calculating the diluted loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years presented, this calculation proved to be anti-dilutive.

Flow-Through Shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements, these shares transfer the tax deductibility of qualifying resources expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon qualifying expenses being incurred, the Company derecognizes the liability and the premium is recognized as flow-through share premium reversal in profit or loss.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. As of December 31, 2024 and 2023, the Company had no funds which would be considered cash equivalents.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Share capital is reduced by the average per-common-share carrying amount, with the difference between this amount and the consideration paid, added to or deducted from reserves.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Share Issue Costs

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issue costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issue costs related to uncompleted share subscriptions are charged to operations.

Financial Instruments

Financial assets and liabilities are initially recognized at fair value on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Subsequently, financial assets and liabilities are recognized based on the classification of these financial assets. The Company has classified financial assets into one of the following categories: (i) financial assets at fair value through profit or loss ("FVTPL"), (ii) financial assets at fair value through other comprehensive income ("FVTOCI"), (iii) financial assets at amortized cost. Financial liabilities are classified as either (i) financial liabilities at FVTPL or (ii) financial liabilities at amortized cost. The Company maintained its accounting policy for investments as FVTPL.

Cash, receivables (unrelated to sales tax receivables), reclamation bonds, and accounts payable and accrued liabilities are classified at amortized cost. Accounts receivable, where applicable, is net of a provision for expected credit losses.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Financial Instruments - *continued*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For receivables, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Due to the nature of its receivables and that expected credit loss is nominal, no provision for credit loss was recognized by the Company.

Impairment of Non-Current Assets

The carrying amount of the Company's non-current assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statements of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost 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 the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in the statements of loss and comprehensive loss.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they revert, based on the laws that have been enacted or substantively enacted by the reporting date.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Income Taxes - *continued*

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

Restoration and Environmental Obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets, when those obligations result from the acquisition, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is expensed to profit or loss if related to exploration and evaluation assets along with a corresponding increase in the restoration 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 restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration 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 restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the year. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

The Company's restoration or environmental obligations as at December 31, 2024 and 2023 are discussed in Notes 4 and 6.

Business Combinations and Acquisitions

Acquisitions that do not meet the definition of a business combination are accounted for as an asset acquisition. Consideration paid for an asset acquisition includes the purchase price, and those transaction costs direct and incremental to complete the asset acquisition, such as finders fees. The consideration is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Asset acquisitions do not give rise to goodwill.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset. This may be specific, explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Where the Company is expected to exercise a purchase option the right-of-use asset is depreciated using the straight-line method over the useful life of the asset, otherwise it is depreciated to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of the plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statements of loss and comprehensive loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the recognition exemption not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, have terms whereby the Company can terminate the lease within 12 months or less, and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight-line basis over the lease term.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

New and Future Accounting Standards

a) In October 2022, the IASB issued *Non-Current Liabilities with Covenants*, which amended IAS 1 to clarify that if the Company's right to defer settlement of a liability for at least 12 months is subject to the Company complying with covenants after the reporting period, those covenants would not affect whether the Company's right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. The amendments also increased the disclosure requirement relating to such covenants to include: (i) the nature of the covenants and the date by which the Company must comply with the covenants; (ii) whether the Company would comply with the covenants based on its circumstances at the reporting date; and (iii) whether and how the Company expects to comply with the covenants by the date on which they are contractually required to be tested. The above amendments are effective for the Company's annual reporting periods beginning January 1, 2024. The Company adopted these amendments with no material impact on the current period.

b) On August 15, 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The amendments provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for reporting periods beginning on or after January 1, 2025. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

c) On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosures in Financial Statements*. The objective of the new standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The new standard is effective for reporting periods beginning on or after January 1, 2027. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

d) On May 30, 2024, the IASB issued amendments to the classification and measurement of financial instruments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for reporting periods beginning on or after January 1, 2026. Management is currently assessing the impact of the new standard on the Company's interim and annual financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. 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:

i) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and stock-based share issuance costs included in equity. The share-based payments expense and stock-based share issuance costs are 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 recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

iii) The preparation of these consolidated financial statements requires management to make judgments regarding its ability to continue as a going concern as discussed in Note 1.

iv) The Company uses estimates and assumptions in determining the provisions for asset retirement and site closure obligations. The estimates and assumptions include determining the amount and timing of future cash flows, while considering relevant inflation rates and discount rates. The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including judgements of the extent of rehabilitation activities, technological changes, and regulatory changes. Consequently, there could be significant adjustments to the provisions established, which would affect the future financial position, results of operations, and changes in financial position. The provision is management's best estimate of the present value of the future asset retirement and site closure obligation. Actual future expenditures may differ from the amounts currently provided. See Notes 4 and 6 for disclosure of accrued asset retirement obligation costs as at December 31, 2024 and 2023.

v) The Company accounted for the acquisition of Alcmene as an asset acquisition. Significant judgement and estimates were required to determine that the application of this accounting treatment was appropriate for the transaction. These included, among others, the determination that the assets together were not considered a business under IFRS 3, *Business Combinations*, as they did not have significant inputs, processes and outputs, that together constitute a business.

(Expressed in Canadian Dollars)

4. ACQUISITION OF THE HERCULES GOLD PROJECT

During the year ended December 31, 2024, the Company acquired the Hercules Gold Project ("Hercules Project") by way of the acquisition of all of the issued and outstanding common shares of Alcmene in consideration for a cash payment of $250,000, plus $62,011 in legal, regulatory, and transaction fees associated with closing the transaction. Pursuant to the terms of the acquisition, the Company also assumed estimated reclamation costs of $22,749 related to the Hercules Project at the time of acquisition. Certain claims have reserved royalties to a maximum of 3% with associated buy-down provisions. A portion of the claims are under option with an annual payment of US $50,000 per year to be made between the years 2025 and 2032.

As discussed in Note 2, the acquisition has been accounted for as an asset acquisition. During year ended December 31, 2024, the Company expensed a total of $334,760 related to the acquisition costs of Alcmene (and the Hercules Project) which is included in exploration and evaluation expense.

Subsequent to the acquisition of Alcmene, and during the year ended December 31, 2024, the Company posted a bond totaling US $115,015 (equivalent to $165,047) with the Bureau of Land Management in Nevada in accordance with keeping certain exploration permits on the project in good standing.

5. PREPAID EXPENSES AND DEPOSITS

As of:		**December 31, 2024**		December 31, 2023
Prepaid regulatory fees	**$**	**8,823**	$	8,458
Prepaid insurance		**28,585**		23,288
Marketing and related prepaid expenses		**380,796**		65,360
Exploration related deposits		**-**		23,261
Other prepaid expenses and deposits		**-**		5,438
Total	**$**	**418,204**	$	125,805

6. EXPLORATION AND EVALUATION PROPERTIES

The following disclosure provides a summary of the Company's projects and a table which provides a breakdown of the Company's exploration and evaluation costs for the year ended December 31, 2024 and 2023. The acquisition of Hercules Project was discussed in Note 4.

Cuprite Gold Project

During the year ended December 31, 2023, the Company completed the acquisition of a 100% interest in Cuprite, located in Nevada from Orogen Royalties Inc. ("Orogen"). Pursuant to the agreement, the Company issued a total of 642,857 common shares (with a fair value at the time of issuance of $321,429) and paid $47,598 in cash, which was charged to the statement loss and comprehensive loss as exploration and evaluation costs. In addition, during the year ended December 31, 2023, the Company paid $56,577 to acquire additional claims adjacent to Cuprite via staking and paid other acquisition related costs of $22,296.

Orogen was granted a 3% NSR, 0.5% of the NSR can be purchased by the Company for US $2.5 million. Orogen will also retain a 1.5% NSR on any after-acquired internal claims held by third parties. Orogen will hold a one-kilometer area of interest around Cuprite and additional claims staked within the area of interest will be subject to the 3% NSR (which is also subject to the 0.5% buy-back provision noted above).

During the year ended December 31, 2024, the Company posted a reclamation bond payment in the amount of US $20,000 on Cuprite (equivalent to $28,700 as at December 31, 2024). The Company also accrued a reclamation estimate of $12,198 during the year ended December 31, 2024 related to exploration work conducted at Cuprite during 2024, which is included in accrued liabilities at the 2024 year end.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION PROPERTIES - *continued*

Projects in British Columbia, Canada – Porter and Willoughby

The Company holds a 100% interest in the Willoughby property, located in north-western British Columbia. In March 2019, the Company posted a reclamation bond payment in the amount of $39,000. Willoughby is subject to a 1.5% net smelter return ("NSR") royalty, of which 0.5% can be purchased for a cash payment of $1,000,000.

The Company holds a 100% interest in the Porter Idaho property ("Porter"), located near Stewart, British Columbia. Porter is subject to a 1% NSR, of which the Company has the option to purchase 0.5% for $750,000. As of December 31, 2024, the Company posted a reclamation bond payment in the amount of $31,000 on Porter (December 31, 2023 - $31,000). The Company also holds a 100% interest in the Handsome Jack property, adjacent to Porter (subject to a 1% NSR, of which the Company can buy back 0.5% for $500,000). The Company also staked, the Big, Bada and Boom properties, also contiguous to Porter and the Handsome Jack properties near Stewart, BC.

As of December 31, 2024 and December 31, 2023, accounts payable and accrued liabilities included a reclamation provision at the Willoughby and Porter properties totalling $175,000 (Note 7).

Yukon Properties

Since 2017, the Company has held certain interests in a portfolio of claims and properties located in the Yukon, Canada. During the year ended December 31, 2022, the Company sold a significant portion of the Yukon properties to Snowline Gold Corp. ("Snowline"), a Canadian public company, for cash proceeds of $500,000 and the issuance of 500,000 Snowline common shares valued at $1,375,000. In May 2023, the Company sold its position in Snowline for net proceeds of $1,540,494, resulting in a $65,494 gain being recorded for the year ended December 31, 2023. As at December 31, 2024 and December 31, 2023, the Company no longer holds any marketable securities in Snowline. During the year ended December 31, 2023, the Company recorded $145,217 to other expense, related to certain camp closure and removal costs on claims sold to Snowline.

Breakdown of Exploration and Evaluation Costs

	Year Ended December 31, 2024			
	Cuprite	Hercules	Willoughby/Porter	Total
Acquisition of project	$ -	$ 334,760	$ -	$ 334,760
Administration and storage	-	16,326	20,757	37,083
Assay costs	253,305	-	-	253,305
Claim and Maintenance fees	156,616	392,176	2,613	551,405
Exploration drilling and related costs	684,668	-	-	684,668
Field, camp, and travel	-	-	2,000	2,000
Geological consulting and fees	489,926	8,759	-	498,685
Permitting	17,647	-	-	17,647
Reclamation	11,884	-	-	11,884
Studies and surveys	77,418	-	-	77,418
	$ 1,691,464	$ 752,021	$ 25,370	$ 2,468,855

	Year Ended December 31, 2023			
	Cuprite	Hercules	Willoughby/Porter	Total
Acquisition of project	$ 447,900	$ -	$ -	$ 447,900
Administration and storage	1,802	-	42,118	43,920
Assay costs	128,650		-	128,650
Claim fees	253,488	-	7,948	261,436
Field and camp	-	-	5,698	5,698
Geological consulting and fees	248,639	-	60,000	308,639
Permitting	160,998	-	-	160,998
Reclamation	-	-	145,000	145,000
Studies and surveys	112,113	-	-	112,113
	$ 1,353,590	$ -	$ 260,764	$ 1,614,354

(Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As of:		December 31, 2024		December 31, 2023
Accounts payable	$	42,132	$	56,334
Accrued liabilities		267,668		216,250
Total	$	309,800	$	272,584

Included in accrued liabilities is $175,000 in estimated costs associated with removal of pads and structures at Porter and Willoughby (Note 6) as at December 31, 2024 and 2023. In addition, reclamation accruals for exploration related activities are included in accrued liabilities for Cuprite and Hercules totalling $36,421 as at December 31, 2024 ($Nil – December 31, 2023).

8. SHARE CAPITAL

Authorized Share Capital

As of December 31, 2024, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares, are fully paid.

Effective at the market opening on October 18, 2024, a share consolidation of the Company's issued and outstanding common shares on the basis of ten (10) pre-consolidated common shares for one (1) post-consolidated common share. As a result, the Company's issued and outstanding warrants and stock options were also consolidated on a ten-to-one basis. All information relating to basic and diluted loss per share, issued and outstanding common shares, share purchase warrants, stock options, share and per share amounts in these consolidated financial statements have been adjusted retrospectively to reflect the share consolidation. There were 41,594,922 (December 31, 2023 – 21,377,547) common shares issued and outstanding as at December 31, 2024 on a post-consolidated basis.

Share Capital Issuances

During the year ended December 31, 2024, the Company completed a non-brokered private placement for gross proceeds of $3,041,100. The private placement consisted of 15,205,500 units of the Company at a price of $0.20 per unit. Each unit was comprised of one common share and one share purchase warrant, with each share purchase warrant exercisable into one common share of the Company at an exercise price of $0.30 for a period of twenty-four (24) months from closing. The residual value of the warrants in this private placement totaled $208,275. The share purchase warrants are subject to an acceleration clause stipulating that should the Company's share price close at, or above, $0.40 for ten consecutive trading days, the share purchase warrants will be called for exercise within 30 days of the Company providing notice by way of regular news release or the share purchase warrants will expire. In connection with the closing of the private placement, the Company paid $184,154 in finder's fees, regulatory, legal and administration fees.

During the year ended December 31, 2024, the Company completed a non-brokered private placement of 5,011,875 units at a price of $0.40 per unit for gross proceeds of $2,004,750. Each unit was comprised of one common share and one half of one common share purchase warrant, with each whole warrant exercisable into one common share of the Company at an exercise price of $0.70 per common share for a period of 24 months from closing. In connection with this private placement, the Company paid finders fees, regulatory and administrative costs of $112,273 and issued a total of 181,388 broker warrants. The broker warrants entitle the holder to purchase one common share of the Company at a price of $0.70 per broker warrant for a period of 24 months from the date of issuance. The broker warrants were determined to have a fair value of $35,700 based on the Black-Scholes option pricing model, assuming an expected life of 2 years, expected dividend yield of 0%, a risk-free interest rate of 4.26%, an expected volatility of 75%, and a closing stock price of $0.55.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL - *continued*

Share Capital Issuances - *continued*

For the year ended December 31, 2023, the Company issued a total of 642,857 common shares with a fair value at the time of issuance of $321,429 to Orogen for the purchase of Cuprite (Note 6).

Stock Options

At the Company's Annual General and Special Meeting held on October 18, 2023, the shareholders of the Company approved the adoption of a new 10% rolling Stock Option Plan (the "Plan"). The Plan is administered by the Company's Board of Directors and subject to the applicable laws and regulatory requirements. The maximum numbers of shares that may be reserved for issuance under the Plan is 10% of the issued common shares of the Company at any time and can be granted with a term not exceeding ten (10) years from the date of grant. The vesting period for all options is at the discretion of the directors and the exercise price will, in no event, be less than market price for the common shares (as defined by the policies of the TSX Venture Exchange) at the date of grant.

A summary of the Company's stock option activities for the years ended December 31, 2024 and 2023 is presented below.

	Year Ended December 31, 2024			Year Ended December 31, 2023		
	Shares issuable on exercise of options		**Weighted average exercise price**	Shares issuable on exercise of options		Weighted average exercise price
Opening balance	**1,785,000**	**$**	**1.37**	1,690,000	$	2.10
Granted	**2,104,450**		**0.42**	930,000		0.60
Expired	**(195,000)**		**2.00**	(835,000)		2.10
Ending balance	**3,694,450**	**$**	**0.80**	1,785,000	$	1.37

As of December 31, 2024, the following stock options were outstanding and exercisable:

Options Outstanding				**Options Exercisable**
Number of Options		Exercise Price	Weighted average remaining contractual life in years	Number of Options
320,000	$	2.00	0.59	320,000
340,000	$	2.50	1.43	340,000
300,000	$	0.80	3.02	300,000
200,000	$	0.55	3.17	200,000
25,000	$	0.70	3.28	25,000
405,000	$	0.50	3.74	405,000
844,450	$	0.75	4.30	806,950
1,260,000	$	0.20	4.95	1,185,000
3,694,450	**$**	**0.80**	**3.70**	**3,581,950**

Share-Based Compensation

During the year ended December 31, 2024, the Company granted a total of 2,104,450 stock options with a weighted average exercise price of $0.42 per share and an expiry date of five years. The weighted average fair value of the stock options on the grant date was $0.25 per share, resulting in stock-based compensation expense of $519,637 for the year ended December 31, 2024 of options granted or vested in the year.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL - *continued*

Share-Based Compensation - *continued*

During the year ended December 31, 2023, the Company granted a total of 930,000 stock options with a weighted average exercise price of $0.60 per share and an expiry date of five years. The weighted average fair value of the stock options on the grant date was $0.40 per share, resulting in stock-based compensation expense of $339,117 for the year ended December 31, 2023.

The Company applies the fair value method using the Black-Scholes option pricing model to account for stock options granted. The following weighted average assumptions were used to calculate the fair value of the stock options granted during the year:

	Year Ended December 31,	
	2024	2023
Weighted average exercise price	**$0.42**	$0.60
Weighted average risk-free interest rate	**3.30%**	3.59%
Weighted average expected option life	**5 years**	5 years
Weighted average expected stock volatility	**75%**	75%
Weighted average expected dividend yield	**Nil**	Nil
Weighted average stock price on grant date	**$0.40**	$0.60

Expected volatility is based on the historical share price volatility of comparable peer companies within the Company's industry in which it operates (junior exploration) at the time of granting the options.

Warrants

A summary of the Company's warrant activities for the years ended December 31, 2024 and 2023 is presented below. The warrants issued during the year ended December 31, 2024, were issued in conjunction with the Company's private placement discussed above.

	Year Ended December 31, 2024		Year Ended December 31, 2023	
	Shares issuable on exercise of warrants	**Weighted average exercise price**	Shares issuable on exercise of warrants	Weighted average exercise price
Opening balance	**-**	**$ -**	-	$ -
Issued	**17,892,826**	**0.36**	-	-
Ending balance	**17,892,826**	**$ 0.36**	-	$ -

As of December 31, 2024, the following purchase warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Weighted average remaining contractual life in years
1,627,825	$ 0.70	1.16
1,059,501	$ 0.70	1.21
8,263,000	$ 0.30	1.85
6,942,500	$ 0.30	1.91
17,892,826	**$ 0.36**	**1.77**

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company has identified its members of the Board, its Chief Executive Officer ("CEO"), its Chief Financial Officer ("CFO"), and its former VP Exploration as its key management personnel.

The various fees and compensation paid to directors and key management personnel for each of the years ended December 31, 2024 and 2023 are identified in the table below.

		2024		2023
Salaries and wages paid to CEO [2]	**$**	**250,000**	$	250,000
Salaries and wages paid to CFO [2]		**125,000**		107,292
Fees paid or accrued Chairman [1,2]		**180,000**		180,000
Fees paid or accrued to a member of the Board [2]		**36,000**		36,000
Fees paid or accrued to former VP Exploration [1,3]		**-**		60,000
Fees paid or accrued to former CFO [1,4]		**-**		40,000
Value of share-based compensation granted to directors and officers [5]	**$**	**389,958**	$	279,410

1) Fees paid or accrued were paid to companies controlled by individual.
2) Included and expensed as part of management fees, salaries and wages.
3) Included and expensed as part of exploration and evaluation expenditures.
4) Included and expensed as part of professional fees.
5) Included and expensed as part of share-based compensation.

As at December 31, 2024, accounts payable and accrued liabilities included $18,000 (December 31, 2023 - $9,000) due to related parties for outstanding fees, compensation, and expense reimbursement charges.

10. SEGMENTED INFORMATION

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Canada and the United States of America. The Company is in the exploration stage and accordingly, has no reportable segment revenues for any of the periods presented in these financial statements. All the Company's non-current assets were held in Canada with the exception of the bond reclamation deposits held for Cuprite and Hercules with the Bureau of Land Management in Nevada disclosed in Notes 4 and 6.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS

Fair Value

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.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS - *continued*

Fair Value - *continued*

The Company's financial instruments include cash, receivables (excluding value-added tax receivable), reclamation bond and accounts payable and accrued liabilities. The carrying value of these financial instruments approximates their fair value.

Risk Factors

The Company is exposed to a variety of financial instrument-related risks, including those discussed below.

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's cash and cash equivalents are held by one bank, resulting in a concentration of credit risk with the bank. To mitigate this risk, the Company holds its cash and cash equivalents at a large chartered Canadian bank with a high level of credit quality, as determined by third party rating agencies. The Company's receivables are predominately related to receivables from goods and services input tax credits (collectible from the Government of Canada), with the remaining trade receivable balance being nominal and considered to be collectible by the Company.

b) Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash balances. The Company's ability to advance various projects is dependent upon its ability to raise additional funds through access to equity markets. If necessary, the Company may seek financing for capital projects or working capital needs. Such financing, if required, will depend on several unpredictable factors, which are often beyond the control of the Company. These would include the expected expenditures for exploration and acquisition of new assets, which could be curtailed should funding not be available.

c) Market Risk

Market risk consists of foreign currency exchange risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

i) Foreign Currency Exchange Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate from changes in foreign exchange rates. Although the Company is in the exploration stage and has not yet developed commercial mineral interests, the underlying market prices in Canada for minerals are impacted by changes in the exchange rate between the Canadian and the United States Dollar. The Company's exploration and evaluation costs, as well as other general and administrative costs are denominated in both Canadian and United States Dollars. The Company has not agreed to any arrangements to hedge its currency risk. As at December 31, 2024, one U.S. Dollar closed at CAD $1.4350 and the average for the year ended December 31, 2024 was CAD $1.3695. Based on the net exposures as of December 31, 2024 and for the year then ended and assuming that all other variables remain constant, a 10% change in the U.S. dollar exchange rates, would not have a material impact on the statement of loss and comprehensive loss.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS - *continued*

Risk Factors - *continued*

c) Market Risk - continued

ii) Commodity Price Risk

Commodity price risk is the risk that the fair value of financial assets and financial liabilities or expected future cash flows will fluctuate because of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States Dollars, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk currently. However, the Company is indirectly exposed to commodity price risk as it impacts the Company's access to capital and funding and potentially its ability to finance its activities.

iii) Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its interest earning bank account. The income earned from its bank account balance is subject to the movements in interest rates. The Company has cash balances and maintains no-interest bearing debt, therefore, interest rate risk is minimized.

12. CAPITAL MANAGEMENT

The Company considers its capital structure to include working capital and shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and risk characteristics of the underlying assets and capital markets. In order to facilitate the management of capital and the development of its mineral properties, the Company prepares annual expenditure budgets which are regularly monitored and updated as necessary.

To maintain or adjust the capital structure, the Company may issue new equity or debt financing, if available, on favorable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter joint venture arrangements, or dispose of mineral properties.

The Company's investment policy is to hold cash and term deposits in interest-bearing bank accounts and highly liquid short-term, interest-bearing investments with maturities of one year or less which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements. There have been no significant changes in the Company's approach to capital management during the year ended December 31, 2024.

(Expressed in Canadian Dollars)

13. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2024		2023
Loss for the year	**$**	**(4,671,354)**	$	(3,486,993)
Expected income tax (recovery)	**$**	**(1,261,000)**	$	(941,000)
Other		**210,000**		(6,000)
Permanent differences		**204,000**		91,000
Impact of flow through share		**-**		-
Share issue cost		**(80,000)**		-
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses		**40,000**		896,000
Change in unrecognized deductible temporary differences		**887,000**		(40,000)
Total income tax expense (recovery)	**$**	**-**	$	-

The significant components of the Company's deferred tax assets that have not been included in the consolidated statement of financial position are as follows:

		2024		2023
Deferred tax assets (liabilities)				
Exploration and evaluation assets	**$**	**2,810,000**	$	2,441,000
Property and equipment		**32,000**		39,000
Share issue costs		**82,000**		46,000
Start-up costs		**3,000**		4,000
Allowable capital losses		**182,000**		170,000
Non-capital losses available for future period		**4,150,000**		3,672,000
		7,259,000		6,372,000
Unrecognized deferred tax assets		**(7,259,000)**		(6,372,000)
Net deferred tax assets	**$**	**-**	$	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

		2024	**Expiry Date Range**		2023	Expiry Date Range
Temporary Differences						
Exploration and evaluation assets	**$**	**11,048,000**	**No expiry date**	$	9,435,000	No expiry date
Property and equipment		**91,000**	**No expiry date**		135,000	No expiry date
Share issue costs		**304,000**	**2044 to 2047**		172,000	2044 to 2046
CEC		**8,000**	**No expiry date**		8,000	No expiry date
Start-up costs		**16,000**	**No expiry date**		21,000	No expiry date
Allowable capital losses		**675,000**	**No expiry date**		629,000	No expiry date
Non-capital losses available for future periods		**15,603,000**	**2026 to 2044**		13,599,000	2026 to 2043
Canada	**$**	**14,653,000**	**2026 to 2044**	$	13,599,000	2026 to 2043
USA		**950,000**	**No expiry date**		-	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. COMMITMENTS

During the year ended December 31, 2024, the Company agreed to an office rental sub-lease for $8,600 per month. The Company can terminate the rental arrangement by providing the landlord with a 12-month written notice at any time. Should the Company not invoke its termination clause, the minimum lease payments under the term of the lease are as follows:

- 2025 - $103,200
- 2026 - $103,200
- 2027 - $103,200
- 2028 - $103,200
- 2029 - $103,200
- 2030 - $34,400