Metal Energy Corp.

Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Metal Energy Corp.

Opinion

We have audited the financial statements of Metal Energy Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there were no key audit matters to communicate in our report.

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Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Jessica Glendinning.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
April 25, 2024

Metal Energy Corp.
Statements of Financial Position
As at December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes	2023	2022
ASSETS			
Current			
Cash		**$1,735,369**	$2,777,482
Amounts receivable		**40,794**	344,916
Prepaid expenses and deposits		**49,586**	23,177
Due from related party	10	**17,476**	17,476
TOTAL ASSETS		**$1,843,225**	$3,163,051
LIABILITIES			
Current			
Accounts payable and accrued liabilities		**84,173**	728,167
Due to related parties	10	**-**	26,012
TOTAL LIABILITIES		**$84,173**	$754,179
SHAREHOLDERS' EQUITY			
Share capital	9	**8,859,846**	8,130,697
Share-based payment reserve	9	**2,364,344**	2,069,445
Retained earnings		**(9,465,138)**	(7,791,270)
TOTAL SHAREHOLDERS' EQUITY		**1,759,052**	2,408,872
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$1,843,225**	$3,163,051

Nature of operations and going concern (Notes 1 and 2)
Commitments and contingencies (Notes 6 and 12)
Subsequent event (Note 13)

Approved on behalf of the Board of Directors:

"Stephen Stewart"
Stephen Stewart – Director

"Alexander Stewart"
Alexander Stewart – Director

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

Metal Energy Corp.
Statements of Loss and Comprehensive Loss
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes	2023	2022
EXPENSES			
Exploration and evaluation expenses	5, 10	**$942,458**	$4,596,264
Transfer agent, filing fees and shareholder communications		**168,076**	235,311
Management and consulting fees	10	**395,913**	353,702
Audit, accounting and legal		**71,129**	90,119
Share-based compensation	9,10	**87,407**	43,159
Office, general and administrative		**40,759**	38,600
Interest income		**(31,874)**	-
TOTAL EXPENSES		**$1,673,868**	$5,357,155
Flow-through share premium recovery	6	**-**	583,134
NET LOSS FOR THE YEAR		**$1,673,868**	$4,774,021
Weighted average number of shares - basic and diluted		**90,680,715**	84,282,750
Loss per share – basic and diluted		**$0.02**	$0.06

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

Metal Energy Corp.
Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars)

	Number of shares	Amount	Share-based Payment Reserves	Accumulated Deficit	Total Equity
Balance at December 31, 2021	80,323,834	$7,335,697	$2,026,286	$(3,017,249)	$6,344,734
Loss for the year	-	-	-	(4,774,021)	(4,774,021)
Share-based compensation	-	-	43,159	-	43,159
Shares issued for property agreements	7,859,846	795,000	-	-	795,000
Balance at December 31, 2022	88,183,680	**$8,130,697**	**$2,069,445**	**$(7,791,270)**	**$2,408,872**
Loss for the year	-	-	-	(1,673,868)	(1,673,868)
Share-based compensation	-	-	87,407	-	87,407
Warrants exercised	27,200	5,412	(2,692)	-	2,720
Shares issued for property agreements	12,800,000	288,000	54,384	-	342,384
Shares issued on flow-through private placement	4,800,000	435,737	155,800	-	591,537
Balance at December 31, 2023	**105,810,880**	**$8,859,846**	**$2,364,344**	**$(9,465,138)**	**$1,759,052**

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

Metal Energy Corp.
Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars)

	2023	2022
Operating activities		
(Loss) for the year	**$(1,673,868)**	$(4,774,021)
Items not involving cash		
Share-based payments	**87,407**	43,159
Flow-through share premium liability (recovery)	**-**	(583,134)
Shares and warrants issued for exploration expenses	**342,384**	795,000
Changes in non-cash working capital items		
Amounts receivable	**304,122**	(308,516)
Prepaid expenses and deposits	**(26,409)**	(23,177)
Accounts payable and accrued liabilities	**(643,994)**	587,811
Net cash (used in) operating activities	**$(1,610,358)**	$(4,262,878)
Financing activities		
Shares issued on flow-through private placement, net	**591,537**	-
Proceeds from warrants exercise	**2,720**	-
Due to related party	**(26,012)**	26,012
Net cash provided by financing activities	**$568,245**	$26,012
Net (decrease) in cash	**(1,042,113)**	(4,236,866)
Cash, beginning of year	**2,777,482**	7,014,348
Cash, end of year	**$1,735,369**	$2,777,482

Supplemental cash flow information:

	2023	2022
Value of Finder warrants issued	**$ 24,063**	$ -

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

1. NATURE OF OPERATIONS

Metal Energy Corp. ("Metal Energy" or the "Company"), was incorporated under the Alberta Business Corporations Act on January 5, 2021. The Company completed its Initial Public Offering on April 19, 2021 and was classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange ("TSX-V"). The Company trades on the TSX-V under the symbol "MERG".

The Company's principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

The head and principal office of the Company is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on April 25, 2024.

2. GOING CONCERN

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts expended on mineral properties is dependent upon future profitable production or proceeds from the disposition of properties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing; all of which are uncertain.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, social licensing requirements, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company raised funds throughout the current period through an equity financing. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at December 31, 2023, the Company had working capital of $1,759,052 (2022 - $2,408,872) and an accumulated deficit of $9,465,138 (2022 - $7,791,270).

Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements. Such adjustments could be material.

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance
The financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies applied in these financial statements are based on IFRS issued and effective as of December 31, 2023.

Basis of presentation
The financial statements of the Company have been prepared on an accrual basis except for cash flow information and are based on historical costs.

Functional and presentation currency
The functional currency of the Company is determined using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Canadian dollars which is the Company's functional and presentation currency. The Company does not have any significant expenditures in foreign currencies.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognized in operations in the period in which they arise.

Significant accounting judgements, estimates and assumptions
The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

(a) Estimation of decommissioning and restoration costs and timing of expenditure
Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

The cost estimates are updated annually during the life of a project to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals.

(b) Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded. Such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

(c) Share-based payments and warrants

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are estimated at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Warrants are valued in a similar way. Changes in these assumptions affect the fair value estimates.

(d) Contingencies – Refer to Note 12

Exploration and evaluation expenditures
Mineral property acquisition costs are expensed as incurred. Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are expensed as incurred.

Where the Company has granted an option on one of its properties, the Company does not record any expenditures made by the optionee on its account. Any cash consideration received directly from the optionee related to an option or sale agreement is credited against the exploration expenditures incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment. Government tax credits are recorded as a reduction to exploration expense.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of mine.

Impairment of non-financial assets
At each reporting date, the Company reviews the carrying amounts of its tangible and intangible non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of loss.

Loss per share
The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. All of the Company’s outstanding stock options and warrants were anti-dilutive for the periods ended December 31, 2023 and 2022.

Financial instruments
<u>Financial assets</u>

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit or loss (“FVPL”) or fair value through other comprehensive income (“FVOCI”), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Other accounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – Financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statements of loss. The Company’s cash and due from related party are measured at amortized cost.

Subsequent measurement - Financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss. The Company has no assets classified as financial assets at FVPL.

Subsequent measurement - Financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company has no assets classified as financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities and amounts due to related parties, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement - financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statements of loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss.

Financial instruments fair value hierarchy
Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

Income tax
Income tax expense is comprised of both current and deferred income taxes. Income tax expense is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Flow-through share issuances
The Company finances a portion of its exploration activities through the issue of flow-through shares issued pursuant to the Canadian Income Tax Act (“Tax Act”). Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian exploration and development expenses as defined in the Tax Act.

Pursuant to the terms of the flow-through share subscription agreements, these shares transfer the tax deductibility of qualifying expenditures to flow-through investors. On issuance, the Company allocates a portion of the subscription proceeds as a flow-through share premium, equal to the estimated premium, if any, that investors pay for the flowthrough feature, which is recognized as a flow-through share liability. As expenditures are incurred and applied against the Company's associated flow-through commitment, the flow-through share liability is reduced proportionately, charged as a deferred income tax recovery in operations.

Share-based payments
The Company has adopted an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments issued at the grant date. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using a Black–Scholes pricing model which incorporates market and vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. The share-based payment reserve records items recognized as share-based payments expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount remains in share-based payment reserve.

Asset retirement obligations ("ARO")
The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in loss as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in loss. The Company does not currently have any such significant legal or constructive obligations and therefore, no rehabilitation provision has been recorded as at December 31, 2023 and 2022.

4. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

During the year ended December 31, 2023, the Company adopted a number of amendments and improvements of existing standards. These included IAS 1 – Disclosure of Accounting Policies and IAS 8 – Definition of Accounting Estimates. These new standards and changes did not have any material impact on the Company's financial statements.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. Management is currently evaluating the impact of these pronouncements on the Company's financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

(Expressed in Canadian dollars)

IAS 12 - In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023.

5. EXPLORATION AND EVALUATION EXPENSES

The following are details of the Company's exploration and evaluation for the years ended December 31, 2023 and 2022:

	2023	2022	Cumulative Since Property Inception to December 31, 2023
Strange Project, Thunder Bay, Ontario	**$ -**	$447,442	**$ 990,617**
SourceRock Project, Thunder Bay, Ontario	**634,247**	-	**634,247**
Manibridge Project, Thomson, Manitoba	**308,211**	4,148,822	**4,595,185**
	$942,458	$4,596,264	**$6,220,049**

Manibridge Project, Manitoba

In May 2021, when the Company entered into an option and joint venture agreement with CanAlaska Uranium Ltd. To earn 100% of the Manibridge Project, certain other rights, interests and protections were granted in favour of Glencore Canada Corporation ("Glencore"), including Back-in Rights, Off-take Options, the Right of First Offer and a 2% royalty ("Vendor Retained Interests"). The Back-in-Rights allow Glencore to acquire a 50% interest in the property by paying two times the aggregate of all exploration expenditures incurred and carrying out a feasibility study with a maximum cost of $20,000,000. Glencore also has a right of first refusal on the sale of the property and a first right and option to purchase all or any portion of concentrates produced from the property. The Company has completed the requirements under the option agreement in 2022 and has earned 100% in the property

In 2022, the Company and Mistango River Resources ("Mistango") entered into an option agreement and a call option agreement. The Company an Mistango have certain directors and officers in common.

Metal Energy granted Mistango an option to acquire a 15% interest ("Interest") in the Manibridge project in consideration for Mistango carrying out an aggregate of $1.5 million in exploration work on the project by not later than December 31, 2022. In December 2022, Mistango closed its option agreement with Metal Energy to acquire 15% of the Manibridge Project.

Metal Energy owns 85% of the Manibridge Project and Mistango owns 15% of the Manibridge Project. Pursuant to the call option agreement in 2022, Mistango, agreed to sell the Interest in the project to Metal Energy, as purchaser, on the closing date. Such closing date to be on or before thirty days after Metal Energy has given notice to Mistango of its desire to exercise its call option. Such call option is Metal Energy's right to acquire the Interest at any time after February 28, 2023 but before April 30, 2024. The purchase price payable by Metal Energy to Mistango for the interest on the closing date is $2,250,000, which may be paid, at the sole option of Metal Energy, in cash or in common shares of Metal Energy. If paid in Metal Energy shares, the price per share shall be equal to the 15 day volume-weighted average price ("VWAP") of such shares on the TSX-V ending three business days prior to the closing date. The Interest is subject to the NSR described below.

The exercise of the call option and the completion of the transfer of Interest from Mistango to Metal Energy at the closing date shall be subject to the prior approval of the TSX-V. There is no assurance that TSX-V approval of the call option will be obtained.

CanAlaska has a 1% NSR on claims P1271F and P1272F, and a 2% NSR royalty on all other claims.

Strange Project, Ontario

On July 5, 2023, the Company issued a formal notification indicating its intent to abandon the Strange claims in accordance with the terms stipulated in the option agreement.

SourceRock, Ontario

On July 26, 2023, the Company entered into an option agreement for the SourceRock property in the Thunder Bay-Nipigon area of northwestern Ontario. The Company entered into an option agreement with an arms-length vendor to acquire an undivided 100% interest in SourceRock. Upon receipt of approvals, the Company completed a $50,000 cash payment to the vendor. In June 2023, the Company completed its commitment to a staking program valued at greater than $100,000 representing 2,000 claim units registered under the Company.

Under the remaining terms of the agreement, at closing, the Company issued:

- 3,000,000 common shares of Metal Energy (See Note 9), and
- 1,500,000 warrants to the vendor. Each warrant is exercisable to acquire one common share of the Company at an exercise price of $0.10 per share. The warrants will expire after 36 months from July 25, 2023 (See Note 9).

In addition to the above, $500,000 worth of common shares must be issued on or before the first anniversary of July 25, 2023. Such shares will be valued at a price per share equal to the volume-weighted trading price of the Company's shares on the TSXV for 20 trading days prior to the issue date of such shares. If the price per share is below $0.04, the balance of the $500,000 in value will be paid in cash.

The Vendor has retained a 3% net smelter returns royalty as part of the option agreement. The Company has the right to purchase 1% of the royalty for $500,000 up until the fourth anniversary of July 25, 2023. Upon completion of the first 1% of the royalty, the Company retains the right to purchase the remaining 2% of the royalty for $5,000,000 up until the tenth anniversary of July 25, 2023.

On July 8, 2023, Metal Energy entered into an agreement with an arm's length vendor to acquire an undivided 100% interest in 9 mining claims (189 hectares) adjacent to SourceRock. On August 9, 2023, the Company closed the acquisition. Under the terms of the agreement, on closing, the Company issued;

- 1,800,000 common shares of Metal Energy (See Note 9); and
- $10,000 in cash.

Metal Energy will be the operator of the 9 mining claims and as such will have the rights and responsibility to execute all work programs on the Project.

Further to the consideration listed above, the vendor retains a 2% Gross Value Royalty ("GVR") on the claims. The Company has the right to purchase 1% of the GVR from the vendor for $1,000,000 at any time.

6. FLOW-THROUGH SHARE LIABILITY

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or "premium", are recorded as a flow-through liability. During the year ended December 31, 2023, the Company recognized a flow-through share premium recovery of $Nil (2022- $583,134). As of December 31, 2023, the flow-through liability was $Nil (2022 - $Nil).

7. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

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 the Company's approach to capital management during the years ended December 31, 2023 and 2022. The Company is not subject to externally imposed capital restrictions by a lending institution or regulatory body, other than 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 6 months.

As of December 31, 2023, the Company believes it is compliant with the policies of the TSX-V.

8. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Fair value of financial instruments
The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. The Company had no financial instruments to classify in the fair value hierarchy at December 31, 2023 and 2022.

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. Amounts receivable are from related parties and the Company believes the risk of loss related to these items is remote. The Company's exposure to credit risk is on its cash held in bank accounts and amounts due from related parties. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. Amounts due to related party are due on demand. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

Currency and interest rate risk
The Company is not exposed to significant foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar as the balances as at December 31, 2023 and 2022 are not significant.

(Expressed in Canadian dollars)

Classification of financial instruments

Financial assets and liabilities included in the statement of financial position as at December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Financial assets at amortized costs:		
Cash	**$1,735,369**	$2,777,482
Due from related party	**17,476**	17,476
	$1,752,845	$2,794,958

	December 31, 2023	December 31, 2022
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	**$84,173**	$728,167
Due to related parties	**-**	26,012
	$84,173	$754,179

9. SHARE CAPITAL

Authorized share capital
Unlimited number of voting common shares without par value.

Issued share capital

(a) On March 22, 2022, the Company issued 1,198,630 common shares as payment on the Manibridge Project property option agreement at a valuation of $175,000. On March 31, 2022, the Company issued 1,500,000 common shares as payment on the Manibridge Project property option agreement at a valuation of $210,000. Shares were valued based on the quoted market price of the Company's shares at the date of issuance.

(b) On August 15, 2022, the Company issued 5,000,000 common shares as payment on the Manibridge Project property option agreement at a valuation of $400,000. Shares were valued based on the quoted market price of the Company's shares at the date of issuance.

(c) On November 17, 2022, the Company issued 161,216 common shares as payment on the Strange Project property option agreement at a valuation of $10,000 based on the quoted market price of the Company's shares at the date of issuance.

(d) In April 2023, the Company issued 27,200 common shares from the exercise of warrants for cash proceeds of $2,720.

(e) On July 23, 2023, the Company issued 3,000,000 common shares as payment on the SourceRock Project property option agreement at a valuation of $180,000. Shares were valued based on the quoted market price of the Company's shares at the date of issuance. Refer to Note 5.

(f) On August 8, 2023, the Company issued 1,800,000 common shares as payment on the SourceRock Project property option agreement at a valuation of $108,000. Shares were valued based on the quoted market price of the Company's shares at the date of issuance. Refer to Note 5.

(g) On December 20, 2023, the Company completed a flow-through private placement consisting of 12,800,000 units at a price of $0.05 per unit for gross proceeds of $640,000. Each unit was comprised of one common share and one-half warrant (details in warrants below). In connection with the financing, the Company incurred $48,463 in transaction costs and issued 854,000 Finder's warrants (details in warrants below). A director and an officer of the Company participated in the December 2023 financing, subscribing to 400,000 units for gross proceeds of $20,000.

(Expressed in Canadian dollars)

Stock options

The Board of Directors of the Company has adopted a stock option plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares and be exercisable for a period of up to five years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Otherwise specified otherwise by the Board of Directors options vest on the date of grant.

A summary of the changes in the Company's stock options is set out below:

For the years ended	**December 31, 2023**			**December 31, 2022**		
	Number of options	**Weighted average exercise price**	**Weighted average life (years)**	**Number of options**	**Weighted average exercise price**	**Weighted average life (years)**
Outstanding, beginning of year	**7,900,000**	**$0.20**	**3.91**	8,300,000	$0.19	4.89
Granted	**3,900,000**	**0.07**	**4.6**	410,000	0.16	5.00
Expired/Forfeited	**(400,000)**	**0.20**	**3.5**	(810,000)	0.13	3.95
Options outstanding, end of year	**11,400,000**	**$0.15**	**3.47**	7,900,000	$0.20	3.91
Options exercisable, end of year	**7,500,000**	**$0.20**	**2.92**	7,800,000	$0.20	3.90

On April 2, 2022, the Company granted 410,000 stock options with an exercise price of $0.16 and a term of five years with 310,000 of these options vesting immediately, and the remaining 100,000 vesting in 12 months. The grant date fair value of $45,962 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of $0.15, a risk-free interest rate of 2.46%, dividend yield of nil and an expected volatility of 107% based on historical volatility.

On January 4, 2023, the Company granted 450,000 stock options with an exercise price of $0.0045 and a term of five years, all of these options vesting in 12 months. The fair value of $13,552 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of $0.040, a risk-free interest rate of 3.28%, dividend yield of $nil and expected volatility of 95% based on historical company share data.

On August 5, 2023, the Company granted 3,450,000 stock options with an exercise price of $0.07 and a term of five years, all of these options vesting in 12 months. The fair value of $170,527 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, share price of $0.060, a risk-free interest rate of 3.87%, dividend yield of $nil and expected volatility of 120% based on historical company share data.

During the year ended December 31, 2023, the Company recorded share-based compensation of $87,407 (2022 - $43,159).

The weighted average fair value of the grants in the year ended December 31, 2023 was $0.05 (2022 - $0.11) per share.

(Expressed in Canadian dollars)

The following incentive stock options were outstanding and exercisable at December 31, 2023:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
6,850,000	6,850,000	$0.20	19-Nov-26
250,000	250,000	$0.20	19-Dec-26
200,000	200,000	$0.16	01-Apr-27
200,000	200,000	$0.16	01-Apr-27
450,000	-	$0.07	04-Jan-28
3,450,000	-	$0.07	05-Aug-28
11,400,000	7,500,000	$0.20	

Warrants

A summary of the changes in the Company's warrants is set out below:

For the years ended	**December 31, 2023**			**December 31, 2022**		
	Number of warrants	**Weighted average exercise price**	**Weighted average life (years)**	**Number of warrants**	**Weighted average exercise price**	**Weighted average life (years)**
Outstanding, beginning of the period	**15,231,342**	**$0.30**	**0.88**	15,231,342	$0.30	1.88
Issued – private placement	**8,754,000**	**0.10**	**3.00**	-	-	-
Expired	**(15,204,142)**	**0.30**	**-**	-	-	-
Exercised	**(27,200)**	**0.10**	**-**	-	-	-
Outstanding, end of the period	**8,754,000**	**$0.10**	**2.90**	15,231,342	$0.30	0.88

The following warrants were outstanding and exercisable at December 31, 2023:

Number of warrants outstanding	Exercise Price	Expiry Date	Weighted average life (years)
1,500,000	0.10	25-Jul-26	2.57
6,400,000	0.10	20-Dec-26	2.97
854,000	0.05	20-Dec-26	2.97
8,754,000	$0.10		2.90

Issued warrants

(a) On July 23, 2023, the Company issued 1,500,000 warrants as payment on the SourceRock Project property option agreement. The valuation of the warrants was estimated in the amount of $54,384 using the Black-Scholes option pricing model. Refer to Note 5.The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 126% based on historical volatility, risk free interest rate of 4.46%, share price of $0.055 and an expected life of 3 years.

(Expressed in Canadian dollars)

(b) On December 20, 2023, the Company issued 6,400,000 warrants as part of the flow-through private placement. The valuation of the warrants was estimated in the amount of $148,425 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 125% based on historical volatility, risk free interest rate of 3.71%, share price of $0.04 and an expected life of 3 years.

Additionally, in connection with the flow-through private placement, the Company issued 854,000 Finder's warrants. The valuation of the warrants was estimated in the amount of $24,063 using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 125% based on historical volatility, risk free interest rate of 3.71%, share price of $0.04 and an expected life of 3 years.

Compensation options

Compensation options are exercisable into units comprising one share and one-half of one warrant. A summary of the changes in the Company's compensation options is set out below. The compensation options expired on November 19, 2023.

For the years ended	**December 31, 2023**			**December 31, 2022**		
	Number of options	**Weighted average exercise price**	**Weighted average life (years)**	**Number of options**	**Weighted average exercise price**	**Weighted average life (years)**
Outstanding, beginning of year	**1,140,002**	**$0.20**	**0.88**	1,140,002	$0.20	1.88
Expired	**(1,140,002)**	**-**	**-**	-	-	-
Options outstanding, end of year	**-**	**-**	**-**	1,140,002	0.20	0.88
Options exercisable, end of year	**-**	**-**	**-**	1,140,002	$0.20	0.88

10. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management includes directors and officers. The remuneration of the key management of the Company during the periods ended December 31, 2023 and 2022 were as follows:

	2023	**2022**
Geological consulting included in exploration expenses	**$ 65,255**	$ 141,724
Management and consulting fees	**348,800**	339,982
Share-based payments	**73,544**	41,394
	$ 487,599	$ 523,100

Standard Ore Corporation ("Standard Ore") is controlled by a director of the Company. Standard Ore provides corporate and administrative services to the Company. For the year ended December 31, 2023, Standard Ore charged the Company $120,000 (2022 - $120,000) of management fees, which is included in the amounts in the above chart.

As at December 31, 2023, the Company had approximately $5,000 due to officers included in accounts payable (2022 - $10,000).

(Expressed in Canadian dollars)

The following are the balances due from (to) related parties as at December 31, 2023 and 2022:

	2023	**2022**
Due from Standard Ore Corporation	**$17,476**	$17,476
Due to Baselode Energy Corp.	**-**	(23,941)
Due to Orecap Invest Corp.	**-**	(2,071)
	$17,476	$(8,536)

Baselode Energy Corp and Orecap Invest Corp. have certain directors and officers in common with the Company. A person related to a director of the Company provided services to the Company totalling $9,300 for the year ended December 31, 2023 (2022 - $2,800), and received share-based compensation which totalled $2,000 for the year ended December 31, 2023 (2022 – Nil).

All of the amounts payable to related parties are unsecured, non-interest bearing with no fixed terms of repayment.

11. INCOME TAXES

Provision for Income Taxes

The income tax provision differs from income taxes, which would result from applying the expected tax rate of 26.5% to net loss before income taxes. The differences between the “expected” income tax expenses and the actual income tax provision are summarized as follows:

	December 31, 2023	**December 31, 2022**
Loss before income taxes	**$(1,673,868)**	$ (5,357,155)
Statutory tax rate	**26.5%**	26.5%
Expected income tax recovery based on statutory rate	**(444,000)**	(1,420,000)
Adjustment to expected income tax recovery:		
Share based compensation	**23,000**	11,000
Flow-through renunciation	**-**	927,000
Flow-through premium	**-**	(583,134)
Change in unrecorded deferred tax asset	**421,000**	482,000
	-	$ (583,134)

At December 31, 2023, the Company’s unrecognized deductible temporary differences are as follows:

	December 31, 2023	**December 31, 2022**
Non-capital loss carry-forwards	**$2,375,000**	$1,627,000
Share issue costs	**203,000**	217,000
Mineral property costs	**2,583,000**	1,653,000
	$5,161,000	$3,497,000

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits. The non-capital loss carryforwards expire in 2041, 2042 and 2043.

12. COMMITMENTS AND CONTINGENCIES

(i) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made and expects to make in the future, expenditures to comply with such laws and regulations.

(ii) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. Certain interpretations are required to assess the eligibility of flow-through expenditures that if changed, could result in the denial of renunciation. As at December 31, 2023, the Company is committed to spend a further $640,000 by December 31, 2024, to utilize funds raised from the issuance of flow-through shares.

The Company has indemnified the subscribers of the flow-through share offerings against any tax-related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

(iii) The Company is party to certain contracts and agreements. These contracts and agreements contain minimum commitments of approximately $20,000 due within one year. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

13. SUBSEQUENT EVENT

Subsequent to December 31, 2023, the Company received a grant of $200,000 from the Ontario Junior Exploration Program which was used for exploration activity in 2024.