Financial Statements of

GOLDEN PURSUIT RESOURCES LTD.

Years Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP
Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Golden Pursuit Resources Ltd.

Opinion

We have audited the financial statements of Golden Pursuit Resources Ltd. (the "Company"), which comprise the statements of financial position as at September 30, 2024 and 2023, and the statements of operations and comprehensive loss, changes in shareholders' deficit, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 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 audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has not generated any revenues and has negative cash flow from operations during the year ended September 30, 2024 and, as of that date, the Company has a working capital of deficit of $341,088 and an accumulated deficit of $22,413,377. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended September 30, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the Material Uncertainty Related to Going Concern section of our report, we have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter of 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 Lonny Wong.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

February 6, 2025

GOLDEN PURSUIT RESOURCES LTD.

Statements of Financial Position
(Expressed in Canadian dollars)

	September 30, 2024 $	September 30, 2023 $
Assets		
Current assets		
Cash	465,251	49,978
Amounts receivable	28,158	38,548
Prepaid expenses	6,040	8,869
Total current assets	499,449	97,395
Non-current assets		
Property and equipment (Note 3)	114,128	16,014
Mineral properties (Note 4)	90,616	90,616
Total non-current assets	204,744	106,630
Total assets	704,193	204,025
Liabilities and shareholders' deficit		
Current liabilities		
Accounts payable and accrued liabilities	181,813	124,933
Flow-through share premium liability (Note 6)	17,906	–
Due to related parties (Note 5)	640,818	334,776
Total liabilities	840,537	459,709
Shareholders' deficit		
Share capital (Note 6)	16,010,306	15,353,408
Reserves (Notes 6 and 8)	6,266,727	6,081,689
Deficit	(22,413,377)	(21,690,781)
Total shareholders' deficit	(136,344)	(255,684)
Total liabilities and shareholders' deficit	704,193	204,025

Nature of operations and continuance of business (Note 1)
Subsequent events (Note 13)

Approved and authorized for issuance by the Board of Directors on February 6, 2025:

/s/ "Brian McClay"
Director

/s/ "Peter Watson"
Director

(The accompanying notes are an integral part of these financial statements)

GOLDEN PURSUIT RESOURCES LTD.

Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended September 30, 2024 $	Year ended September 30, 2023 $
Expenses		
Automotive (Note 5)	13,930	10,318
Consulting fees	–	3,750
Depreciation (Note 3)	10,136	6,863
Exploration and evaluation expenditures (Note 4)	250,630	410,416
Investor relations	42,180	–
Management fees (Note 5)	180,000	180,000
Office and general	17,350	20,813
Professional fees	52,295	45,694
Rent (Note 5)	25,800	25,800
Share-based compensation (Note 8)	37,417	12,224
Transfer agent and filing fees	29,094	27,275
Travel	63,764	45,884
Total expenses	722,596	789,037
Net loss and comprehensive loss	(722,596)	(789,037)
Loss per share, basic and diluted	(0.02)	(0.02)
Weighted average number of common shares outstanding	39,451,499	38,470,864

(The accompanying notes are an integral part of these financial statements)

GOLDEN PURSUIT RESOURCES LTD.

Statements of Changes in Shareholders' Deficit
(Expressed in Canadian dollars)

	Share capital				Total shareholders' deficit
	Shares #	Amount $	Reserves $	Deficit $	$
Balance, September 30, 2022	33,979,467	14,900,245	5,842,878	(20,901,744)	(158,621)
Units issued pursuant to private placements	5,013,333	460,680	224,320	–	685,000
Share issuance costs	–	(7,517)	2,267	–	(5,250)
Fair value of stock options granted	–	–	12,224	–	12,224
Net loss for the year	–	–	–	(789,037)	(789,037)
Balance, September 30, 2023	38,992,800	15,353,408	6,081,689	(21,690,781)	(255,684)
Units issued pursuant to private placements	3,770,000	702,268	140,232	–	842,500
Flow-through share premium liability	–	(17,906)	–	–	(17,906)
Share issuance costs	–	(27,764)	7,389	–	(20,375)
Shares issued upon exercise of share purchase warrants	2,000	300	–	–	300
Fair value of stock options granted	–	–	37,417	–	37,417
Net loss for the year	–	–	–	(722,596)	(722,596)
Balance, September 30, 2024	42,764,800	16,010,306	6,266,727	(22,413,377)	(136,344)

(The accompanying notes are an integral part of these financial statements)

GOLDEN PURSUIT RESOURCES LTD.

Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended September 30, 2024 $	Year ended September 30, 2023 $
Operating activities:		
Net loss	(722,596)	(789,037)
Items not involving cash:		
Depreciation	10,136	6,863
Share-based compensation	37,417	12,224
Changes in non-cash working capital:		
Amounts receivable	10,390	23,605
Prepaid expenses	2,829	(5,269)
Accounts payable and accrued liabilities	56,880	(40,233)
Due to related parties	306,042	151,110
Net cash used in operating activities	(298,902)	(640,737)
Investing activities:		
Acquisition of property and equipment	(108,250)	–
Net cash used in investing activities	(108,250)	–
Financing activities:		
Proceeds from issuance of common shares	842,800	685,000
Share issuance costs	(20,375)	(5,250)
Net cash provided by financing activities	822,425	679,750
Change in cash	415,273	39,013
Cash, beginning of year	49,978	10,965
Cash, end of year	465,251	49,978
Non-cash financing activities:		
Allocation of flow-through share premium liability from share issuance	17,906	–
Fair value of share purchase warrants issued in private placements recorded in reserves	140,232	224,320
Fair value of finders’ warrants issued for share issuance costs	7,389	2,267

(The accompanying notes are an integral part of these financial statements)

1. Nature of Business and Continuance of Operations

Golden Pursuit Resources Ltd. (the "Company") is incorporated under the Business Corporations Act (British Columbia) and its principal business activity is the exploration of mineral property reserves for commercially viable mineral reserves. The Company currently holds mineral properties in Canada. The Company's registered office is located at 652 Millbank, Vancouver, British Columbia, V5Z 4B7.

These financial statements have been prepared on a going concern basis which assumes that the Company will realize the carrying value of its assets and discharge its liabilities in the normal course of business. During the year ended September 30, 2024, the Company has not generated any revenues and incurred negative cash flow from operations. As at September 30, 2024, the Company has a working capital deficit of $341,088 and an accumulated deficit of $22,413,377. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is pursuing additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. Material Accounting Policy Information

(a) Statement of Compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is the functional currency of the Company.

(c) Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires the Company's management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant Estimates

Significant areas requiring the use of estimates are as follows:

Share-based Payments

Fair values of share-based payments are determined using the Black-Scholes option pricing model. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measurement of the fair value of the Company's stock options.

2. Material Accounting Policy Information (continued)

(c) Use of Estimates and Judgments (continued)

Deferred Income Taxes

The determination of income tax expense and the composition of deferred income tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred income tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretations, judgments, and estimates may materially affect the final amount of deferred income tax provisions, deferred income tax assets and liabilities, and results of operations.

Significant Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the Company's financial statements are as follows:

Going Concern

The application of the going concern assumption which requires management to take into account all available information about the future, which is at least but not limited to, 12 months from the year end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

Impairment of Mineral Properties

The application of the Company's accounting policy for mineral properties requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(e) Property and Equipment

Property and equipment is recorded at cost. The Company depreciates the cost of property and equipment over their estimated useful lives at the following annual rates using the declining method:

Computer equipment	60%
Vehicles	30%

Residual values and useful economic lives are reviewed at least annually, and adjusted if appropriate, at each reporting date. Subsequent expenditure relating to an item of property and equipment is capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance expenses during the period in which they are incurred.

2. Material Accounting Policy Information (continued)

(f) Mineral Properties

(i) Mineral Property Costs

All costs directly related to the acquisition of mineral properties are recognized and capitalized once the legal right to explore a property has been acquired.

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized expenditures in respect of that project are deemed to be impaired. As a result, those expenditures, in excess of estimated recoveries, are written-off to the statement of operations. As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized costs.

(ii) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures, including costs incurred prior to the Company obtaining legal rights to explore a property, are expensed in the period in which they occur. Such expenditures continue to be expensed until commercially viable and technically feasible mineral resources are established and management has made a decision to proceed with development of the property for mining operations. At this point, costs, including costs incurred in preparing the site for mining operations, are capitalized into development costs in the statement of financial position. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs which give rise to a future benefit. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development costs.

(g) Impairment of Non-Financial Assets

At each reporting period, the Company assesses whether there are indicators of impairment for its non-financial assets, including mineral properties and equipment. If indicators exist, the Company determines if the recoverable amount of the asset is greater than its carrying amount. If the carrying amount exceeds the recoverable amount, the asset is recorded at its recoverable amount with the reduction recognized in the statement of operations. The recoverable amount is the greater of the value in use or fair value less costs to sell. Fair value is the amount the asset could be sold for in an arm’s length transaction. The value in use is the present value of the estimated future cash flows of the asset from its continued use. The fair value less costs to sell considers the continued development of a property and market transactions in a valuation model.

Impairments are reversed in subsequent periods when there has been an increase in the recoverable amount of a previously impaired asset and these reversals are recognized in the statement of operations. The recovery is limited to the original carrying amount less depreciation, if any, that would have been recorded had the asset not been impaired.

(h) Other Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

2. Material Accounting Policy Information (continued)

(i) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the respective instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are included in the initial carrying value of the related instrument and are amortized using the effective interest method. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of operations.

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. All financial instruments are classified into either fair value through profit or loss ("FVTPL") or amortized cost.

The Company has made the following classifications:

Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets

Financial assets at FVTPL

Financial assets are classified as FVTPL when the financial asset is either held for trading or it is designated as FVTPL. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at amortized cost

Financial assets at amortized cost are non-derivative financial assets which are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Subsequent to initial recognition, financial assets are measured at amortized cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets, other than those classified as FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been decreased.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

2. Material Accounting Policy Information (continued)

(i) Financial Instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are offset against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of operations. Loss allowances are based on the lifetime ECL's that result from all possible default events over the expected life of the trade receivable, using the simplified approach.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of operations to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities (including loans and borrowings and trade payables and other liabilities) are initially measured at fair value, net of transaction costs. Subsequently, other financial liabilities are measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(j) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Material Accounting Policy Information (continued)

(j) Income Taxes (continued)

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(k) Share Capital

(i) Unit Offerings

The Company has adopted the relative fair value method with respect to the measurement of shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair values of the components. If and when the warrants are ultimately exercised, the applicable amounts are transferred from reserves to share capital. If the warrants expire unexercised, the applicable amount remains in reserves.

(ii) 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 the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource 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 expenses being incurred, the Company derecognizes the liability which is recognized as other income.

(l) Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. As at September 30, 2024, the Company had 8,882,333 (2023 – 6,505,333) potentially dilutive shares outstanding.

(m) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended September 30, 2024, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a material impact on the Company's financial statements.

(Expressed in Canadian Dollars)

2. Material Accounting Policiesy Information (continued)

(n) Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. Expected volatility is estimated by considering historic average share price volatility.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

3. Property and Equipment

	Computer Equipment $	Vehicles $	Total $
Cost:			
Balance, September 30, 2022 and 2023	2,722	46,636	49,358
Additions	–	108,250	108,250
Balance, September 30, 2024	2,722	154,886	157,608
Accumulated depreciation:			
Balance, September 30, 2022	2,721	23,760	26,481
Additions	–	6,863	6,863
Balance, September 30, 2023	2,721	30,623	33,344
Additions	–	10,136	10,136
Balance, September 30, 2024	2,721	40,759	43,480
Carrying amounts:			
As at September 30, 2023	1	16,013	16,014
As at September 30, 2024	1	114,127	114,128

(Expressed in Canadian Dollars)

4. Mineral Properties

Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated rights of ownership of all of the mineral concessions in which it has an interest and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements, or transfers, and rights of ownership may be affected by undetected defects.

Acquisition costs:

	Gordon Lake Project $	Myrt Lake Project $	Total $
Balance, September 30, 2022, 2023 and 2024	79,848	10,768	90,616

Mineral exploration costs:

	Year ended September 30, 2024 $	Year ended September 30, 2023 $
Claims maintenance fees	–	22,594
Data collection and research	290,297	293,755
Geological and geophysical	29,003	94,067
Grant received	(68,670)	–
	250,630	410,416

Gordon Lake Property, NWT, Canada

As at September 30, 2024, the Company owns a mineral lease for its Gordon Lake Property. The Company expenses all amounts paid to maintain the ownership of the mineral lease.

On October 28, 2020, the Company staked 13 territorial mineral claims and 12 federal mineral claims on the Gordon Lake Project, Northwest Territories for $37,848.

On August 4, 2021, the Company entered into purchase agreements with Dave Nickerson and Mike Vaydik (“Vendors”) to acquire 100% right, title, and interest in Mining Lease 3249 and Mining Lease 3340 which are both located near Gordon Lake. The Company paid $20,000 and issued 200,000 common shares to the Vendors. Both agreements are subject to a 2% NSR royalty with the option of the Company to purchase one half of the 2% NSR royalty for $1,000,000.

Myrt Lake Project, NWT, Canada

On November 10, 2020, the Company staked 1 territorial mineral claim and 1 federal mineral claim, which is located approximately 70 kilometers northeast of Yellowknife, Northwest Territories for $10,768.

5. Related Party Transactions

(a) As at September 30, 2024, the Company owed $521,956 (2023 – $328,414) to the President and CEO of the Company which is unsecured, non-interest bearing, and due on demand.

(b) As at September 30, 2024, the Company owed $6,362 (2023 – $6,362) to a company owned by a daughter of the President and CEO of the Company which is unsecured, non-interest bearing, and due on demand.

(c) As at September 30, 2024, the Company owed $112,500 (2023 - $nil) to the daughters of the President and CEO of the Company which is unsecured, non-interest bearing, and due on demand.

(d) During the year ended September 30, 2024, the Company incurred management fees of $180,000 (2023 - $180,000), rent of $22,200 (2023 – $22,200), and automotive expenses of $9,000 (2023 - $9,000) to a company owned by the daughter of the President and CEO of the Company.

6. Share Capital

Authorized: Unlimited number of common shares with no par value
Unlimited number of preferred shares with no par value

Share issuances for the year ended September 30, 2024:

(a) On August 14, 2024, the Company issued 1,140,000 flow-through units at $0.25 per unit and 750,000 non flow-through units at $0.20 per unit for total proceeds of $435,000. The 1,140,000 flow-through units were issued to the daughters of the President and CEO of the Company. Each flow-through unit consisted of one flow-through common share and one-half of one share purchase warrant exercisable at $0.30 per common share expiring on August 14, 2026. Each non flow-through unit consisted of one common share and one-half of one share purchase warrant exercisable at $0.25 per common share expiring on August 14, 2026. A fair value of $73,692 and $10,462 was attributed to the share purchase warrants and flow-through share premium liability, respectively.

(b) On August 14, 2024, the Company issued 2,000 common shares for proceeds of $300 pursuant to the exercise of share purchase warrants.

(c) On August 19, 2024, the Company issued 630,000 flow-through units at $0.25 per unit and 1,250,000 non flow-through units at $0.20 per unit for total proceeds of $407,500. Each flow-through unit consisted of one flow-through common share and one-half of one share purchase warrant exercisable at $0.30 per common share expiring on August 19, 2026. Each non flow-through unit consisted of one common share and one-half of one share purchase warrant exercisable at $0.25 per common share expiring on August 19, 2026. In connection with the private placement, the Company incurred finder's fees of $20,375, issued 62,500 finder's warrants with a fair value of $5,118 exercisable at $0.25 per common share expiring on August 19, 2026, and issued 31,500 finder's warrants with a fair value of $2,271, exercisable at $0.30 per common share expiring on August 19, 2026. The fair value of the finder's warrants was calculated using the Black-Scholes option pricing model with an expected life of two years, volatility of 85%, risk-free rate of 3.26%, and dividend yield of 0%. A fair value of $66,540 and $7,444 was attributed to the share purchase warrants and flow-through share premium liability, respectively.

(Expressed in Canadian Dollars)

6. Share Capital (continued)

Share issuances for the year ended September 30, 2023:

(d) On November 7, 2022, the Company issued 2,680,000 non-flow through units at $0.125 per unit for aggregate gross proceeds of $335,000. Out of the 2,680,000 units issued, 800,000 units were subscribed by a director of the Company for total proceeds of $100,000. Each non-flow through unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable at $0.15 per common share expiring on November 7, 2024. A fair value of $109,704 was attributed to the share purchase warrants in connection with the financing. In connection with the private placement, the Company incurred $5,250 share issuance costs and issued 42,000 finder's warrants with a fair value of $2,267. Each finders' warrant is exercisable at $0.20 per common share expiring on November 7, 2024. The fair value of the finder's warrants was calculated using the Black-Scholes option pricing model with an expected life of two years, volatility of 96%, risk-free rate of 4.13%, and dividend yield of 0%.

(e) On November 7, 2022 the Company issued 2,333,333 flow-through units $0.15 per unit for proceeds of $350,000. Out of the 2,333,333 units issued, 2,183,333 units were subscribed by the daughter of the President and CEO of the Company for total proceeds of $327,500. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable at $0.20 per common share expiring on November 7, 2024. A fair value of $114,616 and $nil was attributed to the share purchase warrants and flow-though share premium liability, respectively.

7. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, September 30, 2022	3,665,000	0.30
Issued	5,055,333	0.17
Expired	(3,665,000)	0.30
Balance, September 30, 2023	5,055,333	0.17
Issued	1,979,000	0.27
Exercised	(2,000)	0.15
Balance, September 30, 2024	7,032,333	0.20

As at September 30, 2024, the following share purchase warrants were outstanding:

Number of warrants	Exercise price $	Expiry date
2,678,000	0.15	November 7, 2024
2,375,333	0.20	November 7, 2024
375,000	0.25	August 14, 2026
570,000	0.30	August 14, 2026
687,500	0.25	August 19, 2026
346,500	0.30	August 19, 2026
7,032,333		

(Expressed in Canadian Dollars)

8. Stock Options

The Company has reserved 10% of the issued common shares pursuant to an incentive share-based payment plan (the "Plan"). Options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee, or consultant of the Company. The options are subject to any vesting limitations, exercise process, and exercise periods as determined by the Board of Directors.

	Number of options	Weighted average exercise price $
Outstanding, September 30, 2022	1,900,000	0.30
Granted	500,000	0.20
Expired	(950,000)	0.40
Outstanding, September 30, 2023	1,450,000	0.20
Granted	400,000	0.25
Outstanding, September 30, 2024	1,850,000	0.16
Exercisable, September 30, 2024	1,075,000	0.18

Additional information regarding stock options outstanding and exercisable as at September 30, 2024, is as follows:

	Outstanding			Exercisable	
Range of exercise prices $	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price $	Number of options	Weighted average exercise price $
0.20	1,450,000	2.1	0.20	1,075,000	0.20
0.25	400,000	1.9	0.25	–	–
	1,850,000	2.1	0.16	1,075,000	0.20

Share-based compensation expense is determined using the Black-Scholes option pricing model. During the year ended September 30, 2024, the Company recognized share-based compensation expense of $37,417 (2023 – $12,224) in share-based payment reserve, of which $32,376 (2023 – $12,224) pertains to a director of the Company. During the year ended September 30, 2024, the weighted average grant date fair value was $0.08 (2023 – $0.15) per option.

The weighted average assumptions used in calculating the fair value of share-based compensation expense, assuming no dividends or expected forfeitures, are as follows:

	2024	2023
Risk-free interest rate	3.18%	3.38%
Expected volatility	85%	124%
Expected life (years)	2	5

(Expressed in Canadian Dollars)

9. Financial Instruments and Risk Management

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The fair values of the Company's financial instruments, which include cash, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. As at September 30, 2024 and 2023, the Company is not exposed to significant foreign exchange rate risk.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations.

The following amounts are the contractual maturities of financial liabilities as at September 30, 2024 and 2023:

2024	Total $	Within 1 year $	Within 2-5 years $
Accounts payable and accrued liabilities	181,813	181,813	–
Due to related parties	640,818	640,818	–
Total	822,631	822,631	–

(Expressed in Canadian Dollars)

9. Financial Instruments and Risk Management (continued)

(e) Liquidity Risk (continued)

2023	Total $	Within 1 year $	Within 2-5 years $
Accounts payable and accrued liabilities	124,933	124,933	–
Due to related parties	334,776	334,776	–
Total	459,709	459,709	–

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

10. Segmented Information

The Company operates in one industry, the mineral resource industry, with all current exploration activities conducted in Canada.

11. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended September 30, 2023.

12. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2024 $	2023 $
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	(195,319)	(213,040)
Tax effect of:		
Permanent differences and other	9,049	270,895
Change in unrecognized deferred income tax assets	186,270	(57,855)
Income tax provision	–	–

(Expressed in Canadian Dollars)

12. Income Taxes (continued)

The significant components of deferred income tax assets and liabilities are as follows:

	2024 $	2023 $
Deferred income tax assets		
Non-capital losses carried forward	1,893,020	1,774,202
Resource pools	1,184,816	1,121,195
Share issuance costs	7,844	6,750
Property and equipment	129,535	126,798
Total gross deferred income tax assets	3,215,215	3,028,945
Unrecognized deferred income tax assets	(3,215,215)	(3,028,945)
Net deferred income tax asset	–	–

As at September 30, 2024, the Company has non-capital losses carried forward totaling $7,011,185 which expire as follows:

	$
2026	338,168
2027	318,785
2028	399,260
2029	290,337
2030	297,441
2031	424,636
2032	563,936
2033	320,765
2034	419,498
2035	97,134
2036	201,072
2037	240,620
2038	335,751
2039	315,779
2040	942,580
2041	388,368
2042	308,742
2043	368,247
2044	440,066
	7,011,185

The Company also has available mineral resource related expenditure pools totalling $4,478,822 which may be deducted against future taxable income on a discretionary basis.

13. Subsequent Events

(a) Subsequent to September 30, 2024, the Company issued 17,000 common shares for proceeds of $2,550 pursuant to the exercise of share purchase warrants.

(b) On January 23, 2025, the Company granted 400,000 stock options exercisable at $0.175 per common share expiring on January 23, 2030 to the Chief Operating Officer of the Company .