



Condensed Interim Consolidated Financial Statements

For the nine months ended May 31, 2024 and 2023

Expressed in Canadian Dollars

(Unaudited – Prepared by Management)

**NOTICE OF NO AUDITOR REVIEW OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company for the nine months ended May 31, 2024 have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.

MARVEL DISCOVERY CORP.

Condensed Interim Consolidated Statements of Financial Position

As at May 31, 2024 and August 31, 2023

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	May 31, 2024	August 31, 2023
ASSETS		
Current		
Cash	\$ 117,287	\$ 395,664
Amount receivable (Note 5)	139,757	141,406
Due from related parties (Note 10)	89,846	34,254
Loan receivable (Note 10)	19,700	-
Prepaid expenses and deposits (Note 10)	83,703	25,377
	450,293	596,701
Advances on exploration	-	29,403
Investments (Note 12)	856,827	617,374
Exploration and evaluation assets (Note 6)	4,767,454	3,940,920
	\$ 6,074,574	\$ 5,184,398
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Notes 7 and 10)	\$ 1,419,786	\$ 650,615
Due to related parties (Note 10)	37,645	3,587
Flow-through premium (Note 13)	103,000	128,272
	1,560,431	782,474
SHAREHOLDERS' EQUITY		
Share capital (Note 9)	19,334,607	18,668,438
Share subscription receivable (Notes 9 and 10)	(78,400)	(78,400)
Reserves (Note 9)	1,945,303	1,712,822
Deficit	(16,687,367)	(15,900,936)
	4,514,143	4,401,924
	\$ 6,074,574	\$ 5,184,398

Nature and continuance of operations (Note 1)

Commitments (Note 6)

Subsequent events (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on July 29, 2024:

/s/ Karim Rayani

/s/ Fraser Rieche

Karim Rayani

Fraser Rieche

MARVEL DISCOVERY CORP.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three and nine months ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	For the three months ended May 31,		For the nine months ended May 31,	
	2024	2023	2024	2023
Administrative expenses				
Bank and interest charges	\$ 949	\$ -	\$ 2,874	\$ -
Bad debt (recovery)	-	(35,000)	-	(35,000)
Consulting fees (Note 10)	7,200	10,000	114,760	50,190
Filing and transfer agent fees	-	34,225	25,099	77,007
Management fees (Note 10)	26,000	24,000	78,000	72,000
Moving expenses (Note 10)	3,500	-	43,500	-
Office and miscellaneous	3,918	13,902	15,732	20,072
Part XII.6 tax	-	-	14,963	-
Professional fees (Note 10)	24,248	15,932	90,720	68,601
Rent (Note 10)	7,500	7,500	22,500	22,500
Share-based compensation	-	-	230,650	-
Shareholder communications	11,106	5,308	87,335	87,635
Travel and promotion	-	-	5,799	-
Total expenses	84,421	75,867	731,932	363,005
Loss before other items	(84,421)	(75,867)	(731,932)	(363,005)
Other items				
Gain (loss) on fair value of investment (Note 12)	(126,250)	3,040	(130,271)	(6,827)
Interest income	-	-	-	3,288
Other income (Note 13)	-	55,420	85,272	109,166
Legal settlement (Note 8)	(9,500)	-	(9,500)	-
Write-off of interest receivable	-	-	-	(4,890)
Total other income	(135,750)	58,460	(54,499)	100,737
Net loss and comprehensive loss for the period	\$ (220,171)	\$ (17,407)	\$ (786,431)	\$ (262,268)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding	141,213,564	135,645,266	135,412,743	129,335,717

MARVEL DISCOVERY CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the nine months ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Number of shares	Share Capital	Share subscription advance/ receivable	Option reserves	Warrant reserves	Deficit	Total Shareholders' Equity
Balance, August 31, 2022	102,198,528	\$ 16,701,543	\$ (203,550)	\$ 1,348,477	\$ 308,670	\$ (15,172,271)	\$ 2,982,869
Private placement	16,473,369	1,964,904					1,964,904
Share issue costs		(201,026)			50,346		(150,680)
Flow-through premium		(152,834)					(152,834)
Shares issued for property acquisition	250,000	27,500					27,500
Share subscription received			125,150				125,150
Net loss for the period	-	-	-	-	-	(262,268)	(262,268)
Balance, May 31, 2023	118,921,897	\$ 18,340,087	\$ (78,400)	\$ 1,348,477	\$ 359,016	\$ (15,434,539)	\$ 4,534,641
Balance, August 31, 2023	124,838,564	\$ 18,668,438	\$ (78,400)	\$ 1,327,393	\$ 385,429	\$ (15,900,936)	\$ 4,401,924
Shares issued pursuant to options exercised	600,000	25,470	-	(2,970)	-	-	22,500
Private placement	15,775,000	751,000	-	-	-	-	751,000
Flow-through premium	-	(60,000)	-	-	-	-	(60,000)
Share issue cost	-	(50,301)	-	-	4,801	-	(45,500)
Share based compensation	-	-	-	230,650	-	-	230,650
Net loss for the period	-	-	-	-	-	(786,431)	(786,431)
Balance, May 31, 2024	141,213,564	\$ 19,334,607	\$ (78,400)	\$ 1,555,073	\$ 390,230	\$ (16,687,367)	\$ 4,514,143

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

MARVEL DISCOVERY CORP.

Condensed Interim Consolidated Statements of Cash Flows

For the nine months ended May 31, 2024 and May 31, 2023

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	For the nine months ended May 31,	
	2024	2023
Operating Activities		
Net loss for the period	\$ (786,431)	\$ (262,268)
Adjustments to reconcile loss to net cash used in operating activities:		
Loss on fair value of investment	130,271	6,827
Other income	(85,272)	(109,166)
Interest income	-	(3,288)
Share-based payments	230,650	-
Write-off of interest receivable	-	4,890
Changes in non-cash working capital items related to operations:		
Amount receivable	1,649	(41,159)
Prepaid expenses and deposits	(58,326)	49,825
Accounts payable and accrued liabilities	769,171	274,165
Cash provided by (used in) operating activities	201,712	(80,174)
Investing Activities		
Due from related parties	(55,592)	75,824
Loan receivable	(19,700)	-
Investments	-	(40,000)
Advances on exploration expenditures	-	6,550
Exploration and evaluation assets, net of recovery	(1,166,855)	(1,701,282)
Advances to related parties	34,058	-
Cash used in investing activities	(1,208,089)	(1,658,908)
Financing Activities		
Issuance of common shares, net of share issue costs	728,000	1,814,223
Due to related party	-	(21,413)
Share subscription received	-	125,150
Cash provided by financing activities	728,000	1,917,960
Change in cash during the period	(278,377)	178,878
Cash, beginning of period	395,664	104,064
Cash, end of the period	\$ 117,287	\$ 282,942
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -
Non-cash Transactions		
Accounts payable included in exploration and evaluation assets (E&EA)	\$ 1,028,568	\$ 231,533
Fair value on investment received on disposal of E&EA	\$ 369,724	\$ 86,131
Share issued for property	\$ -	\$ 27,500
Fair value of agent's warrants	\$ -	\$ 50,346
Fair value transferred from option reserve on stock options exercised	\$ 2,970	\$ -

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

1. Nature and continuance of operations

Marvel Discovery Corp. (the “Company”) was incorporated on January 30, 1987, under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company changed its name on February 24, 2021. The Company’s shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol “MARV”.

The corporate office and principal place of business of the Company is Suite 1100 – 1111 Melville Street, Vancouver, B.C., V6E 3V6.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. At May 31, 2024 the Company was in the exploration stage and had interests in properties in Canada.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. There is significant uncertainty regarding the outcome of these matters. The Company has sustained losses from operations and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As at May 31, 2024, the Company had working capital deficiency of \$1,110,138 (August 31, 2023 –working capital deficiency \$185,773) and accumulated deficit of \$16,687,367 (August 31, 2023 - \$15,900,936). Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available (Note 11).

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Basis of preparation

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on July 29, 2024.

2. Basis of preparation – (cont'd)

Basis of preparation

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

3. Significant accounting policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the condensed interim consolidated financial statements as at May 31, 2024. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2023.

Recent accounting pronouncements and changes in accounting policies

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods are as follows:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024 and are not expected to have a material impact on the Company.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality which help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material.

The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting periods beginning on or after January 1, 2023, and the Company evaluated the impact of the amendments on its financial statements and determined that the amendments had no material impact on the Company's financial statements.

4. Critical accounting estimates, assumptions and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the

4. Critical accounting estimates, assumptions and judgments – (cont'd)

change affects both.

Critical judgments, estimates and assumptions in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim consolidated financial statements within the next financial year are discussed below:

Going Concern

The assessment of the Company's ability to continue as a going concern require significant judgement. See Note 1.

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Impairment of Mineral Properties

In accordance with the Company's accounting policy for its mineral properties, exploration and evaluation expenditures on mineral properties are capitalized. There is no certainty that the expenditures made by the Company in the exploration of its property interests will result in discoveries of commercial quantities of minerals. The Company applies judgment to determine whether indicators of impairment exist for these capitalized costs.

Management uses several criteria in making this assessment, including the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of mineral properties are budgeted, and evaluation of the results of exploration and evaluation activities up to the reporting date.

Investment in private company

When the fair values of financial assets recorded on the statement so financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgement is required to establish fair value.

5. Amounts receivable

	May 31, 2024	August 31, 2023
Goods and services tax recoverable	\$ 139,168	\$ 116,747
Accounts receivable	589	24,659
Total	\$ 139,757	\$ 141,406

MARVEL DISCOVERY CORP.
Notes to the Condensed Interim Consolidated Financial Statements
For the nine months ended May 31, 2024 and 2023
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

6. Exploration and evaluation assets

	Blackfly	Baie Verte	Duhamel	East Bull	Gander	Highway	Key Lake	Sandy Pond	Step	Slip Gold	Victoria Lake	Other	Total
Balance, August 31, 2022	\$482,525	\$97,730	\$439,785	\$110,560	\$253,377	\$615,815	\$207,500	\$142,459	\$82,838	\$112,415	\$176,366	\$54,269	\$2,775,639
<u>Acquisition costs:</u>													
Staking	2,712	-	-	-	-	-	3,100	-	-	-	-	-	5,812
Cash	40,000	-	-	-	-	-	50,000	-	-	-	-	26,649	116,649
Shares	7,000	-	-	-	-	27,500	-	-	-	-	-	-	34,500
	49,712	-	-	-	-	27,500	53,100	-	-	-	-	26,649	156,961
<u>Exploration and evaluation costs:</u>													
Assays	-	-	1,524	-	-	-	-	-	-	-	2,751	-	4,275
Claim fees (recovery)	-	-4,962	-	-	-	-	-	-	-	-	-	25,391	20,429
Drilling	-	-	-	-	-	87,378	124,213	-	-	-	-	-	211,591
Geological consulting	-	16,410	51,741	85,588	21,678	10,750	77,005	1,369	-	3,396	64,158	22,391	354,486
Geophysics	11,825	37,000	6,000	-	-	2,000	-	19,513	-	3,000	-	59,000	138,338
Field cost	-	5,030	40,000	-	27,918	-	113,427	5,191	-	1,360	85,263	-	278,189
Equipment rental	-	-	48,098	-	5,800	66,423	110,872	900	-	-	-	-	232,093
Reports and admin	-	17,219	-	-	10,406	69,765	11,696	13,700	-	2,900	21,400	41,988	189,074
Travel and accommodations	-	-	-	-	2,647	43,254	73,552	6,123	-	-	-	-	125,576
Miscellaneous	-	-	-	-	-	-	700	-	-	-	850	-	1,550
	11,825	70,697	147,363	85,588	68,449	279,570	511,465	46,796	-	10,656	174,422	148,770	1,555,601
Recovery	-	-	-	-	-	-	(136,131)	-	-	-	-	-	(136,131)
Impairment	-	-	-	-	(194,140)	-	-	-	(82,838)	(123,071)	-	(11,101)	(411,150)
Total increase (decrease) for the year	61,537	70,697	147,363	85,588	(125,691)	307,070	428,434	46,796	(82,838)	(112,415)	174,422	164,318	1,165,281
Balance, August 31, 2023	\$544,062	\$168,427	\$587,148	\$196,148	\$127,686	\$922,885	\$635,934	\$189,255	\$ -	\$ -	\$350,788	\$218,587	\$3,940,920

MARVEL DISCOVERY CORP.
Notes to the Condensed Interim Consolidated Financial Statements
For the nine months ended May 31, 2024 and 2023
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

6. Exploration and evaluation assets – (cont'd)

	Blackfly	Baie Verte	Duhamel	East Bull	Gander	Highway	Key Lake	Sandy Pond	Step	Slip Gold	Victoria Lake	Other	Total
Balance, August 31, 2023	\$544,062	\$168,427	\$587,148	\$196,148	\$127,686	\$922,885	\$635,934	\$189,255	\$ -	\$ -	\$350,788	\$218,587	\$3,940,920
Acquisition costs:													
Staking	-	-	-	-	-	-	\$22,500	-	-	-	\$750	-	\$23,250
Cash	-	-	-	-	-	-	\$45,000	-	-	-	-	\$10,000	\$55,000
Shares	-	-	-	-	-	\$17,500	-	-	-	-	-	-	\$17,500
	-	-	-	-	-	\$17,500	\$67,500	-	-	-	\$750	\$10,000	\$95,750
Exploration and evaluation costs:													
Assays	-	-	-	-	\$4,950	-	-	-	-	-	\$275	-	\$5,225
Assessments	-	-	-	-	-	-	-	\$6,800	-	-	\$10,400	\$82,400	\$99,600
Claim fees	-	-	-	-	-	-	-	-	-	-	-	\$12,500	\$12,500
Drilling	-	-	\$757,943	-	-	-	-	-	-	-	-	-	\$757,943
Geological consulting	-	\$9,665	\$500	\$7,893	\$12,900	\$(550)	\$100	\$5,200	-	-	\$12,166	\$39,700	\$87,574
Geophysics	-	-	\$86,250	-	-	-	-	\$4,800	-	-	-	\$48,900	\$139,950
Field Costs	-	\$7,269	-	\$1,573	\$6,865	-	-	-	-	-	\$5,108	-	\$20,815
Reports and admin	-	-	-	-	\$6,896	-	-	-	-	-	\$43,050	-	\$49,946
Miscellaneous	-	-	-	-	-	-	\$6,955	-	-	-	-	-	\$6,955
	-	\$16,934	\$844,693	\$9,466	\$31,611	\$(550)	\$7,055	\$16,800	\$ -	-	\$70,999	\$183,500	\$1,180,508
Recovery	-	(175,140)	-	-	-	-	(141,920)	-	-	-	-	(132,664)	\$(449,724)
Total expenditures for the period	-	\$(158,206)	\$844,693	\$9,466	\$31,611	\$16,950	\$(67,365)	\$16,800	\$ -	\$ -	\$71,749	\$60,836	\$826,534
Balance, May 31, 2024	\$544,062	\$10,221	\$1,431,841	\$205,614	\$159,297	\$939,835	\$568,569	\$206,055	\$ -	\$ -	\$422,537	\$279,423	\$4,767,454

6. Exploration and evaluation assets – (cont'd)

The following is a description of the Company's exploration and evaluation assets and the related spending commitments:

Blackfly Property (Ontario)

On August 21, 2020 the Company entered into an agreement to acquire a 100% interest in five claims consisting of 64 unpatented mining claims units near Atikokan, Ontario. The agreement is subject to a 2% Net Smelter Royalty ("NSR") to the optionors of which 1% may be purchased for \$1,200,000. Terms include cash payments totaling \$105,000, which includes \$40,000 in advance royalty payments commencing on August 4, 2024 and ending on August 4, 2027, and issue 500,000 common shares and 500,000 share purchase warrants as follows:

- i) Cash of \$10,000 on signing (paid), issuance of 100,000 common shares within 15 days of regulatory approval (issued) and issuance of 500,000 share purchase warrants at \$0.12 per share for a period of two years from acceptance (issued);
- ii) Cash of \$15,000 (paid) and issuance of 100,000 (issued) common shares due on or before August 21, 2021;
- iii) Cash payment of \$20,000 (remaining balance of \$8,625 paid subsequently) and issuance of 100,000 (issued) common shares due on or before August 21, 2022; and
- iv) Cash payment of \$20,000 and issuance of 200,000 common shares due on or before August 21, 2023; and

The Company must also incur \$153,600 in exploration expenditures before August 21, 2024 (incurred). During the year ended August 31, 2023, the Company staked additional claim units for a total cost of \$2,712 (2022 - \$nil).

Baie Verte Line Property (Newfoundland)

During the year ended August 31, 2021, the Company staked a total of 435 claim units for a total cost of \$28,275.

On September 28, 2021, the Company acquired 100% interest in 244 mineral claims in Newfoundland, Canada known as the Baie Verte Line property. As consideration the Company paid \$30,000 in cash and issued 200,000 common shares fair valued at \$27,000.

During the 2023 fiscal year, the Company entered into an option agreement with Carmanah Minerals Corp. ("Carmanah") with respect to the Baie Verte claims whereby the Company would receive cash payments of \$93,000 over a four-year period and 3,000,000 common shares and 3,000,000 common share purchase warrants of Carmanah with each share purchase warrant exercisable for one common share at \$0.10 per share for a period of three years from the date of issue. In addition, the Company will retain a 2.5% NSR of which Carmanah may purchase 1% for \$1,000,000 at any time. On April 18, 2024, the Company received approval by the TSX Venture Exchange to complete this transaction, and on April 29, 2024, the Company received 3,000,000 common shares and 3,000,000 share purchase warrants of Carmanah. The Company also received a cash payment of \$5,000 during the period.

6. Exploration and evaluation assets – (cont'd)

Duhamel Property (Quebec)

On January 24, 2018 the Company entered into an agreement to acquire a 100% interest in nine GESM mineral cells in Quebec known as the Duhamel Property. The agreement is subject to a 2% NSR to the optionors of which 1% may be purchased for \$1,200,000. Terms of the agreement are as follows:

- i. Payment of \$10,000 upon signing of the agreement (paid);
- ii. Issuance of an aggregate of 1,000,000 common shares of the Company (issued at a value of \$55,000);
- iii. Payment of an additional \$50,000, or at the discretion of the Company, additional shares at 12 months from Exchange approval (issued 1,000,000 shares at a value of \$60,000);
- iv. Payment of an additional \$50,000, or at the discretion of the Company, additional shares at 24 months from Exchange approval (issued 1,000,000 shares at a value of \$35,000);
- v. Incurring or funding \$150,000 in exploration expenditures on the Duhamel Property:
 - (i) \$25,000 on or before 12 months from Exchange approval (incurred);
 - (ii) An additional \$50,000 on or before 24 months from Exchange approval (incurred); and
 - (iii) An additional \$75,000 on or before 36 months from Exchange approval (incurred).

Finders fees are payable as follows:

- i. Payment of \$1,000 upon signing of the agreement (paid);
- ii. Payment of \$5,000 within five days of TSX approval (paid);
- iii. Payment of \$5,000 12 months from Exchange approval (paid);
- iv. Payment of \$5,000 24 months from Exchange approval, provided the Company has not terminated the agreement (paid).

During 2018, the Company staked an additional 32 claims adjacent to the existing claim block.

During the year ended August 31, 2022, the Company staked additional claims totaling \$7,000.

East Bull Property (Ontario)

On May 4, 2021, the Company entered into an agreement to acquire a 100% interest in 16 mineral claims in the Deagle, Gaiashk, and Gerow Mining District known as the East Bull Property. Terms include cash payments totaling \$20,000 of which \$10,000 is due within fifteen days of the effective date (paid) and the remaining \$10,000 six months from the effective date (paid), issuance of 300,000 units of the Company (issued at a value of \$45,000). Each unit consist of one common share and one warrant. Each warrant is exercisable for two years at a price of \$0.15 until May 18, 2022 and at a price of \$0.20 until May 18, 2023. The shares were valued at \$30,000 and the warrants were valued at \$15,000 using volatility of 127.72%, interest rate of 0.3% stock price at date of issuance of \$0.10 and dividend yield of 0.00%. The agreement is subject to a 2% NSR to the vendors of which 1% may be purchased for \$750,000 cash.

During the year ended August 31, 2023, these warrants expired unexercised.

Gander Property (Newfoundland)

During the year ended August 31, 2021, the Company staked 1,848 claim units for a total cost of \$120,120.

During the year ended August 31, 2023, the Company allowed 898 claim units to expire and recorded an impairment of \$194,140.

6. Exploration and evaluation assets – (cont'd)

Highway Property (Saskatchewan)

On November 18, 2021, the Company entered into an assignment and assumption agreement with District 1 Exploration Corp. ("District 1") a company with common directors. District 1, pursuant to an option agreement dated October 30, 2018 and as amended on November 23, 2020, has an option agreement with Doctors Investment Group Ltd. whereby District 1 has an exclusive right and option to acquire a 100% interest in and to the Highway Zone Uranium Project located in the Province of Saskatchewan. The effective date of the agreement is March 10, 2022. Subsequent to the year end, the Company entered into an amending agreement with Doctors Investment Group Ltd. to amend the due dates of certain cash payment, shares payment, and minimum expenditure requirements. The dates below have been updated for the amendment.

Cash payments of \$115,000 as follows:

- i. \$25,000 on or before December 21, 2023 (paid subsequent to year end); and
- ii. \$90,000 30-months from the Effective Date (September 10, 2024).

Incur \$650,000 in Exploration Expenditures as follows:

- i. \$150,000 on or before December 21, 2023 (incurred); and
- ii. \$500,000 30-months from the Effective Date (September 10, 2024).

Issue 1,250,000 shares as follows:

- i. 250,000 shares 5 business days from the Effective Date (issued December 21, 2022 with a value of \$27,500 (Note 9));
- ii. 500,000 shares on or before December 21, 2023 (issued December 15, 2023 with a value of \$17,500 (Note 15)); and
- iii. 500,000 shares 30-months from the Effective Date (September 10, 2024).

The agreement is subject to a 1% NSR to the Optionor. As consideration, the Company agreed to issue 4,600,000 common shares to District 1 as distribution to District 1's shareholders by way of a return of capital or dividend. On March 10, 2022, the Company issued 4,600,000 common shares to District 1 with a fair value of \$552,000 and paid cash of \$50,000.

Key Lake Properties (Saskatchewan)

On March 10, 2022, the Company entered into a mineral property sale agreement with Doctors Investment Group Ltd. (the "Optionor") whereby the Company has the right to acquire 100% interest in 18 claims located in the Province of Saskatchewan. As consideration, the Company agreed to pay cash of \$550,000 and incur \$1,500,000 in exploration expenditures. On April 12, 2024, the agreement was amended for the due dates and amounts of certain cash payments. The dates and amounts below have been updated for the amendment:

Amended cash payments of \$560,000 as follows:

- i) \$15,000 on signing (paid).
- ii) \$35,000 within 90 days of the signing (paid).
- iii) \$50,000 on the first anniversary on signing (March 10, 2023 - paid).
- iv) Cash payments for the second anniversary on signing as follows:
 - (i) \$20,000 on or before May 1, 2024 (paid);
 - (ii) \$30,000 on or before July 1, 2024; and
 - (iii) \$60,000 on or before September 1, 2024.
- v) \$100,000 on the third anniversary on signing (March 10, 2025).
- vi) \$250,000 on the fourth anniversary on signing (March 10, 2026).

6. Exploration and evaluation assets – (cont'd)

Key Lake Properties (Saskatchewan) – (cont'd)

Incur \$1,500,000 in Exploration Expenditures as follows:

- i) \$250,000 on or before the first anniversary on signing (March 10, 2023).
- ii) \$500,000 on or before the second anniversary on signing (March 10, 2024).
- iii) \$750,000 on or before the third anniversary on signing (March 10, 2025).

The Company will pay a 1% NSR to the Optionor upon Commencement of Commercial Production. The Company will have the right to purchase from the Optionor the 1% NSR at any time at a cost of \$1,000,000.

During the year ended August 31, 2023, the Company staked additional claim units for a total cost of \$3,100 (2022 - \$nil).

On October 4, 2022, Carmanah Minerals Corp. ("Carmanah") entered into an option agreement with the Company to earn-in a 50% interest to the Walker Creek claims which is the southern part of the Key Lake Property. Upon completion of the earn-in, the Company and Carmanah will each own 50% interest in the project. As consideration, Carmanah agreed to pay cash of \$400,000, issue 3,500,000 units and incur \$1,500,000 in exploration expenditures as follows:

Cash payment of \$400,000 as follows:

- i) \$10,000 on effective date (October 4, 2022) (received).
- ii) \$40,000 within 90 days of the effective date; (received)
- iii) \$75,000 on the first anniversary of the effective date (October 4, 2023* - \$63,000 received)
- iv) \$75,000 on the second anniversary of the effective date (October 4, 2024);
- v) \$100,000 on the third anniversary of the effective date (October 4, 2025); and
- vi) \$100,000 on the fourth anniversary of the effective date (October 4, 2026).

* The Company and Carmanah agreed to defer the remaining \$12,000 cash payment to March 31, 2024 (received).

Issue 3,500,000 units as follows:

- i) 500,000 units on effective date (received and fair valued at \$36,131).
- ii) 750,000 on the first anniversary of the effective date (October 4, 2023); received Nov 15, 2023.
- iii) 750,000 on the second anniversary of the effective date (October 4, 2024);
- iv) 1,000,000 on the third anniversary of the effective date (October 4, 2025); and
- v) 500,000 on the fourth anniversary of the effective date (October 4, 2026).

Incur \$1,500,000 in Exploration Expenditures as follows:

- i) \$187,500 on or before the first anniversary of the effective date (October 4, 2023);
- ii) an additional \$375,000 on or before the second anniversary of the effective date (October 4, 2024); and
- iii) an additional \$937,500 on or before the third anniversary of the effective date (October 4, 2025).

Carmanah will pay a 2% NSR to the Company upon commencement of commercial production.

6. Exploration and evaluation assets – (cont'd)

Sandy Pond Property (Newfoundland)

On August 10, 2021, the Company entered into an agreement to acquire a 100% interest in 335 mineral claims in the Province of Newfoundland and Labrador herein specified as the Sandy Pond Property. The Company will pay a 0.5% NSR to the Optionor, which may be purchased from the Optionor at a cost of \$600,000. Terms include cash payments of \$25,000 upon signing (paid), issuance of 400,000 common shares within 15 days of the effective date (issued) fair valued at \$54,000, issuance of 200,000 share purchase warrants exercisable at a price of \$0.25 per share for a period of two years within fifteen days of the effective date (issued) fair valued at \$14,000 and a further cash payment of \$25,000 within sixty days of the effective date (paid). The warrants were fair valued using volatility of 149%, interest rate of 0.53%, share price at date of issuance of \$0.12, expected life of 2 years and dividend yield of 0.00%.

During the year ended August 31, 2021, the Company staked a total of 171 claim units for a total cost of \$11,115.

Step Property (also known as Cape Ray) (Newfoundland)

On October 25, 2021, the Company acquired 100% interest in 178 mineral claims in Newfoundland, Canada known as the Step Property. As consideration the Company paid \$17,000 in cash.

During the year ended August 31, 2022, the Company purchased 10 mineral claims for total consideration of \$1,500 and staked additional claims for total consideration of \$2,250.

During the year ended August 31, 2023, the Company allowed all claim units to expire and recorded an impairment of \$82,838.

Slip Gold Property (Newfoundland)

On September 23, 2020 the Company entered into an agreement to acquire a 100% interest in six claims consisting of 203 claim units. Terms include cash payments totaling \$30,000 (paid), and the issuance of 500,000 units of the Company (issued at a value of \$61,170). Each warrant is exercisable for two years at a price of \$0.12 until October 2, 2022. The shares were valued at \$42,500 and the warrants were valued at \$18,670 using volatility of 100.18%, interest rate of 0.24% and dividend yield of 0.00%. The agreement is subject to a 2% NSR to the vendors of which 1% may be purchased for \$1 million cash.

During the year ended August 31, 2023, the Company allowed all claim units to expire and recorded an impairment of \$123,071.

Victoria Lake Gold Property and Extension (Newfoundland)

On October 13, 2020 the Company entered into an agreement to acquire a 100% interest in five claims consisting of 53 claim units. Terms include cash payments totaling \$10,000 (paid), and the issuance of 350,000 units of the Company (issued at a value of \$39,704). Each warrant is exercisable for two years at a price of \$0.12 until October 26, 2022. The shares were valued at \$28,000 and the warrants were valued at \$11,704 using volatility of 98.88%, interest rate of 0.24% and dividend yield of 0.00%. The agreement is subject to a 2% NSR to the vendors of which 1% may be purchased for \$1 million cash.

During the year ended August 31, 2021, the Company staked six claims consisting of 302 claim units for total cost of \$13,715.

6. Exploration and evaluation assets – (cont'd)

Slip Gold Property (Newfoundland) – (cont'd)

On July 23, 2021, the Company entered into an agreement to acquire 100% interest in 55 mineral claims located in the Victoria Lake area of Newfoundland ("Victoria Lake Extension") which is contiguous to the Victoria Lake Gold Property. As consideration the Company agreed to pay cash payments totaling \$55,000 of which \$15,000 was due within fifteen days on the effective date (paid) and \$40,000 within three years of the effective date, and issue 500,000 common shares of which 300,000 common shares within fifteen days on the effective date (issued and fair valued at \$36,000) and 200,000 within three years from the effective date. The Company also issued 300,000 share purchase warrants exercisable at \$0.25 per share for two years from the date TSX Venture exchange approval (October 20, 2021). The warrants were fair valued at \$21,000 using volatility of 145%; interest rate of 1.07%; share price at the date of issuance of \$0.125, expected life of 2 years and dividend yield of 0%. The agreement is subject to paying a pre-NSR flat fee of \$10,000 within 5 years of the effective date. The Company is committed to a minimum \$60,000 exploration program by the end of year 3 and the Company shall pay the vendor, upon commencement of commercial production, a NSR Royalty being equal to 2% with the option to acquire 50% (ie. 1% NSR) from the Vender for \$1,500,000.

Other properties

BVBL Extension Property (Newfoundland)

On October 29, 2021, the Company acquired 100% interest in 120 mineral claims in Newfoundland Canada known as the BVBL Extension Property. As consideration the Company paid \$13,000 in cash.

During the year ended August 31, 2023, the Company entered into an option agreement, with respect to the claims under the Baie Verte Line Property and claims under the BVBL Extension Property described above, with Carmanah whereby the Company will receive cash payments of \$93,000 over a four-year period and would receive 3,000,000 common shares and 3,000,000 common share purchase warrants of Carmanah with each share purchase warrant exercisable for one common share at \$0.10 per share for a period of three years from the date of issue upon TSX Venture Exchange approval (pending). In addition, the Company will retain a 2.5% NSR of which Carmanah may purchase 1% for \$1,000,000 at any time. On April 18, 2024, the Company received approval by the TSX Venture Exchange to complete this transaction, and on April 29, 2024, the Company received 3,000,000 common shares and 3,000,000 share purchase warrants of Carmanah. The Company also received a cash payment of \$5,000 during the period. The Company and Carmanah are related parties as a result of common officers and directors.

Elliot Lake Property (Ontario)

On May 31, 2022, the Company entered into a mineral property purchase agreement with Power One Resources Corp. (the "Power One"), a company related by common directors, whereby the Company acquired 100% interest in 209 mineral claims located in the Ontario. As consideration, the Company agreed to pay cash of \$10,450.

Hope Brook Project (Newfoundland)

During the year ended August 31, 2021, the Company staked 320 claim units for a total cost of \$20,800.

During the year ended August 31, 2023, the Company allowed 414 claim units to expire and recorded an impairment of \$11,101.

6. Exploration and evaluation assets – (cont'd)

Other properties – (cont'd)

Wicheeda North Property (British Columbia)

On January 31, 2019 the Company entered into an agreement to acquire a 100% interest in four mineral claims located in the Cariboo Mining Division northeast of Prince George, British Columbia. Terms of the agreement are as follows:

- i. Payment of a total of \$50,000 as follows:
 - a. \$25,000 upon Exchange approval of the agreement (paid);
 - b. \$25,000 within one year of signing the agreement (paid).
- ii. Issuance of an aggregate of 1,000,000 units of the Company (issued at a value of \$73,356). Each unit consists of one common share and one transferable share purchase warrant entitling the holder to acquire one common share at a price of \$0.10 until May 29, 2021. The shares were valued at \$50,000 and the warrants were valued at \$23,356 using volatility of 119.90%, interest rate of 1.53% and dividend yield of 0.00%;
- iii. Payment of 2% NSR. The Company may acquire one-half of the NSR for \$1 million within five years of the Agreement Date.

On May 13, 2021, the Wicheeda North Property was included in the spin-out assets to Power One. As at August 31, 2021, the Company still retained four claim blocks in the Wicheeda North at a nominal amount.

During the year ended August 31, 2023, the Company purchased two mineral claims from Eagle Bay Resources Corp. for a total cost of \$26,649.

Costigan Lake Property (Saskatchewan)

On October 9, 2023, the Company entered into an option agreement to earn a 100% interest in the Costigan Lake mineral claims which are located in Saskatchewan. Terms of the agreement are as follows:

Cash payments of \$1,000,000 as follows:

- i) \$10,000 on signing (paid).
- ii) \$15,000 on or before March 15, 2024.
- iii) \$50,000 on the first anniversary on signing (October 9, 2024).
- iv) \$125,000 on the second anniversary on signing (October 9, 2025).
- v) \$150,000 on the third anniversary on signing (October 9, 2026).
- vi) \$150,000 on the fourth anniversary on signing (October 9, 2027).
- vii) \$500,00 on the fifth anniversary on signing (October 9, 2028).

Incur \$2,000,000 in Exploration Expenditures as follows:

- i) \$100,000 on or before the first anniversary of the effective date (October 9, 2024);
- ii) an additional \$1,900,000 on or before the fifth anniversary of the effective date (October 9, 2028);

The Company will pay a 1% NSR to the vendor upon commencement of commercial production. Marvel will have the right to purchase the 1% NSR at any time for \$1,500,000.

7. Accounts payable and accrued liabilities

	May 31, 2024	August 31, 2023
Accounts payable	\$ 1,329,403	\$ 528,203
Accrued liabilities	42,650	86,643
Part XII.6 tax payable	47,733	32,769
	\$ 1,419,786	\$ 650,615

8. Contingency

During the period, a legal claim was brought against the Company as a third party defendant. The legal claim relates to equipment rented from the plaintiff by a third party contractor who was engaged by Marvel to execute drilling activities during the year ended August 31, 2023.

During the period, the legal claim was settled, and the Company incurred a settlement cost of \$9,500.

9. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issuances

During the nine months ended May 31, 2024

On November 7, 2023, the Company issued 100,000 shares for proceeds of \$5,000 on the exercise of options.

On November 23, 2023, the Company issued 12,000,000 flow-through units at a price of \$0.05 per unit for total proceeds of \$600,000. Each unit consists of one flow-through common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to subscribe for one non-flow-through common share at a price of \$0.10 per share for a period of two years from issuance. The Company also issued 1,250,000 non-flow-through units at a price of \$0.04 per unit for total proceeds of \$50,000. Each unit consists of one non-flow-through common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one non-flow through common share at a price of \$0.075 per share for a period of five years from issuance. In connection with the private placements, the Company paid cash finders' fees of \$45,500 and issued 927,500 finders' warrants. Each finders' warrants entitles the holder thereof to purchase one non-flow-through common share at a price of \$0.075 for a period of two years from issuance.

On December 15, 2023, pursuant to the terms of the Highway Property agreement, the Company issued 5000,000 common shares fair valued at \$17,500.

On February 12, 2024, the Company issued 2,525,000 non-flow-through units at a price of \$0.04 per unit for total proceeds of \$101,000. Each unit consists of one non-flow-through common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one non-flow through common share at a price of \$0.075 per share for a period of five years from issuance.

9. Share capital – (cont'd)

Issuances – (cont'd)

During the year ended August 31, 2023:

On December 12, 2022, the Company issued 15,283,369 flow-through units at a price of \$0.12 per unit for total proceeds of \$1,834,004. Each unit consists of one flow-through common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to subscribe for one non-flow-through common share at a price of \$0.25 per share for a period of two years from issuance.

The Company recognized a flow-through premium of \$152,834 and no value has been assigned to the warrants. The Company also issued 1,095,000 non-flow-through units at a price of \$0.11 per unit for total proceeds of \$120,450. Each unit consists of one non-flow-through common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one non-flow through common share at a price of \$0.18 per share for a period of two years from issuance. No value has been assigned to the warrants. In connection with the private placements, the Company paid cash finders' fees of \$150,680 and issued 1,258,670 finders' warrants. Each finders' warrants entitles the holder thereof to purchase one non-flow-through common share at a price of \$0.18 for a period of two years from issuance. The finders' warrants were valued at \$69,874 using volatility of 117%, interest rate of 4.03%, share price at the date of issuance of \$0.11, expected life of 2 years and dividend yield of 0.00%. Expected volatility was determined based on the historical stock price.

On December 12, 2022, the Company issued 95,000 units valued at \$10,450 to settle an amount due to a related party. The units have the same terms as the non-flow through units in the aforementioned private placement.

On December 21, 2022, pursuant to the terms of the Highway Property agreement, the Company issued 250,000 common shares fair valued at \$27,500.

On July 6, 2023, the Company issued 166,667 shares for proceeds of \$20,000 on the exercise of options.

On July 17, 2023, the Company issued 4,300,000 flow-through units at a price of \$0.07 per unit for total proceeds of \$301,000. Each unit consisted of one flow-through common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to subscribe for one non-flow-through common share at a price of \$0.15 per share for a period of two years from issuance. The Company recognized a flow-through premium of \$43,000 and no value has been assigned to the warrants. The Company also issued 1,250,000 non-flow-through units at a price of \$0.06 per unit for total proceeds of \$75,000. Each unit consists of one non-flow-through common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one non-flow through common share at a price of \$0.10 per share for a period of two years from issuance. No value has been assigned to the warrants. In connection with the private placements, the Company paid cash finders' fees of \$26,320 and issued 388,500 finders' warrants. Each finders' warrant entitles the holder thereof to purchase one non-flow-through common share at a price of \$0.15 for a period of two years from issuance. The finders' warrants were valued at \$6,885 using volatility of 103%, interest rate of 4.70%, share price at the date of issuance of \$0.06, expected life of 2 years and dividend yield of 0.00%. Expected volatility was determined based on the historical stock price.

On August 17, 2023, pursuant to the terms of the Blackfly Property agreement, the Company issued 200,000 common shares fair valued at \$7,000.

Stock options

The Company has an omnibus security-based compensation plan ("Plan") in accordance with the policies of the TSX Venture Exchange (the "Exchange"). The plan includes authorization to grant options to

9. Share capital – (cont'd)

Stock options – (cont'd)

directors, officers, employees and consultants to purchase shares of the Company, and to grant restricted share units and deferred share units to officers, directors, employees and consultants to acquire shares of the Company or to be settled in cash. The stock option component of the plan is a rolling plan and the maximum number of authorized but unissued shares available to be granted shall not exceed 10% of its issued and outstanding shares. Each stock option granted is for a term not exceeding five years unless otherwise specified. Outstanding options vest immediately at date of grant. Options granted to investor relations personnel vest in accordance with Exchange regulations. The fixed security based compensation component of the plan is limited to 12,483,856 shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The changes in options during the nine months ended May 31, 2024 and for the year ended August 31, 2023 are as follows:

	May 31, 2024		August 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	2,433,333	\$ 0.11	4,850,000	\$ 0.09
Granted	6,500,000	0.05	-	-
Exercised	(100,000)	0.05	(166,667)	0.12
Expired	(1,550,000)	0.10	(2,250,000)	0.06
Options outstanding and exercisable, end of period	7,283,333	\$ 0.09	2,433,333	\$ 0.11

Details of options outstanding and exercisable as at May 31, 2024 are as follows:

Number of Stock Options	Weighted average Contractual life	Exercise Price	Expiry Date
883,333		\$0.12	June 29, 2024
2,400,000		\$0.05	September 1, 2028
4,000,000		\$0.045	January 17, 2029
7,283,333	3.96 years		

The fair values of the stock options were estimated using the Black Scholes option pricing model with the following assumptions:

	May 31, 2024	May 31, 2023
Share price	\$0.045	-
Risk free interest rate	3.43%	-
Expected life	5 years	-
Expected volatility	131.04%	-
Expected dividend	Nil	-

9. Share capital – (cont'd)

Stock Options – (cont'd)

Restricted Share Units

On January 17, 2024, the Company granted 1,000,000 restricted share units (RSU). The RSUs vest 50% on January 17, 2025, 25% on January 17, 2026, and 25% on January 17, 2027.

Share Purchase Warrants

The changes in warrants during the nine months ended May 31, 2024 and for the year ended August 31, 2023 are as follows:

	May 31, 2024		August 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of period	24,014,625	\$ 0.21	11,785,770	\$ 0.21
Issued	10,022,500	0.09	13,878,855	0.21
Exercised	-	-	-	-
Expired	(1,581,294)	0.27	(1,650,000)	0.13
Balance, end of period	32,455,831	\$ 0.16	24,014,625	\$ 0.21

Details of warrants outstanding as at May 31, 2024 are as follows:

Number of warrants	Exercise price \$	Date of expiry
*1,200,000	0.20	May 31, 2025
**2,692,693	0.20	December 3, 2025
**1,808,522	0.15	December 3, 2025
**853,261	0.15	December 16, 2025
2,000,000	0.15	June 28, 2024
7,641,685	0.25	December 12, 2024
1,190,000	0.18	December 12, 2024
1,258,670	0.18	December 12, 2024
2,150,000	0.15	July 17, 2025
1,250,000	0.10	July 17, 2025
388,500	0.15	July 17, 2025
247,500	0.075	November 23, 2025
6,000,000	0.10	November 23, 2025
1,250,000	0.075	November 23, 2028
2,525,000	0.075	February 12, 2029
32,455,831		

* During the year ended August 31, 2023, the Company amended the terms of 1,200,000 warrants exercisable at \$0.25 to a new exercise price of \$0.20 and extended the expiry date to 24 months following the original expiry date.

9. Share capital – (cont'd)

Share Purchase Warrants – (cont'd)

** During the period ended November 30, 2023, the Company amended the exercise price of 2,692,693 warrants from \$0.25 to a new exercise price of \$0.20 per warrant, amended the exercise price of 2,661,783 warrants from \$0.20 to a new exercise price of \$0.15 per warrant, and extended the expiry date of all 5,354,476 warrants to 24 months following their original expiry date.

Reserves

The reserves recorded on the Company's statement of financial position are composed of the value of stock option grants and share purchase warrants prior to exercise at which time the corresponding amount will be transferred to share capital. The Company uses the Black Scholes model to determine the fair value of stock option grants and share purchase warrants.

10. Related party transactions

Key management personnel compensation

The Company's related parties include key management personnel, which includes Officers and Directors of the Company, and companies related by way of directors or shareholders in common. During the nine months ended May 31, 2024 and 2023 key management compensations are as follows:

	For the nine months ended May 31,	
	2024	2023
Management consulting fees – a company controlled by the CEO	\$ 78,000	\$ 72,000
Consulting fee – Directors	31,000	26,500
Professional fees – to a company controlled by the former CFO	-	12,000
Professional fees – to a company controlled by the current CFO	16,000	-
Moving expenses – company controlled by the CEO	40,000	-
Rent – company controlled by the CEO	22,500	22,500
	\$ 187,500	\$ 133,000

Related party balances

As at May 31, 2024, prepaid expenses includes \$53,000 (August 31, 2023 - \$nil) in prepaid expenses to the CEO. During the period ended May 31, 2024, the Company paid \$22,500 (2023 - \$22,500) in rent to a company controlled by the CEO.

As at May 31, 2024, accounts payable and accrued liabilities include \$32,601 (August 31, 2023 - \$nil) due to a company controlled by the CEO and CFO for unpaid fees. This amount is unsecured, non-interest bearing and payable on demand.

As at May 31, 2024, accounts payable and accrued liabilities include \$11,300 (August 31, 2023 - \$Nil) due to current directors for consulting services. This amount is unsecured, non-interest bearing and payable on demand.

10. Related party transactions

Due to/from related parties

Included in due from related parties are as follows:

- a) On June 15, 2022, the Company entered into a loan agreement with Power One in the amount of \$100,000, that is unsecured, bears interest at 7.5% per annum and is repayable the earlier of (i) five business days following a private placement by Power One of at least \$1,000,000 or (ii) 13 months following the date of this agreement (July 15, 2023). As at August 31, 2022, the Company recorded interest of \$1,603 on the loan. During the year ended August 31, 2023, the loan was repaid in full and interest receivable of \$4,890 was forgiven.
- b) During the year ended August 31, 2023, the Company paid an additional \$13,726 (August 31, 2022 - \$13,276) in expenses on behalf of District 1. As at May 31, 2024 District 1 owes the Company \$27,453. The balance is unsecured, non-interest bearing and due on demand.
- c) On May 31, 2022, the Company entered into a mineral property purchase agreement with Power One Resources Corp. (the "Power One") whereby the Company acquire 100% interest in 209 mineral claims located in Ontario. As consideration, the Company agreed to pay cash of \$10,450 (August 31, 2022 - \$10,450), which remains outstanding at November 30, 2022.

On November 29, 2022, the Company entered into a debt settlement subscription agreement with Power One whereby Power One agreed to accept 95,000 units of Marvel in full satisfaction of the \$10,450 balance owing from Marvel at year-end. On December 12, 2022, the units were issued as part of the non-flow-through unit private placement (Note 13).

- d) During the year ended August 31, 2023, the Company paid \$21,413 (2022 – received \$25,000) to Falcon Gold Corp ("Falcon"), a company related by common directors. The balance owing of \$3,587 (2022 - \$25,000) is unsecured, non-interest bearing and payable on demand.

During the period ended May 31, 2024, the Company paid \$5,852 to Falcon. As of May 31, 2024 there is a balance owing from Falcon of \$2,265 which is unsecured, non-interest bearing and payable on demand.

- e) During the period ended May 31, 2024, the Company advanced \$60,128 to a company controlled by the CEO. The balance of \$60,128 remains outstanding at May 31, 2024, is unsecured, non-interest bearing, and due on demand.
- f) During the period ended May 31, 2024, the Company entered into an agreement to loan \$19,700 to a company controlled by the CEO. The loan is non-interest bearing, unsecured, and matures on August 31, 2024.
- g) As at May 31, 2024, the Company owes Power One a balance of \$7,645 which is unsecured, non-interest bearing, and due on demand.

11. Financial risk management

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

Credit Risk

The Company is exposed to credit risk by holding cash. Holding the cash in large Canadian financial institutions minimizes this risk. The Company has minimal amount receivable exposure, and its various refundable credits are due from the Canadian government. The Company is exposed to credit risk with

11. Financial risk management – (cont'd)

respect to amount due from related party, and the maximum exposure is its carrying amount on the statement of financial position.

Currency Risk

The Company's functional currency is the Canadian dollar. There is minimal foreign exchange risk to the Company as its mineral property interests are located in Canada. Management monitors its foreign currency balances and make adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates. The Company pays interest on loans at a fixed interest rate which does not pose an interest rate risk. Currently, this risk will have an immaterial effect on operations.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The Company is at risk to changes in commodity prices which may affect financing options available to the Company.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company manages this risk by careful management of its working capital and deferring related party payables.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at May 31, 2024 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

Capital Management

The Company is engaged in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental issues and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

The Company includes cash and equity in the definition of capital. Equity is comprised of issued common shares, reserves, and deficit.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

There were no changes in the Company's approach to capital management during the quarter.

11. Financial risk management – (cont'd)

Fair Value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial assets measured at fair values through profit or loss are as follows:

May 31, 2024	Level 1	Level 2	Level 3
	\$	\$	\$
Cash	117,287	-	-
Investments	693,333	-	163,494
August 31, 2023	Level 1	Level 2	Level 3
	\$	\$	\$
Cash	395,664	-	-
Investments	81,667	-	535,707

Management believes that the recorded values of all cash, accounts receivable, accounts payable and accrued liabilities, promissory notes, and amounts due to and from related parties approximate their current fair values because of their nature and anticipated settlement dates.

12. Investments

Investments are fair valued at the end of each reporting period. The fair value of the common shares of the publicly traded companies have been directly referenced to published price quotations in an active market. The fair value of investments in private company is referenced to the most recent equity financing completed. For public company warrants (i.e., the underlying security of which is traded on a recognized stock exchange), valuation models such as the Black-Scholes model are used when there are sufficient and reliable observable market inputs. These market inputs include risk-free interest rate, exercise price, market price at date of valuation, expected dividend yield, expected life of the instrument and expected volatility of the underlying security. To the extent that the market inputs are insufficient or unreliable, the warrants are valued at their intrinsic value, which is equal to the higher of the closing price of the underlying security less the exercise price of the warrant, or nil.

Investment	Number of units held	Investment Cost	Fair Value at May 31, 2024	Number of units held	Investment Cost	Fair Value at August 31, 2023
	#	\$	\$	#	\$	\$
Public Company						
Carmanah Minerals Corp	9,833,334	330,000	393,333	2,333,334	90,000	81,667
Carmanah – Warrants	9,833,334	194,132	163,494	2,333,334	36,131	35,507
Power One Resources Corp	5,000,000	581,578	300,000			
Private Company						
Power One Resources Corp				5,000,000	581,578	500,000
Total	24,666,668	1,105,710	856,827	9,666,668	707,709	617,374

12. Investments – (cont'd)

Carmanah Minerals Corp

Pursuant to the property option agreement on October 4, 2022, the Company received 500,000 units of Carmanah on November 22, 2022. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one common share of Carmanah at a price of \$0.13 per share for a period of five years from issuance. On the date of issuance, the Carmanah shares were valued at the market price of \$0.10 per share for a value of \$50,000 and the warrants were valued at \$36,131 using volatility of 100%, interest rate of 3.18%, share price at the date of issuance of \$0.10, expected life of 5 years and dividend yield of 0.00%. Expected volatility was determined using entities of similar size and industry.

During the year ended August 31, 2023, the Company subscribed \$40,000 to a private placement offering in Carmanah for 666,667 units at a price of \$0.06 per unit. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one common share of Carmanah at a price of \$0.10 per share for a period of two years from issuance.

On November 15, 2023, the Company received 750,000 units of Carmanah pursuant to the property option agreement. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to subscribe for one common share of Carmanah at a price of \$0.075 per share for a period of five years from issuance. On the date of issuance, the Carmanah shares were valued at the market price of \$0.06 per share for a value of \$45,000 and the warrants were valued at \$21,250 using volatility of 224%, interest rate of 3.60%, share price at the date of issuance of \$0.10, expected life of 5 years and dividend yield of 0.00%. Expected volatility was determined using entities of similar size and industry.

On April 29, 2024, the Company received 3,000,000 common shares and 3,000,000 share purchase warrants pursuant to a property option agreement. The share purchase warrants enable the holder of each warrant to subscribe for one common share of Carmanah at a price of \$0.10 for a period of three years from the date of issue. The Carmanah shares were valued at the market price of \$0.065 for a value of \$195,000 and the warrants were valued at \$107,804 using volatility of 100%, interest rate of 4.40%, share price at the date of issuance of \$0.10, expected life of 3 years and dividend yield of 0.00%. Expected volatility was determined using entities of similar size and industry.

On May 7, 2024, Carmanah completed a forward split of its shares on the basis of two new shares for each one share outstanding. During the period ended May 31, 2024, the Company recognized a gain on fair value of investment of \$69,729.

Carmanah is a related party with a common director and a common officer.

Power One Resources Corp

On May 13, 2021, the Company completed the plan of arrangement (the "Arrangement") whereby the Company spun out its Serpent River and Wicheeda North property assets and liabilities (the "Spin-Out") in order to create a new exploration company, Power One, by way of plan of arrangement under the Business Corporations Act (British Columbia). In consideration for the transferred assets and liabilities, the Company received 5,000,000 common shares of Power One fair valued at \$581,578. As at August 31, 2023, the Company has accounted for the investment at fair value based on Power One's most received private placement at \$0.10 per share.

During the period ended May 31, 2024, the Company recognized a loss on fair value of investment of \$200,000.

Power One is a related party with a common director and a common officer.

13. Income taxes

Flow-through

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures within a 24-month period. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the period ended May 31, 2024, the Company received \$600,000 from the issuance of flow-through shares. These amounts will not be available to the Company for future deduction from taxable income. A flow-through premium of \$60,000 was recognized initially and \$nil was recognized as other income during the period ended May 31, 2024. As at May 31, 2024, the Company has approximately \$600,000 in exploration expenditures to incur.

During the year ended August 31, 2023, the Company received \$2,135,004 from the issuance of flow-through shares. These amounts will not be available to the Company for future deduction from taxable income. A flow-through premium of \$195,834 was recognized initially and \$94,964 was recognized as other income during the year ended August 31, 2023. As at May 31, 2024, the Company has approximately \$301,000 in exploration expenditures to incur.

During the year ended August 31, 2022, the Company received \$950,100 from the issuance of flow-through shares. These amounts will not be available to the Company for future deduction from taxable income. A flow-through premium of \$117,546 was recognized initially and \$24,868 (2022 - \$65,276) was recognized as other income during the year ended August 31, 2023. As at May 31, 2024, the Company has approximately \$Nil (2022 - \$384,373) remaining in exploration expenditures to incur.

14. Subsequent Events

Subsequent to May 31, 2024

On June 3, 2024, the Company received Goods and Services tax refunds totaling \$130,848. This amount includes refund interest of \$4,769.