WORLD COPPER LTD.
(An Exploration Stage Company)

Consolidated Financial Statements

For the years ended December 31, 2023 and 2022
Expressed in Canadian Dollars

Corporate Head Office
2710 – 200 Granville Street
Vancouver, BC
V6C 1S4

WORLD COPPER LTD.
(An Exploration Stage Company)
Consolidated Financial Statements
(Expressed in Canadian Dollars)
December 31, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF WORLD COPPPER LTD.

Opinion

We have audited the consolidated financial statements of World Copper Ltd. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $3,656,311 during the year ended December 31, 2023 and as at of December 31, 2023, has a working capital deficiency of $6,613,000 and an accumulated deficit of $21,571,628. As stated in Note 1, this event, along with other matters, indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

Other Information
Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 auditors' 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 Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 to 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 risk 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 auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 on the audit resulting in this independent auditors' report is Karen Ka Yee Cheng.

Smythe LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 11, 2024

WORLD COPPER LTD.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at December 31, 2023 and 2022

	December 31, 2023	December 31, 2022
ASSETS		
Current		
Cash	$ 14,329	$ 7,409
Receivables	92,612	272,206
Marketable securities (Note 4)	-	560,000
Prepaids	139,230	446,270
	246,171	1,285,885
Non-Current		
Prepaids	-	74,144
Deposits	7,587	7,587
Equipment (Note 5)	6,300	11,279
Exploration and evaluation assets (Note 8)	42,671,160	42,366,709
Total Assets	**$ 42,931,218**	**$ 43,745,604**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 12)	$ 2,244,029	$ 2,956,151
Current portion of related party loans (Notes 9 and 12)	4,442,692	2,660,292
Due to Wealth Minerals Ltd. (Note 12)	112,450	112,450
Loans payable (Note 9)	60,000	60,000
	6,859,171	5,788,893
Non-Current		
Related party loans (Notes 9 and 12)	-	1,266,970
Total Liabilities	**6,859,171**	**7,055,863**
Shareholders' Equity		
Capital stock (Note 10)	55,189,437	53,175,656
Share-based payment reserves (Notes 10, 11, and 12)	2,454,238	2,343,305
Deficit	(21,571,628)	(18,829,220)
Total Shareholders' Equity	**36,072,047**	**36,689,741**
Total Liabilities and Shareholders' Equity	**$ 42,931,218**	**$ 43,745,604**

On behalf of the Board:

(Signed) *"Hendrik Van Alphen"*
Hendrik Van Alphen, Director

(Signed) *"Timothy McCutcheon"*
Timothy McCutcheon, Director

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

WORLD COPPER LTD.
Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31, 2023 and 2022
(Expressed in Canadian Dollars)

	December 31, 2023	December 31, 2022
EXPENSES		
Accretion (Notes 9 and 12)	$ 280,612	130,711
Consulting fees (Note 12)	1,237,209	1,954,384
Depreciation (Note 5)	4,979	5,006
Exploration and evaluation (Note 8)	728,464	5,771,942
Foreign exchange loss	50,970	293,266
Insurance	74,958	68,473
Interest (Notes 9 and 12)	407,579	382,260
Office and miscellaneous	104,799	167,243
Professional fees	513,172	859,527
Rent (Note 12)	118,447	95,861
Share-based payments (Notes 11 and 12)	84,945	4,888,943
Shareholder communications	744,911	1,462,254
Transfer agent and regulatory fees	50,654	49,262
Travel	239,344	396,631
Wages and benefits (Note 12)	376,903	296,884
Loss before the following	(5,017,946)	(16,822,647)
Interest income	7,839	-
Recovery of VAT (Note 8)	2,422,971	-
Gain on sale of royalty (Note 8)	-	285,353
Loss on extinguishment (Note 9)	(696,201)	-
Loss on sale of investment (Note 4)	(60,000)	-
Change in fair value of investment (Note 4)	-	90,000
Write-off of exploration and evaluation assets (Note 8)	(279,367)	-
	(3,622,704)	(16,447,294)
Net Loss before Income Taxes		
Income tax expense (Note 16)	(33,607)	-
Net Loss and Comprehensive Loss for the Year	**$ (3,656,311)**	**$ (16,447,294)**
Basic and diluted loss per common share	$ (0.03)	$ (0.16)
Weighted average number of common shares outstanding	121,972,552	100,596,290

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

WORLD COPPER LTD.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
For the years ended December 31, 2023 and 2022

	Number of Shares	Capital Stock	Share-based Payment Reserve	Equity Portion of Compound Instruments	Deficit	Total Shareholders' Equity
Balance, December 31, 2021	**60,374,577**	**$ 17,072,847**	**$ 1,441,575**	**$ 24,746**	**$ (9,025,851)**	**$ 9,513,317**
Shares issued – Zonia acquisition (Note 7)	29,389,236	26,450,312	-	-	-	26,450,312
Shares issued – settlement of Royalty Option (Note 8)	7,731,286	3,092,514	-	-	-	3,092,514
Shares issued – special warrant (Note 6)	1,238,612	334,425	-	-	-	334,425
Shares issued – private placement (Note 10)	9,540,915	2,862,275	-	-	-	2,862,275
Share issue costs – paid in cash (Note 10)	-	(185,214)	-	-	-	(185,214)
Finder fee warrants – on private placements (Note 10)	-	(37,056)	37,056	-	-	-
Option exercises (Note 11)	100,000	65,001	(23,001)	-	-	42,000
Warrant exercises (Note 11)	5,325,705	3,520,552	(847,444)	-	-	2,673,108
Share-based payments (Note 11)	-	-	4,888,943	-	-	4,888,943
Warrants issue on Zonia acquisition (Note 7)	-	-	3,465,355	-	-	3,465,355
Transfer of cancelled options	-	-	(2,982,516)	-	2,982,516	-
Transfer of expired options	-	-	(989,057)	-	989,057	-
Transfer of expired warrant reserves (Note 9)	-	-	(2,647,606)	(24,746)	2,672,352	-
Loss for the year	-	-	-	-	(16,447,294)	(16,447,294)
Balance, December 31, 2022	**113,700,331**	**53,175,656**	**2,343,305**	**-**	**(18,829,220)**	**36,689,741**
Shares issued – private placement (Note 10)	11,306,667	2,035,200	-	-	-	2,035,200
Share issue costs – paid in cash (Note 10)	-	(19,175)	-	-	-	(19,175)
Finder fee warrants – on private placements (Note 10)	-	(2,244)	2,244	-	-	-
Share-based payments (Note 11)	-	-	84,945	-	-	84,945
Warrants issued on loan extensions (Note 12)	-	-	937,647	-	-	937,647
Transfer of cancelled options	-	-	(514,081)	-	514,081	-
Transfer of expired warrants	-	-	(399,822)	-	399,822	-
Loss for the year	-	-	-	-	(3,656,311)	(3,656,311)
Balance, December 31, 2023	**125,006,998**	**$ 55,189,437**	**$ 2,454,238**	**$ -**	**$ (21,571,628)**	**$ 36,072,047**

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

WORLD COPPER LTD.
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Canadian Dollars)

	December 31, 2023	December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (3,656,311)	$ (16,447,294)
Item not affecting cash:		
Accretion on loans	280,612	130,711
Depreciation	4,979	5,006
Accrued interest on loans	405,484	382,033
Foreign exchange on loans	70,780	139,442
Loss on extinguishment	696,201	-
Marketable securities received on sale of royalty	-	(470,000)
Shares issued for royalty repurchased	-	3,092,514
Loss on sale of investments	60,000	-
Share-based payments	84,945	4,888,943
Change in fair value of investment	-	(90,000)
Write-off of exploration and evaluation assets	279,367	-
Changes in non-cash working capital items:		
Receivables	179,594	(136,770)
Prepaids	381,184	424,783
Accounts payable and accrued liabilities	(712,122)	1,736,023
Net cash used in operating activities	(1,925,287)	(6,344,609)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of marketable securities	500,000	-
Cash received on Zonia acquisition	-	7,106
Zonia acquisition costs	-	(92,070)
Exploration and evaluation assets	(583,818)	(751,942)
Net cash used in investing activities	(83,818)	(836,906)
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to Gold Springs Resource Corp.	-	(500,000)
Due to Wealth Minerals	-	(12,485)
Due from Cardero Resources	-	-
Loan repayments	-	(12,500)
Proceeds from issuance of shares	2,035,200	5,577,383
Share issue costs	(19,175)	(185,214)
Net cash provided by financing activities	2,016,025	4,867,184
Change in cash for the year	6,920	(2,314,331)
Cash, beginning of year	7,409	2,321,740
Cash, end of year	$ 14,329	$ 7,409
Cash paid for interest	$ -	$ -
Cash paid for tax	$ -	$ -

Significant non-cash financing and investing transactions during the year ended December 31, 2023 included:
- Issued 32,297 warrants valued at $2,244 as finder's fees for private placements (Note 10).
- Issued 10,321,657 warrants with a value of $937,647 on loan extensions (Notes 9 and 12).

Significant non-cash financing and investing transactions during the year ended December 31, 2022 included:
- Deferred acquisition costs of $558,719 was added to exploration and evaluation assets on the Zonia acquisition (Note 7).
- Issued 29,389,236 shares with a value of $26,450,312 and 7,445,273 warrants with a value of $3,465,355 on the acquisition of Zonia (Note 7).
- Net liabilities of $4,134,952 was added to exploration and evaluation assets on the Zonia acquisition (Note 7).
- Issued 1,238,612 shares valued at $334,425 under a deemed partial exercise of a special warrants issued on the Acquisition of the TMI Group (Note 6).
- Issued 194,844 warrants valued at $37,056 as finder's fees for private placements (Note 10).

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Allante Resources Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on June 16, 2006 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSXV") Policy 2.4. On March 7, 2007, the Company's shares began trading on the TSXV, and on February 3, 2010, the Company's shares were moved to the NEX board where they traded under the symbol ALL.H. On January 15, 2021, the Company changed its name from Allante Resources Ltd. to World Copper Ltd. and began trading under the symbol "WCU.V" on the TSXV on January 26, 2021.

On January 28, 2022, the Company completed a qualifying transaction (the "Zonia Transaction") to acquire Zonia Holdings Corp. (Note 7).

The Company is an exploration stage junior mining company currently engaged in the identification, acquisition, and exploration of mineral resources in Chile and the United States. The Company's head office and records office are located at #1570 – 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, Canada.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. Several adverse conditions may cast significant doubt on the validity of this assumption. The Company incurred an comprehensive loss of $3,656,311 during the year ended December 31, 2023 (2022 - $16,447,294) and as at of December 31, 2023, has a working capital deficiency of $6,613,000 (2022 - $4,503,008) and an accumulated deficit of $21,571,628 (2022 - $18,829,220). The Company is currently unable to self-finance operations, has limited resources, has no source of operating cash flow, and has no assurances that sufficient funding will be available to conduct further exploration and development of its exploration and evaluation assets and to maintain operations.

The Company has relied principally upon the issuance of securities for financing. Future capital requirements will depend on many factors, including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

These consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may result from the inability to secure future financing, and therefore be unable to continue as a going concern. Such a situation would have a material adverse effect on the Company's business, financial performance, and financial condition. Such adjustments could be material.

2. BASIS OF PRESENTATION

a) Basis of presentation

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss or fair value through other comprehensive loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these consolidated financial statements are based on IFRS issued and effective as of December 31, 2023. The Board of Directors approved these consolidated financial statements for issue on April 11, 2024.

2. BASIS OF PRESENTATION (Continued)

b) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries.

c) Principles of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries listed in the following table:

	Country of Incorporation	Principal Activity
SASC Metallurgy Corp. (“SASC”)	Canada	Mineral exploration
Zonia Holdings Corp. (“Zonia”)	Canada	Mineral exploration
Escalones Copper Corp. (“Escalones”)	Canada	Mineral exploration
Cardero Copper (USA) Inc.	USA	Mineral exploration
TriMetals Mining Chile SCM (“TriMetals”)	Chile	Mineral exploration
Wealth Copper Chile S.p.A	Chile	Mineral exploration

d) Critical estimates, judgments and assumptions

The preparation of the Company’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Critical accounting estimates

Critical accounting estimates are estimates made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Share-based payments

Share-based payment is valued using the Black-Scholes option pricing model at the date of grant and expensed in profit or loss over vesting period of each award. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Share-based payment expense also utilizes subjective assumption on forfeiture rate. Changes in these input assumptions can significantly affect the fair value estimate.

2. BASIS OF PRESENTATION (Continued)

d) Critical estimates, judgments and assumptions (Continued)

Critical accounting estimates (Continued)

Fair value of consideration in asset acquisition

The fair value of consideration issued or paid to acquire Zonia Holdings Corp. comprised common shares and warrants. Both were valued on the date of issuance. The Company applied IFRS 2 *Share-based Payment* in accounting for the Zonia Transaction. Changes in estimates can materially change the fair value of consideration issued or paid.

Interest rates

The Company estimates a market interest rate in determining the fair value of the loans payable. The determination of market interest rate is subjective and could significantly affect the fair value estimate.

Fair value of warrants

Estimating the fair value of warrants issued on extinguishment of debt requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the issuance. The Company uses the Black-Scholes option pricing model for valuation of warrants. Option pricing models require the input of subjective assumptions including expected price volatility, life of options, and forfeiture rates. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity settled benefits.

Significant judgments

The preparation of these consolidated financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. The following discusses the most significant accounting judgments the Company has made in the preparation of the consolidated financial statements.

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities, and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Exploration and evaluation assets impairment

At the end of each reporting period, the Company assesses each of its exploration and evaluation assets or cash-generating units ("CGUs") to determine whether any indication of impairment exists. The Company has used geographical proximity, geological similarities, analysis of shared infrastructure, commodity type, assessment of exposure to market risks, and materiality to define its CGUs.

Judgment is required in determining whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted or planned, and results of exploration and evaluation activities on the exploration and evaluation assets. During the year ended December 31, 2023, the Company determined there were indicators of impairment on some of its properties. The Company estimated the recoverable amount, being the higher of value-in-use and fair value less cost of disposal, in order to determine the extent of the impairment (Note 8).

2. BASIS OF PRESENTATION (Continued)

d) Critical estimates, judgments and assumptions (Continued)

Significant judgments (Continued)

Value Added Tax

Expenditures incurred by the Company in Chile are subject to Chilean Value Added Tax ("VAT"). Under Chilean law, VAT paid can be used in the future to offset amounts resulting from VAT charged on sales. Under certain circumstances and subject to approval from tax authorities, a company can also apply for early refund of VAT prior to generating sales. The Company has applied for a refund of VAT and records the refund in the period in which it is received.

Compound instruments

Compound financial instruments were separated into their liability and equity components on the consolidated statements of financial position. The liability component is initially recognized at fair value, calculated at the present value of the liability based upon non-convertible debt issued by comparable issuers and accounted for at amortized cost using the effective interest rate method. The effective interest rate used is the estimated rate for non-convertible debt with similar terms at the time of issue.

Modification versus extinguishment of financial liability

Judgment is required in applying IFRS 9 – *Financial Instruments* to determine whether the amended terms of the loan agreements is a modification of an existing financial liability and whether amendments that are substantial should be accounted for as an extinguishment of the original financial liability.

Acquisition of Zonia

The Company's acquisition of Zonia has been determined to be an asset acquisition as Zonia does not meet the definition of a business under IFRS 3 – *Business Combinations*. As a result, the acquisition of Zonia has been accounted for as an asset acquisition, whereby all of the assets and liabilities assumed are assigned a carrying amount based on their relative values.

3. MATERIAL ACCOUNTING POLICIES

a) Exploration and evaluation assets

All of the Company's projects are currently in the exploration and evaluation phase. Pre-exploration costs are expensed in the period in which they are incurred. Acquisition costs include cash consideration and the fair value of common shares issued and are capitalized as exploration and evaluation assets. Exploration and evaluation expenditures are expensed as incurred. These direct expenditures include such costs as materials used, geological and geophysical evaluation, surveying costs, drilling costs, payments made to contractors, and depreciation on equipment during the exploration phase. As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are recorded in profit and loss.

b) Impairment of non-current assets

Non-current assets are evaluated at each reporting date by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash-generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

In calculating recoverable amount, if applicable, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement.

Discounted cash flow techniques often require management to make estimates and assumptions, which if incorrect, could result in a material difference in the consolidated financial statements.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment had been recognized.

3. MATERIAL ACCOUNTING POLICIES (Continued)

c) Foreign currency translation

The functional currency of the Company and its subsidiaries is measured using the currency of the primary economic environment in which that entity operates.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income (loss) to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income (loss).

d) Share-based compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of stock options granted to employees is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the equity instruments issued. Otherwise, share-based payments are measured at the fair value of goods or services received.

e) Earnings or loss per share

Basic earnings or loss per share is calculated on the weighted average number of common shares outstanding during the reporting period. In the Company’s case when it incurs a net loss for the period, diluted loss per share presented is the same as basic loss per share, as the effect of outstanding options and warrants in the diluted loss per common share calculation would be anti-dilutive.

f) Capital stock

The proceeds from the issuance of common shares and exercise of stock options and warrants are recorded as capital stock. The Company’s shares are classified as equity instruments. Share issue costs on the issue of the Company’s shares are charged directly to share capital.

g) Valuation of warrants

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as part of units. The residual value method first allocates value to common shares issued in the private placements at their fair value, as determined by the last trading price on the closing date. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded in shareholders’ equity. Warrants issued as consideration outside the scope of IFRS 2 are valued using the Black-Scholes pricing model.

3. MATERIAL ACCOUNTING POLICIES (Continued)

h) Financial instruments

Financial Assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income, or measured at fair value through profit or loss.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Assessment and decision on the business model approach used is an accounting judgment.

The Company only holds financial assets classified at fair value through profit or loss.

Financial assets measured at fair value through profit or loss ("FVTPL")

A financial asset measured at FVTPL is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company to account for expected credit losses ("ECL") and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Financial Liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled, or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

As at December 31, 2023 and 2022, the Company's financial instruments are comprised of cash, marketable securities, receivables excluding GST, deposits, accounts payable and accrued liabilities, amounts due to Wealth Minerals, loans payable, and related party loans.

3. MATERIAL ACCOUNTING POLICIES (Continued)

i) New accounting pronouncements

The Company adopted the following amendments to the accounting standards, which are effective for annual periods beginning on or after January 1, 2023:

Disclosure of accounting policies – amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 *Presentation of financial statements* and IFRS Practice Statement 2 *Making materiality judgments* provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Company's financial statements.

4. MARKETABLE SECURITIES

Marketable securities is comprised of Nil (2022 - 2,000,000) common shares of Electric Royalties Ltd., a publicly traded company.

During the year ended December 31, 2022, the Company received 2,000,000 common shares of Electric Royalties Ltd. The shares were initially recorded at $470,000, the fair market value on the date of acquisition (Note 8), and adjusted to $560,000, their fair market value on December 31, 2022.

During the year ended December 31, 2023, the securities were sold for $500,000 at a loss of $60,000 to an entity related via common management and board of directors.

(Expressed in Canadian Dollars)

5. EQUIPMENT

	Office Equipment	Computer Equipment	Total
Cost			
Balance at December 31, 2021	$ -	$ -	$ -
Additions from Acquisition of Zonia (Note 7)	12,306	3,979	16,285
Balance at December 31, 2022 and 2023	$ 12,306	$ 3,979	$ 16,285
Accumulated depreciation			
Balance at December 31, 2021	$ -	$ -	$ -
Depreciation	3,006	2,000	5,006
Balance at December 31, 2022	3,006	2,000	5,006
Depreciation	3,000	1,979	4,979
Balance at December 31, 2023	$ 6,006	$ 3,979	$ 9,985
Carrying amounts			
At December 31, 2022	$ 9,300	$ 1,979	$ 11,279
At December 31, 2023	$ 6,300	$ -	$ 6,300

6. ACQUISITION OF TMI GROUP

On September 25, 2019, the Company acquired 100% of the common shares of the SASC Metallurgy Corp., Escalones Copper Corp., and TriMetals Mining Chile SCM (collectively the “TMI Group”), which included a 100% interest in the Escalones property from Gold Springs Resource Corp. (“Gold Springs”). As part of the acquisition, the Company issued a special warrant whereby Gold Springs will be entitled to receive up to an additional 8,148,901 common shares upon the deemed exercise of the special warrant. The special warrants will be deemed to be exercised on a proportionate basis at the time the Company’s warrants are exercised.

On October 22, 2021, Wealth Minerals Ltd. (“Wealth Minerals”), a related party via common management and board of directors, acquired 13,225,198 common shares and remaining special warrants of the Company held by Gold Springs for the aggregate purchase price of $4,364,315.

During the year ended December 31, 2022, the Company issued 1,238,612 shares with a fair value of $334,425 which was recorded as an addition to exploration and evaluation assets.

As at December 31, 2023, 525,889 (2022 - 242,862) special warrants expired leaving a balance 6,384,400 (2022 - 6,667,427) special warrants remain outstanding.

(Expressed in Canadian Dollars)

7. ACQUISITION OF ZONIA

On January 28, 2022, the Company acquired 100% of the common shares of Zonia Holdings Corp. (formerly Cardero Resource Corp.) (“Zonia” or “Cardero”) pursuant to a plan of arrangement (the "Acquisition"). A total of 29,389,236 common shares fair valued at $0.90 per common share for total consideration of $26,450,312 has been issued to Zonia shareholders based on an exchange ratio of 0.200795 common share of the Company for each share of Zonia. Additionally, 7,445,273 Zonia warrants based on an exchange ratio of 0.200795 were replaced by the Company (“World Copper Warrants”) and a royalty option was granted by World Copper to a member of the Kopple Entities to acquire a 1% net smelter returns royalty (the "Kopple Royalty") on the Zonia copper oxide deposit located in Arizona. Pursuant to the plan of arrangement, Zonia amalgamated with 1302172 B.C. Ltd. to become Zonia Holdings Corp., a wholly owned subsidiary of the Company.

The Acquisition is considered to be outside the scope of IFRS 3 – *Business Combinations* since Zonia’s operations do not meet the definition of a business for accounting purposes as the fair value of gross assets acquired was mainly concentrated in exploration and evaluation assets at the time of the acquisition. Accordingly, the Acquisition will be accounted for as an asset acquisition and in accordance with IFRS 2 – *Share-Based Payment* whereby World Copper issued shares in exchange for the net assets of Zonia. As a result, the equity consideration is measured at the fair value of the World Copper shares issued as above and the difference between the fair value of the consideration paid and net assets acquired is allocated to exploration and evaluation assets.

The following table provides details of the fair value of the consideration given and the fair value of the assets and liabilities acquired:

Total Consideration:		
29,389,236 shares at $0.90 per share	$	**26,450,312**
Fair value of 7,445,273 World Copper Warrants issued		3,465,355
Acquisition costs incurred[(i)]		650,789
Total consideration	**$**	**30,566,456**
Allocation of Purchase Consideration:		
Assets		
Current assets	$	48,025
Deposits		7,587
Property and equipment		16,285
Exploration and evaluation assets		34,701,408
Total Assets		34,773,305
Liabilities		
Current liabilities		871,773
Related party loans (Note 9)		3,275,076
Loans payable (Note 9)		60,000
Total Liabilities		4,206,849
Net Assets	**$**	**30,566,456**

(i) $558,719 of acquisition costs were incurred in the year ended December 31, 2021.

The 7,445,273 World Copper Warrants with a fair value of $3,465,355 were calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	As at January 28, 2022
Risk-free interest rate average	1.20%
Expected life	0.68 years
Expected annualized volatility	55.78%
Expected dividend rate	0.00%

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

	Zonia Property, USA	Escalones Property, Chile	Cristal Property, Chile	Total
Acquisition costs capitalized				
Balance, December 31, 2021	**$ -**	**$ 6,361,987**	**$ 216,947**	**$ 6,578,934**
Acquisition costs - cash	-	689,522	62,420	751,942
Acquisition costs - shares	-	334,425	-	334,425
Acquisition of Zonia (Note 7)	34,701,408	-	-	34,701,408
Balance, December 31, 2022	**34,701,408**	**7,385,934**	**279,367**	**42,366,709**
Acquisition costs - cash	-	583,818	-	583,818
Impairment	-	-	(279,367)	(279,367)
Balance, December 31, 2023	**34,701,408**	**7,969,752**	**-**	**42,671,160**

Exploration and evaluation expenses - 2023	Zonia Property, USA	Escalones Property, Chile	Cristal Property, Chile	Total
Assays	$ 4,906	$ -	$ -	$ 4,906
Community relations	-	1,498	-	1,498
Consulting	64,279	-	-	64,279
Drilling, roads & trenches	186,927	2,257	-	189,184
Environmental	1,402	-	-	1,402
Field and camp supplies	12,113	16,995	-	29,108
Geological	57,819	32,611	-	90,430
Geophysical	20,475	-	-	20,475
Property taxes, lease and other	152,627	171,334	-	323,961
Transportation and equipment rentals	792	2,429	-	3,221
Expenditures	**501,340**	**227,124**	**-**	**728,464**
Expense recovery (Chilean VAT)	**-**	**(2,422,971)**	**-**	**(2,422,971)**
Year ended December 31, 2023	**$ 501,340**	**$ (2,195,847)**	**$ -**	**$ (1,694,507)**

Exploration and evaluation expenses - 2022	Zonia Property, USA	Escalones Property, Chile	Cristal Property, Chile	Total
Assays	$ 9,939	$ 189,728	$ -	$ 199,667
Community relations	-	24,161	-	24,161
Drilling, roads & trenches	501,462	2,155,771	-	2,657,233
Environmental	1,286	188,839	-	190,125
Field and camp supplies	16,567	997,904	-	1,014,471
Geological	250,562	163,651	-	414,213
Geophysical	149,275	375	-	149,650
Property taxes and lease	93,842	767,241	-	861,083
Transportation and equipment rentals	11,280	250,059	-	261,339
Year ended December 31, 2022	**$ 1,034,213**	**$ 4,737,729**	**$ -**	**$ 5,771,942**

8. EXPLORATION AND EVALUATION ASSETS (Continued)

Escalones Property, Chile

During the year ended December 31, 2019, the Company became party to an option agreement for the Escalones property (Note 6). During the year ended December 31, 2019, prior to the acquisition of TMI Group (Note 6), the Company had issued 166,667 common shares valued at $25,000 and made payments in the amount of USD$200,000 to the underlying property owner. The remaining payments required to earn a 100% interest in the Escalones property, amended on May 24, 2021, are as follows:

i) paying USD$60,000 on or before June 30, 2020 (paid);
ii) paying USD$140,000 on or before December 31, 2020 (paid);
iii) paying USD$150,000 on or before May 24, 2021 amendment date (paid):
iv) paying USD$150,000 on or before September 30, 2021 (paid);
v) paying USD$200,000 on or before July 12, 2022 (paid);
vi) paying USD$150,000 on or before September 30, 2022 (paid);
vii) paying USD$165,000 on or before November 30, 2022 (paid);
viii) paying USD$216,000 on or before July 6, 2023 (paid);
ix) paying USD$216,000 on or before September 30, 2023 (paid);
x) paying USD$218,000 on or before December 31, 2024[(1)];
xi) paying USD$800,000 on or before June 30, 2025[(1)];
xii) paying USD$800,000 on or before December 31, 2025[(1)];
xiii) paying USD$800,000 on or before June 30, 2026[(1)]; and
xiv) paying USD$450,000 on or before December 31, 2026[(1)].

[(1)] The timing of the remaining payments were renegotiated between the Company and the underlying property owner.

In addition to the option payments above, the Company may make an additional payment of USD$350,000 by December 31, 2026 to the optionors. The Company has granted a 2% net smelter returns royalty ("NSR") to the underlying Escalones Property owner.

Cristal Property, Chile

During the year ended December 31, 2019, the Company entered into an assignment and assumption agreement (the "Assignment Agreement") with New Energy Metals Corp. ("Vendor") whereby the Company obtained the right, title, benefit, and interest in and to an option agreement in respect of the Cristal property. To date, the Company has made cash payments of USD$200,000 towards the option.

The Company is required to make the remaining payments to the underlying property owner outlined below to exercise the option in full:

i) paying USD$50,000 upon the earlier of the commencement of drilling and December 31, 2019 (paid);
ii) paying USD$150,000 on or before five days after the first anniversary of closing the Allante transaction (January 15, 2022) (paid);
iii) paying USD$500,000 on or before second anniversary of closing (January 15, 2023*);
iv) paying USD$700,000 on or before third anniversary of closing (January 15, 2024); and
v) paying USD$3,000,000 on or before fourth anniversary of closing (January 15, 2025).

* The January 15, 2023 and 2024 payments remain unpaid, and terms are being renegotiated between the Company and the optionor.

The underlying Cristal Property owner retains a 3% NSR royalty, of which 2% can be repurchased by paying USD$2,000,000 for each percentage point of the NSR royalty bought back (aggregate USD$4,000,000 for 2% NSR royalty). In addition, there is also an existing 1% NSR royalty in favour of the Vendor that can be repurchased in its entirety upon a payment of USD$1,000,000.

8. EXPLORATION AND EVALUATION ASSETS (Continued)

Cristal Property, Chile (Continued)

The Assignment Agreement provides that if World Copper exercises the Cristal Option, then the Company and the Vendor will be deemed to have formed a joint venture (the "Joint Venture") for the continued exploration of the Cristal Project, with the initial participating interests of the Joint Venture participants being the Company – 70% and the Vendor – 30%. Assuming the formation of the Joint Venture, a 2% NSR royalty will be granted to a participant in the Joint Venture if its participating interest therein falls to 10% or less (the "JV Royalty"), provided that one-half (1%) of the JV Royalty can be purchased by the other party for USD$1,000,000.

During the year ended December 31, 2023, the Company impaired the cost of $279,367 (2022 - $Nil) bringing the carrying value of the Cristal Property to $Nil in accordance with Level 3 of the fair value hierarchy. The Company has not incurred any exploration expenditures on the property in the past two fiscal years nor does it plan to incur exploration expenditures subsequent to December 31, 2023. As the Cristal property has been in the exploration stage, there are no projected cash flows available to determine an appropriate value-in-use. Therefore, a value-in-use model is not further considered. As the Company currently does not plan on optioning this property out, the fair value less cost of disposal is assessed as $Nil.

Zonia, Arizona USA

Pursuant to an option agreement dated August 27, 2015, and as amended on October 3, 2018, between Zonia and Redstone Resources Corporation ("Redstone"), Zonia completed the acquisition of a 100% interest in the Zonia copper project by paying an aggregate $2,612,879 (USD$1,981,350) cash payment obligation (amended from USD$2,225,000), and $2,843,805 in common share issuances.

In connection with the acquisition of Zonia (Note 7), the Company granted an option to acquire a 1% net smelter returns royalty on the Zonia Project (the "Royalty"), which option may be exercised by the Robert and Carole Kopple Grandchildren's Trust ("Royalty Holder") for $1,407,867. At the election of the Company or the Royalty Holder, 100% of the Royalty could be repurchased by the Company from the Royalty Holder for a purchase price of approximately $3.0 million to $3.87 million based on the volume weighted average offering price of all the private placements conducted by the Company forming part of the Company's financing (the "World Copper Weighted Average Price"), payable through the issuance of common shares issuable at a deemed price equal to the World Copper Weighted Average Price (as defined in the agreement).

On May 17, 2022, the Royalty Holder exercised the Option by making a cash payment to the Company of $1,407,867. Following the exercise of the Royalty Option by the Royalty Holder, the Company bought-out the Royalty by issuing 7,731,286 common shares (the "Buy-Out Shares") to the Royalty Holder at a fair value price of $0.40 per Buy-Out Share for a total value of $3,092,514 which resulted in a loss of $1,684,647.

On August 17, 2022, the Company granted to Electric Royalties Ltd. ("Electric Royalties"): (i) a 0.5% Gross Revenue Royalty ("GRR") on the Zonia Project for a total of $1.55 million in cash and 2,000,000 common shares of Electric Royalties with a fair market value of $470,000; (ii) an option to acquire a further 0.5% GRR on the Zonia Project for an additional cash payment of $3.0 million; and (iii) an option to acquire a 1% GRR on the Zonia Norte deposit, for a cash payment of $3.0 million. The net revenue after closing costs of $1,970,000 was recorded during the year in profit or loss.

9. LOANS PAYABLE

DIRECTORS' LOAN

Through an acquisition completed during the year ended December 31, 2021, the Company acquired a $12,500 loan owed to a director which was unsecured, interest free and payable on demand. The loan was fully repaid during the year ending December 31, 2022. On January 28, 2022, the Company acquired through the Zonia acquisition (Note 7), loans aggregating $150,000 plus accrued interest, due to certain directors and former directors of Zonia. The loans bear interest at a rate of 8% and 12% per annum, compounded annually, repayable on varying dates of May 22, 2023, May 22, 2024, and June 2, 2024. The Company also replaced non-transferable bonus warrants to the lenders on the acquisition of Zonia.

ZONIA LOAN

On January 28, 2022, the Company acquired, through the Zonia acquisition (Note 7), a facility agreement with E.L. II Properties Trust, an unsecured credit facility (the "Facility") of USD$630,000 plus accrued interest. The Facility bears interest at 8% per annum with the balance due on February 22, 2024 (see loan extension below). The Company also replaced non-transferable bonus warrants issued to the lenders on acquisition of Zonia.

OTHER LOAN ADVANCES

On January 28, 2022, the Company acquired, through the Zonia acquisition (Note 7), three loan agreements with E.L. II Properties Trust, for unsecured loans (the "Loan Advances") in the aggregate of USD$750,265 plus accrued interest. The loans were originally due in August and November, bear interest at 12% and have been renegotiated with a new repayment date where all three loans are now payable in full on February 22, 2024 (see loan extension below). The Company also replaced non-transferable bonus warrants to the lenders on acquisition of Zonia.

DIVIDEND LOAN

On January 28, 2022, the Company acquired, through the Zonia acquisition (Note 7), a loan agreement with E.L. II Properties Trust and Kopple Family Partnership, L.P., for an unsecured loan (the "Dividend Loan") in the aggregate of $1,019,836 plus accrued interest. The loans bear interest at 8% per annum with maturity dates of August 31, 2023, and August 24, 2024.

CEBA LOAN

The Company acquired through the Zonia acquisition (Note 7) a COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account ("CEBA") in the amount of $60,000 and has an interest rate of 0% to be repaid by December 31, 2023, of which $20,000 of the loan will be forgiven if $40,000 is repaid in full on or before December 31, 2023. Subsequent to the year ended December 31, 2023, under the CEBA Loan Program, the Company's CEBA loan was converted to a term loan with repayment of the loan due on or before December 31, 2026 together with any accrued and unpaid interest from January 19, 2024.

EXTENTION – ZONIA AND OTHER LOAN ADVANCES

On January 10, 2023, the Company extended the due dates on advances from E.L. II Properties Trust. Four loans in the aggregate amount of USD$1,065,265 were extended to February 22, 2024. The Company issued 10,321,657 non-transferable bonus warrants at an exercise price of $0.14 CAD per share expiring on February 22, 2024. The issued warrants contain a clause that restricts exercise if exercising causes the holders' ownership to exceed 19.99%. In accordance with IFRS 9 – *Financial Instruments*, the Company determined the extension of the loans and grant of bonus warrants meet the definition of a substantial modification and was accounted for as an extinguishment of debt. The fair value of the liability portion at the time of amendment was determined based on an estimated discount rate of 23%, the bonus warrants of $937,647 were valued using Black-Scholes option pricing model with the following assumptions: risk-free rate of 4.25%, expected volatility of 87%, expected dividend of $Nil, and expected life of 1 year. Consequently, a loss on extinguishment of debt of $696,201 was recognized in the consolidated statements of loss and comprehensive loss (Notes 10 and 12).

(Expressed in Canadian Dollars)

9. LOANS PAYABLE (Continued)

EXTENTION – ZONIA AND OTHER LOAN ADVANCESB (Continued)

Summary of Zonia loans assumed on January 28, 2022 (see Notes 7, 10 and 12):

	Principal	Accrued Interest	Accretion Discount	Total
Loans payable:				
Directors' Loans	$ 150,000	$ 52,802	$ (35,419)	$ 167,383
Zonia Loan	804,636	341,572	(254,670)	891,538
Other Loan Advances	958,238	255,862	(40,357)	1,173,743
Dividend Loan	1,019,836	22,576	-	1,042,412
Related Party Loans	**2,932,710**	**672,812**	**(330,446)**	**3,275,076**
CEBA Loan	60,000	-	-	60,000
Balance – January 28, 2022	**$ 2,992,710**	**$ 672,812**	**$ (330,446)**	**$ 3,335,076**

Summary of outstanding loans payable on December 31, 2023 and 2022:

	Principal	Accrued Interest	Accretion Discount	Total
Loans payable – December 31, 2022:				
Directors' Loans	$ 150,000	$ 71,406	$ (23,300)	$ 198,106
Zonia Loan	853,272	456,336	(189,826)	1,119,782
Other Loan Advances	1,016,159	472,375	-	1,488,534
Dividend Loan	1,019,836	101,004	-	1,120,840
CEBA Loan	60,000	-	-	60,000
Balance – December 31, 2022	3,099,267	1,101,121	(213,126)	3,987,262
Less current portion	(2,120,213)	(765,788)	165,709	(2,720,292)
Long term portion	**$ 979,054**	**$ 335,333**	**$ (47,417)**	**$ 1,266,970**
Loans payable – December 31, 2023:				
Directors' Loans	$ 150,000	$ 93,350	$ (7,018)	$ 236,332
Zonia Loan	833,238	551,041	(27,173)	1,357,106
Other Loan Advances	992,300	643,721	-	1,636,021
Dividend Loan	1,019,836	193,397	-	1,213,233
CEBA Loan	60,000	-	-	60,000
Balance – December 31, 2023	3,055,374	1,481,509	(34,191)	4,502,692
Less current portion	(3,055,374)	(1,481,509)	34,191	(4,502,692)
Long term portion	**$ -**	**$ -**	**$ -**	**$ -**

10. CAPITAL STOCK

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

During the year ended December 31, 2023, the Company:

i) On March 31, 2023, issued 7,974,344 units at $0.18 per unit for gross proceeds of $1,435,382 in the first of two tranches of a private placement. Each unit consisted of one common share and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one additional share of the Company for a period of two years from the date of issuance at a price of $0.30 per share. In connection with the issuance, the Company paid aggregate finder's fees consisting of $5,813 in cash and issued 32,297 finder's warrants valued at $2,244. Each finder's warrant entitles the holder thereof to purchase one common share at a price of $0.30 for a period of 24 months from the date of issuance.

ii) On April 27, 2023, the Company issued 3,332,323 units at $0.18 per unit for gross proceeds of $599,818 in the second of two tranches of a private placement. Each unit consisted of one common share and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one additional share of the Company for a period of two years from the date of issuance at a price of $0.30 per share. In connection with the issuance, the Company paid aggregate finder's fees consisting of $756 in cash and issued 4,200 finder's warrants valued at $206. Each finder's warrant entitles the holder thereof to purchase one common share at a price of $0.30 for a period of 24 months from the date of issuance.

iii) Other share issuance costs total $12,606 were paid during the year ended December 31, 2023.

iv) Held 3,308,780 shares in escrow as at December 31, 2023, which were released subsequent to year-end in January 2024.

(Expressed in Canadian Dollars)

10. CAPITAL STOCK (Continued)

Issued share capital (Continued)

During the year ended December 31, 2022, the Company:

i) On January 28, 2022, in connection with the Zonia acquisition (Note 7), a total of 29,389,236 common shares fair valued at $0.90 per common share for total consideration of $26,450,312 have been issued to Zonia shareholders based on an exchange ratio of 0.200795 common share of the Company for each share of Cardero. Additionally, 7,445,273 Cardero warrants based on an exchange ratio of 0.200795 were replaced by the Company.

ii) On May 17, 2022, the Company bought-out a 1% net smelter returns royalty on future production from the Company's Zonia copper oxide project by issuing 7,731,286 common shares (the "Buy-Out Shares") to the Royalty Holder at a deemed issuance price of $0.40 per Buy-Out Share for total consideration of $3,092,514 (Note 8 - Zonia).

iii) On July 21, 2022, issued 4,264,414 units at $0.30 per unit for gross proceeds of $1,279,325 in the first tranche of a private placement. Each unit consisted of a common share and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one additional share of the Company for a period of two years from the date of issuance at a price of $0.60 per share. The expiry of the Warrants may be accelerated if the closing price of the Company's common shares on the TSX Venture Exchange ("TSXV") is equal to or greater than $1.00 for a minimum of twenty consecutive trading days and a notice of acceleration is provided in accordance with the terms of the Warrants. No finder's fees were paid pursuant to this first tranche closing. All securities issued in the Offering have a four-month plus one-day hold period, during which time the securities may not be traded.

iv) On August 31, 2022, issued 5,276,501 units at $0.30 per unit for gross proceeds of $1,582,950 in the second tranche of a private placement, each unit comprised as above. In connection with the issuance of the second tranche, the Company paid aggregate finder's fees consisting of $58,454 in cash and issued 194,844 finder's warrants valued at $37,056. Each Finder's Warrant entitles the holder thereof to purchase one common share at a price of $0.30 for a period of 36 months from the date of issuance. In addition, filing fees of $15,761 were paid in cash.

v) On September 30, 2022, issued 1,238,612 common shares at market price of $0.27 per share pursuant to the special warrants issued on the acquisition of the TMI Group (Note 6) with a value of $334,425 recognized in mineral property acquisition costs.

vi) Issued 5,325,705 shares on warrant exercises for gross proceeds of $2,673,108.

vii) Issued 100,000 shares on option exercises for gross proceeds of $42,000.

viii) Held 10,451,337 shares in escrow as at December 31, 2022, which will be released between January 2023 and January 2024

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted average exercise price
Outstanding, December 31, 2021	**27,715,989**	**$ 0.59**
Replaced Zonia warrants (Note 7)	7,445,273	0.66
Issued	4,965,301	0.59
Exercised	(5,325,705)	0.50
Expired	(6,737,787)	0.70
Outstanding, December 31, 2022	**28,063,071**	**$ 0.60**
Issued	16,011,490	0.20
Expired	(8,200,833)	0.60
Outstanding, December 31, 2023	**35,873,728**	**$ 0.42**

(Expressed in Canadian Dollars)

10. CAPITAL STOCK (Continued)

Warrants (Continued)

The following warrants were outstanding at December 31, 2023 and 2022:

		Number of Warrants	
Expiry Date	**Exercise Price**	**December 31, 2023**	**December 31, 2022**
January 15, 2023 [(1)]	$0.60	-	660,393
September 29, 2023	$0.60	-	785,390
September 29, 2023 [(1)]	$0.60	-	71,575
October 6, 2023	$0.60	-	2,053,750
October 6, 2023 [(1)]	$0.60	-	287,525
October 28, 2023	$0.60	-	3,984,461
October 28, 2023 [(1)]	$0.60	-	297,500
November 9, 2023 [(2)]	$0.747	-	60,239
February 22, 2024 [(3)]	$0.14	10,321,657	-
July 21, 2024	$0.60	2,132,206	2,132,206
August 31, 2024	$0.60	2,638,251	2,638,251
March 31, 2025	$0.30	3,987,174	-
March 31, 2025 [(1)]	$0.30	32,297	-
April 27, 2025	$0.30	1,666,162	-
April 27, 2025 [(1)]	$0.30	4,200	-
August 31, 2025 [(1)]	$0.30	194,844	194,844
September 15, 2025	$0.60	500,000	500,000
October 15, 2025	$0.60	536,218	536,218
July 27, 2025	$0.60	7,042,996	7,042,996
July 27, 2025	$0.60	6,817,723	6,817,723
		35,873,728	**28,063,071**

[(1)] Finder's warrants
[(2)] Zonia warrants replaced
[(3)] Expired unexercised subsequent to the year ended December 31, 2023

The finder's warrants issued during the years ended December 31, 2023 and December 31, 2022, were valued using the Black-Scholes option pricing model with the following weighted average assumptions:

	Year ended December 31, 2023	**Year ended December 31, 2022**
Risk-free interest rate average	3.74%	3.59%
Expected life	2.00 years	3.00 years
Expected annualized volatility	79.09%	100.00%
Expected dividend rate	-	-

The loan bonus warrants issued during the year ended December 31, 2023 (Note 9), were valued using the Black-Scholes option pricing model with the following weighted average assumptions:

	Year ended December 31, 2023
Risk-free interest rate average	4.25%
Expected life	1.00 years
Expected annualized volatility	87.80%
Expected dividend rate	-

(Expressed in Canadian Dollars)

11. STOCK OPTION PLAN AND SHARE-BASED PAYMENTS

In January 2021, the Company adopted an incentive stock option plan (the "2021 Plan"). The essential elements of the 2021 Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the 2021 Plan may not exceed 10% of the number of issued shares of the Company at the time of granting the options. Options granted under the 2021 Plan will have a maximum term of ten years. The exercise price of options granted under the 2021 Plan will not be less than the discounted market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the issuance of a news release announcing the granting of the options, less the maximum discount permitted under TSX-V policies), or such other price as may be agreed to by the Company and accepted by the TSX-V. Unless otherwise determined by the directors at the date of grant, options granted under the 2021 Plan vest immediately, except for options granted to consultants conducting investor relation activities, which will become vested with the right to exercise one-fourth of the option upon the conclusion of each three-month period subsequent to the date of grant of the option.

In June 2022, the Company amended the 2021 Plan and adopted a new incentive stock option plan (the "2022 Plan"). The essential elements of the 2022 Plan remain the same as the 2021 Plan, with the only difference being that transferred options will no longer continue to vest.

During the year ended December 31, 2023, there were no incentive stock options were granted.

During the year ended December 31, 2022, the Company:

i) On January 31, 2022, granted incentive stock options to directors, officers, employees, and consultants of the Company to purchase up to 4,585,000 common shares in the capital stock of the Company. The options are exercisable on or before January 31, 2024, at a price of $0.91 per share.
ii) On August 23, 2022, granted incentive stock options to a consultant of the Company to purchase up to 1,000,000 common shares in the capital stock of the Company. The options are exercisable on or before August 23, 2025, at a price of $0.31 per share.
iii) On August 19, 2022, granted incentive stock options to directors, officers, employees, and consultants of the Company to purchase up to 5,000,000 common shares in the capital stock of the Company. The options are exercisable on or before August 19, 2025, at a price of $0.31 per share.
iv) On September 20, 2022, cancelled incentive stock options to directors, officers, employees, and consultants of the Company to purchase up to 4,585,000 common shares in the capital stock of the Company to re-issue at a lower exercise price. The options were exercisable on or before January 31, 2024, at a price of $0.91 per share.
v) On September 30, 2022, granted incentive stock options to directors, officers, employees, and consultants of the Company to purchase up to 4,755,000 common shares in the capital stock of the Company. The options are exercisable on or before September 30, 2025, at a price of $0.27 per share.

The fair value of options granted was estimated at the date of grant using the Black-Scholes option pricing model based on the following weighted average assumptions:

	Year ended December 31, 2022
Risk-free interest rate average	2.84%
Expected life	1.71 years
Expected annualized volatility	114.94%
Expected dividend rate	0.00%

Expected stock price volatility was derived from an average volatility based on historical movements in the closing prices of the Company's stock for a length of time equal to the expected life of the options. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche. The expected dividend rate is estimated at 0.00% as the Company does not have a history of issuing and paying dividends.

(Expressed in Canadian Dollars)

11. STOCK OPTION PLAN AND SHARE-BASED PAYMENTS (Continued)

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2021	**4,400,000**	**0.42**
Granted	15,340,000	0.48
Cancelled	(4,585,000)	0.91
Expired	(4,300,000)	0.42
Exercised [(1)]	(100,000)	0.42
Outstanding, December 31, 2022	**10,755,000**	**0.29**
Cancelled	(3,000,000)	0.27
Outstanding, December 31, 2023	**7,755,000**	**0.30**

[(1)] The fair value of the Company's shares on the date of exercise was $0.90 per share.

The following incentive stock options were outstanding and exercisable at December 31, 2023 and December 31, 2022:

Expiry Date	Exercise Price	December 31, 2023	December 31, 2022
August 23, 2025	$0.31	1,000,000	1,000,000
August 19, 2025	$0.31	5,000,000	5,000,000
September 30, 2025	$0.27	1,755,000	4,755,000
		7,755,000	**10,755,000**

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and directors. The transactions with related parties were in the normal course of operations and were measured at the fair value.

Key management personnel compensation during the years ended December 31, 2023 and 2022 was as follows:

	December 31, 2023	December 31, 2022
Management fees, included in consulting fees *	$ 222,000	$ 277,422
Directors' fees, included in consulting fees	27,040	93,556
Wages and benefits	216,051	280,500
Share-based payment	-	2,727,509
Rent	118,447	95,861

* Included in management fees is a termination benefit of $149,690 (2022 - $Nil) accrued to the former CEO.

(Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (Continued)

The amounts due to the related parties are as follows:

	December 31, 2023	December 31, 2022
Included in accounts payable and accrued liabilities:		
Due to directors	$ 200,929	$ 191,262
Due to the former CEO	149,690	34,060
Due to the CFO	14,700	7,350
Due to the corporate secretary	123,577	95,598
	488,896	328,270
Included in due to related parties:		
Due to Wealth Minerals	112,450	112,450
	$ 601,346	$ 440,720

The amounts owing above are unsecured, non-interest bearing and have no fixed term for repayment.

During the year ended December 31, 2022, the Company assumed loans of $3,275,076 from a director and former Zonia directors on the Zonia Transaction (Notes 7 and 9). The amounts owing as at December 31, 2023 and December 31, 2022 are as follows:

	Directors' Loans	Zonia Loan	Other Loan Advances	Dividend Loan	Total
Loans payable:					
Balance – December 31, 2021	**$ 12,500**	**$ -**	**$ -**	**$ -**	**$ 12,500**
Assumption of Zonia Loans [1]	167,383	891,538	1,173,743	1,042,412	3,275,076
Interest expense	18,604	91,089	193,912	78,428	382,033
Accretion	12,119	77,816	40,776	-	130,711
Foreign exchange adjustment	-	59,338	80,104	-	139,442
Repayments	(12,500)	-	-	-	(12,500)
Balance – December 31, 2022	**$ 198,106**	**$ 1,119,781**	**$ 1,488,535**	**$ 1,120,840**	**3,927,262**
Equity portion of compound instruments	-	-	(937,647)	-	(937,647)
Interest expense	21,944	106,628	184,519	92,393	405,484
Loss on Extinguishment			696,201		696,201
Accretion	16,282	159,891	107,439	-	283,612
Foreign exchange adjustment	-	(29,194)	96,974	-	67,780
Balance – December 31, 2023	**$ 236,332**	**$ 1,357,106**	**$ 1,636,021**	**$ 1,213,233**	**4,442,692**

[1] The balance assumed from Zonia on January 28, 2022 includes Principal, Accrued Interest and Accretion Discount (Note 9).

13. CAPITAL MANAGEMENT

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

13. CAPITAL MANAGEMENT (Continued)

The Company currently has no source of revenues; as such, the Company is dependent upon external financings or the sale of assets (or an interest therein) to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. 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 have been no changes to the Company's capital management approach during the year ended December 31, 2023.

14. FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's management believes it has no significant credit risk.

The financial instrument that potentially subjects the Company to a significant concentration of credit risk is cash. The Company mitigates its exposure to credit loss associated with cash by placing its cash in major financial institutions. As at December 31, 2023, the Company had cash of $14,329 (2022 - $7,409).

Interest rate risk
Interest rate risk is the risk that future cash flows of the Company's assets and liabilities can change due to a change in interest rates. Loans payable have a fixed interest rate between 8% and 12%, and cash earns interest rate at a nominal rate. The Company is not exposed to significant interest rate cash flow risk.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At December 31, 2023, the Company had a cash balance of $14,329 (2022 - $7,409) to settle current liabilities of $6,859,171 (2022 - $5,788,893). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms and loans payable which have varying payment terms as noted in Note 9. The Company expects to fund these liabilities through the use of existing cash resources and will need to obtain additional equity financing. The Company's undiscounted financial liabilities are due as follows:

As at December 31, 2023:

	0 to 3 months	3 to 6 months	6 to 12 months	More than 12 months	Total
Accounts payable and accrued liabilities	$ 2,244,029	$ -	$ -	$ -	$ 2,244,029
Loans payable	3,081,336	243,350	1,213,233	-	4,537,919
Due to related parties	112,450	-	-	-	112,450
	$ 5,437,815	$ 243,350	$ 1,213,233	$ -	$ 6,894,398

As at December 31, 2022:

	0 to 3 months	3 to 6 months	6 to 12 months	More than 12 months	Total
Accounts payable and accrued liabilities	$ 2,956,151	$ -	$ -	$ -	$ 2,956,151
Loans payable	1,937,541	153,577	553,019	1,226,170	3,870,307
Due to related parties	112,450	-	-	-	112,450
	$ 5,006,142	$ 153,577	$ 553,019	$ 1,226,170	$ 6,938,908

14. FINANCIAL INSTRUMENTS (Continued)

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company is not exposed to significant interest rate or equity price risks at December 31, 2023.

Foreign currency risk
The Company is exposed to foreign currency risk as certain monetary financial instruments are denominated in Chilean and United States currencies. Canadian dollar denominated balances generated foreign exchange gains and losses that are reported on the consolidated statement of loss and comprehensive loss. A strengthening of 10% in the Chilean and US dollars against the Canadian dollar would have increased the Company's net loss and comprehensive loss by $408,747 (2022 - $442,000) due to the impact of the exchange rate fluctuation on Canadian dollar denominated financial instruments.

At December 31, 2023, the Company had the following financial instruments denominated in foreign currencies (presented in Canadian dollars):

	Chilean Pesos	United States Dollars	Total
Cash	$ 6,074	$ 50	$ 6,124
Accounts payable and accrued liabilities	(917,218)	(183,248)	(1,100,466)
Loans	-	(2,993,128)	(2,993,128)
Net	$ (911,144)	$ (3,176,326)	$ (4,087,470)

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is exposed to other price risk to the extent of its marketable securities. For the year ended December 31, 2023, a 10% change in market price would result in approximately $Nil (2022 - $56,000) in the Company's net loss and comprehensive loss.

Fair value
The fair value of the Company's cash, receivables excluding GST, accounts payable and accrued liabilities, amounts due to related parties, and loan payable approximates the carrying amount due to their short-term maturity of the instruments. The fair value of loans payable is determined by using discounted cash flows based on the expected amounts and timing of the cash flows discounted using a market rate of interest adjusted for appropriate credit risk.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

(Expressed in Canadian Dollars)

14. FINANCIAL INSTRUMENTS (Continued)

Fair value (Continued)
As at December 31, 2023, the Company's financial instruments consist of cash, receivables, marketable securities, accounts payable and accrued liabilities, due to related parties, and loans payable. The fair values of financial assets and financial liabilities approximate their fair value due to the short-term nature of these items. The Company's marketable securities and due to related parties are measured using the fair value hierarchy as follows:

As at	**December 31, 2023**		
	Level 1	**Level 2**	**Level 3**
Marketable securities	$ -	$ -	$ -
Accounts payable	2,244,029		
Loans payable	4,502,692		
Due to Wealth Minerals	-	112,450	-

As at	**December 31, 2022**		
	Level 1	**Level 2**	**Level 3**
Marketable securities	$ 560,000	$ -	$ -
Accounts payable	2,956,151		
Loans payable	3,987,262		
Due to Wealth Minerals	-	112,450	-

15. GEOGRAPHIC SEGMENTED INFORMATION

The Company has one operating segment, being the mineral resource industry with its exploration and evaluation assets in the United States and Chile. The Company's equipment and exploration and evaluation assets at December 31, 2023 and 2022 are located in the USA and Chile as follows:

	USA	**Chile**	**Total**
December 31, 2023			
Equipment	$ 6,300	$ -	$ 6,300
Exploration and evaluation assets	34,701,408	7,969,752	42,671,160
	$ 34,707,708	$ 7,969,752	$ 42,677,460
December 31, 2022			
Equipment	$ 11,279	$ -	$ 11,279
Exploration and evaluation assets	34,701,408	7,665,301	42,366,709
	$ 34,712,687	$ 7,665,301	$ 42,377,988

(Expressed in Canadian Dollars)

16. INCOME TAXES

A reconciliation of income taxes by applying the Canadian statutory income tax rate of 27% to the consolidated loss is as follows:

	2023	2022
Loss for the year	$ (3,689,918)	$ (16,447,294)
Income tax recovery at Canadian statutory rate	(996,278)	(4,440,769)
Non-deductible items	82,740	44,357
Other temporary differences	954,984	316,638
Impact of foreign exchange on tax assets and liabilities	(196,423)	705,956
Under provided in prior years	31,160	-
Unused tax losses and tax offsets not recognized	157,424	3,373,818
Income tax expense	$ 33,607	$ -

The significant components of the Company's deferred tax assets and liabilities that have not been included on the consolidated statement of financial position are as follows:

	2023	2022
Non-capital losses	$ 16,723,786	$ 58,743,790
Capital losses	7,922,244	7,922,244
Resource properties	1,367,378	3,037,225
Share issue costs	84,992	1,591
	$ 26,098,400	$ 69,704,850

The Company has non-capital loss carry-forwards of approximately $58,743,790, which may be available to reduce taxable income in future years. The potential tax benefits of these losses have not been recognized as a deferred tax benefit, as currently it is not probable that such a benefit will be utilized in the foreseeable future. Unless utilized, these losses will expire in 2043.

Tax attributes are subject to review, and potential adjustment, by tax authorities.

17. SUBSEQUENT EVENT

On February 27, 2024, the Company announced a private placement of up to 57,142,858 units at $0.07 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one additional share of the Company for a period of two years from the date of issuance at a price of $0.17 per share. As of April 11, 2024, the Company received approximately $3.8 million in proceeds.