Gold Mountain Mining Corp.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED APRIL 30, 2024 AND 2023

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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(Unaudited - Expressed in Canadian Dollars)

	Notes		April 30, 2024		January 31, 2024
Assets					
Current assets					
Cash		$	**125,291**	$	71,380
Trade and other receivables	4		**438,903**		193,760
Inventory	5		**163,746**		146,580
Prepaid expenses and deposits	6		**69,879**		83,030
			797,819		494,750
Non-current assets					
Investment in SCR	12		**111,836**		111,836
Prepaid expenses and deposits	6		**5,500**		5,500
Property and equipment	7		**48,315,593**		48,351,549
Reclamation deposits	8		**1,384,873**		1,384,873
Total Assets		$	**50,615,621**	$	50,348,508
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	9,14,17	$	**5,296,832**	$	10,956,844
Short-term loans			**107,429**		85,314
Current portion of lease payable	10		**157,192**		157,192
Promissory note	11,14		**-**		1,012,500
Current portion of related party loan	17		**3,234,619**		-
Current portion of derivative liability	12		**747,303**		378,687
Other provision	13		**256,000**		256,000
			9,799,375		12,846,537
Non-current liabilities					
Related party loan	17		**3,177,425**		
Lease payable	10		**96,187**		127,745
Derivative liability	12		**2,486,385**		2,714,769
Reclamation provision	13		**3,037,786**		3,013,990
Total Liabilities			**18,597,158**		18,703,041
Shareholders' Equity					
Share capital	9,11,14		**62,987,516**		54,787,263
Warrants reserve	14		**-**		3,591,727
Contributed surplus	14		**9,209,007**		5,617,093
Accumulated deficit			**(40,178,060)**		(32,350,616)
Total Shareholders' Equity			**32,018,463**		31,645,467
Total Liabilities and Shareholders' Equity		$	**50,615,621**	$	50,348,508

Nature of operations and going concern – Note 1
Commitments – Note 21
Subsequent events – Note 22

Approved on behalf of the Board:

Signed *"Hugh Behroozy"*, Director Signed *"David Tafel"*, Director

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

(Unaudited - Expressed in Canadian Dollars)

	Notes	Three Months Ended April 30, 2024	2023
Revenue	15	**$ 888,548**	$ 4,168,376
Cost of sales	16	**(3,306,027)**	(2,576,000)
Gross income (loss)		**(2,417,479)**	1,592,376
Other operating expenses			
Management, director and consulting fees	17	**957,964**	190,633
General and administration		**63,765**	46,471
Investor relations		**9,192**	31,781
Marketing		**-**	38,500
Professional fees		**92,934**	150,518
Regulatory and transfer agent fees		**21,758**	26,798
Share-based payments	14	**187**	19,536
Travel		**-**	1,202
Total other operating expenses		**(1,145,800)**	(505,439)
Income (loss) from operations		**(3,563,279)**	1,086,937
Other items			
Finance income		**625**	14,672
Finance and accretion expense	10,11,13,17	**(383,489)**	(141,000)
Loss from revaluation of derivative liability	12	**(140,232)**	-
Loss from settlement of debts	9,14	**(3,741,069)**	-
Total other items		**(4,264,165)**	(126,328)
Income (loss) and comprehensive income (loss)		**$ (7,827,444)**	$ 960,609
Income (loss) per share - basic		**$ (0.04)**	$ 0.01
Income (loss) per share - diluted		**$ (0.04)**	$ 0.01
Weighted average number of common shares outstanding			
- basic		**214,552,452**	88,025,795
- diluted		**214,552,452**	80,969,035

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

(Unaudited - Expressed in Canadian Dollars)

	Note	Number of shares		Share capital		Warrants reserve		Contributed surplus		Accumulated deficit		Total
Balance at January 31, 2023		87,999,671	$	54,745,984	$	6,319,393	$	3,001,665	$	(26,427,643)	$	37,639,399
Shares issued for PSUs		75,000		9,182		-		(9,182)		-		-
Share-based payment		-		-		-		46,643		-		46,643
Expired warrants		-		-		(144,692)		144,692		-		-
Net loss for the period		-		-		-		-		960,609		960,609
Balance at April 30, 2023		**88,074,671**	**$**	**54,755,166**	**$**	**6,174,701**	**$**	**3,183,818**	**$**	**(25,467,034)**	**$**	**38,646,651**
Balance at January 31, 2024		**88,137,171**	**$**	**54,787,263**	**$**	**3,591,727**	**$**	**5,617,093**	**$**	**(32,350,616)**	**$**	**31,645,467**
Shares issued from settlement of debts	14	**498,809,225**		**7,482,139**		**-**		**-**		**-**		**7,482,139**
Shares issued in public offering	14	**100,000,000**		**750,000**		**-**		**-**		**-**		**750,000**
Share issuance costs	14	**-**		**(31,886)**		**-**		**-**		**-**		**(31,886)**
Share-based payment reversal	14	**-**		**-**		**-**		**187**		**-**		**187**
Expired warrants	14	**-**		**-**		**(3,591,727)**		**3,591,727**		**-**		**-**
Net loss for the period		**-**		**-**		**-**		**-**		**(7,827,444)**		**(7,827,444)**
Balance at April 30, 2024		**686,946,396**	**$**	**62,987,516**	**$**	**-**	**$**	**9,209,007**	**$**	**(40,178,060)**	**$**	**32,018,463**

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

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended April 30, 2024	2023
Operating activities		
Net income (loss)	**$ (7,827,444)**	$ 960,609
Adjustments for non-cash items:		
Depletion and amortization	**164,845**	174,869
Share-based payments	**187**	43,910
Finance and accretion expense	**318,644**	139,118
Loss on revaluation of derivative liability	**140,232**	-
Loss from settlement of debts	**3,741,069**	-
Changes in non-cash working capital items:		
Trade and other receivables	**(245,143)**	1,215,744
Prepaid expenses and deposits	**13,151**	(54,128)
Inventory	**(17,166)**	(233,168)
Accounts payable and accrued liabilities	**4,334,316**	(862,903)
Net cash flows provided by operating activities	**622,691**	1,384,051
Investing activities		
Exploration and evaluation expenditures	**(10,062)**	(27,708)
Mineral property expenditures	**(1,224,420)**	(1,378,712)
Purchase of building and equipment	**(30,000)**	(182,245)
Net cash flows used in investing activities	**(1,264,482)**	(1,588,665)
Financing activities		
Lease payments	**(39,298)**	(87,544)
Shares issued for cash	**750,000**	-
Transaction costs on share issuances	**(15,000)**	-
Net cash flows provided by (used in) financing activities	**695,702**	(87,544)
Net increase (decrease) in cash	**53,911**	(292,158)
Cash, beginning	**71,380**	3,203,419
Cash, ending	**$ 125,291**	$ 2,911,261
Other information		
Interest paid - cash	**$ -**	$ 1,882
Taxes paid - cash	**-**	-

Supplemental cash flow information – Note 18

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

NOTE 1 - NATURE OF OPERATIONS AND GOING CONCERN

Nature of Operations

Gold Mountain Mining Corp. (the "Company" or “Gold Mountain”) was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on November 5, 2018. The registered head office and principal address of the Company is 1285 West Pender Street, Suite 1000, Vancouver, British Columbia, Canada, V6E 4B1. The Company’s common shares trade on the Toronto Stock Exchange under the symbol “GMTN”, on the Frankfurt Stock Exchange under the ticker “5XFA” and on the OTCQB Venture Market under the stock symbol “GMTNF”.

The Company owns and operates the Elk Gold Mine (“Elk Mine”) located in British Columbia, Canada, which began revenue generating mining operations during the year ended January 31, 2023. The Company considers itself to operate in a single segment, being the production of crushed ore, containing both gold and silver, mineral exploration and development of precious metal resources. The Company’s principal product is crushed ore produced from the Elk Mine. The Company’s assets and liabilities are all within Canada.

Going Concern

These condensed interim consolidated financial statements have been prepared by management on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for at least twelve months from April 30, 2024. There are conditions and events which constitute material uncertainties that may cast significant doubt on the validity of this assumption.

As of April 30, 2024, the Company had a working capital deficit of $9,001,556 (January 31, 2024 – working capital deficit of $12,351,787). For the three months ended April 30 2024, the Company incurred a net loss of $7,827,444 (three months ended April 30, 2023 – net income of $960,609), generated cash from operating and financing activities of $1,318,393, and used cash of $1,264,482 in investing activities (three months ended April 30, 2023 – generated cash from operating activities of $1,384,051, used cash of $1,676,209 from investing and financing activities).

On April 12, 2024, the Company closed transactions with two secured creditors and a number of other unsecured creditors for the settlement and postponement of certain secured and unsecured debts (the “Debt Settlements”). In addition, the Company also closed a non-brokered private placement raising gross proceeds of $750,000 (the “Private Placement”) (Note 14).

The secured creditors are Nhwelmen Construction LP (“Nhwelmen”) which settled $1,250,000 in debt and Hedge Minerals Corp. (“Hedge”) which settled all of its debt, being $1,241,669. Nhwelmen and Hedge agreed to accept common shares of the Company at an issuance price of $0.0075 per share, which pricing was at a discount to market price (166,666,667 common shares issued to Nhwelmen and 165,555,891 common shares issued to Hedge). The fair value of the shares issued to Nhwelmen and Hedge is $4,983,338. The Company recognized a loss of $2,491,669 from settlement of the secured debts (Notes 9, 14 and 17).

The remaining amount of the Nhwelmen secured debt was agreed to be repaid in equal cash payments over 24 months commencing in April 2024 and bearing an interest rate of 18% per annum (Note 9).

The Company closed the debt settlement agreements with certain unsecured vendors who provide critical services to the Company for the conversion of an aggregate of $1,249,400 of unsecured debt for settlement of such debts by issuing 166,586,667common shares of the Company at $0.0075 per share, which pricing was at a discount to market price. The fair value of these shares is $2,498,800. The Company recognized a loss of $1,249,400 from settlement of the unsecured debts (Notes 9 and 14).

Further, the Company closed on the Private Placement issuing 100,000,000 common shares in the capital of the Company at $0.0075 per share for gross proceeds to the Company of $750,000, which represents 14.56% of the Company’s issued and outstanding common shares following the issuance of common shares with respect to the Debt Settlements.

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN - *continued*

Subsequent to April 30, 2024, Nhwelmen has agreed to accept 50,000,000 common shares in payment of $1.5 million of the remaining secured debt owed to Nhwelmen at an issuance price of $0.03 per share, and a convertible secured debenture (the "Convertible Debenture") that will be issued in the amount of $5 million. The Convertible Debenture will be convertible at Nhwelmen's option into 62,500,000 common shares at a conversion price of $0.08 per share. The Convertible Debenture will mature four years from the date of issuance and will accrue interest at the rate of 12.0% per annum, calculated monthly and payable in cash in arrears on each anniversary date from the date of issuance. The Convertible Debentures may be prepaid in whole or in part, at the option of the Company. The Convertible Debenture will be secured by a second-priority security interest over all of the Company's assets, including its current and after-acquired property and remains subject to the approval of the Toronto Stock Exchange (Note 22).

The Company continued to experience operational challenges throughout the quarter which ultimately resulted in less than anticipated production from the Elk Gold Project. Delays were largely due to one-off matters including drill and blasting operational issues, financial challenges resulting in not paying site contractors, and turnover in site leadership.

With the continued operational challenges, the Company's mandate over the next twelve (12) months is to continue to refine its drill and blast techniques, ore extraction, and transition into a steady state of production. The Company is continuing to improve the accuracy of grade forecasting, generate a greater understanding of the ore body through improved data collection/analysis, drilling and blasting designs, and sampling techniques. The Company is also evaluating approaches to mine with greater efficiency and more selectively with geological and operations personnel working together to optimize vein exposure and reduce excess dilution and mine loss. With continued challenges on ore extraction and financial constraints to pay contractors on site, the Company decided to reduce production in Q3 and Q4 2024, in order to focus on how best to extract the ore, rather than continue to deliver subpar grades to its ore purchase partner. Going forward, the Company expects the grades to improve with incremental improvements in the accuracy of grade forecasting and increased consistency and efficiencies in mining operations to reduce dilution and improve production rates. This will be supported by continued analysis of the historic geological data, continued refinement of drill and blast techniques and better controls on ore extraction.

The Company is actively engaged in plans to settle the remaining debt owed to vendors and creditors. Payment arrangements are ongoing to address the outstanding obligations. The Company will continue to work diligently with its stakeholders and vendors to restructure and manage the settlement of its payables and its short-term and long-term debt.

While the Company has been successful in raising funds in the past, there can be no assurance that it will be able to do so in the future. These consolidated financial statements do not give effect to adjustments to the carrying values and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

NOTE 2 - BASIS OF PRESENTATION

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), as applicable to interim financial reports including International Accounting Standard 34, *Interim Financial Reporting*. Therefore, these condensed interim consolidated financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended January 31, 2024, which have been prepared in accordance with IFRS.

The accounting policies and basis of presentation applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended January 31, 2024.

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors of the Company on June 14, 2024.

(Unaudited - Expressed in Canadian Dollars)

NOTE 3 – MATERIAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make accounting policy judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical accounting policy judgements and estimates applied in the preparation of the Company's unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in Note 3 of the Company's audited annual consolidated financial statements for the year ended January 31, 2024.

NOTE 4 - TRADE AND OTHER RECEIVABLES

As of:		April 30, 2024		January 31, 2024
Trade receivables	$	**203,398**	$	76,773
GST receivables		**233,505**		114,987
Other receivables		**2,000**		2,000
	$	**438,903**	$	193,760

NOTE 5 - INVENTORY

The Company had $163,746 of crushed ore inventory as of April 30, 2024 (January 31, 2024 - $146,580). The crushed ore inventory was delivered to New Gold's New Afton Mine in May 2024.

NOTE 6 - PREPAID EXPENSES AND DEPOSITS

As at		April 30, 2024		January 31, 2024
Current:				
Prepaid investor relations	$	**27,768**	$	12,592
Prepaid insurance and other prepaids		**35,664**		47,134
Prepaid cost of sales		**6,447**		23,304
	$	**69,879**	$	83,030
Non-current:				
Other deposits		**5,500**		5,500
	$	**5,500**	$	5,500

(Unaudited - Expressed in Canadian Dollars)

NOTE 7 - PROPERTY AND EQUIPMENT

	Exploration and evaluation	Mineral property	Building and equipment	Total
Balance as at January 31, 2023	**$ 9,232,612**	**$ 27,409,614**	**$ 1,427,650**	**$ 38,069,876**
Additions	33,210	9,507,289	914,741	10,455,240
Depletion and amortization	-	(233,589)	(490,273)	(723,862)
Exploration tax credits	-	(158,010)	-	(158,010)
Change in estimate in reclamation provision	-	708,305	-	708,305
Balance as at January 31, 2024	**$ 9,265,822**	**$ 37,233,609**	**$ 1,852,118**	**$ 48,351,549**
As at January 31, 2024				
Cost	$ 9,265,822	$ 37,724,554	$ 2,717,841	$ 49,708,217
Accumulated amortization and depletion	-	(490,945)	(865,723)	(1,356,668)
Net book value	**$ 9,265,822**	**$ 37,233,609**	**$ 1,852,118**	**$ 48,351,549**
Balance as at January 31, 2024	**$ 9,265,822**	**$ 37,233,609**	**$ 1,852,118**	**$ 48,351,549**
Additions	-	128,889	-	128,889
Depletion and amortization	-	(30,231)	(134,614)	(164,845)
Balance as at April 30, 2024	**$ 9,265,822**	**$ 37,332,267**	**$ 1,717,504**	**$ 48,315,593**
As at April 30, 2024				
Cost	$ 9,265,822	$ 37,853,443	$ 2,717,841	$ 49,837,106
Accumulated amortization and depletion	-	(521,176)	(1,000,337)	(1,521,513)
Net book value	**$ 9,265,822**	**$ 37,332,267**	**$ 1,717,504**	**$ 48,315,593**

During the three months ended April 30, 2024, the Company capitalized $50,655 of stripping costs to mineral property. The Company claims BC Mineral Exploration Tax Credits ("BCMETC") for eligible expenditures incurred on its properties. The BCMETC is subject to adjustments due to reassessments. The balances and changes in tax credit receivable as of April 30, 2024 and January 31, 2024 are as follows:

As of:	**April 30, 2024**	January 31, 2024
Balance, beginning	**$ -**	$ 737,165
Adjustments	-	(183,598)
Collected	-	(895,175)
Claimed	-	341,608
	$ -	$ -

(Unaudited - Expressed in Canadian Dollars)

NOTE 7 - PROPERTY AND EQUIPMENT - *continued*

The following table summarizes the cumulative costs capitalized as exploration and evaluation assets as of April 30, 2024 and January 31, 2024 by their nature. Exploration and evaluation asset balances as of April 30, 2024 and January 31, 2024 relates to ongoing exploration programs outside of the mine development zone.

		Three Months Ended April 30, 2024		Year Ended January 31, 2024
Balance, beginning	**$**	**9,265,822**	$	9,232,612
Expenditures during the period:				
Assaying		**-**		1,815
Camp operations		**-**		208
Geological		**-**		6,063
Maintenance		**-**		31,500
Share-based payments reversal		**-**		(6,376)
Balance, ending	**$**	**9,265,822**	$	9,265,822

Elk Mine Acquisition and Royalties

The Company acquired the Elk Mine for total consideration of $10,000,000 from Equinox Gold Corp. (“Equinox”) for a $1,000,000 cash deposit and a $9,000,000 interest-free promissory note (the “Promissory Note”). Equinox assigned its interest in the loan to Sandbox Royalties Corp. (“Sandbox”) in May 2022. The Promissory Note was secured by Gold Mountain’s interest in the Elk Mine. Pursuant to the terms on the Promissory Note, the Company made payments of $3,000,000 in May 2021, 2022, and 2023.

Production from the Elk Mine is subject to a 2% net smelter return (“NSR”) royalty held by Star Royalties Ltd. A further 1% NSR royalty is payable to Don Agur on production from the Agur Option block, which is outside any of the currently identified mineralized zones.

In May 2023, the Company entered into a royalty purchase agreement with Silver Crown Royalties Inc. (“SCR”) for a percentage of the Company’s aggregate gross proceeds of silver (see Note 12 for details).

Impairment Analysis

Management of the Company concluded that impairment indicators existed at April 30, 2024, as the Company’s market capitalization fell below the carrying value of net assets in addition to the operational performance during the period. Accordingly, the Company estimated the recoverable amount of the cash generating unit (“CGU”) and compared it to the carrying value of the CGU. The recoverable amount of the CGU was based on a fair value less cost of disposal method using a discounted cash flow model. Upon completion of the Company’s impairment assessment, it was determined that the Elk Mine CGU was not impaired.

(Unaudited - Expressed in Canadian Dollars)

NOTE 7 - PROPERTY AND EQUIPMENT - *continued*

Key assumptions in impairment assessment and sensitivity analysis

The projected cash flows used in impairment testing are significantly impacted by changes in assumptions, including: a) gold price, b) production volumes, c) operating costs and capital expenditures, d) gold grades and e) the real discount rate of 9%. The Company's impairment testing of property and equipment and near-mine exploration and evaluation assets incorporates the following key assumptions:

a. Gold price
Forecast gold prices are based on analyst consensus estimates as follows:

Calendar year	2024	2025	2026	2027	2028+
Gold (US$ per Oz)	1,939	1,910	1,843	1,813	1,724

b. Production volumes
Estimated production volumes and timing are based on life-of-mine plans and internal management forecasts and consider the long-term development plans and expectations for the mine based on the preliminary economic assessment.

Production volumes are dependent on several variables, including the amount of recoverable resources, production and other cost estimates, future capital expenditures and exploration potential.

c. Operating costs and capital expenditures
Operating costs and capital expenditures are based on the most recent preliminary economic assessment, adjusted as needed for current operating results and costs. Operating cost and capital expenditure assumptions are continuously subjected to review.

d. Gold grades
Projected gold grades are based on the technical report published in January 2022.

The Company performed a sensitivity analysis of key assumptions as follows:

- a 40% decrease in gold grades would not result in an impairment
- a 10% decrease in the short and long-term gold price would not result in an impairment
- a 10% decrease in gold recoveries would not result in an impairment
- a 10% increase in operating costs and capital expenditures would not result in an impairment
- a 5% increase in the real after-tax discount rate would not result in an impairment

Management's estimates of the production volume and gold grade are prepared by or under the supervision of and verified by Qualified Persons as defined in National Instrument 43-101 of the Canadian Securities Administrators (management's experts).

(Unaudited - Expressed in Canadian Dollars)

NOTE 8 - RECLAMATION DEPOSITS

The Company has posted bonds and investment certificates to provide for certain potential reclamation liabilities as agreed with the British Columbia – Ministry of Energy, Mines and Low Carbon Innovation.

		April 30, 2024		January 31, 2024
Balance, beginning	**$**	**1,384,873**	$	1,290,761
Increase		**-**		94,112
Balance, ending	**$**	**1,384,873**	$	1,384,873

On November 29, 2023, the Company received notification of default from the ministry that it is to increase the reclamation bond by $2,040,800, bringing the bond to a total of $9,486,700. The Company's permit consultant estimates there is sufficient bonding in place at present to cover reclamation requirements and the Company is currently working with the ministry and stakeholders on amending the mine permit.

NOTE 9 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As of:		**April 30, 2024**		January 31, 2024
Accounts payable	**$**	**3,935,632**	$	10,538,951
Amounts due to related parties (Note 17)		**1,088,121**		285,170
Accrued liabilities		**273,079**		132,723
	$	**5,296,832**	$	10,956,844

Certain vendors had repayment demands and on April 12, 2024, the Company settled various debts with vendors for an aggregate amount of $2,499,400 by issuing 333,253,334 common shares of the Company with a fair value of $4,998,800. The transaction resulted in a loss of $2,499,400 from settlement of debts during the three months ended April 30, 2024 (Note 14). The remaining amount of the secured debt owe to Nhwelmen of $6,354,851 was reclassified as related party loan and will be repaid in equal cash payments over 24 months commencing in April 2024 and including interest at a rate of 18% per annum (Note 17).

Subsequent to April 30, 2024, Nhwelmen has agreed to accept 50,000,000 common shares in payment of $1.5 million of the remaining secured debt owed, and a $5.0 million convertible debenture, subject to the approval of the Toronto Stock Exchange. The Company is also finalizing agreements with unsecured vendors who provide critical services for the conversion of up to $1,700,660 of unsecured debt into common shares. These debts will be settled by issuing shares at a price of $0.03 per share, which is below the current market price (Note 22).

NOTE 10 - LEASES PAYABLE

		April 30, 2024		January 31, 2024
Balance, beginning	**$**	**284,937**	$	72,815
Additions		**-**		496,972
Principal payments		**(39,298)**		(319,288)
Financing costs		**7,740**		34,438
Balance, ending		**253,379**		284,937
Current portion of lease payable		**(157,192)**		(157,192)
Non-current portion of lease payable	**$**	**96,187**	$	127,745

(Unaudited - Expressed in Canadian Dollars)

NOTE 11 - PROMISSORY NOTES

The promissory note as of April 30, 2024 and January 31, 2024 are as follows:

		April 30, 2024		January 31, 2024
Balance, beginning	**$**	**1,012,500**	$	2,861,160
Addition		**-**		1,000,000
Repayment		**(1,241,669)**		(3,000,000)
Interest		**229,169**		151,340
Balance, ending	**$**	**-**	$	1,012,500

On May 16, 2019, the Company entered into a secured promissory note agreement with Equinox (subsequently assigned to Sandbox) in the amount of $9,000,000 with respect to the purchase of 100% of the common shares of Elk Mining, which is the corporate entity that owns the Elk Mine. The Promissory Note was non-interest bearing and was a direct first ranking secured obligation of the Company in priority to all current and future debt and other liabilities of the Company and in priority to all equity securities of the Company of any nature whatsoever.

Pursuant to the terms of the Promissory Note, the Company made payments of $3,000,000 in May 2021, 2022, and 2023. On May 16, 2023, the Company made its final $3,000,000 property payment to Sandbox discharging all obligations owed relating to the Company's purchase of the Elk Mine.

On September 13, 2023, Bayshore Minerals Incorporated ("Bayshore"), the Company's wholly owned subsidiary, entered into a secured promissory note agreement ("Hedge Promissory Note") with Hedge in the amount of $1,000,000. The Hedge Promissory Note bears an annual interest of 15% which is payable on the first day of each month in arrears. The interest is payable monthly and principal is due on September 13, 2025. In the event of default, the outstanding amount is due and payable immediately. The Hedge Promissory Note is a direct first ranking obligation of Bayshore in priority to all current and future debt and other liabilities of Bayshore and in priority to all equity securities of Bayshore of any nature whatsoever. If Bayshore defaults on the payment of the promissory note, Hedge may take possession of the Elk Mining's common shares.

As of April 30, 2024, the carrying value of the Hedge Promissory Note was $Nil (January 31, 2024 - $1,012,500). During the three months ended April 30, 2024, the Company recorded interest of $229,169 on the Hedge Promissory Note (three months ended April 30, 2023 - $Nil).

In January 2024, the Company defaulted on the monthly interest payment. As such, the full amount has been classified as a current liability at year end. On March 8, 2024, the Company received notice of default from Hedge after failing to make its payment obligations outlined under the Hedge Promissory Note. On April 12, 2024, the Hedge loan principal including interest of $1,241,669 was settled by issuance of 165,555,891 common shares with a fair value of $2,483,333. The transaction resulted in a loss of $1,241,669 from settlement of debt during the three months ended April 30, 2024 (Note 14).

(Unaudited - Expressed in Canadian Dollars)

NOTE 12 - DERIVATIVE LIABILITY

In May 2023, the Company entered into a royalty purchase agreement with Silver Crown Royalties Inc. ("SCR"), whereby SCR will receive 90% of the aggregate gross proceeds of silver sold from the Company's Elk Mine. SCR is a private company. A summary of the key terms and conditions follows.

The Company received cash of $2,500,000 and 250,000 units of SCR, with each unit consisting of one common share in the capital of SCR and one-half of one SCR share purchase warrant exercisable to acquire one additional SCR common share for a period of 24 months from the date of issuance thereof at an exercise price of $0.40 (collectively, the "Non-cash consideration").

Additionally, pursuant to the terms of the royalty purchase agreement, SCR may be required to pay the Company up to eight bonus payments of $500,000 each, for a maximum possible bonus payment totaling $4,000,000, upon the Company achieving certain production milestones ("Production Bonuses"). The Production Bonuses are payable in cash while SCR is a private company and in the event SCR becomes a public company, SCR will have the option to pay the Production Bonuses in cash or SCR common shares. Gold Mountain received the first Production Bonus payment of $500,000 on July 24, 2023.

The Production Bonuses are payable on the Company achieving each of the production milestones set forth below measured on a trailing annualized basis for six consecutive calendar months (an "Annualized Basis"), including those months of production prior to the date of the Royalty Agreement:

- Sale of 6,666 contained ounces of silver on an Annualized Basis(met and paid on July 24, 2023);
- Sale of 8,888 contained ounces of silver on an Annualized Basis; (not met)
- Sale of 11,110 contained ounces of silver on an Annualized Basis;
- Sale of 13,332 contained ounces of silver on an Annualized Basis;
- Sale of 15,554 contained ounces of silver on an Annualized Basis;
- Sale of 17,776 contained ounces of silver on an Annualized Basis;
- Sale of 19,998 contained ounces of silver on an Annualized Basis; and
- Sale of 22,220 contained ounces of silver on an Annualized Basis.

The Company is also entitled to certain bonus payments in the event Gold Mountain files an updated technical report which discloses aggregate measured, indicated, and inferred silver ounces contained at the Elk Mine in excess of 2,210,000 ounces, based on the lesser of (i) $1.00; and (ii) 20% of the then average silver price, in respect of each ounce of silver contained at the Elk Mine disclosed in the updated technical report in excess of 2,210,000 ounces.

The Company retains the right to repurchase 50% of the silver royalty at any time by making a payment in the amount of the purchase price and any bonuses paid to the Company at the time of this election.

Management concluded that the royalty purchase agreement is a derivative financial liability in its entirety since it is repayable in refined silver. The Company pays SCR in cash to purchase the refined silver in the open market, as the Company does not produce refined silver. The derivative liability is measured at FVTPL and measured at fair value using Level 3 of the fair value hierarchy. The Company therefore must remeasure the derivative to fair value at each reporting date. The valuation is based on the discounted cash flows by reference to the mine plan and forecasted silver prices over the life of the mine with the following significant assumptions:

Long term silver price per ounce	US$	22.71
USD-CAD exchange rate		1.32:1

The significant estimation uncertainty exists as there are no comparable marketable instruments available. The change in long term silver price per ounce by +/- 5% may lead to change in value of the derivative liability by +/- $8,500.

(Unaudited - Expressed in Canadian Dollars)

NOTE 12 – DERIVATIVE LIABILITY - *continued*

The derivative liability continuity as of April 30, 2024 and January 31, 2024 are as follows:

			April 30, 2024		January 31, 2024
Balance, beginning		$	**3,093,456**	$	-
Cash proceeds received, including $500,000 bonus			-		3,000,000
Non-cash consideration received	(i)		-		50,000
Royalty payment			-		(72,082)
Loss on revaluation of derivative liability			**140,232**		115,538
Balance, ending			**3,233,688**		3,093,456
Current portion of derivative liability			**747,303**		378,687
Non-current portion of derivative liability		$	**2,486,385**	$	2,714,769

(i) The Company classified the non-cash consideration as investment in SCR at fair value through profit or loss ("FVTPL") in the condensed interim consolidated statements of financial position. The non-cash consideration received was valued at $50,000 at inception and at $111,836 as of April 30, 2024, and January 31, 2024. During the three months ended April 30, 2024, the Company recorded no change in fair value of investment. The valuation of equity instruments held for trading is determined by reference to unobservable inputs and measured at fair value using Level 3 the fair value hierarchy.

NOTE 13 - RECLAMATION AND OTHER PROVISIONS

Reclamation Provision

The reclamation provision continuity as of April 30, 2024 and January 31, 2024 and 2023 are as follows:

As of:		April 30, 2024		January 31, 2024
Balance, beginning	$	**3,013,990**	$	2,230,989
Change in estimate		-		708,305
Accretion		**23,796**		74,696
	$	**3,037,786**	$	3,013,990

The reclamation provision represents the present value of estimated costs for required future reclamation and restoration activities. These activities include removal of site structures and infrastructure, recontouring and revegetation of previously mined areas and the management of water and water quality in and around the site. Most of the reclamation and site restoration expenditures are expected to occur near the end of, or after, the life of mine in the year 2032.

As of April 30, 2024, the reclamation provision was calculated using a discount rate of 3.27% and an inflation rate of 2.00%. The reclamation provision increased by $23,796 due to accretion.

NOTE 13 – RECLAMATION AND OTHER PROVISIONS - *continued*

Other Provision

During the year ended January 31, 2023, the Company received an order from the Ministry of Energy, Mines and Low Carbon Innovation ("EMLI") to relocate waste rock stored at the Elk Mine's east waste rock storage facility ("EWRSF"). On January 22, 2024, the Company received a notice of default from the EMLI, which continued to require the relocation of the EWRSF by March 15, 2024. In response to the orders, the Company plans to include the permanent storage of material from the EWRSF in its permit amendment application. The order remains standing and no further extensions have been provided. The Company anticipates the permit amendment process will continue through the year ended January 31, 2025. The Company did not achieve full compliance with the order by the specified deadline of March 15, 2024. However, this non-compliance is not currently impacting the Company's ability to operate the mine. An administrative penalty could be administered by EMLI as a result of the order.

The estimated costs to mitigate or complete the work ranges from $100,000 to $1.6 million. In the $100,000 scenario presented, assumes that the Company does not relocate the waste rock pile but is able to resolve the issue via the permit amendment, resulting in the lowest cash outflow. Management applied a probability weighted average methodology to estimate the provision by considering the likelihood of each outcome. The critical judgments made in estimating the provision that create a high degree of estimation uncertainty are (i) estimated costs to mitigate/fulfill the order, and (ii) weighting assigned to each possible outcome.

Based on this assessment, as of April 30, 2024 and January 31, 2024, the Company accrued a provision of $256,000 associated with estimated costs to be incurred as a result of this issue. The provision will be reviewed at each reporting period as more information becomes available.

NOTE 14 - SHARE CAPITAL

Authorized and Issued Share Capital

As of April 30, 2024 and January 31, 2024, the Company had 686,946,396 and 88,137,171 issued and fully paid common shares outstanding, respectively. The authorized share capital consists of an unlimited number of common shares and preferred shares issuable without par value.

April 12, 2024, the Company settled various debts with vendors for an aggregate amount of $2,499,400 by issuing 333,253,334 common shares of the Company with a fair value of $4,998,800. The transaction resulted in a loss of $2,499,400 from settlement of debts during the three months ended April 30, 2024 (Note 9).

On April 12, 2024, the Hedge Promissory Note of $1,241,669 was settled by issuance of 165,555,891 common shares with a fair value of $2,483,333. The transaction resulted in a loss of $1,241,669 from settlement of debt during the three months ended April 30, 2024 (Note 11).

On April 12, 2024, the Company also closed a non-brokered private placement by issuing 100,000,000 common shares at a price of $0.0075 per share for gross proceeds of $750,000.

The Company recorded share issuance costs of $31,886 in connection with the April 12, 2024 private placement and settlement of debt.

During the three months ended April 30, 2024, Nil vested Performance Share Units ("PSUs") were converted to common shares.

(Unaudited - Expressed in Canadian Dollars)

NOTE 14 – SHARE CAPITAL - *continued*

Authorized and Issued Share Capital – *continued*

Subsequent to April 30, 2024, Nhwelmen has agreed to accept 50,000,000 common shares in payment of $1.5 million of the remaining secured debt owed, and a $5.0 million convertible debenture, subject to the approval of the Toronto Stock Exchange. The Convertible Debenture is convertible at Nhwelmen's option into 62,500,000 common shares at a conversion price of $0.08 per share. The Company is also finalizing agreements with unsecured vendors who provide critical services for the conversion of up to $1,700,660 of unsecured debt into common shares. These debts will be settled by issuing shares at a price of $0.03 per share, which is below the current market price. (Note 22).

Warrants

The changes in warrants during the three months ended April 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance as at January 31, 2024	11,102,142	1.82
Expired	(11,102,142)	2.34
Balance as at April 30, 2024	**-**	**-**

Stock option

The changes in stock options during the three months ended April 30, 2024 is as follows:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance as at January 31, 2024	3,337,891	0.76
Expired	(40,000)	0.12
Balance as at April 30, 2024	**3,297,891**	**0.77**

Stock options outstanding and exercisable as of April 30, 2024 is as follows:

Number of Stock Options			
Outstanding	**Exercisable**	**Exercise Price ($)**	**Expiry Date**
200,000	200,000	2.00	October 15, 2024
1,060,000	1,060,000	0.25	February 1, 2025
314,141	314,141	0.25	July 30, 2025
863,750	863,750	0.90	January 14, 2026
185,000	185,000	1.20	April 9, 2026
650,000	650,000	1.25	April 30, 2027
25,000	18,750	0.09	September 18, 2028
3,297,891	**3,291,641**		

The weighted average contractual life remaining on the stock options is 1.57 years as of April 30, 2024.

(Unaudited - Expressed in Canadian Dollars)

NOTE 14 – SHARE CAPITAL - *continued*

Restricted Share Units (“RSU”) and Performance Share Units (“PSU”)

The continuity of RSUs and PSUs for the three months ended April 30, 2024 is as follows:

	Number of RSUs	Number of PSUs
Balance as at April 30, 2024 and January 31, 2024	**150,250**	**16,625**

Share-Based Compensation

On January 14, 2021, the Company adopted a new equity incentive compensation plan (“New Plan”) which provides for the granting of options which equal a maximum of 10% of the Company’s issued and outstanding common shares at any given time. The New Plan also provides for the issuance of up to 4,800,000 fixed share awards which include Deferred Share Units (“DSU”), RSUs and PSUs.

During the three months ended April 30, 2024, the Company granted Nil stock options (three months ended April 30, 2023 – 110,000). The fair value of options granted was determined using the Black-Scholes option pricing model with the following weighted average assumptions:

	Three Months Ended April 30,	
	2024	2023
Exercise price	**$ -**	$0.20
Risk-free interest rate	**- %**	2.83%
Expected life	**N/A**	5 years
Estimated volatility	**- %**	87.03%
Dividend rate	**N/A**	N/A
Fair value per option	**$0.00**	$0.13

Share based payments for vested stock options are as follows:

	Three Months Ended April 30,	
	2024	2023
Share-based payment expense	**$ 187**	$ 23,111
Cost of sales	**-**	8,557
Exploration and evaluation asset	**-**	1,333
	$ 187	$ 33,001

The Company intends to settle RSUs and PSUs in equity and each may be granted to directors, consultants, officers and employees of the Company. Share-based payment amounts for RSUs are recognized based on the share price of the Company’s common shares on the grant date multiplied by the number of RSUs expected to vest and recognized ratably over the vesting period, with a corresponding credit to the contributed surplus. Share-based payment amounts for PSUs are determined by calculating the fair value of the PSUs using the Black-Scholes option pricing model and recognized ratably over the vesting period, with a corresponding credit to the contributed surplus. Adjustments to the number of RSUs and PSUs expected to vest are recognized in the current period.

(Unaudited - Expressed in Canadian Dollars)

NOTE 14 – SHARE CAPITAL - *continued*

Share-Based Compensation - *continued*

Share based payments for vested RSUs and PSUs are as follows:

	Three Months Ended April 30,	
	2024	2023
Share-based payment expense (reversal)	**$ -**	$ (3,575)
Cost of sales	**-**	15,817
Exploration and evaluation asset	**-**	1,400
	$ -	$ 13,642

NOTE 15 - REVENUE

	Three Months Ended April 30,	
	2024	2023
Revenue from sale of ore	**$ 888,548**	$ 4,105,050
Revenue from crushing	**-**	63,326
	$ 888,548	$ 4,168,376

The Company's primary source of revenue is the sale of crushed ore from its Elk Mine. The Company has a contract with one customer for its crushed ore. Pursuant to the terms of this agreement, final settlement pricing of ore delivered will be determined based on the monthly average of the published gold price in the fourth month after delivery of ore. Gold Mountain records revenue based on the expected gold price receivable four months following delivery and adjustments are made as actual results are known. All the Company's sales are considered to occur in one demographic market, Canada.

NOTE 16 - COST OF SALES

	Three Months Ended April 30,	
	2024	2023
Site operating costs	**$ 3,157,786**	$ 2,381,028
Depletion and amortization	**148,241**	170,598
Share-based payments	**-**	24,374
	$ 3,306,027	$ 2,576,000

(Unaudited - Expressed in Canadian Dollars)

NOTE 16 – COST OF SALES - *continued*

The following table summarizes the site operating costs for the three months ended April 30, 2024 and 2023:

	Three Months Ended April 30,	
	2024	2023
Royalties	**$ 10,448**	$ 69,500
Contractors	**2,623,800**	3,622,557
Site administration	**469,044**	579,963
Fuel	**122,315**	293,883
	3,225,607	4,565,903
Changes to inventory	**(17,166)**	(233,168)
Capitalized stripping costs	**(50,655)**	(1,951,707)
Total site operating costs	**$ 3,157,786**	$ 2,381,028

NOTE 17 - RELATED PARTY TRANSACTIONS

The Company has identified CEO (Mr. Ronald Woo), CFO (Mr. Calvin Cheung), and the Company's former and directors as its key management personnel. The Company also identified Nhwelmen Construction LP as a related company being a shareholder of the Company with significant influence. All related party transactions were incurred in the normal course of operations and are recorded at the amount agreed upon by the related parties.

During the three months ended April 30, 2024 and 2023, the following amounts were incurred for key management personnel of the Company:

	Three Months Ended April 30,	
	2024	2023
Management, director and consulting fees	**$ -**	$ 294,599
Share-based payments (adjustment)	**-**	31,911
	$ -	$ 326,510

During the three months ended April 30, 2024 and 2023, there were no RSUs or PSUs converted into common shares of the Company for key management personnel.

The following amounts due to related parties are unpaid director fees, management fees and expense reimbursements included in trade payables and accrued liabilities (Note 9). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

As at:	**April 30, 2024**	January 31, 2024
CEO (formerly VP - Permitting and President)	**$ 79,817**	$ 66,696
Directors	**53,250**	44,025
Former CEO and President	**-**	54,444
Former COO	**91,815**	91,952
Former directors	**12,261**	12,261
Former CFOs	**15,792**	15,792
Related company	**835,186**	-
	$ 1,088,121	$ 285,170

(Unaudited - Expressed in Canadian Dollars)

NOTE 17 – RELATED PARTY TRANSACTIONS - *continued*

On April 12, 2024, the Company settled $1,250,000 secured debt with Nhwelmen by issuing 166,666,667 common shares with a fair value of $2,500,000. The remaining amount of the secured debt owe to Nhwelmen of $6,354,851 was reclassified as related party loan and will be repaid in equal cash payments over 24 months commencing in April 2024 and including interest at a rate of 18% per annum. During the three months ended April 30, 2024, the Company recorded interest on the related party loan of $57,193 (three months ended April 30, 2023 - $Nil). As of April 30, 2024, the related party loan balance owing to Nhwelmen was $6,412,044 (January 31, 2024 - $Nil) (Notes 14 and 17).

Subsequent to April 30, 2024, Nhwelmen has agreed to accept 50,000,000 common shares in payment of $1.5 million of the remaining secured debt owed, and a $5.0 million convertible debenture, subject to the approval of the Toronto Stock Exchange. The Convertible Debenture is convertible at Nhwelmen's option into 62,500,000 common shares at a conversion price of $0.08 per share (Note 22).

NOTE 18 - SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash transactions that occurred during the three months ended April 30, 2024 and 2023 are as follows:

	Three Months Ended April 30,	
	2024	2023
Non-Cash Transactions:		
Vested PSUs and RSUs	**$ -**	$ 9,182
Reclamation provision	**-**	36,343
Fair value of leased assets	**-**	468,651
Share issuance costs in accounts payable and accrued liabilities	**16,886**	-
Loan payable reclass from accounts payabl and accrued liabilities	**6,354,851**	-
Short term loan proceeds paid directly to third party vendors	**21,370**	-
Exploration and evaluation expenditures in accounts payable and accrued liabilities	**(10,062)**	10,064
Mineral property expenditures in accounts payable and accrued liabilities	**(1,095,531)**	1,223,843
Building and equipment expenditures in accounts payable and accrued liabilities	**(30,000)**	-
Share-based payment capitalized to exploration and evaluation asset	**-**	2,733
Depletion and amortization capitalized to inventory	**-**	16,900

NOTE 19 - CAPITAL MANAGEMENT

The Company defines its capital as both debt and shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration, development and operation of mineral properties.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to sustain future development of the business. As such, the Company expects to rely on cash flows from operations at its Elk Mine and the equity/debt markets to fund its activities.

In order to carry out planned exploration, development and operational activities and pay for administrative costs, the Company will need to generate sufficient cash flows from the Elk Mine and/or will need to raise additional funds. The Company will also continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in management's approach to capital management during the three months ended April 30, 2024.

(Unaudited - Expressed in Canadian Dollars)

NOTE 20 - FINANCIAL INSTRUMENTS

The carrying values of cash, trade and other receivables (excluding GST/HST receivables), tax credit receivable, accounts payable and accrued liabilities and short-term loans approximate their fair value due to the relatively short-term nature of the instruments and are measured and reported at amortized cost. During the three months ended, April 30, 2024, a portion of the accounts payable and accrued liabilities were settled through the issuance of common shares at a discounted price (Notes 9, 11, 14 and 17). As a result of these settlements, the remaining balance of accounts payable and accrued liabilities after the debt settlement is $11,651,683. The related party loan is measured and reported at amortized cost using the effective interest rate method. Lease liabilities are measured and reported at amortized cost using the incremental borrowing rate. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumption could significantly affect the estimates.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and trade receivables. The majority of cash is deposited in bank accounts at a major bank in Canada. As most of the Company's cash is held by one major bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company also has a credit risk related to its trade receivables as all of them are owed by one customer. To date, all outstanding trade receivable amounts have not been collected in full.

Liquidity risk

The Company's principal source of funding has been the issuance of common shares for cash and the sale of crushed ore from its Elk Mine. The Company's access to financing is always uncertain. There can be no assurance of continued access to the necessary levels of funding.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations, its ability to raise equity capital or borrow debt and its holdings of cash.

The following table sets forth details of the payment profile of financial liabilities based on their undiscounted cash flows (Note 1):

	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
Accounts payable and accrued liabilities	$ 5,296,832	$ 5,296,832	$ 5,296,832	$ -	$ -
Short-term loans	107,429	107,429	107,429	-	-
Lease payable	253,379	439,082	157,192	281,890	-
Derivative liability	3,233,688	14,119,957	747,303	6,099,645	7,273,009
Related party loan	6,412,044	8,642,597	4,378,492	4,264,105	-
Total	**$ 15,303,372**	**$ 28,605,897**	**$ 10,687,248**	**$ 10,645,640**	**$ 7,273,009**

NOTE 20 – FINANCIAL INSTRUMENTS - *continued*

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and price risk and are disclosed as follows:

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's loans payable are interest bearing debt at a fixed rate and therefore not subject to significant interest rate risk. The Company is not exposed to significant interest rate risks.

Foreign exchange risk
The Company and its subsidiaries' functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As sale of ore is tied to gold and silver prices, and foreign exchange rate and royalty payments are based on proceeds from sale of ore the Company is exposed to fluctuating foreign exchange rates between US and Canadian dollars.

Price risk
The Company sells ore containing gold and silver at world market prices. The market prices of gold and to a lesser extent silver will be a primary driver of the Company's profitability and ability to generate both operating and free cash flow. The Company is an unhedged gold producer and gold and silver sales are subject to market prices. The Company has not entered into any hedge positions during the three months ended April 30, 2024.

A 10% change in prevailing gold prices as at April 30, 2024, with all other variables held constant, would have the following impact on earnings:

	Three Months Ended April 30, 2024	
Change in net income (loss)	**$**	**88,855**

NOTE 21 - COMMITMENTS

On January 26, 2021, the Company entered into an Ore Purchase Agreement ("OPA") with New Gold Inc. ("New Gold") for a three-year term. Under the terms of the OPA, Gold Mountain will deliver up to 70,000 tonnes of ore per annum, to the mill located at New Gold's New Afton Mine situated 130 kilometers from the Elk Mine, in Kamloops, British Columbia. The OPA was effective upon the first delivery of ore to the New Afton Mine, which occurred in February 2022.

NOTE 22 - SUBSEQUENT EVENTS

Subsequent to April 30, 2024, Nhwelmen has agreed to accept 50,000,000 common shares in payment of $1.5 million of the remaining secured debt owed to Nhwelmen at an issuance price of $0.03 per share, and a convertible secured debenture (the "Convertible Debenture") that will be issued in the amount of $5 million. The Convertible Debenture will be convertible at Nhwelmen's option into 62,500,000 common shares at a conversion price of $0.08 per share. The Convertible Debenture will mature four years from the date of issuance and will accrue interest at the rate of 12.0% per annum, calculated monthly and payable in cash in arrears on each anniversary date from the date of issuance. The Convertible Debentures may be prepaid in whole or in part, at the option of the Company. The Convertible Debenture will be secured by a second-priority security interest over all of the Company's assets, including its current and after-acquired property and remains subject to the approval of the Toronto Stock Exchange.

The Company is also finalizing agreements with certain unsecured vendors who provide critical services for the conversion of up to $1,700,660 of unsecured debt into common shares. These debts will be settled by issuing shares at a price of $0.03 per share.