Rockhaven Resources Ltd.

Condensed Interim Financial Statements

For the six months ended

June 30, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

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

August 14, 2024

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

(Expressed in Canadian Dollars)

As at June 30, 2024 and December 31, 2023

	Note	**June 30, 2024 $**	December 31, 2023 $
Assets			
Current assets			
Cash and cash equivalents	3	448,245	1,004,667
Receivables and prepayments	4	25,044	38,165
Marketable securities	5	44,267	33,200
		517,556	1,076,032
Non-current assets			
Prepaid exploration expenditures		19,492	58,650
Mineral property interests	6	48,389,585	47,997,312
		48,409,077	48,055,962
Total assets		**48,926,633**	49,131,994
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		7,032	97,950
Accounts payable to related parties	9	22,935	28,569
		29,967	126,519
Non-current liabilities			
Deferred tax liability	10	3,658,685	3,691,052
Total liabilities		**3,688,652**	3,817,571
Shareholders' equity			
Share capital	7	57,559,403	57,559,403
Reserves	7	967,867	966,735
Deficit		(13,289,289)	(13,211,715)
Total shareholders' equity		**45,237,981**	45,314,423
Total liabilities and shareholders' equity		**48,926,633**	49,131,994
Nature of operations	1		
Commitments	13		

Approved on behalf of the Board of Directors on August 14, 2024:

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

Rockhaven Resources Ltd.

Condensed Interim Statements of Changes in Shareholders' Equity

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

For the six months ended June 30, 2024 and June 30, 2023

	Number of shares #	Share capital $	Reserves $	Deficit $	Total shareholders' equity $
January 1, 2023	276,136,470	57,559,403	743,785	(12,756,833)	45,546,355
Share-based payments	-	-	177,627	-	177,627
Loss and comprehensive loss for the period	-	-	-	(266,811)	(266,811)
June 30, 2023	276,136,470	57,559,403	921,412	(13,023,644)	45,457,171
January 1, 2024	276,136,470	57,559,403	966,735	(13,211,715)	45,314,423
Share-based payments	-	-	1,132	-	1,132
Loss and comprehensive loss for the period	-	-	-	(77,574)	(77,574)
June 30, 2024	**276,136,470**	**57,559,403**	**967,867**	**(13,289,289)**	**45,237,981**

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

Rockhaven Resources Ltd.
Condensed Interim Statements of Loss and Comprehensive loss
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)
For the three and six months ended June 30, 2024 and June 30, 2023

		Three months ended		Six months ended	
	Note	**June 30, 2024 $**	June 30, 2023 $	**June 30, 2024 $**	June 30, 2023 $
Expenses					
General and administrative		1,280	436	2,047	672
Insurance		5,743	7,350	11,472	14,897
Investor relations and shareholder information		6,201	19,155	24,907	40,572
Management, administrative and corporate development fees	9	-	-	-	9,121
Management, administrative and corporate development salaries	9	20,748	19,984	45,373	46,684
Office rent	9	7,500	7,500	15,000	15,000
Professional fees	9	12,789	15,065	27,839	47,565
Share-based payments	7,9	-	63,563	1,132	177,627
Transfer agent and filing fees		3,616	5,166	9,786	6,670
Loss from operating expenses		**(57,877)**	(138,219)	**(137,556)**	(358,808)
Interest income		7,188	14,943	16,548	32,045
Unrealized gain (loss) on marketable securities	5	(13,833)	11,066	11,067	11,066
Loss for the period before income taxes		**(64,522)**	(112,210)	**(109,941)**	(315,697)
Deferred tax recovery	10	13,686	16,122	32,367	48,886
Loss and comprehensive loss for the period		**(50,836)**	(96,088)	**(77,574)**	(266,811)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #	8	**276,136,470**	276,136,470	**276,136,470**	276,136,470
- Diluted #	8	**276,136,470**	276,136,470	**276,136,470**	276,136,470
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

(Expressed in Canadian Dollars)

For the six months ended June 30, 2024 and June 30, 2023

	Note	**June 30, 2024 $**	June 30, 2023 $
Operating activities			
Loss for the period		(77,574)	(266,811)
Adjustments for:			
Share-based payments		1,132	177,627
Unrealized gain on marketable securities		(11,067)	(11,066)
Interest income		(16,548)	(32,045)
Deferred tax recovery		(32,367)	(48,886)
Net change in non-cash working capital items	11	(19,100)	(38,125)
		(155,524)	(219,306)
Investing activities			
Interest received		16,548	32,045
Prepaid exploration expenditures		-	(102,611)
Mineral property acquisition costs		(1,446)	-
Deferred exploration and evaluation expenditures		(416,000)	(613,488)
		(400,898)	(684,054)
Change in cash and cash equivalents		**(556,422)**	(903,360)
Cash and cash equivalents, beginning of period		**1,004,667**	2,525,060
Cash and cash equivalents, end of period		**448,245**	1,621,700
Supplemental cash flow information	11		

1. Nature of operations

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 and principal place of business 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").

As at June 30, 2024, Strategic Metals Ltd. ("Strategic") had a 29.6% interest in the Company (December 31, 2023 – 29.6%). The Company and Strategic have certain common directors and a common officer, and the large share position of Strategic in the Company combined with the interests held by associated parties, gives it control of the Company.

The Company's principal business activity is the acquisition, exploration, and evaluation of mineral properties. The Company has been exploring its mineral property interests and has not yet determined whether they 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 or option of the mineral property interests. The carrying amounts of mineral properties are based on costs incurred to date, and do not necessarily represent present or future values.

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 share capital financing to cover its operating expenses and exploration programs. As at June 30, 2024, the Company had working capital of $487,589 (December 31, 2023 – $949,513) and shareholders' equity of $45,237,981 (December 31, 2023 - $45,314,423). 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 remeasure the Company's assets and liabilities on a liquidation basis, and such remeasurements could be material.

2. Material 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, 2023, and do not include all the information required for full annual financial statements in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the IFRS 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.

(b) Material 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, 2024. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited financial statements.

(Expressed in Canadian Dollars)

2. Material accounting policies (continued)

(c) New accounting policies

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 all other updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within these material accounting policies.

3. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	June 30, 2024	December 31, 2023
	$	$
Bank balances	43,661	65,658
Cashable investment certificates	404,584	939,009
	448,245	1,004,667

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	June 30, 2024	December 31, 2023
	$	$
Goods and services tax recoverable	9,620	12,388
Prepaid expenses	15,424	25,777
	25,044	38,165

5. Marketable securities

Marketable securities consist of common shares as follows:

	Cost	**Fair value**	**Loss**
	$	**$**	**$**
January 1, 2023	2,132,934	35,967	
Unrealized gain for the period	-	11,066	11,066
June 30, 2023	2,132,934	47,033	11,066
January 1, 2024	2,132,934	33,200	
Unrealized gain for the period	-	11,067	11,067
June 30, 2024	**2,132,934**	**44,267**	**11,067**

The fair value of marketable securities is based on the bid price of the shares listed on the TSX-V at each period end.

(Expressed in Canadian Dollars)

6. Mineral property interests

The Company's mineral property interests consist of its wholly-owned Klaza project located in the Yukon Territory, Canada. Mineral property interests have been classified as intangible assets.

Changes in the project carrying amounts for the six months ended June 30, 2024 and June 30, 2023, are summarized as follows:

	January 1, 2023	Acquisition and assessments	Exploration and evaluation	June 30, 2023
	$	$	$	$
Klaza	46,925,832	-	551,630	47,477,462

	January 1, 2024	**Acquisition and assessments**	**Exploration and evaluation**	**June 30, 2024**
	$	**$**	**$**	**$**
Klaza	**47,997,312**	**1,446**	**390,827**	**48,389,585**

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

Six months ended June 30,	**2024**	2023
	$	$
Assays and metallurgy	49,716	25,008
Field	3,190	21,342
Labour (note 9)	77,597	184,148
Resource and environmental studies	256,927	319,012
Surveys and consulting	3,397	1,287
Travel and accommodation	-	833
	390,827	551,630

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.

(Expressed in Canadian Dollars)

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 six months ended June 30, 2024:

There were no transactions for the issue of share capital during the six months ended June 30, 2024.

Transactions for the issue of share capital during the six months ended June 30, 2023:

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

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 Company's stock options as at June 30, 2024 and December 31, 2023, and changes during the period/year then ended is as follows:

	Period ended June 30, 2024		Year ended December 31, 2023	
	Options #	Weighted average exercise price $	Options #	Weighted average exercise price $
Options outstanding, beginning of period/year	18,255,000	0.13	17,505,000	0.13
Granted	-	-	750,000	0.10
Options outstanding, end of period/year	**18,255,000**	**0.13**	18,255,000	0.13

As at June 30, 2024, 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	0.62
4,400,000	4,400,000	0.15	August 18, 2026	2.13
500,000	500,000	0.15	March 24, 2027	2.73
8,080,000	8,080,000	0.10	October 20, 2027	3.31
750,000	750,000	0.10	February 13, 2028	3.62
18,255,000	**18,255,000**	**0.13**		**2.36**

(Expressed in Canadian Dollars)

7. Share capital (continued)

Stock options (continued)

During the year ended December 31, 2023, 750,000 stock options were granted to a Director exercisable at $0.10 each until February 13, 2028. Fair value was calculated using the following 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 determined using historical stock price data from the previous five years. Using the above assumptions, the fair value of options granted was $0.047 per option, for a total of $35,253.

The total share-based payment expense for the six months ended June 30, 2024, was $1,132 (2023 - $177,627) which represents stock options vested during the period.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants.

A summary of the Company's warrants as at June 30, 2024 and December 31, 2023, and changes during the period/year then ended is as follows:

	Period ended June 30, 2024		Year ended December 31, 2023	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	27,184,487	0.20	27,184,487	0.20
Warrants outstanding, end of period/year	**27,184,487**	**0.20**	27,184,487	0.20

As at June 30, 2024, 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**	

Reserves

Reserves include 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. Reserves 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, 2023	680,889	62,896	743,785
Options vesting	177,627	-	177,627
June 30, 2023	858,516	62,896	921,412
January 1, 2024	903,839	62,896	966,735
Options vesting	1,132	-	1,132
June 30, 2024	**904,971**	**62,896**	**967,867**

8. Loss per share

The calculation of basic and diluted loss per share for the six months ended June 30, 2024, was based on the loss attributable to common shareholders of $77,574 (2023 – $266,811) and a weighted average number of common shares outstanding of 276,136,470 (2023 – 276,136,470).

All stock 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

The Company's related parties include key management personnel and their management entities. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. There were no loans to key management personnel or their management entities during the six months ended June 30, 2024 and June 30, 2023.

Matthew Turner, the Company's President and CEO, receives a monthly salary and incentive stock options. No other key management personnel 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 participate in the Company's stock option plan.

During the six months ended June 30, 2024, no stock options were granted to a key management personnel or Directors. During the six months ended June 30, 2024, $1,132 was recognized as share-based payment expense relating to the vesting of stock options previously granted to a Director of the Company.

During the six months ended June 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 vested over a one year period ending on February 13, 2024 (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 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.

(d) Matthew Turner is the Company's President and CEO, and a Company Director. 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").

(Expressed in Canadian Dollars)

9. Related party payables and transactions (continued)

The transactions and outstanding balances with key management personnel and their management entities were as follows:

		Transactions six months ended June 30, 2024	Transactions six months ended June 30, 2023	Balances outstanding June 30, 2024	Balances outstanding December 31, 2023
		$	$	$	$
	Archer Cathro				
	- geological services	36,994	152,420	3,673	2,004
	- rent and administration	15,776	16,225	3,047	2,725
		52,770	168,645	6,720	4,729
	Yeadon Law Corp.	10,000	17,700	8,215	12,840
	DBM CPA	16,000	18,200	8,000	11,000
(1)	Matthew Turner	80,000	80,000	-	-
		158,770	284,545	**22,935**	28,569

(1) Includes geological services (within exploration (note 6)) of $43,793 for the six months ended June 30, 2024 (2023 - $42,611).

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 are included in 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 Matthew Turner’s salary related to management, administrative and corporate development services. The remainder of Matthew 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.

(Expressed in Canadian Dollars)

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:

	June 30, 2024	June 30, 2023
	$	$
Loss for the period before income taxes	(109,941)	(315,697)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated tax recovery	29,684	85,237
Change in tax resulting from:		
Unrecognized items for tax purposes	2,683	(36,351)
Net deferred tax recovery	**32,367**	48,886

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

	June 30, 2024	December 31, 2023
	$	$
Mineral property interests	(6,424,757)	(6,424,757)
Unclaimed investment tax credits	538,775	538,775
Non-capital loss carry forwards	2,198,187	2,153,106
Share issue and other costs	29,110	41,824
Net deferred tax liability	**(3,658,685)**	(3,691,052)

As at June 30, 2024, the Company has non-capital loss carry forwards of approximately $8,141,000 (December 31, 2023 - $7,974,000) 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 $6,839,000 thereafter.

As at June 30, 2024, the Company has unused capital losses of approximately $2,274,000 (December 31, 2023 - $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 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 June 30, 2024, the Company has unclaimed resource and other deductions in the amount of approximately $24,594,000 (December 31, 2023 - $24,202,000), which may be deducted against future taxable income.

As at June 30, 2024, the Company has share issue and other capital costs totaling approximately $108,000 (December 31, 2023 - $155,000), which have not been claimed for income tax purposes.

As at June 30, 2024, the Company has unused investment tax credits totaling approximately $738,000 (December 31, 2023 - $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.

(Expressed in Canadian Dollars)

11. Supplemental cash flow information

Changes in non-cash working capital during the six months ended June 30, 2024 and June 30, 2023, were comprised of the following:

	June 30, 2024 $	June 30, 2023 $
Receivables and prepayments	13,121	(8,403)
Accounts payable and accrued liabilities	(24,918)	(18,352)
Accounts payable to related parties	(7,303)	(11,370)
Net change	**(19,100)**	(38,125)

The Company incurred non-cash investing activities during the six months ended June 30, 2024 and June 30, 2023, as follows:

	June 30, 2024 $	June 30, 2023 $
Non-cash investing activities:		
Exploration expenditures included in accounts payable and related party payables	5,213	71,493

During the six months ended June 30, 2024 and June 30, 2023, no amounts were paid for interest or income taxes.

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 six months ended June 30, 2024. As at June 30, 2024, the Company's capital structure is comprised of shareholders' equity of $45,237,981 (December 31, 2023 - $45,314,423).

The Company currently has no source of revenue. In order to fund future exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

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).

(Expressed in Canadian Dollars)

12. Financial risk management (continued)

Financial instruments - fair value (continued)

	Level 1 $	Level 2 $	Level 3 $	Total $
June 30, 2024				
Cash and cash equivalents	448,245	-	-	448,245
Marketable securities	44,267	-	-	44,267
	492,512	**-**	**-**	**492,512**
December 31, 2023				
Cash and cash equivalents	1,004,667	-	-	1,004,667
Marketable securities	33,200	-	-	33,200
	1,037,867	-	-	1,037,867

Financial instruments - risk

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

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk by holding cash and cash equivalents. All of the Company's cash and cash equivalents are held in a Canadian financial institution, and management believes the exposure to credit risk with respect to such institutions is not significant. The Company's maximum exposure to credit risk is equal to the carrying value of these instruments and it is exposed to risk as all of its cash and cash equivalents are concentrated with a single financial institution. The Company's exposure to and management of credit risk has not changed materially from the prior year.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's financial liabilities are all due within the next twelve months. The Company mitigates this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. The Company's exposure to and management of liquidity risk has not changed materially from that of the prior year.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is not exposed to material currency risk, as it does not have assets or liabilities expressed in a foreign currency. The Company's exposure to and management of market risk has not changed materially from that of the prior year.

12. Financial risk management (continued)

Financial instruments – risk (continued)

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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 six months ended June 30, 2024, every 1% fluctuation in interest rates up or down would have impacted loss during the period, up or down, by approximately $4,000 (2023 – $10,000) before income taxes.

e) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company is exposed to other price 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 June 30, 2024 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 (2023 - $5,000) before income taxes.

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 year are included in exploration and evaluation expenditures, with an offset to accrued liabilities. As at June 30, 2024, $540 (December 31, 2023 - $395) was accrued.

During the six months ended June 30, 2024, the Company paid its annual fee relating to the 2023 year of $395 (2023 - $53,606 was paid relating to the 2022 year).