GOLDSHORE RESOURCES INC.

Condensed Consolidated Interim Financial Statements

For the nine months ended September 30, 2024 and 2023
(Unaudited)

In Canadian Dollars

GOLDSHORE RESOURCES INC.
Condensed Consolidated Interim Statements of Financial Position
(in Canadian Dollars - unaudited)
As at,

	September 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents (Note 4)	$ 6,226,202	$ 5,269,421
Amounts receivable (Note 5)	138,041	149,948
Prepaid expenses and deposits	192,511	89,451
	6,556,754	**5,508,820**
Exploration and evaluation assets (Note 6)	91,938,264	89,046,844
Right-of-use assets and equipment (Note 7)	208,177	264,242
Long-term deposits	-	547
TOTAL ASSETS	**$ 98,703,195**	**$ 94,820,453**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Notes 8 and 12)	$ 606,612	$ 414,229
Current portion of lease liabilities (Note 9)	71,291	73,301
Current portion of flow-through premium liability (Note 10)	37,544	257,047
	715,447	**744,577**
Non-current portion of lease liabilities (Note 9)	148,596	193,688
Deferred income tax liability	12,186,000	11,780,000
TOTAL LIABILITIES	**13,050,043**	**12,718,265**
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	96,283,080	90,327,072
Obligation to issue shares (Note 6)	7,500,000	7,500,000
Reserve (Note 11)	7,051,082	7,373,377
Accumulated deficit	(25,181,010)	(23,098,261)
TOTAL SHAREHOLDERS' EQUITY	**85,653,152**	**82,102,188**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 98,703,195**	**$ 94,820,453**

Nature and continuance of operations and going concern (Note 1)
Subsequent events (Note 16)

These financial statements were authorized for issue by the Board of Directors on November 28, 2024. They are signed on behalf of the Board of Directors by:

"Michael Henrichsen"
CEO and Director

"Joanna Pearson"
Director

GOLDSHORE RESOURCES INC.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(in Canadian Dollars - unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2024	**2023**	**2024**	**2023**
EXPENSES				
Amortization expense (Note 7)	$ 18,894	$ 20,178	$ 56,065	$ 68,263
Consulting fees (Note 12)	166,075	191,368	375,777	568,386
General and administrative costs	78,234	95,022	293,010	328,107
Professional fees	67,129	55,390	175,208	220,326
Regulatory and transfer agent fees	14,546	7,285	70,309	48,403
Shareholder information and investor relations	623,319	262,391	725,625	1,019,913
Stock-based compensation (Notes 11 and 12)	458,769	313,308	1,308,450	1,097,860
Travel	17,203	41,774	59,680	166,296
	$ 1,444,169	$ 986,716	$ 3,064,124	$ 3,517,554
OTHER ITEMS				
Interest expense (Note 9)	2,514	3,598	7,707	16,393
Interest and other income	(40,635)	(38,452)	(154,865)	(85,285)
Loss on debt settlement (Note 11)	-	-	-	380,144
Recovery of flow-through premium (Note 10)	(113,022)	(102,793)	(219,503)	(669,199)
LOSS BEFORE INCOME TAXES	$ 1,293,026	$ 849,069	$ 2,697,463	$ 3,159,607
Deferred income tax expense	223,000	186,000	406,000	1,014,000
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ 1,516,026	$ 1,035,069	$ 3,103,463	$ 4,173,607
Basic and diluted loss per share for the period	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding – basic and diluted	289,484,868	210,459,794	270,145,940	192,782,047

GOLDSHORE RESOURCES INC.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(in Canadian Dollars - unaudited)

	Share Capital					
	Number of shares	Amount	Obligation to issue shares	Reserve	Accumulated deficit	Total
Balance, December 31, 2022	**167,851,703**	**$ 73,065,046**	**$ 15,000,000**	**$ 6,609,645**	**$ (19,891,770)**	**$ 74,782,921**
Shares issued for private placements (Note 11)	37,489,643	6,900,000	-	-	-	6,900,000
Flow-through premium (Note 11)	-	(526,761)	-	-	-	(526,761)
Share issuance costs	-	(826,088)	-	226,826	-	(599,262)
Shares issued for mineral property (Note 6)	300,000	43,500	-	-	-	43,500
Units issued for debt settlement (Note 11)	3,018,572	724,457	-	168,844	-	893,301
Fair value of expired options (Note 11)	-	-	-	(966,036)	966,036	-
Stock-based compensation (Note 11)	-	-	-	1,097,860	-	1,097,860
Loss and comprehensive loss for the period	-	-	-	-	(4,173,607)	(4,173,607)
Balance, September 30, 2023	**208,659,918**	**79,380,154**	**15,000,000**	**7,137,139**	**(23,099,341)**	**78,417,952**
Balance, December 31, 2023	**259,667,918**	**90,327,072**	**7,500,000**	**7,373,377**	**(23,098,261)**	**82,102,188**
Shares issued for vesting of restricted share units (Note 11)	1,290,472	287,556	-	(343,163)	-	(55,607)
Shares issued for exercise of warrants (Note 11)	38,675,000	5,356,250	-	(187,500)	-	5,168,750
Shares issued for exercise of compensation options (Note 11)	726,816	202,927	-	(79,368)	-	123,559
Share issuance costs	-	(725)	-	-	-	(725)
Shares issued for mineral property (Note 6)	400,000	110,000	-	-	-	110,000
Fair value of expired options and warrants (Note 11)	-	-	-	(1,020,714)	1,020,714	-
Stock-based compensation (Note 11)	-	-	-	1,308,450	-	1,308,450
Loss and comprehensive loss for the period	-	-	-	-	(3,103,463)	(3,103,463)
Balance, September 30, 2024	**300,760,206**	**$ 96,283,080**	**$ 7,500,000**	**$ 7,051,082**	**$ (25,181,010)**	**$ 85,653,152**

GOLDSHORE RESOURCES INC.
Condensed Consolidated Interim Statements of Cash Flows
(in Canadian Dollars - unaudited)

	Nine months ended	
	September 30, 2024	**September 30, 2023**
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Loss for the period	$ (3,103,463)	$ (4,173,607)
Non-cash items:		
Amortization and interest expense	63,772	84,656
Stock-based compensation expense	1,308,450	1,097,860
Recovery of flow-through premium	(219,503)	(669,199)
Loss on debt settlement	-	380,144
Deferred income tax expense	406,000	1,014,000
Changes in non-cash working capital items:		
Amounts receivable and prepaid expenses	(91,153)	906,025
Accounts payable and accrued liabilities	110,892	253,376
Cash flows used in operating activities	(1,525,005)	(1,106,745)
INVESTING ACTIVITIES		
Mineral property acquisition, exploration and long-term deposits	(2,699,382)	(6,299,026)
Cash flows used in investing activities	(2,699,382)	(6,299,026)
FINANCING ACTIVITIES		
Proceeds from share issuances	-	6,900,000
Proceeds from exercise of warrants and compensation options	5,292,309	-
Share issuance costs	(725)	(599,262)
Settlement of RSUs	(55,607)	-
Repayment of lease obligations	(54,809)	(76,844)
Cash flows provided by financing activities	5,181,168	6,223,894
Change in cash and cash equivalents	956,781	(1,181,877)
Cash and cash equivalents, beginning of period	5,269,421	3,999,652
Cash and cash equivalents, end of period	$ 6,226,202	$ 2,817,775
Supplemental cash flow information:		
Exploration and evaluation asset costs in accounts payable and accrued liabilities	$ 433,454	$ 483,916
Interest and taxes paid	-	-
Interest received	154,865	85,285

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Goldshore Resources Inc. (the "Company") is a gold focused Canadian exploration company. The Company's head office is located at 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and its registered and records office is at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. The Company is a mineral exploration company focused on the acquisition and evaluation of precious metal mineral properties in Canada, and currently holds title to the Moss Gold Project and Hillcrest Project, and an option to earn into the Vanguard Project, located in Ontario, Canada.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. As at September 30, 2024, the Company's current assets exceeded its current liabilities by $5,841,307 and the Company had an accumulated deficit of $25,181,010. The Company's ability to continue as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet future obligations until such a time as the Company is profitable. The business of mining and exploration involves a high degree of risk and there can be no assurance that management's plans will be successful. The Company currently is not generating any revenue. Whether and when the Company can obtain profitability and positive cash flows from its operations is uncertain. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, using accounting policies consistent with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary, Moss Lake Project Inc. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Change in year end

The Company changed its fiscal year end from March 31 to December 31 in the prior year in order to better align the Company's financial disclosure with other reporting issuers and with its internal operational processes. The Company's transition period was the nine-month period ended December 31, 2023. The comparative period is the nine-month period ended September 30, 2023.

Presentation and functional currency

The presentation and functional currency of the Company and its subsidiary is the Canadian dollar. All amounts in these condensed consolidated interim financial statements are expressed in Canadian dollars, unless otherwise indicated.

<u>Significant accounting judgments</u>

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires management to make certain critical accounting estimates and assumptions about the future. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The impacts of changes to estimates are recognized in the period estimates are revised and in future periods affected. The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Key sources of estimation uncertainty

Valuation of stock-based compensation and compensation options

The Company uses the Black-Scholes option pricing model for the valuation of stock-based compensation and compensation options. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, forfeiture rate, risk-free market interest rate, expected volatility in the price of the underlying stock and expected life of the instruments. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Flow-Through premium liability

Pursuant to the terms of the flow-through share agreements, flow-through shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon qualifying exploration expenditures being incurred, the Company derecognizes the liability on a pro-rata basis and recognizes a recovery for the amount of tax reduction renounced to the shareholders.

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the nine-month period ended December 31, 2023, and have been consistently followed in the preparation of these condensed consolidated interim financial statements.

New accounting pronouncements

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

(in Canadian Dollars - unaudited)

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this standard on its financial statements.

4. CASH AND CASH EQUIVALENTS

At September 30, 2024 and December 31, 2023, the Company's cash and cash equivalents were comprised of the following:

		September 30, 2024		December 31, 2023
Cash held in bank accounts	**$**	**3,089,960**	$	227,574
Cash equivalents		**3,136,242**		5,041,847
Total	**$**	**6,226,202**	$	5,269,421

Cash equivalents are held in cashable guaranteed investment certificates with an interest rate of 5.20% - 5.45%.

5. AMOUNTS RECEIVABLE

The Company's amounts receivable is comprised of the following:

		September 30, 2024		December 31, 2023
GST receivable	**$**	**94,776**	$	39,019
Other receivables (Note 12)		**43,265**		110,929
Total	**$**	**138,041**	$	149,948

6. EXPLORATION AND EVALUATION ASSETS

		Moss Gold Project		**Other Projects**		**Total**
Acquisition costs						
Balance, March 31, 2023	$	52,055,250	$	91,000	$	52,146,250
Additions		-		83,000		83,000
Balance, December 31, 2023	$	52,055,250	$	174,000	$	52,229,250
Additions		-		140,000		140,000
Balance, September 30, 2024	$	52,055,250	$	314,000	$	52,369,250
Exploration and evaluation costs						
Balance, March 31, 2023	$	33,047,869	$	229,053	$	33,276,922
Camp costs		202,417		-		202,417
Consulting and salaries		2,119,827		-		2,119,827
Technical studies		791,853		-		791,853
Database management		6,393		-		6,393
Drilling		75,697		-		75,697
Geochemistry and geophysics		34,793		-		34,793
Other costs		303,133		6,559		309,692
Balance, December 31, 2023	$	36,581,982	$	235,612	$	36,817,594
Camp costs		182,724		-		182,724
Consulting and salaries (1)		1,541,385		60,384		1,601,769
Database management		49,475		-		49,475
Drilling		425,755		-		425,755
Geochemistry and geophysics (1)		41,548		32,317		73,865
Other costs (1)		404,299		13,533		417,832
Balance, September 30, 2024	$	39,227,168	$	341,846	$	39,569,014
Total, December 31, 2023	**$**	**88,637,232**	**$**	**409,612**	**$**	**89,046,844**
Total, September 30, 2024	**$**	**91,282,418**	**$**	**655,846**	**$**	**91,938,264**

(1) During the nine-months ended September 30, 2024, the Company allocated certain payroll, geophysics and other overhead costs between the Moss Gold Project and the Vanguard Project pursuant to the terms of the option agreement with Thunder Gold Corp.

Moss Gold Project

On January 25, 2021, the Company entered into a purchase agreement with Moss Lake Gold Mines Ltd. and Wesdome Gold Mines Ltd. ("Wesdome") to acquire a 100% interest in the Moss Gold project located in Ontario, Canada (the "Transaction"). The Transaction closed on June 4, 2021 ("Closing"). In exchange for a 100% interest in the project, the Company will:

- Pay $12,500,000 cash to Wesdome upon closing (paid);
- Issue common shares with a fair value equal to the greater of a) $19,500,000 and b) 30% of the issued and outstanding common shares of the Company to Wesdome at closing (issued 30,085,000 common shares);
- Issue $20,000,000 in common shares to Wesdome in the form of milestone payments consisting of:
    - $5,000,000 within 12 months of Closing (issued 8,333,333 common shares on June 6, 2022);
    - $7,500,000 upon the earlier of (i) the Company completing an updated Preliminary Economic Assessment ("PEA") or pre-feasibility study; and (ii) 30 months from Closing (issued 12,500,000 common shares on December 4, 2023); and
    - $7,500,000 upon the earlier of (i) the Company completing a feasibility study, (ii) the date on which the Company makes a development decision on the Moss Gold Project, and (iii) June 4, 2025 (48 months from Closing).
- Grant to Wesdome a 1.00% net smelter royalty ("NSR") on all metal production from the Moss Gold Project. The Company has the right to repurchase the NSR for $7,500,000 between December 4, 2023 and June 4, 2025 (30 and 48 months after Closing). The Company did not exercise its NSR repurchase right by December 4, 2023. The NSR buyback shall expire if not exercised by June 4, 2025.
- Grant Wesdome the option of representation on the Company's Board of Directors with two appointees relative to Wesdome's total share ownership of the Company (completed). This nomination right lapsed during the nine months ended September 30, 2024.

The number of common shares issued to satisfy the remaining milestone payment of $7,500,000 noted above is calculated at the greater of (i) $0.60 per share, and (ii) the volume-weighted average share price for the 20 days prior to the date of issuance.

The Moss Gold Project carries an underlying advanced royalty commitment amounting to $6,250 due quarterly until the project enters production, which was inherited from Wesdome at the time of acquisition, presented as other costs in the table above.

Other Projects

<u>Vanguard Project</u>

On July 5, 2022, and amended on May 29, 2023 and May 21, 2024, the Company executed an option agreement with Thunder Gold Corp. ("Thunder Gold") to earn in to certain mining claims held by Thunder Gold in the Shebandowan greenstone belt known as the Vanguard Project (the "Vanguard Project"). The effective date of the agreement was July 28, 2022 (the "Effective Date"). Key terms of the option agreement are as follows:

1. Total cash payments of an aggregate of $110,000 to Thunder Gold over 3 years, to be paid as follows:
    a. $10,000 within five days of July 28, 2022 (paid);
    b. an additional $20,000 on or before July 28, 2023, the 12-month anniversary of the Effective Date (paid);
    c. an additional $30,000 on or before July 28, 2024, the 24-month anniversary of the Effective Date (paid); and
    d. an additional $50,000 on or before July 28, 2025, the 36-month anniversary of the Effective Date.
2. Total share issuance of an aggregate of 1,500,000 common shares of the Company (each, a "Share") (such Shares to be subject to resale restrictions) as follows:
    a. 300,000 Shares within five days of the Effective Date (issued on August 2, 2022 at fair value of $81,000);
    b. An additional 300,000 Shares on or before July 28, 2023, the 12-month anniversary of the Effective Date (issued on July 28, 2023 at a fair value of $43,500);
    c. an additional 400,000 Shares on or before July 28, 2024, the 24-month anniversary of the Effective Date (issued on July 26, 2024 at a fair value of $110,000, Note 11); and
    d. an additional 500,000 Shares on or before July 28, 2025, the 36-month anniversary of the Effective Date.
3. Total incurred expenditures on the Vanguard Project of not less than $1,650,000 over 3 years as follows:
    a. $100,000 on or before January 28, 2023, the six-month anniversary of the Effective Date (completed);
    b. an additional $120,000 on or before July 28, 2023, the 12-month anniversary of the Effective Date (completed);
    c. an additional $80,000 on or before July 28, 2024, the 24-month anniversary of the Effective Date (completed); and
    d. an additional $1,350,000 on or before July 28, 2025, the 36-month anniversary of the Effective Date.
4. Other non-material administrative and technical matters guiding the earn in relationship between the Company and Thunder Gold.

(in Canadian Dollars - unaudited)

Hillcrest Project

On May 8, 2023, the Company staked various claims located in the Quetico subprovince of Ontario, which comprise the Hillcrest Project for acquisition costs of $19,500.

7. RIGHT-OF-USE ASSETS AND EQUIPMENT

A continuity of the Company's right-of-use assets and equipment is as follows:

Cost		**Right-of-use assets (vehicles)**		**Equipment**		**Total**
Balance, March 31, 2023	$	468,181	$	33,256	$	501,437
Additions		-		-		-
Balance, December 31, 2023	$	468,181	$	33,256	$	501,437
Additions		-		-		-
Balance, September 30, 2024	**$**	**468,181**	**$**	**33,256**	**$**	**501,437**
Accumulated amortization						
Balance, March 31, 2023	$	157,698	$	17,089	$	174,787
Additions		54,094		8,314		62,408
Balance, December 31, 2023	$	211,792	$	25,403	$	237,195
Additions		48,212		7,853		56,065
Balance, September 30, 2024	**$**	**260,004**	**$**	**33,256**	**$**	**293,260**
Net book value						
Balance, December 31, 2023	$	256,389	$	7,853	$	264,242
Balance, September 30, 2024	**$**	**208,177**	**$**	**-**	**$**	**208,177**

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are comprised of the following:

		September 30, 2024		December 31, 2023
Accounts payable	**$**	**318,833**	$	270,531
Accrued liabilities		**287,779**		143,698
Total	**$**	**606,612**	$	414,229

9. LEASES

The Company leases vehicles. At acquisition, the leased assets and liabilities were measured at the present value of the lease payments plus the anticipated exercise of renewal options, discounted using the rate implicit in the leases, which was determined to be 8% on a weighted average basis.

The Company's lease liabilities are as follows:

		September 30, 2024		December 31, 2023
Current portion of lease obligations	**$**	**71,291**	$	73,301
Non-current portion of lease obligations		**148,596**		193,688
Total	**$**	**219,887**	$	266,989

(in Canadian Dollars - unaudited)

The lease liability interest expense recognized in loss and lease payments recognized in the financing component of statement of cash flows is as follows:

Balance, March 31, 2023	$	319,784
Interest expense		14,774
Payments		(67,569)
Balance, December 31, 2023	$	266,989
Interest expense		7,707
Payments		(54,809)
Balance, September 30, 2024	**$**	**219,887**

As at September 30, 2024, the Company is committed to minimum lease payments as follows:

		September 30, 2024
Less than one year	$	71,291
One to five years		159,750
More than five years		10,236
Total undiscounted lease liabilities	**$**	**241,277**

During the nine months ended September 30, 2024, the Company expensed $34,200 under the short-term exemption of IFRS 16 (2023 - $7,600). The Company did not designate any leases as low-value.

10. FLOW-THROUGH PREMIUM LIABILITY

The following is a continuity of the Company's flow-through premium liability:

		Flow-through premium liability
Balance, March 31, 2023	$	155,437
Additions		526,761
Recovery of flow-through premium		(425,151)
Balance, December 31, 2023	$	257,047
Recovery of flow-through premium		(219,503)
Balance, September 30, 2024	**$**	**37,544**

During the three and nine months ended September 30, 2024, the Company recorded a recovery of the flow-through premium of $113,022 and $219,503 (2023 - $102,793 and $669,199) respectively, based on eligible flow-through exploration expenditures incurred.

As at September 30, 2024, the Company has a remaining obligation to spend $292,840 on eligible exploration expenditures by December 31, 2024 (December 31, 2023 - $2,004,963 by December 31, 2024).

11. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At September 30, 2024, there were 300,760,206 issued and fully paid common shares (December 31, 2023 – 259,667,918). At September 30, 2024, there were nil (December 31, 2023 – 20,843,434) shares held in escrow.

<u>Nine months ended September 30, 2024:</u>

During the nine months ended September 30, 2024, 37,500,000 warrants were exercised into common shares at an exercise price of $0.13 and 1,175,000 warrants were exercised into common shares at an exercise price of $0.25, for aggregate gross proceeds of $5,168,750.

On September 24, 2024, 726,816 compensation options were exercised at an exercise price of $0.17 for gross proceeds of $123,559.

(in Canadian Dollars - unaudited)

Share issuance costs of $725 were incurred in relation to the exercises.

Nine months ended September 30, 2023:

On April 13, 2023, the Company closed a private placement for aggregate gross proceeds of $6,900,000 by issuing 21,070,423 flow-through units ("Flow-Through Units") at a price of $0.195 for gross proceeds of $4,108,733, and 16,419,220 non-flow-through units ("Non-Flow-Through Units") at a price of $0.17 per non-flow-through units for gross proceeds of $2,791,267 (the "April 2023 Offering"). Each Flow-Through Unit consists of one flow-through common share and one-half of one common share purchase warrant, and each Non-Flow-Through Unit consists of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.25, until the date which is 24 months following the closing date. No value was ascribed to the warrants under the residual value method.

Based on the difference in price between the Flow-Through Unit and Non-Flow-Through Unit, management accounted for the premium paid on the Flow-Through Units on a residual basis as a flow-through premium liability of $526,761 (Note 10). In connection with the April 2023 Offering, the Company paid the agents a cash commission equal to 6% of the gross proceeds of the April 2023 Offering in the amount of $373,552, paid agents' expenses of $96,530, and incurred other cash share issuance costs of $128,618. In addition, the Company issued to the agents 2,011,912 compensation options and 64,705 advisory options of the Company, exercisable for a period of 24 months at an exercise price of $0.17. The aggregate fair value of the compensation and advisory warrants was determined to be $226,826 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.62%, expected life of 2 years, volatility factor of 82.70% and dividend yield of Nil.

On May 16, 2023, the Company issued 3,018,572 units to settle certain outstanding accounts payable in the aggregate amount of $513,157 (the "Settlement Units"). The Settlement Units have the same terms as the units issued pursuant to the April 2023 Offering. The fair value of the common shares was determined to be $724,457, based on the closing price of $0.24 on May 16, 2023, the date of issuance. The fair value of the warrants was determined to be $168,844 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.95%, expected life of 2 years, volatility factor of 85.80% and dividend yield of Nil. The aggregate fair value of the Settlement Units was $893,301, resulting in a loss on settlement of $380,144.

On July 28, 2023, the Company issued 300,000 common shares with a fair value of $0.145 per share, for a total value of $43,500 to Thunder Gold pursuant its option agreement for the Vanguard Project (Note 6).

Stock options

The Company adopted an Omnibus Incentive Plan on November 3, 2022 (the "Plan"), approved by shareholders at the Company's annual general meeting on January 23, 2024. Under the Plan, the Company may grant its directors, officers, employees and consultants stock options, restricted share units, and deferred share units (together the "Share Based Compensation") of the Company and which reserves up to 10% of its outstanding shares as Share Based Compensation. The exercise price shall not be less than the market value ("Market Value") of the common shares of the Company as of the grant date. Market Value will be the closing trading price of the common shares on the day immediately preceding the grant date, and may be less than this price if it is within the discounts permitted by the applicable regulatory authorities including the TSX Venture Exchange. The expiry date of an option shall be determined by the Board of Directors of the Company and shall be no later than the tenth anniversary of the grant date of such option. The vesting terms and conditions of stock options are determined by the Board of Directors.

The Black-Scholes Option Pricing Model inputs for options granted during the nine months ended September 30, 2024 are as follows:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
May 28, 2024	May 28, 2029	$0.225	3.81%	5 years	89.23%	Nil	$0.16

(in Canadian Dollars - unaudited)

The following is a continuity of the Company's stock options outstanding for the nine months ended September 30, 2024 and the nine month period ended December 31, 2023:

		Exercise price	Number of options
Closing balance, March 31, 2023	**$**	**0.65**	**8,737,500**
Granted		0.20	7,669,333
Expired		0.65	(250,000)
Forfeited		0.51	(1,116,667)
Closing balance, December 31, 2023	**$**	**0.43**	**15,040,166**
Granted		0.23	2,250,000
Expired		0.60	(158,333)
Closing balance, September 30, 2024	**$**	**0.40**	**17,131,833**

During the three and nine months ended September 30, 2024, the Company recognized $165,025 and $674,212 (2023 – $226,812 and $948,372) respectively, in stock-based compensation expense related to the vesting of stock options. During the nine months ended September 30, 2024, the fair value of expired stock options of $67,105 was reclassified to deficit (2023 – $235,058).

As at September 30, 2024, the Company had outstanding options as follows:

Expiry date	Options outstanding	Options exercisable		Exercise price	Remaining contractual life (in years)
June 4, 2026	7,250,000	7,250,000	$	0.65	1.68
November 23, 2026	387,500	258,333	$	0.65	2.15
April 24, 2028	3,675,000	1,291,667	$	0.25	3.57
December 22, 2028	3,569,333	1,189,778	$	0.15	4.23
May 28, 2028	2,250,000	-	$	0.23	4.66
Total	**17,131,833**	**9,989,778**			

The weighted average remaining contractual life of stock options outstanding at September 30, 2024 was 3.02 years (December 31, 2023 – 3.51 years).

Restricted Share Units ("RSUs")

The following is a continuity of the Company's RSU's outstanding for the nine months ended September 30, 2024 and the nine-month period ended December 31, 2023:

		Value at grant date	Number of RSU's
Closing balance, March 31, 2023	$	-	-
Granted		0.13	6,769,300
Closing balance, December 31, 2023	**$**	**0.13**	**6,769,300**
Granted		0.27	3,600,000
Vested		0.21	(1,673,968)
Closing balance, September 30, 2024	**$**	**0.18**	**8,695,332**

On April 24, 2024, 1,673,968 RSU's vested which were settled by way of a combination of cash and equity, comprised of the issuance of 1,290,472 common shares and an aggregate cash payment of $55,607.

As at September 30, 2024, the Company had outstanding RSUs as follows:

Vesting date	RSU's outstanding		Value at grant date	Remaining contractual life (in years)
November 17, 2024 (Note 16)	3,000,000	$	0.095	0.13
December 11, 2024	1,536,665	$	0.130	0.20
December 22, 2024	558,667	$	0.120	0.23
May 28, 2025	600,000	$	0.225	0.66
July 29, 2025	3,000,000	$	0.275	0.83
Total	**8,695,332**			

(in Canadian Dollars - unaudited)

During the three and nine months ended September 30, 2024, the Company recognized $293,744 and $634,238 (2023 - $86,496 and $149,488) respectively, in stock-based compensation expense related to the vesting of RSU's.

Warrants

The following is a continuity of the Company's warrants outstanding for the nine months ended September 30, 2024 and the nine-month period ended December 31, 2023:

	Exercise price	Number of warrants
Closing balance, March 31, 2023	$ 0.55	21,880,166
Issued	0.17	58,762,107
Closing balance, December 31, 2023	**$ 0.27**	**80,642,273**
Exercised	0.13	(38,675,000)
Expired	0.75	(9,242,616)
Closing balance, September 30, 2024	**$ 0.30**	**32,724,657**

During the nine months ended September 30, 2024, the fair value of expired warrants of $731,909 was reclassified to deficit (2023 – $nil).

As at September 30, 2024, the Company had outstanding warrants as follows:

Expiry date	Warrants outstanding	Warrants exercisable	Exercise price	Remaining contractual life (in years)
December 22, 2024	10,554,190	10,554,190	$ 0.40	0.23
December 30, 2024	2,083,360	2,083,360	$ 0.40	0.25
April 13, 2025	17,569,821	17,569,821	$ 0.25	0.53
May 16, 2025	1,509,286	1,509,286	$ 0.25	0.62
November 17, 2025	1,008,000	1,008,000	$ 0.13	2.13
Total	**32,724,657**	**32,724,657**		

The weighted average remaining contractual life of warrants outstanding at September 30, 2024 was 0.47 years (December 31, 2023 – 1.89 years).

Compensation options

The following is a continuity of the Company's compensation options outstanding for the nine months ended September 30, 2024 and the nine-month period ended December 31, 2023:

	Exercise price	Number of options
Closing balance, March 31, 2023	$ 0.65	3,920,654
Granted	0.17	2,076,617
Expired	0.68	(2,916,839)
Closing balance, December 31, 2023	**$ 0.30**	**3,080,432**
Exercised	0.17	(726,816)
Expired	0.57	(1,003,815)
Closing balance, September 30, 2024	**$ 0.17**	**1,349,801**

During the nine months ended September 30, 2024, the fair value of expired compensation options of $221,700 was reclassified to deficit (2023 – $730,978).

As at September 30, 2024, the Company had outstanding compensation options as follows:

Expiry date	Compensation options outstanding	Compensation options exercisable	Exercise price	Remaining contractual life (in years)
April 13, 2025	1,349,801	1,349,801	$ 0.17	0.53

The weighted average remaining contractual life of compensation options outstanding at September 30, 2024 was 0.53 years (December 31, 2023 – 0.95 years).

(in Canadian Dollars - unaudited)

12. RELATED PARTIES

The Company's related parties consist of its key management personnel and close family members of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer and the Chief Financial Officer.

During the three and nine months ended September 30, 2024 and 2023, compensation of key management personnel, including directors, was as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Salaries, management fees and other employee benefits [(1)]	$ 166,000	$ 219,000	$ 469,516	$ 601,333
Stock-based compensation [(2)]	256,845	153,288	944,066	699,360
Total	$ 422,845	$ 372,288	$ 1,413,582	$ 1,300,693

(1) The nine-month figures include $228,000 recorded in consulting fees and $241,516 capitalized to exploration and evaluation assets (2023 - $391,333 and $210,000, respectively). The three-month figures include $96,000 recorded in consulting fees and $70,000 capitalized to exploration and evaluation assets (2023 - $149,000 and $70,000, respectively).

As at September 30, 2024, the Company owed a total of $26,389 to key management personnel in respect of services provided to the Company (December 31, 2023 - $25,314) and $7,775 in respect of expenses incurred on behalf of the Company (December 31, 2023 - $1,227).

On June 14, 2022, the Company advanced $60,000 to Peter Flindell, VP Exploration, which is included in other receivables. The advance earns simple interest at the Canada Revenue Agency prescribed annual interest rate of 1% and is repayable on or before June 14, 2025. During the nine months ended September 30, 2024, $18,059 of the loan was repaid. The balance due at September 30, 2024 was $43,265 (December 31, 2023 - $60,929).

The Company does not have offices or direct personnel in British Columbia, but rather is party to an Administration Services Agreement, whereby it has contracted administrative, corporate and financial reporting services with Sentinel Corporate Services Inc. ("Sentinel"), a company controlled by a close family member of the CFO, which are included in general and administrative costs. Sentinel has a continuing service agreement with the Company.

During the three and nine months ended September 30, 2024, the Company incurred expenses with Sentinel for administration, corporate and financial reporting services of $28,500 and $85,800 (September 30, 2023 - $28,500 and $113,500). As at September 30, 2024, there was $Nil (December 31, 2023 - $Nil) owing to Sentinel for services and $11 owing to Sentinel in respect of expenses incurred on behalf of the Company (December 31, 2023 - $1,156).

All transactions are incurred in the normal course of business and are negotiated on terms between the parties which are believed to represent fair market value for all services rendered. Any amounts due to related parties arising from the above transactions are unsecured, non-interest bearing and are due upon receipt of invoices.

13. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	September 30, 2024	December 31, 2023
Financial assets:		
Amortized cost		
Cash and cash equivalents	$ 6,226,202	$ 5,269,421
Amounts receivable	$ 138,041	$ 149,948
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	$ 606,612	$ 414,229
Lease liabilities	$ 219,887	$ 266,989

Amounts receivable and accounts payable and accrued liabilities include amounts due to and due from related parties (Note 12). The Company's cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

b) Management of financial risks

The Company's risk exposures arising from financial instruments are consistent with those discussed in the consolidated financial statements for the nine-month period ended December 31, 2023, with the exception of:

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company has aimed to manage liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At September 30, 2024, the Company had cash and cash equivalents of $6,226,202 and accounts payable and accrued liabilities of $606,612 with contractual maturities of less than one year. The Company's ability to continue as a going concern is dependent on management's ability to raise financing until such time that the Company is profitable. The Company manages its liquidity risk by forecasting cash flows from operations and investing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. At September 30, 2024, the Company assessed its liquidity risk as moderate (Note 16).

14. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's approach to capital management during the nine months ended September 30, 2024.

15. SEGMENT DISCLOSURES

The Company operates in a single operating segment in the geographic location of Canada, the exploration for and evaluation of mineral property interests. All of the Company's long-term assets are located in Canada.

16. SUBSEQUENT EVENTS

Subsequent to September 30, 2024, 2,047,450 warrants were exercised at an exercise price of $0.25 and 259,577 compensation options were exercised at an exercise price of $0.17 for aggregate gross proceeds of $555,991.

On October 29, 2024, the Company completed a brokered private placement for aggregate gross proceeds of $13,972,358. In connection with the private placement, the Company issued:

(i) 15,848,159 flow-through common shares of the Company (the "FT Shares") at a price of $0.475 per FT Share; and
(ii) 12,159,400 charity flow-through common shares of the Company (the "Charity FT Shares") at a price of $0.53 per Charity FT Share.

In connection with the private placement, brokers received a cash commission of $813,220, and the Company granted the brokers 1,627,565 non-transferable compensation warrants (the "Compensation Warrants"). Each Compensation Warrant entitles the holder thereof to purchase one common share at an exercise price of $0.475 per common share until October 29, 2026.

In October 2024, 112,500 RSU's were forfeited. On November 16, 2024, 2,887,500 RSU's vested and were settled by way of equity, resulting in the issuance of 2,887,500 common shares.

On November 28, 2024 6,950,000 stock options and 2,637,500 RSU's were granted to certain directors, officers and consultants of the Company. The stock options vest 1/3 vest on May 28, 2025, 1/3 on May 28, 2026, and 1/3 on May 28, 2027 and are exercisable at $0.38 for a period of 5 years. The RSUs vest after one year.