Rockhaven Resources Ltd.

Condensed Interim Financial Statements

For the nine months ended

September 30, 2023

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

Rockhaven Resources Ltd.
#510 – 1100 Melville Street
Vancouver, British Columbia
V6E 4A6

November 16, 2023

To the Shareholders of
Rockhaven Resources Ltd.

The attached condensed interim financial statements have been prepared by the management of Rockhaven Resources Ltd. and have not been reviewed by the auditor of the Company.

Yours truly,

Matthew A. Turner
Chief Executive Officer

Rockhaven Resources Ltd.

Condensed Interim Statements of Financial Position

Unaudited – Prepared by Management

As at September 30, 2023 and December 31, 2022

	Note	**September 30, 2023 $**	December 31, 2022 $
Assets			
Current assets			
Cash and cash equivalents	3	1,333,310	2,525,060
Receivables and prepayments	4	26,926	49,592
Marketable securities	5	35,967	35,967
		1,396,203	2,610,619
Non-current assets			
Prepaid exploration expenditures		81,549	-
Mineral property interests	6	47,704,522	46,925,832
		47,786,071	46,925,832
Total assets		**49,182,274**	49,536,451
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		55,344	152,694
Accounts payable to related parties	9	18,158	49,782
		73,502	202,476
Non-current liabilities			
Deferred income tax liability	10	3,718,195	3,787,620
Total liabilities		**3,791,697**	3,990,096
Shareholders' equity			
Share capital	7	57,559,403	57,559,403
Contributed surplus	7	958,808	743,785
Deficit		(13,127,634)	(12,756,833)
Total shareholders' equity		**45,390,577**	45,546,355
Total liabilities and shareholders' equity		**49,182,274**	49,536,451
Nature of operations and going concern	1		
Commitments	13		

Approved on behalf of the Board of Directors on November 16, 2023:

"Bradley Shisler" **Director** *"Glenn R. Yeadon"* **Director**

Rockhaven Resources Ltd.

Condensed Interim Statements of Changes in Shareholders' Equity

Unaudited – Prepared by Management

For the nine months ended September 30, 2023 and September 30, 2022

	Number of shares #	Share capital $	Contributed surplus $	Deficit $	Total shareholders' equity $
January 1, 2022	223,036,470	52,834,315	568,991	(12,049,493)	41,353,813
Re-allocated on cancellation of options	-	-	(9,715)	9,715	-
Re-allocated on expiry of finders' warrants	-	45,094	(45,094)	-	-
Private placement shares issued	53,100,000	4,905,000	-	-	4,905,000
Share issue costs, net	-	(99,006)	-	-	(99,006)
Flow-through premium liability	-	(126,000)	-	-	(126,000)
Share-based payments	-	-	107,022	-	107,022
Loss and comprehensive loss for the period	-	-	-	(503,055)	(503,055)
September 30, 2022	276,136,470	57,559,403	621,204	(12,542,833)	45,637,774
January 1, 2023	276,136,470	57,559,403	743,785	(12,756,833)	45,546,355
Share-based payments	-	-	215,023	-	215,023
Loss and comprehensive loss for the period	-	-	-	(370,801)	(370,801)
September 30, 2023	**276,136,470**	**57,559,403**	**958,808**	**(13,127,634)**	**45,390,577**

Rockhaven Resources Ltd.

Condensed Interim Statements of Loss and Comprehensive loss

Unaudited – Prepared by Management

For the three and nine months ended September 30, 2023 and September 30, 2022

		Three months ended		Nine months ended	
		September 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
	Note	**$**	$	**$**	$
Expenses					
General and administrative expenses		944	3,709	1,616	6,764
Insurance		5,993	6,962	20,890	20,419
Investor relations and shareholder information		35,978	45,385	76,550	91,538
Management, administrative and corporate development fees (recovery)	9	(8,857)	4,398	264	10,787
Management, administrative and corporate development salaries	9	26,842	23,306	73,526	70,470
Office rent	9	7,500	7,500	22,500	22,500
Professional fees	9	10,710	16,545	58,275	55,896
Share-based payments	7,9	37,396	22,728	215,023	107,022
Transfer agent and filing fees		3,149	3,371	9,819	9,310
Loss from operating expenses		**(119,655)**	(133,904)	**(478,463)**	(394,706)
Interest income		6,191	31,000	38,236	34,429
Unrealized gain (loss) on marketable securities	5	(11,066)	-	-	2,767
Loss for the period before income taxes		**(124,530)**	(102,904)	**(440,227)**	(357,510)
Deferred income tax recovery (expense)	10	20,540	(151,548)	69,426	(145,545)
Loss and comprehensive loss for the period		**(103,990)**	(254,452)	**(370,801)**	(503,055)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #	8	**276,136,470**	276,136,470	**276,136,470**	241,514,492
- Diluted #	8	**276,136,470**	276,136,470	**276,136,470**	241,514,492
Basic loss per share $	8	**(0.00)**	(0.00)	**(0.00)**	(0.00)
Diluted loss per share $	8	**(0.00)**	(0.00)	**(0.00)**	(0.00)

Rockhaven Resources Ltd.

Condensed Interim Statements of Cash Flows

Unaudited – Prepared by Management

For the nine months ended September 30, 2023 and September 30, 2022

	Note	**September 30, 2023 $**	September 30, 2022 $
Operating activities			
Loss for the period		(370,801)	(503,055)
Adjustments for:			
Share-based payments		215,023	107,022
Unrealized gain on marketable securities		-	(2,767)
Interest income		(38,236)	(34,429)
Deferred income tax recovery		(69,425)	145,545
Net change in non-cash working capital items	11	(20,716)	(181,828)
		(284,155)	(469,512)
Financing activities			
Issue of shares for cash		-	4,905,000
Share issue costs		-	(134,125)
		-	4,770,875
Investing activities			
Interest received		38,236	34,429
Prepaid exploration expenditures		(81,549)	-
Deferred exploration and evaluation expenditures		(864,282)	(2,711,989)
		(907,595)	(2,677,560)
Change in cash and cash equivalents		**(1,191,750)**	1,623,803
Cash and cash equivalents, beginning of period		**2,525,060**	1,954,359
Cash and cash equivalents, end of period		**1,333,310**	3,578,162
Supplemental cash flow information	11		

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

1. Nature of operations and going concern

Rockhaven Resources Ltd. (the “Company” or “Rockhaven”) was incorporated under the laws of the Province of Alberta, Canada and has been continued as a Company under the laws of the Province of British Columbia, Canada. The Company’s head office is located at 510 - 1100 Melville Street, Vancouver, BC, V6E 4A6. Its records office is located at 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3. Its main business activity is the exploration and evaluation of its mineral property interests (Klaza project) located in Canada. Its common shares trade on the TSX Venture Exchange (“TSX-V”).

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the mineral property interests.

These condensed interim financial statements (the “financial statements”) are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on property option or sale proceeds and share capital financing to cover its operating expenses. As at September 30, 2023, the Company had working capital of $1,322,701 (December 31, 2022 – $2,408,143) and shareholders’ equity of $45,390,577 (December 31, 2022 - $45,546,355). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company’s assets and liabilities on a liquidation basis.

There are many external factors that can adversely affect general workforces, economies, and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company’s business or ability to raise funds.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company‘s annual audited financial statements for the year ended December 31, 2022, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited financial statements.

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

All amounts on the financial statements are presented in Canadian dollars which is the functional currency of the Company.

2. Significant accounting policies (continued)

(b) Significant accounting policies

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited financial statements and are those the Company expects to adopt in its financial statements for the year ended December 31, 2023. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited financial statements.

(c) Standards issued by not yet effective

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2024. The Company has reviewed these updates and determined that none are applicable or consequential to the Company and have been excluded from discussion within these significant accounting policies.

3. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	September 30, 2023 $	December 31, 2022 $
Bank balances	156,484	77,135
Cashable investment certificates	1,176,826	2,447,925
	1,333,310	2,525,060

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	September 30, 2023 $	December 31, 2022 $
Goods and services tax recoverable	11,724	24,220
Prepaid expenses	15,202	25,372
	26,926	49,592

5. Marketable securities

Marketable securities consist of common shares received on the option of mineral property interests as follows:

	Cost $	**Fair value $**	**Gain $**
January 1, 2022	2,132,934	41,500	
Unrealized gain for the period	-	2,767	2,767
September 30, 2022	2,132,934	44,267	2,767
January 1, 2023	2,132,934	35,967	
September 30, 2023	**2,132,934**	**35,967**	**-**

The fair values of the marketable securities are based on the bid prices of the shares on the TSX-V at each period end.

6. Mineral property interests

The Company's mineral property interests consist of its wholly-owned Klaza project located in the Yukon Territory, Canada.

Changes in the project carrying amounts for the nine months ended September 30, 2023 and September 30, 2022 are summarized as follows:

	January 1, 2023	**Exploration and evaluation**	**September 30, 2023**	January 1, 2022	Exploration and evaluation	September 30, 2022
	$	**$**	**$**	$	$	$
Klaza	**46,925,832**	**778,690**	**47,704,522**	43,106,679	3,365,533	46,472,212

Exploration and evaluation expenditures on the Klaza project consisted of the following:

	2023	2022
Nine months ended September 30,	**$**	$
Assays	41,978	211,233
Excavating and drilling	-	1,599,053
Field	23,093	342,073
Helicopter, fuel and fixed wing	-	143,141
Labour (note 9)	212,576	880,408
Resource and environmental studies	498,917	56,258
Surveys and consulting	1,294	58,426
Travel and accommodation	832	74,941
	778,690	3,365,533

Klaza project

The Klaza project includes a 100% interest in the Klaza group of mineral claims which were acquired between 2009 and 2017 through staking, cash payments, and the issuance of Rockhaven common shares. Certain of the claims are subject to a 1.5% Net Smelter Return ("NSR") royalty, and others are subject to a 1% NSR on precious metals and a 0.5% NSR on non-precious metals. There are various claims that are not subject to any underlying royalties.

7. Share capital

The authorized share capital of the Company consists of unlimited common shares without par value and unlimited preferred shares without par value. All issued shares are fully paid.

Transactions for the issue of share capital during the nine months ended September 30, 2023:

There were no transactions for the issue of share capital during the nine months ended September 30, 2023.

Transactions for the issue of share capital during the nine months ended September 30, 2022:

(a) On June 27, 2022, the Company completed a private placement consisting of the below issuances for aggregate gross proceeds of $4,905,000:

- 40,500,000 non-flow-through common shares at a price of $0.09 per share for gross proceeds of $3,645,000, which included 11,500,000 common shares purchased by Strategic Metals Ltd. ("Strategic") (note 9); and
- 12,600,000 flow-through common shares at a price of $0.10 per share for gross proceeds of $1,260,000.

The flow-through shares were issued at a premium to the trading value of the Company's common shares, which reflected the value of the income tax write-offs that the Company renounced to the flow-through shareholders effective December 31, 2022. The premium was determined to be $126,000 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which was reversed as the required exploration expenditures were incurred (note 13).

Finders' fees totaling $82,600 were incurred in respect of the placements. Legal and filing fees amounted to $53,025. The share issue costs were recorded as a reduction of share capital, net of deferred income tax benefits of $36,619.

Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding common shares. Options granted under the Plan will have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the issuance of a news release announcing the granting of the options, or the date of grant in respect of options granted to consultants), or such other price as may be agreed to by the Company and accepted by the TSX-V. Vesting terms are determined by the Board of Directors on the date of grant.

A summary of the status of the Company's stock options as at September 30, 2023 and December 31, 2022, and changes during the period/year then ended is as follows:

	Period ended September 30, 2023		Year ended December 31, 2022	
	Options #	Weighted average exercise price $	Options #	Weighted average exercise price $
Options outstanding, beginning of period/year	17,505,000	0.13	9,275,000	0.15
Granted	750,000	0.10	8,580,000	0.10
Cancelled	-	-	(350,000)	0.15
Options outstanding, end of period/year	**18,255,000**	**0.13**	17,505,000	0.13

7. Share capital (continued)

Stock options (continued)

As at September 30, 2023, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price $	Expiry date	Weighted average remaining life (years)
4,525,000	4,525,000	0.15	February 13, 2025	1.38
4,400,000	4,400,000	0.15	August 18, 2026	2.88
500,000	500,000	0.15	March 24, 2027	3.48
8,080,000	6,060,000	0.10	October 20, 2027	4.06
750,000	375,000	0.10	February 13, 2028	4.38
18,255,000	**15,860,000**	**0.13**		**3.11**

The total share-based payment expense for the nine months ended September 30, 2023 was $215,023 (2022 - $107,022) which represents stock options vested during the period, and accruals for future vesting dates.

During the nine months ended September 30, 2023, 750,000 stock options were granted to a Director exercisable at $0.10 each until February 13, 2028. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 75.00%, no dividend yield, and a risk-free interest rate yield – 3.43%. The fair value is particularly impacted by the Company's stock price volatility. Using the above assumptions, the fair value of options granted was $0.047 per option, for a total of $35,253.

During the year ended December 31, 2022, 8,080,000 stock options were granted to Officers, Directors, related company employees, and consultants exercisable at $0.10 each until October 20, 2027. The Company recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 75.00%, no dividend yield, and a risk-free interest rate yield – 3.41%. The fair value is particularly impacted by the Company's stock price volatility. Using the above assumptions, the fair value of options granted was $0.039 per option, for a total of $316,762.

During the year ended December 31, 2022, 500,000 stock options were granted to an Officer exercisable at $0.15 each until March 24, 2027. The Company recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 75.00%, no dividend yield, and a risk-free interest rate yield – 2.42%. The fair value is particularly impacted by the Company's stock price volatility. Using the above assumptions, the fair value of options granted was $0.062 per option, for a total of $30,777.

During the year ended December 31, 2022, 350,000 related company employee, and consultant options exercisable at $0.15 each, were cancelled. Accordingly, the original fair value of the cancelled options of $9,715 was reversed from contributed surplus and credited to deficit.

7. Share capital (continued)

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements. Finders' warrants may be issued as a private placement share issue cost and are valued using the Black-Scholes option pricing model.

A summary of the status of the Company's warrants as at September 30, 2023 and December 31, 2022, and changes during the period/year then ended is as follows:

	Period ended September 30, 2023		Year ended December 31, 2022	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	27,184,487	0.20	41,606,259	0.22
Expired	-	-	(14,421,772)	0.27
Warrants outstanding, end of period/year	**27,184,487**	**0.20**	27,184,487	0.20

As at September 30, 2023, the Company had warrants outstanding and exercisable as follows:

Warrants outstanding #	Warrants exercisable #	Exercise price $	Expiry date
26,684,487	26,684,487	0.20	August 30, 2024
500,000	500,000	0.17	August 5, 2025
27,184,487	**27,184,487**	**0.20**	

During the nine months ended September 30, 2022, 11,088,439 private placement warrants exercisable at $0.29 each, expired unexercised. As a result of the warrants expiring, the original fair value of certain warrants totalling $45,094 was reversed from contributed surplus and credited to share capital.

Contributed surplus

Contributed surplus includes the accumulated fair value of stock options recognized as share-based payments, the fair value of finders' warrants issued on private placements, the fair value of other compensatory warrants issued, and the residual value of warrants attached to private placement units, if any. Contributed surplus is increased by the fair value of these items on vesting and/or issuance and is reduced by corresponding amounts when the options or warrants expire or are exercised or cancelled.

	Options $	Warrants $	Total $
January 1, 2022	461,001	107,990	568,991
Options cancelled	(9,715)	-	(9,715)
Warrants expired	-	(45,094)	(45,094)
Options vesting	107,022	-	107,022
September 30, 2022	558,308	62,896	621,204
January 1, 2023	680,889	62,896	743,785
Options vesting	215,023	-	215,023
September 30, 2023	**895,912**	**62,896**	**958,808**

8. Loss per share

The calculation of basic and diluted loss per share for the nine months ended September 30, 2023, was based on the loss attributable to common shareholders of $370,801 (2022 – $503,055) and a weighted average number of common shares outstanding of 276,136,470 (2022 – 241,514,492).

All options and warrants were excluded from the diluted weighted average number of common shares calculation, as their effect would have been anti-dilutive.

9. Related party payables and transactions

A number of key management personnel and Directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. There were no loans to key management personnel or Directors, or entities over which they have control or significant influence, during the nine months ended September 30, 2023 and September 30, 2022.

Matthew Turner, the Company's President, and CEO receives a monthly salary and incentive stock options. No other key management personnel or Directors receive salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on thirty days' notice. Key management personnel and Directors participate in the Company's stock option plan.

During the nine months ended September 30, 2023, 750,000 stock options were granted to a Director having a fair value on grant of $35,253, The options granted are exercisable at $0.10 each until February 13, 2028 and vest over a one year period ending on February 13, 2024.

During the nine months ended September 30, 2022, 500,000 stock options were granted to an Officer having a fair value on grant of $30,777. The options granted are exercisable at $0.15 each until March 24, 2027 and vested over a one year period through to March 24, 2023.

During the nine months ended September 30, 2022, Strategic purchased 11,500,000 common shares of the Company for proceeds of $1,035,000 (note 7).

The Company transacted with the following related parties:

(a) Archer, Cathro & Associates (1981) Limited ("Archer Cathro") is a geological consulting firm that is a related party through its management contracts, which confer significant influence over operations. Charges are for property location, acquisition, exploration, management, and office rent and administration.

(b) Glenn Yeadon is a Director and the Company's Secretary. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp.") which provides the Company with legal services.

(c) Dan Martino is the Company's CFO, effective March 24, 2022. He is a principal of Donaldson Brohman Martin CPA, Inc. ("DBM CPA"), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services. Larry Donaldson was the Company's CFO through to March 24, 2022, and is also a principal of DBM CPA.

(d) Matthew Turner is the Company's President and CEO. He provides the Company with management, administrative, corporate development, and technical services.

(e) Manuel Estrada is the Company's COO. He provides the Company with management and technical services through Eleven Mercantile and Technical Solutions LLC ("Eleven Mercantile and Technical").

(f) Strategic has a controlling interest in the Company when combined with the interests held by associated parties.

9. Related party payables and transactions (continued)

The aggregate value of transactions and outstanding balances with key management personnel and Directors and entities over which they have control or significant influence were as follows:

		Transactions nine months ended September 30, 2023	Transactions nine months ended September 30, 2022	Balances outstanding September 30, 2023	Balances outstanding December 31, 2022
		$	$	**$**	$
	Archer, Cathro				
	- geological services	167,376	1,089,403	3,826	22,109
	- rent and administration	24,035	29,729	3,122	3,767
		191,411	1,119,132	6,948	25,876
(1)	Yeadon Law Corp.	20,700	47,000	3,210	12,906
	DBM CPA	25,700	24,700	8,000	11,000
(2)	Matthew Turner	120,000	120,000	-	-
		357,811	1,310,832	**18,158**	49,782

(1) Includes share issue costs of $nil for the nine months ended September 30, 2023 (2022 - $28,500).

(2) Includes geological services (within exploration (note 6)) of $57,832 for the nine months ended September 30, 2023 (2022 - $54,578).

All related party balances are unsecured and are due within thirty days without interest. The related party transactions do not include expense reimbursements or sales tax amounts that are included in the period end related party payable balances.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

(a) Management, administration and corporate development fees
- Includes charges by Archer Cathro for administrative personnel.

(b) Management, administration and corporate development salaries
- Includes the portion of Matt Turner's salary related to management, administrative and corporate development services. The remainder of Matt Turner's salary is allocated to exploration and evaluation expenditures within mineral property interests for his project technical services.

(c) Office rent
- Includes office rent charged to the Company by Archer Cathro.

(d) Professional fees
- Includes legal services charged to the Company by Yeadon Law Corp.
- Includes accounting and tax services charged to the Company by DBM CPA.

10. Income taxes

Income tax recovery varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	September 30, 2023 $	September 30, 2022 $
Loss for the period before income taxes	(440,227)	(357,510)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	118,860	96,527
Change in tax resulting from:		
Unrecognized items for tax purposes	(49,434)	(36,768)
Tax benefits renounced on flow-through expenditures	-	(426,262)
Flow-through premium liability reduction	-	220,958
Net deferred income tax recovery	**69,426**	(145,545)

The significant components of the Company's net deferred income tax liability are as follows:

	September 30, 2023 $	December 31, 2022 $
Mineral property interests	(6,424,757)	(6,433,377)
Unclaimed investment tax credits	538,775	538,775
Non-capital loss carry forwards	2,118,660	2,035,945
Share issue and other costs	49,127	71,037
Net deferred income tax liability	**(3,718,195)**	(3,787,620)

As at September 30, 2023, the Company has non-capital loss carry forwards of approximately $7,847,000 (December 31, 2022 - $7,541,000) which expire as follows: $109,000 in 2026, $97,000 in 2027, $391,000 in 2028, $332,000 in 2029, $373,000 in 2030, and $6,545,000 thereafter.

As at September 30, 2023, the Company has unused capital losses of approximately $2,274,000 (December 31, 2022 - $2,274,000) which have no expiry dates and can only be used to reduce future income from capital gains. The Company has not recognized a deferred income tax benefit on these losses or on accumulated unrealized losses, as it is unlikely that capital gains will be realized to utilize the losses.

As at September 30, 2023, the Company has unclaimed resource and other deductions in the amount of approximately $23,909,000 (December 31, 2022 - $23,099,000), which may be deducted against future taxable income.

As at September 30, 2023, the Company has share issue and other capital costs totaling approximately $182,000 (December 31, 2022 - $263,000), which have not been claimed for income tax purposes.

As at September 30, 2023, the Company has unused investment tax credits totaling approximately $738,000 (December 31, 2022 - $738,000), which have not been claimed for income tax purposes. The tax credits expire as follows: $364,000 in 2031, $319,000 in 2032, $51,000 in 2033, and $4,000 in 2034.

Income tax attributes are subject to review and potential adjustments by tax authorities.

11. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended September 30, 2023 and September 30, 2022 were comprised of the following:

	September 30, 2023	September 30, 2022
	$	$
Receivables and prepayments	22,666	(115,364)
Accounts payable and accrued liabilities	(30,041)	(88,551)
Accounts payable to related parties	(13,341)	22,087
Net change	**(20,716)**	(181,828)

The Company incurred non-cash investing and financing activities during the nine months ended September 30, 2023 and September 30, 2022 as follows:

	September 30, 2023	September 30, 2022
	$	$
Non-cash financing activities:		
Share issue costs included in accounts payable and related party payables	-	1,500
Share capital reduced by flow-through share premium	-	126,000
	-	127,500
Non-cash investing activities:		
Deferred exploration expenditures included in accounts payable and related party payables	47,759	744,222

During the nine months ended September 30, 2023 and September 30, 2022, no amounts were paid for interest or income taxes, and there were no non-cash financing activities.

12. Financial risk management

Capital management

The Company is a junior exploration company and considers items included in shareholders' equity as capital. The Company manages its capital structure and adjusts 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 to the Company’s approach to capital management during the nine months ended September 30, 2023. As at September 30, 2023, the Company’s capital structure is comprised of shareholders’ equity of $45,390,577 (December 31, 2022 - $45,546,355).

The Company currently has no source of revenues. In order to fund future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets.

12. Financial risk management (continued)

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, marketable securities, accounts payable and accrued liabilities, and accounts payable to related parties.

The carrying value of accounts payable and accrued liabilities, and accounts payable to related parties approximates their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the condensed interim statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	$	$	$	$
September 30, 2023				
Cash and cash equivalents	1,333,310	-	-	1,333,310
Marketable securities	35,967	-	-	35,967
	1,369,277	**-**	**-**	**1,369,277**
December 31, 2022				
Cash and cash equivalents	2,525,060	-	-	2,525,060
Marketable securities	35,967	-	-	35,967
	2,561,027	-	-	2,561,027

Financial instruments - risk

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, and liquidity risk.

a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents, and receivables. This risk is minimized by holding the funds in a Canadian bank. The Company has minimal receivables exposure as its refundable credits are due from the Canadian government.

b) Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates on cash and cash equivalents. Fluctuations in market rates do not have a significant impact on the Company's operations. For the nine months ended September 30, 2023 every 1% fluctuation in interest rates up or down would have impacted loss during the period, up or down, by approximately $14,000 (2022 – $21,000) before income taxes.

c) Market risk

The Company is exposed to market risk because of the fluctuating values and trading volumes of its publicly traded marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on the September 30, 2023 value of marketable securities every 10% increase or decrease in the share prices of the Company's marketable securities would have impacted loss during the period, up or down, by approximately $4,000 (2022 - $4,000) before income taxes.

d) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

13. Commitments

Exploration Benefits Agreement:

The Company has an Exploration Benefits Agreement with the Little Salmon Carmacks First Nation ("LSCFN"), which establishes a framework between the parties for the ongoing exploration of the Company's Klaza project. Under the Agreement the Company is required to pay LSCFN an annual fee equal to 2% of specified on-site exploration activities on the Klaza project during each calendar year, payable by March 31 of the following year. The fee accruals each period are included in exploration and evaluation expenditures, with an offset to accrued liabilities. As at September 30, 2023, $388 (December 31, 2022 - $53,606) was accrued.

During the nine months ended September 30, 2023, the Company paid its annual fee relating to the 2022 year of $53,606 (2022 - $68,613 was paid relating to the 2021 year).

Flow-through expenditures:

On June 27, 2022, the Company completed a private placement of flow-through shares for gross proceeds of $1,260,000. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2022. As at September 30, 2023 and December 31, 2022, all of the funds had been spent.

A summary of the Company's flow-through premium liability as at September 30, 2023 and December 31, 2022, and changes during the period/year then ended is as follows:

	September 30, 2023 **$**	December 31, 2022 $
Balance, beginning of period/year	-	94,958
Addition	-	126,000
Reduction - pro-rata based on eligible expenditures	-	(220,958)
Balance, end of period/year	**-**	-