



Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2024

(Unaudited – Expressed in Canadian dollars)

Notice to Reader

These condensed interim consolidated financial statements of Honey Badger Silver Inc. have been prepared by management and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim consolidated financial statements, notes to the financial statements or the related quarterly Management's Discussion and Analysis.

Honey Badger Silver Inc.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited – Expressed in Canadian dollars)

	<i>Note</i>	June 30, 2024	December 31, 2023
ASSETS			
Current			
Cash	4	\$ 464,147	\$ 252,241
Marketable securities	5	41,635	52,043
Receivables		23,261	25,818
Prepaid expenses		22,540	13,907
		\$ 551,583	\$ 344,009
LIABILITIES			
Current			
Trade and other payables		\$ 115,338	\$ 166,254
Due to related parties	9	162,616	382,594
Flow-through premium liability	7	78,942	3,650
		356,896	552,498
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	8	18,984,669	17,884,789
Warrants	8	1,229,172	1,224,495
Contributed surplus	8	4,737,315	4,528,430
Deficit		(24,756,469)	(23,846,203)
		194,687	(208,489)
		\$ 551,583	\$ 344,009
Nature of operations and going concern	1		

These condensed interim consolidated financial statements are approved for issue by the Board of Directors of the Company on August 28, 2024.

They are signed on the Company's behalf by:

"Dorian L. (Dusty) Nicol", Director

"John Hill", Director

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

Honey Badger Silver Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited – Expressed in Canadian dollars)

		Three months ended June 30,		Six months ended June 30,	
	Note	2024	2023	2024	2023
Expenses					
Consulting fees	9	\$ 172,500	\$ 198,600	\$ 345,000	\$ 350,095
Exploration and evaluation expenditures	6	39,476	50,476	101,228	47,922
General and administrative		14,429	10,289	20,385	13,543
Marketing, promotion and travel		50,091	72,320	107,445	173,440
Professional fees		35,735	17,854	37,635	35,354
Project investigation costs		20,704	35,627	39,228	68,524
Regulatory fees and transfer agent		19,701	16,572	44,984	36,560
Share-based compensation	8	199,202	17,611	208,885	35,222
		(551,838)	(419,349)	(904,790)	(760,660)
Flow-through premium recovery	7	6,320	-	9,343	-
Foreign exchange loss		(1,230)	(1,144)	(4,426)	(3,026)
Interest income		-	431	15	2,045
Unrealized gain (loss) on marketable securities	5	(13,878)	-	(10,408)	2,082
Loss and comprehensive loss for the period		\$ (560,626)	\$ (420,062)	\$ (910,266)	\$ (759,559)
Basic and diluted loss per share		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Weighted average number of shares outstanding		49,441,853	37,707,846	49,441,853	34,458,696

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

Honey Badger Silver Inc.

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited – Expressed in Canadian dollars)

	Six months ended June 30,	
	2024	2023
Operating activities		
Loss for the period	\$ (910,266)	\$ (759,559)
Items not affecting cash:		
Share-based compensation	208,885	35,222
Flow-through premium recovery	(9,343)	-
Unrealized (gain) loss on marketable securities	10,408	(2,082)
Change in non-cash working capital items:		
Receivables	2,557	(7,044)
Prepaid expenses	(8,633)	(37,937)
Trade and other payables	(50,916)	102,364
Due to related parties	(219,978)	27,638
Cash used in operating activities	(977,286)	(641,398)
Financing activities		
Proceeds from private placements	1,204,200	1,261,450
Share issuance costs	(15,008)	(40,480)
Cash provided by financing activities	1,189,192	1,220,970
Increase in cash for the period	211,906	579,572
Cash, beginning of period	252,241	544,478
Cash, end of period	\$ 464,147	\$ 1,124,050
Non-cash investing and financing activities		
Broker warrants	\$ 4,677	\$ 6,631
Unit warrants	-	149,589
Allocation of flow-through premium	84,635	15,994
Supplementary information		
Interest paid	\$ -	\$ -
Income taxes paid	-	-

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

Honey Badger Silver Inc.

Condensed Interim Consolidated Statements of Shareholders' Equity (Deficiency)

(Unaudited – Expressed in Canadian dollars)

	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	Total
Balance, December 31, 2023	39,476,491	\$ 17,884,789	\$ 1,224,495	\$ 4,528,430	\$ (23,846,203)	\$ (208,489)
Private placement	22,391,307	1,204,200	-	-	-	1,204,200
Share issue costs - cash	-	(15,008)	-	-	-	(15,008)
Share issue costs - warrants	-	(4,677)	4,677	-	-	-
Allocation of flow-through premium	-	(84,635)	-	-	-	(84,635)
Share-based compensation	-	-	-	208,885	-	208,885
Loss and comprehensive loss for the period	-	-	-	-	(910,266)	(910,266)
Balance, June 30, 2024	61,867,798	\$ 18,984,669	\$ 1,229,172	\$ 4,737,315	\$ (24,756,469)	\$ 194,687

	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	Total
Balance, December 31, 2022	31,173,448	\$ 17,056,261	\$ 858,442	\$ 4,422,496	\$ (22,005,308)	\$ 331,891
Private placement	8,303,043	1,111,861	149,589	-	-	1,261,450
Share issue costs - cash	-	(40,480)	-	-	-	(40,480)
Share issue costs - warrants	-	(6,631)	6,631	-	-	-
Allocation of flow-through premium	-	(15,994)	-	-	-	(15,994)
Share-based compensation	-	-	-	35,222	-	35,222
Loss and comprehensive loss for the period	-	-	-	-	(759,559)	(759,559)
Balance, June 30, 2023	39,476,491	\$ 18,105,017	\$ 1,014,662	\$ 4,457,718	\$ (22,764,867)	\$ 812,530

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

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Honey Badger Silver Inc. (the “Company”) is a publicly traded company incorporated in Ontario in 1992. The Company’s common shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “TUF” and on the OTCQB Venture Market in the United States under the symbol “HBEIF”. The Company corporate office is located at Unit 1 – 15782 Marine Drive, Vancouver, BC, V4B 1E6 and the Company’s registered and records office is located at 199 Bay Street, Suite 5300, Commerce Court West, Toronto, Ontario, M5L 1B9.

The Company is engaged in identifying, evaluating, acquiring, and exploring silver-based and other metals-based assets, including high-grade properties, and projects with existing mineral resources/reserves and cash-flowing metal royalties and streams. The Company has several projects in Canada.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2024, the Company had working capital of \$194,687. Management estimates that the Company does not have sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Basis of measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the parent company's functional currency, as well as the functional currency of its wholly owned subsidiaries.

Use of estimates and judgments

Information about estimates and judgments used in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are included in Note 2 to the Company's December 31, 2023 annual consolidated financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended December 31, 2023.

Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current period.

New accounting policy

The following amendments to existing standards have been adopted by the Company commencing January 1, 2024:

The amendments changed the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policies are material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements. The adoption of these amendments did not materially impact these condensed interim consolidated financial statements of the Company.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of June 30, 2024 and have not been applied in preparing these condensed interim consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity. The Company has not early adopted this revised standard and its adoption is not expected to have a material impact on the Company's consolidated financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

4. CASH

	June 30, 2024	December 31, 2023
Cash	\$ 122,068	\$ 193,841
Cash allocated for flow-through expenditures	342,079	58,400
Total	\$ 464,147	\$ 252,241

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

5. MARKETABLE SECURITIES

	June 30, 2024	December 31, 2023
Opening balance	\$ 52,043	\$ 32,613
Unrealized gain	(10,408)	19,430
Ending balance	\$ 41,635	\$ 52,043

The Company holds 693,911 common shares of Mines D'Or Orbec Inc. (formerly Blue Thunder Mining Inc.), a public company listed on the Exchange. During the six months ended June 30, 2024, the Company recorded an unrealized loss on marketable securities of \$10,408 (2023 – gain of 2,082) related to the revaluation of these common shares.

6. EXPLORATION AND EVALUATION EXPENDITURES

Yukon Properties

Plata, Groundhog, and Hy

On June 4, 2021, the Company completed the acquisition of three silver properties located in Yukon, Canada comprised of the Plata, Groundhog, and Hy properties. In consideration, the Company issued 6,106,091 common shares valued at \$4,524,613 to Strategic Metals Ltd., a public company which a former director of the Company is also the Chief Executive Officer, President and a director.

Clear Lake

On March 29, 2022, the Company completed the acquisition of the Clear Lake silver/zinc/lead property located in Yukon, Canada. In consideration, the Company paid \$250,000 cash and granted a 1% net smelter return ("NSR") royalty on all metals other than silver.

Northwest Territories Property

Sunrise Lake

On October 17, 2023, the Company entered into a purchase agreement with SSR Mining Inc. ("SSR") to acquire 100% of SSR's Sunrise Lake silver project in the Northwest Territories, Canada. In consideration, the Company agreed to the following terms:

- zero cash consideration;
- SSR will retain a 4% NSR royalty on any future production from the project; and
- Half (2%) of the NSR royalty can be purchased by the Company at any time prior to commencement of construction at the project for US\$ 10 million, but the Company has no obligation to do so.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Nunavut Property

Nanisivik

In 2021 and 2022, the Company staked certain claims in Nunavut, Canada known as the Nanisivik silver property.

During the three and six months ended June 30, 2024 and 2023, the Company incurred the following exploration and evaluation expenditures.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Yukon Properties				
Claim maintenance	\$ 2,589	\$ -	\$ 3,706	\$ -
Data interpretation	7,453	42,080	56,945	61,798
Geophysics	13,743	-	13,743	-
Grant	-	-	-	(28,438)
	23,785	42,080	74,394	33,360
Northwest Territory Property				
Acquisition	-	-	3,043	-
	-	-	3,043	-
Nunavut Properties				
Data interpretation	12,383	-	16,624	-
	12,383	-	16,624	-
Ontario Properties				
Claim maintenance	2,363	7,331	5,001	12,597
	2,363	7,331	5,001	12,597
Quebec Property				
Claim maintenance	945	1,065	2,166	1,965
	945	1,065	2,166	1,965
Total	\$ 39,476	\$ 50,476	\$ 101,228	\$ 47,922

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

7. FLOW-THROUGH PREMIUM LIABILITY

	June 30, 2024	December 31, 2023
Opening balance	\$ 3,650	\$ -
April/May 2023 flow-through private placement	-	15,994
April 2024 flow-through private placement	84,635	-
Flow-through premium recovery	(9,343)	(12,344)
Closing balance	\$ 78,942	\$ 3,650

8. SHARE CAPITAL

Authorized

The Company has an unlimited number of common shares without par value authorized for issue.

Issued and outstanding

On April 10, 2024, the Company completed a non-brokered placement through the issuance of 16,749,000 units at a price of \$0.05 per unit for gross proceeds of \$837,450 and the issuance of 5,642,307 flow-through shares at a price of \$0.065 per flow-through share for gross proceeds of \$366,750. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.065 until October 10, 2025.

The Company recorded a flow-through premium liability of \$84,635 on issuance of the flow-through units.

The Company paid cash finder's fees of \$7,130 and issued 97,000 broker warrants on the same terms as the private placement warrants. The broker warrants were valued at \$4,677 using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 4.35%; an expected volatility of 91%; an expected life of 1.5 years; and an expected dividend yield of 0%. The Company paid other share issue costs of \$7,878.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Warrants

The continuity of share purchase warrants for the six months ended June 30, 2024 is as follows:

Expiry date	Exercise price	Balance,	Granted	Exercised	Expired	Balance,
		December 31, 2023				June 30, 2024
March 18, 2024	\$ 0.57	3,759,402	-	-	(3,759,402)	-
October 10, 2025	\$ 0.065	-	8,471,500	-	-	8,471,500
April 11, 2026	\$ 0.18	3,245,523	-	-	-	3,245,523
May 24, 2026	\$ 0.18	957,940	-	-	-	957,940
		7,962,865	8,471,500	-	(3,759,402)	12,674,963
Weighted average exercise price		\$ 0.36	\$ 0.07	\$ -	\$ 0.57	\$ 0.10

As at June 30, 2024, the weighted average remaining contractual life of the share purchase warrants outstanding was 1.45 years.

Stock Options

The Company has a stock option plan pursuant to which the Company's Board of Directors may grant incentive stock options to directors, officers, employees and consultants. The exercise price of the options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant and the maximum term of any option cannot exceed five years. The Board, in accordance with applicable Exchange or other regulatory requirements, if any, will determine any vesting period assigned therein. There is no minimum vesting period unless the optionee is engaged in investor relation activities. The maximum aggregate number of common shares under option at any time under the stock option plan cannot exceed 10% of the issued shares. The fair value of the share-based compensation is recognized as contributed surplus upon vesting.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Stock Options (continued)

The continuity of stock options for the six months ended June 30, 2024 is as follows:

		Balance, December 31, 2023	Granted	Exercised	Expired / Forfeited	Balance, June 30, 2024				
Expiry date	Exercise price									
November 1, 2024	\$ 0.40	17,544	-	-	-	17,544				
August 28, 2025	\$ 0.34	298,246	-	-	(21,930)	276,316				
February 11, 2026	\$ 0.46	43,860	-	-	-	43,860				
February 19, 2026	\$ 0.57	52,632	-	-	-	52,632				
March 23, 2026	\$ 0.71	888,596	-	-	(57,895)	830,701				
August 3, 2026	\$ 0.46	263,158	-	-	-	263,158				
October 27, 2026	\$ 0.37	131,579	-	-	-	131,579				
December 31, 2026	\$ 0.43	755,370	-	-	(328,421)	426,949				
September 15, 2028	\$ 0.09	549,000	-	-	-	549,000				
April 24, 2029	\$ 0.075	-	3,595,000	-	-	3,595,000				
		2,999,985	3,595,000	-	(408,246)	6,186,739				
Weighted average exercise price	\$	0.44	\$	0.08	\$	-	\$	0.46	\$	0.23

As at June 30, 2024, all stock options were exercisable with a weighted average remaining contractual life of 3.80 years.

Share-based compensation

During the six months ended June 30, 2024, the Company recorded share-based compensation of \$208,885 (2023 - \$35,222) in relation to stock options that vested during the period.

- On April 24, 2024, the Company granted 3,595,000 stock options to directors, officers, and consultants at a fair value of \$199,202, all of which was recorded as share based compensation for the six months ended June 30, 2024. The fair value of the options was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.82%; an expected volatility of 109%; an expected life of 5 years; and an expected dividend yield of 0%.
- On September 15, 2023, the Company granted 549,000 stock options to directors, officers, employees, and consultants at a fair value of \$46,992, of which \$9,683 was recorded as share based compensation for the six months ended June 30, 2024.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Consulting fees				
Chairman	\$ 75,000	\$ 75,000	\$ 150,000	\$ 150,000
Chief Executive Officer	52,500	-	105,000	-
Chief Operating Officer	-	7,500	-	22,500
Golden Oak *	30,000	-	60,000	-
Former Chief Executive Officer	-	57,750	-	57,750
Former Chief Executive Officer	-	15,000	-	36,270
Former President	-	-	-	3,750
Grove **	-	28,350	-	56,700
	157,500	183,600	315,000	326,970
Exploration and evaluation expenditures				
Former President	-	-	-	2,500
Chief Operating Officer	-	15,000	-	15,000
	-	15,000	-	17,500
Marketing, promotion and travel				
Sharechest ***	-	1,500	1,000	3,000
	-	1,500	1,000	3,000
Share-based compensation	121,904	12,357	130,176	27,171
Total	\$ 279,404	\$ 212,457	\$ 446,176	\$ 374,641

* Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by the Chief Financial Officer and Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

** Grove Corporate Services Ltd. ("Grove") is a consulting company which provided the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

*** Sharechest Inc. ("Sharechest") is a company controlled by the Chairman of the Company.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Related party balances

		June 30, 2024	December 31, 2023
Chairman	Fees	\$ 84,750	\$ 238,410
Chairman	Expenses	1,397	66,657
Golden Oak	Expenses	1,269	632
Red Cloud	Fees	75,200	75,200
Sharechest	Fees	-	1,695
Total		\$ 162,616	\$ 382,594

10. SEGMENTED INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and evaluation.

All of the Company's mineral exploration and evaluation assets are located in Canada.

Honey Badger Silver Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024

(Unaudited – Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		June 30, 2024	December 31, 2023
Cash	Amortized cost	\$ 464,147	\$ 252,241
Marketable securities	FVTPL	41,635	52,043
Receivables	Amortized cost	23,261	25,818
Trade and other payables	Amortized cost	(115,338)	(166,254)
Due to related parties	Amortized cost	(162,616)	(382,594)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of cash, receivables, trade and other payables, and due to related parties approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The Company's marketable securities are held in a company with an active market and are classified as current assets at fair value.

Risk Management

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended December 31, 2023.