JUBILEE GOLD EXPLORATION LTD.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

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

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management of the Company.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

JUBILEE GOLD EXPLORATION LTD.
Unaudited Condensed Interim Statements of Financial Position
As at September 30, 2023 and December 31, 2022
(Expressed in Canadian dollars)

	September 30, 2023	December 31, 2022
	$	$
Assets		
Current Assets		
Cash	**172,694**	396,610
Accounts receivable	**26,088**	11,357
Prepaid expenses	**15,969**	-
Investments (Note 4)	**5,421,286**	5,424,044
Total Current Assets	**5,636,037**	5,832,011
Non-Current Assets		
Investments (Note 4)	**93,725**	93,725
Property and equipment and right-of-use assets (Note 5)	**167,264**	126,452
Mineral exploration claims (Note 6)	**45,038**	50,407
Total Non-Current Assets	**306,027**	270,584
Total Assets	**5,942,064**	6,102,595
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (Notes 7 and 11)	**184,777**	163,548
Loan payable (Note 11)	**87,500**	127,500
Long-term debt – current portion (Note 8)	**60,000**	60,000
Lease liabilities – current portion (Note 9)	**7,511**	-
Total Current Liabilities	**339,788**	351,048
Non-Current Liabilities		
Lease liabilities (Note 9)	**36,173**	-
Total Liabilities	**375,961**	351,048
Shareholders' Equity		
Share capital (Note 10)	**7,767,494**	7,767,494
Contributed surplus	**4,619,759**	4,619,759
Accumulated deficit	**(6,821,150)**	(6,635,706)
Total Shareholders' Equity	**5,566,103**	5,751,547
Total Liabilities and Shareholders' Equity	**5,942,064**	6,102,595

Nature of operations (Note 1)
Contingencies (Note 12)

APPROVED ON BEHALF OF THE BOARD

/signed/ "W. Becker" — Director

/signed/ "Grant V. Ohman" — Director

JUBILEE GOLD EXPLORATION LTD.

Unaudited Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)
For the Three and Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian dollars)

	Three Months ended September 30,		Nine Months ended September 30,	
	2023	2022	**2023**	2022
	$	**$**	**$**	**$**
Expenses				
Professional fees (Note 11)	**80,939**	18,400	**189,226**	61,691
General exploration	**15,000**	15,001	**45,041**	45,234
General and administration	**6,634**	5,518	**27,751**	19,946
Mining and property taxes	**3,464**	6,795	**17,621**	13,748
Directors and management fees (Note 11)	**10,919**	1,250	**13,420**	3,751
Transfer agent fees	**2,745**	925	**4,827**	5,854
Amortization on property and equipment (Note 5)	**1,447**	1,290	**3,963**	3,910
Amortization on right-of-use assets (Note 5)	**2,300**	-	**3,067**	-
Accretion expense (Note 9)	**1,259**	-	**1,680**	-
Total Expenses	**124,707**	49,179	**306,596**	154,134
Loss Before Other Items	**(124,707)**	(49,179)	**(306,596)**	(154,134)
Other Items				
Investment income	**9,627**	12,040	**38,244**	36,645
Royalties (Note 6)	**-**	-	**91,786**	85,303
Realized (loss) gains on investments (Note 4)	**(1,001)**	57,522	**(1,001)**	(10,822)
Unrealized (loss) gains on investments (Note 4)	**(204,451)**	38,388	**(49,257)**	(861,108)
Other income (Note 6)	**-**	72,000	**47,500**	72,000
Write-down of mineral exploration claims (Note 6)	**(5,969)**	-	**(5,969)**	-
Gain (loss) on foreign exchange	**291**	807	**(151)**	764
Total Other Income (Expenses)	**(201,503)**	180,757	**121,152**	(677,218)
Net Income (Loss) Comprehensive Income (Loss)	**(326,210)**	131,578	**(185,444)**	(831,352)
Net Income (Loss) per share – basic and diluted	**$ (0.04)**	$ 0.02	**$ (0.02)**	$ (0.10)
Weighted average number of common shares outstanding				
- Basic	**7,961,578**	7,961,578	**7,961,578**	7,961,578
- Diluted	**7,961,578**	8,494,165	**7,961,578**	7,951,578

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

JUBILEE GOLD EXPLORATION LTD.
Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
For the Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian dollars)

	Share Capital	Contributed Surplus	Accumulated Deficit	Total
	$	$	$	$
Balance, December 31, 2021	**7,767,494**	**4,619,759**	**(6,407,651)**	**5,979,602**
Net loss and comprehensive loss	-	-	(831,352)	(831,352)
Balance, September 30, 2022	**7,767,494**	**4,619,759**	**(7,239,003)**	**5,148,250**
Balance, December 31, 2022	**7,767,494**	**4,619,759**	**(6,635,706)**	**5,751,547**
Net loss and comprehensive loss	**-**	**-**	(185,444)	(185,444)
Balance, September 30, 2023	**7,767,494**	**4,619,759**	**(6,821,150)**	**5,566,103**

JUBILEE GOLD EXPLORATION LTD.
Unaudited Condensed Interim Statements of Cash Flows
For the Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian dollars)

	2023	2022
	$	$
Operating Activities		
Net loss for the period	**(185,444)**	(831,352)
Items not affecting cash:		
Amortization on property and equipment (Note 5)	**3,963**	3,910
Amortization on right-of-use asset (Note 5)	**3,067**	-
Realized loss on disposals of investments (Note 4)	**1,001**	10,822
Unrealized loss on investments (Note 4)	**49,257**	861,108
Option payments received in shares (Note 6)	**(47,500)**	(72,000)
Write-down of mineral exploration claims (Note 6)	**5,968**	-
Interest on long-term debt	**-**	56
Accretion expense (Note 9)	**1,680**	-
	(168,008)	(27,456)
Change in non-cash working capital items:		
Accounts receivable	**(14,730)**	(2,052)
Prepaid expenses	**(15,969)**	(375)
Accounts payable and accrued liabilities (Note 7)	**21,229**	(19,312)
Net Cash Flows (used in) Operating Activities	**(177,478)**	(49,195)
Financing Activities		
Lease payments (Note 9)	**(4,000)**	**-**
Payment made on loan payable (Note 11)	**(40,000)**	**-**
Net Cash Flows (used in) Financing Activities	**(44,000)**	**-**
Investing Activities		
Proceeds from disposals of investments (Note 4)	**-**	227,903
Additions of property and equipment (Note 5)	**(1,838)**	-
Additions of mineral exploration claims (Note 6)	**(600)**	-
Net Cash Flows from (used in) Investing Activities	**(2,438)**	227,903
(Decrease) increase in cash	**(223,916)**	178,708
Cash, beginning of period	**396,610**	257,447
Cash, end of period	**172,694**	436,155

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

1. Nature of Operations

Jubilee Gold Exploration Ltd. ("Jubilee" or the "Company") is a public company listed on the TSX Venture Exchange ("TSX-V") that was incorporated under the laws of Ontario. The address of the Company's registered office is 696 Warden Avenue, Toronto, Ontario, M1L 4W4, Canada.

The Company's primary business consists of exploring its resource properties to determine whether the properties contain reserves that are economically recoverable. The Company is in the process of exploring its resource properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The Company also holds investments and earns investment income and royalty income.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that any exploration programs will result in profitable mining operations. The recoverability of the carrying value of mineral exploration claims and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material impairment of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and social requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

These unaudited condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, the ability of the Company to obtain necessary financing, and the ability of the Company to identify, evaluate, and negotiate an acquisition of, a participation in or an interest in properties, assets, or businesses. Management believes that it has sufficient investments to meet the Company's liabilities and commitments over the next 12 months as they come due. These unaudited condensed interim financial statements do not reflect any adjustments to amounts that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

2. Basis of Preparation

(a) Statement of Compliance

The unaudited condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting ("IAS 34").

These unaudited condensed interim financial statements were reviewed, approved, and authorized for issuance by the Company's Board of Directors (the "Board") on November 10, 2023.

(b) Basis of Measurement

These unaudited condensed interim financial statements were prepared under the historical cost convention except for investments which are measured at fair value. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. Basis of Preparation (continued)

(c) Functional Currency

These unaudited condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency. The functional currency is the currency of the primary economic environment in which the Company operates.

(d) Significant Accounting Judgments and Estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known. Items for which actual results may differ materially from these estimates are described as follows:

Going concern

At each reporting period, management exercises judgment in assessing the Company's ability to continue as a going concern by reviewing the Company's performance, resources and future obligations.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities on the statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Impairment

Long-lived assets, including property and equipment and mineral exploration claims, are reviewed for indicators of impairment at each reporting period, or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell, and its value in use.

If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

Income taxes

Income taxes and tax exposures recognized in the financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

3. Summary of Significant Accounting Policies

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those noted in the Company's audited financial statements for the year ended December 31, 2022, unless otherwise noted below.

Effective June 1, 2023, the Company adopted the following accounting policy in accordance with IFRS:

(a) Leased Assets

The Company is party to a lease of premise facility which is used for the Company's registered office. The Company assesses service arrangements to determine if an asset is explicitly or implicitly specified in the agreement and if it has the right to control the use of the identified asset.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company then recognizes a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the ROU asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. The Company elected to recognize expenses for leases with a term of 12 months or less on a straight-line basis over the lease term and lease of assets of low value, and not to recognize these short-term leases on the consolidated statements of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate, which was determined to be about 12%. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if there is a change in future lease payments arising from a change in an index or rate, or if the Company changes its assessment whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, the amount of the remeasurement is recognized as a corresponding adjustment to the carrying amount of the ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

(Expressed in Canadian dollars)

4. Investments

As at September 30, 2023 and December 31, 2022, the Company's investments are comprised of the following:

	September 30, 2023	December 31, 2022
	$	$
Long-term Financial Assets		
Equity portfolio investments at FVTPL, based on quoted market values (Costs: $5,969,849; December 31, 2022 – $5,923,350)	**5,421,286**	5,424,044
Non-Financial Assets		
Gold and silver (at cost)	**93,725**	93,725
(Estimated fair value: $349,113; December 31, 2022 – $334,023)		
	5,515,011	5,517,769

During the nine months ended September 30, 2023, the Company recorded an unrealized loss of $49,257 (2022 – unrealized loss of $861,108) on its investments at FVTPL.

During the nine months ended September 30, 2023, the Company did not dispose of any of its investments but recorded a loss of $1,001 upon the expiry of certain investments in warrants. In 2022, the Company recorded a realized loss of $10,822 on disposals of certain investments at FVTPL, for total proceeds of $227,903.

5. Property and Equipment

As at September 30, 2023 and December 31, 2022, the Company's property and equipment and ROU assets are as follows:

	Office Building	**Computer Equipment**	**Right-of-Use Assets**	**Total**
	$	$	$	**$**
Cost				
Balance, December 31, 2022	184,389	-	-	**184,389**
Additions of equipment	-	1,838	-	**1,838**
Additions for right-of-use assets	-	-	46,004	**46,004**
Balance, September 30, 2023	**184,389**	**1,838**	**46,004**	**232,231**
Accumulated Amortization				
Balance, December 31, 2022	57,937	**-**	**-**	**57,937**
Amortization	3,756	207	3,067	**7,030**
Balance, September 30, 2023	**61,693**	**207**	**3,067**	**64,967**
Net Book Value				
December 31, 2022	126,452	**-**	**-**	**126,452**
September 30, 2023	**122,696**	**1,631**	**42,937**	**167,264**

(Expressed in Canadian dollars)

6. Mineral Exploration Claims

A summary of the Company's mining claims and royalty interests as at and for the nine months ended September 30, 2023 is as follows:

	December 31, 2022	**Net Additions**	**Dispositions/ Impairments**	**September 30, 2023**
	$	**$**	**$**	**$**
Staked Claims				
Brackin, Stover, ON	9,660	-	-	9,660
Geary, ON	5,845	600	(5,845)	600
Harker Township, ON	342	-	-	342
Holloway, Tannahill, ON	685	-	-	685
Munro, ON	621	-	(124)	497
Todd, ON	4,512	-	-	4,512
	21,665	**600**	**(5,969)**	**16,296**
Patented Claims				
Brackin-Leeson, ON	8,141	-	-	8,141
Harker, ON	15,000	-	-	15,000
McVittie, ON	1	-	-	1
	23,142	**-**	**-**	**23,142**
Leases				
Elliott Lake, ON	312	-	-	312
Elmhirst, ON	1	-	-	1
Geary, ON	1,200	-	-	1,200
Harker, ON	3,470	-	-	3,470
Hislop, ON	600	-	-	600
Holloway, ON	2	-	-	2
Irwin, Pifher, ON	1	-	-	1
	5,586	**-**	**-**	**5,586**
Royalties				
Baird-Farlie, ON	1	-	-	1
Bourlamaque, PQ	1	-	-	1
Munro-Croesus	1	-	-	1
Casummit Lake, ON	1	-	-	1
Coleman, ON	1	-	-	1
Duprat, PQ	1	-	-	1
German-Stock, ON	1	-	-	1
Guillet Township, PQ	1	-	-	1
Heyson-Baird, ON	1	-	-	1
McElroy, ON	1	-	-	1
McGarry, ON	2	-	-	2
North Palladium 20% Net Profits, PQ	1	-	-	1
Pagwachuan Lake, ON	1	-	-	1
	14	**-**	**-**	**14**
Total Mineral Exploration Claims	**50,407**	**600**	**(5,969)**	**45,038**

6. Mineral Exploration Claims (continued)

(a) Net Smelter Return Royalties Receivable

Elmhirst Property

The Elmhirst Property, a four-claim lease in the Beardmore-Geraldton area of north-central Ontario, was optioned by the Company to Laurion Mineral Exploration Inc. ("Laurion") pursuant to an option agreement (the "Elmhirst Option Agreement") dated August 30, 2011. Laurion had the right to earn a 60% interest in the property by making aggregate cash payments of $52,000, issuing 290,000 common shares of Laurion and incurring $500,000 in exploration expenditures over a five-year period. The Company received a cash payment of $10,000 in May 2018.

The Elmhirst Option Agreement was amended in 2018 and provided Laurion with the right to earn an additional 40% interest in the Jubilee leases by issuing a further 160,000 common shares of Laurion in 2018, making additional cash payments of $50,000, and incurring an additional $333,333 in exploration expenditures and granting a 2% Net Smelter Return ("NSR") Royalty to the Company. Laurion has the right to purchase 1% of the retained NSR for $1,000,000. The final option payment was made by Laurion in 2019 to exercise and acquire 100% of the right on the Elmhirst Property, and Jubilee was granted a 2% NSR on the property.

Brenbar Gold Property

On December 30, 2019, Jubilee and Laurion entered into another option agreement (the "Brenbar Option Agreement"), for the acquisition of the Brenbar Gold Property which is also located in the Beardmore-Geraldton area, immediately adjoining the west side of Laurion's flagship area properties. Pursuant to the Brenbar Option Agreement, Laurion was required to make a cash payment of $50,000 and issue 300,000 shares to the Company upon execution of the agreement, in order to acquire (i) the option to earn up to a 100% undivided working interest in the project; and (ii) the sole, exclusive, irrevocable, and immediate right to enter upon and conduct mining operation in and on the project for a period of five years from closing of the agreement.

In order to maintain the right to operate and exercise the option, Laurion was required to make additional cash payments totaling $115,000, and issue an aggregate of 460,000 additional shares, and incur an additional $300,000 in exploration expenditures within a three-year period from the execution of the Brenbar Option Agreement. Upon vesting, Jubilee would retain a 3% NSR on gold production and a 1.5% NSR on base metal production, with Laurion having the right to purchase 1% of the royalties for $1 million.

In 2020, the Company received (i) total cash payments of $115,000, including a payment of $50,000 due on execution, and (ii) 460,000 Laurion common shares, including 300,000 shares due on execution, valued at $80,800 based on the share price of the Laurion shares on the date of receipt. The consideration received had been recorded as other income on the statements of loss. In 2020, the Company also recognized other income of $20,000, on the 100,000 shares issuable by Laurion on the 12-month anniversary of the Brenbar Option Agreement.

In 2021, the Company received the 100,000 common shares from Laurion valued at $72,000 based on the closing share price of the Laurion shares on the date of receipt, issuable on the 24-month anniversary of the Brenbar Option Agreement

In 2022, the Company received an additional 100,000 Laurion common shares valued at $52,000 based on the closing share price of the Laurion shares on the date of receipt, and a cash payment of $25,000, issuable on the 36-month anniversary of the Brenbar Option Agreement.

During the nine months ended September 30, 2023, the Company received an additional 100,000 Laurion common shares valued at $47,500 based on the closing share price of the Laurion shares on the date of receipt. These shares were issued as the annual exploration expenditures target pursuant to the Brenbar Option Agreement has not been incurred by Laurion in 2022.

6. Mineral Exploration Claims (continued)

(a) Net Smelter Return Royalties Receivable (continued)

Violet and Beaver Properties, Coleman Township

On May 10, 2011, the Company entered into an option agreement with Grupo Moje Limited ("Grupo"), whereby Jubilee granted Grupo the exclusive right and option to acquire a 100% undivided interest in the Violet and Beaver Properties. The Company holds a 3% NSR of which each 1% of the NSR can be purchased from the Company for $1,500,000. The Violet and Beaver Properties are currently owned by Canada Silver Cobalt Works Inc.

Baird-Farlie Township Property

The Baird-Farlie Township Property (Humlin and Red Ruth Properties) located in the Red Lake District of Ontario ("Red Lake"), is currently owned by Evolution Mining. The Company is entitled to a sliding scale NSR based on the price of gold with a 4% NSR if the price of gold per troy ounce exceeds USD $800.

Casummit Lake Property (Springpole)

In 2010, the Company entered into a milestone claims royalty agreement with Gold Canyon Resources Inc. ("Gold Canyon") to sell and transfer the recorded title of certain Casummit claims to Gold Canyon for cash and share consideration. The Company holds a 3% NSR of which Gold Canyon can purchase 1% NSR for $1,000,000. Gold Canyon shall pay the Company an annual advanced royalty of $70,000, which will be adjusted by the Consumer Price Index ("CPI") published by Statistics Canada each year, payable within 90 days of each fiscal year-end of Gold Canyon. Gold Canyon will also issue 100,000 common shares to the Company upon each of the first to fifth anniversary of the TSX-V approval of the agreement. In 2015, Jubilee received the final issuance of 100,000 common shares of Gold Canyon.

On July 12, 2010, the Company entered into a royalty agreement with Gold Canyon and the Company retains a 3% NSR on a second Casummit claim group. Gold Canyon has the right to re-acquire a 1% NSR upon payment of an aggregate of $500,000. No royalties have been received with respect to this arrangement. First Mining Gold Corp. acquired Gold Canyon in November 2015.

On April 6, 2023, the Company received an advanced royalties payment of $91,786 (2022 – $85,303) on the Casummit Lake Property from Gold Canyon.

German-Stock Property (Clavos Project)

In 1996, the Company purchased a royalty interest in some mining properties from a company under common management, Clavos Porcupine Mines Limited, for an exchange amount of $100,000. The Company is entitled to receive future royalty payments as follows:

(i) A payment of $200,000 in cash upon commencement of commercial production.
(ii) A royalty based upon a sliding scale NSR based on gold price and subject to changes in the CPI.
(iii) The agreement also provides for a royalty payment in the event that an active exploration program is not commenced within 12 months of the gold price exceeding USD $650 per ounce for more than 90 consecutive days.

To date, commercial production has not commenced on this project and no royalties are currently recoverable.

Guillet Township Property (formerly the Belletere Mine)

The Company holds a 2% NSR on two mining concessions located in the Township of Guillet, Quebec of which one-half of the NSR can be purchased for $500,000.

6. Mineral Exploration Claims (continued)

(a) Net Smelter Return Royalties Receivable (continued)

Duprat Township Property

The Company holds a 7.5% interest in the net proceeds of commercial exploitation from 10 mining claims, and a 2% NSR on 51 additional claims, both located in Duprat Township, in the Noranda Mining Camp, Quebec.

McGarry Royalty

The Company holds a royalty interest in certain mining claims currently held by Orecap Invest Corp (“Orecap”) (previously Orefinders Resources Inc.) in the McGarry Township within the Larder Lake Mining Division of Ontario (“Larder Lake”). The Company is entitled to royalties determined at the greater of:

(i) An NSR royalty based on the price per troy ounce as follows:
- 2% when less than USD $500
- 3% when greater than USD $500 and less than US$800
- 4% when greater than USD $800; or

(ii) $1.00 per short ton of ore derived from the properties; and

(iii) An advance royalty payment of $21,573 payable quarterly, adjusted to the CPI.

Mirado and Derlak Properties

The Company holds a 3% NSR in the Mirado project located in Larder Lake. Orecap is the owner of the Mirado property. At any time prior to the start of commercial production from the property the owner has the right to purchase 1% of the retained NSR for $1,000,000. A second 1% can be purchased for $2,000,000, and the final 1% for an additional $3,000,000.

The Company also holds a 3% NSR in the Derlak project located in Red Lake. The holder has the right to purchase 1% of the retained NSR at any time for $1,000,000.

Pagwachuan Lake Property

The Company holds a 3% NSR in this project located in the Pagwachuan Lake Area in Ontario. Argonaut Gold Inc. has the right to purchase 1% of the retained NSR at any time for $1,000,000.

Munro Property (Croesus-Munro)

On October 30, 2020, the Company entered into an agreement of purchase and sale (the “Munro Sale Agreement”) to sell the Croesus-Munro Property in Larder Lake to Epica Gold Inc. (“Epica Gold”), a wholly owned subsidiary of HighGold Mining Inc. (“HighGold”). Under the terms of the Munro Sale Agreement, Epica Gold was required to pay total consideration to the Company comprised of a cash payment of $25,000, and the issuance of 275,000 shares of HighGold for various mineral claims including patented properties, and other claims, leases and rights.

Pursuant to an NSR Royalty Agreement entered in conjunction to the Munro Sale Agreement, the Company also granted Epica Gold the option to purchase half of the Company’s retained royalty with respect to the concerned properties for $2,000,000.

In 2020, the Company recognized total other income of $478,750 on the sale, including an amount of $453,750 recorded on the 275,000 shares issuable by HighGold. The shares were valued based on the share price of HighGold on the execution date of the Munro Sale Agreement.

In 2021, the Company received the 275,000 common shares from HighGold.

(Expressed in Canadian dollars)

6. Mineral Exploration Claims (continued)

(b) Net Smelter Return Royalties Payable

Elliott Lake Property (Ghost Lake)

The Company has a 2.5% NSR obligation on net proceeds of production to Ty Randa on the Elliott Township Property in Larder Lake.

Harker Township Property (Golden Harker)

The Company has a 2% NSR obligation to Goldcorp Inc. on three mineral claims within the Golden Harker Property in Larder Lake.

Munro Property (Croesus-Munro)

The Company has a 2% NSR obligation to Canadian Johns Mansville on eight leased claims in the north part of the Munro Township.

7. Accounts Payable and Accrued Liabilities

Accounts payable of the Company are principally comprised of amounts outstanding for trade purchases relating to regular business activities and amounts payable for financing activities.

Accounts payable and accrued liabilities as at September 30, 2023 are due within one year.

8. Long-Term Debt

On September 17, 2020, the Company received $40,000 in revolving credit (the "CEBA Loan") from the Government of Canada under the Canada Emergency Business Account (CEBA) COVID-19 Economic Response Plan. The funding is granted in the form of an interest-free loan of which up to $40,000 may be drawn. On January 1, 2021, any balance remaining on the CEBA Loan automatically converted to a non-revolving term loan with a maturity date of December 31, 2023. In 2021, the Company received an additional loan in the amount of $20,000 under the CEBA Loan expansion program.

Effective January 1, 2024, any outstanding balance on the term loan shall bear interest at a rate of 5% per annum. If 75% of the outstanding balance of the CEBA Loan is repaid on or before December 31, 2023, the remaining 25% of the balance shall be forgiven. The CEBA Loan must be repaid in full by no later than December 31, 2025.

9. Lease Liabilities

Effective June 1, 2023, the Company entered into a lease agreement for its business location for a term of five years, ending May 2028. The movements and carrying amounts of the Company's ROU assets under lease as per disclosed in Note 5, are summarized as follows:

	$
Lease liabilities, January 1, 2023	**-**
Additions of lease	**46,004**
Lease payments	**(4,000)**
Accretion on lease liabilities	**1,680**
Lease liabilities, September 30, 2023	**43,684**

	$
Current	**7,511**
Non-current	**36,173**
	43,684

(Expressed in Canadian dollars)

9. Lease Liabilities (continued)

Future minimum lease payments as at September 30, 2023 are as follows:

	Total	**Within 1 year**	**1 to 3 years**	**3 to 5 years**
	$	**$**	**$**	**$**
Lease payments	**56,000**	12,000	36,000	8,000
	56,000	**12,000**	**36,000**	**8,000**

10. Share Capital and Stock Options

Share capital

As at September 30, 2023, the authorized share capital of the Company consists of an unlimited number of Class A common shares. Each shareholder has the right to vote on their number of shares at a shareholders' meeting. The Class A common shares do not have a par value. All issued shares are fully paid.

The Company's share issued and outstanding as at September 30, 2023 and December 31, 2022 are as follows:

	September 30, 2023	December 31, 2022
	$	$
Issued: 7,961,578 Class A common shares	**7,767,494**	7,767,494

There were no share capital transactions during the nine months ended September 30, 2023 and 2022.

Stock options

The Company is authorized to issue stock options to employees, officers and consultants. The options' maximum term is ten years, and they vest immediately.

On March 19, 2023, 675,000 options previously granted at an exercise price of $0.15 per share, expired unexercised.

There were no other stock option activities during the nine months ended September 30, 2023 and 2022.

11. Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

Related party loan

On April 6, 2016, the Company entered into a loan agreement with the Company's Chief Executive Officer ("CEO"), Jeffrey Becker, who was also a director and controlling shareholder of Jubilee, providing for the terms and conditions pursuant to which the CEO loaned the Company a principal amount of $300,000 (the "Loan") by evidence of a promissory note. The Loan has a term of five years and is payable on demand after one year. The Loan bears interest at the rate of 1% per annum payable yearly on the date of each annual anniversary. The Loan is convertible at the option of the holder into Class A common shares of the Company at any time until the date of expiry of the loan term. The terms and conditions of the Loan provide that accrued interest can also be paid through the issuance of Class A common shares.

The conversion rate will be determined based on a price per Class A common share that is not less than the market price of the Class A common shares at the time of the conversion of the loan or at the time the accrued interest is payable, all subject to TSX-V acceptance. If at the time of conversion, the Company is no longer a publicly traded reporting issuer; the conversion price shall be $0.10 for any amount of principal or accrued interest to be converted. The estimated fair value of the conversion option at the time of issue and as at September 30, 2023 was $nil.

11. Related Party Transactions (continued)

Related party loan (continued)

Effective August 7, 2023, Jeffrey Becker stepped down as CEO of Jubilee (referred to as the "Former CEO" through the rest of the financial statements).

During the nine months ended September 30, 2023, the Company made a partial principal repayment of $40,000 (2022 – $nil) on the Loan to the Former CEO. As at September 30, 2023, the loan payable balance was $87,500 (December 31, 2022 – $127,500). Accrued interest on the Loan of $9,989 (December 31, 2022 – $9,333) was included in accounts payable and accrued liabilities.

Director fees

During the nine months ended September 30, 2023, remuneration of $3,500 (2022 – $3,750) had been recorded for services provided by certain directors to the Company.

Management fees

Effective January 1, 2019, the amount previously accrued as management fees to an entity controlled by the Former CEO, was invoiced by the entity, and the management remuneration had been amended and reduced to $1 per annum. During the nine months ended September 30, 2023, no payment was made on the accrued management fees owed to the entity controlled by the then CEO (2022 – $nil). As at September 30, 2023, total management fees of $126,754 (December 31, 2022 – $126,754) was outstanding to the entity controlled by the Former CEO and was included in accounts payable and accrued liabilities. This balance is unsecured, non-interest bearing and due on demand.

Effective August 21, 2023, Jubilee appointed its interim CEO ("Interim CEO") for an annual salary of $90,000 for services to be provided to the Company. During the nine months ended September 30, 2023, the Interim CEO charged fees of $9,919 which are included in directors and management fees. As at September 30, 2023, an amount of $8,599 (December 31, 2022 – $nil) owing to the Interim CEO was included in accounts payable and accrued liabilities. This balance is unsecured, non-interest bearing and due on demand.

Other related party transactions

During the nine months ended September 30, 2023, Branson Corporate Services Ltd. ("Branson"), where the Chief Financial Officer ("CFO") of the Company is employed, charged fees of $40,250 (2022 – $33,750), for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees. As at September 30, 2023, no balance was owed to Branson (December 31, 2022 – $nil).

12. Contingent Liabilities

Pursuant to an agreement dated May 1, 1941, the Company agreed to issue a $50,000 contingent income note payable to an optionee, with non-cumulative interest bearing at 5% per annum, depending on net earnings, amongst other criteria. Net earnings were defined as gross proceeds from the sale of products derived from mining operations conducted upon the Irwin, Pifher Property (the "Irwin Property"), after deducting all expenses of every kind incurred in operating the Irwin Property.

As at September 30, 2023, neither exploration activity nor production has commenced on the Irwin Property and there is uncertainty as to the timing of any payment related to this contingent income note payable. In the event that the Company sells the Irwin Property, the income note becomes null and void. As a result, no provision has been made in these financial statements.

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made and expects to make expenditures in the future to comply with such laws and regulations.

13. Risk Management

The Board of the Company has the overall responsibility for the establishment and oversight of its risk management framework. Risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits, and are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's financial instruments consist primarily of cash, investments, accounts payable and accrued liabilities, loan payable, long-term debt and lease liabilities. The Company is exposed to various risks as it relates to these financial instruments. There have been no changes in risks, objectives, policies and procedures during the current reporting period. The following analysis provides a measure of the risks:

Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is subject to concentrations of credit risk through its cash holding and investments. Cash is held with a reputable Canadian chartered bank, and investments are held with a reputable financial institution, which are both closely monitored by management. The maximum credit risk is equivalent to the carrying value of the Company's cash and investments balances.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company.

The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its needs. The Company forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through cash management, dispositions of assets and accessing financing through loans.

As at September 30, 2023, the Company had cash of $172,694 (December 31, 2022 – $396,610) to settle current liabilities of $339,788 (December 31, 2022 – $351,048). All of the Company's accounts payable generally have contractual maturities of less than 30 days and are subject to normal trade terms. As the Company has the ability to liquidate its investments portfolio, management believes that it has sufficient cash flow to meet its obligations for the next 12 months.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The methods and assumptions management use when accessing market risks are summarized below:

<u>Foreign currency risk</u>

The Company's functional currency is the Canadian dollar. The Company maintains a portion of its cash and investments in United States dollars ("USD"), and it does not engage in any hedging activities to reduce its foreign currency risk. As at September 30, 2023, the Company had cash held in USD accounts totaling USD $15,476 (December 31, 2022 – USD $11,348). A change in rates of plus or minus 1% would have a nominal effect on comprehensive loss for the nine months ended September 30, 2023. As at September 30, 2023, the Company held investments denominated in USD with a fair value totaling USD $169,357 (December 31, 2022 – USD $236,725).

(Expressed in Canadian dollars)

13. Risk Management (continued)

Market risk (continued)

Commodity price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. The loss due to price risk on production is remote at this time since the Company is not a producing entity. There are certain investments in companies that may be producing entities who may be sensitive to fluctuations in commodity prices.

Equity price risk

The Company is exposed to equity price risk associated with changes in the market value of its investments. The Company closely monitors equity prices to determine the appropriate course of action to be taken. The Company's equity investments are concentrated in the resource sector. A 10% change in the quoted market of these investments would result in a change of approximately $542,000 to the Company's net income for the nine months ended September 30, 2023.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. The Company's financial instruments consist of cash, investments, accounts payable and accrued liabilities, loan payable, long-term debt and lease liabilities.

The fair value of cash, accounts payable and accrued liabilities and loan payable are approximately equal to their carrying value due to their short-term nature. The fair values of the lease liabilities approximate their carrying amounts as they were measured taking into consideration comparable instruments with similar risks in determining the rates at which to discount their amount in applying their respective measurement models. Investments in financial assets are carried at their fair value when there is an active market.

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that includes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities, and the lowest priority to unobservable inputs.

The three levels of the fair value hierarchy are described below:

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

Investments – equity portfolio	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
December 31, 2022	5,424,044	-	-	5,424,044
September 30, 2023	5,421,286	-	-	5,421,286

As at September 30, 2023 and December 31, 2022, the Company's financial instruments carried at fair value consisted of its investments in publicly-traded equities, which have been classified as Level 1 per Note 4. The fair value disclosure for investments in non-financial assets had also been classified as Level 1. There were no transfers between Levels 2 and 3 for recurring fair value measurements during the nine months ended September 30, 2023 and the year ended December 31, 2022.

14. Capital Management

The Company's objectives when managing capital are:

(i) To safeguard its ability to continue as a going concern;
(ii) Continue the development and exploration of its mineral properties; and
(iii) Maintain a capital structure, which optimizes the cost of capital at acceptable risk.

For capital management purposes, the Company defines capital as its shareholders' equity that includes share capital, contributed surplus, and deficit. Funds are secured through equity capital. There can be no assurance that the Company will be able to obtain sufficient capital in the case of operating cash deficits. There has been no change with respect to the overall capital risk management strategy since the Company's most recent financial reporting period.

The Company is not subject to any externally imposed capital imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 12 months.

As at September 30, 2023, management believes that the Company was compliant with TSX-V Policy 2.5.