CASSIAR GOLD CORP.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE
THREE- AND NINE-MONTHS ENDED JUNE 30, 2024 AND 2023

EXPRESSED IN CANADIAN DOLLARS

(UNAUDITED)

Under National Instrument 51-102, Part 4, subsection 4.3(3)9(a), if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that the interim condensed consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of Cassiar Gold Corp. as of June 30, 2024, have been compiled by management and approved by the Audit Committee and the Board of Directors of the Corporation.

The Corporation's independent auditors have not performed a review of these interim condensed consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada.

CASSIAR GOLD CORP.
Interim Condensed Statements of Financial Position (Unaudited)
(Expressed in Canadian dollars)

As at	Note	June 30, 2024 $	September 30, 2023 $
ASSETS			
CURRENT			
Cash and cash equivalents		7,793,020	4,499,192
Other receivables		240,017	295,488
Prepaids		536,728	282,693
TOTAL CURRENT ASSETS		8,569,765	5,077,373
NON-CURRENT			
Property and equipment	4	322,236	350,745
Right-of-use assets	5	43,318	59,897
Deposits	6	1,689,776	1,468,944
Exploration and evaluation assets	7	42,315,446	39,343,082
TOTAL ASSETS		**52,940,541**	**46,300,041**
LIABILITIES			
CURRENT			
Trade payables and accrued liabilities		974,805	1,827,973
Flow-through share liability	10	807,193	634,979
Short-term lease obligation	8	46,416	63,107
TOTAL CURRENT LIABILITIES		1,828,414	2,526,059
NON-CURRENT			
Assets retirement obligation	9	2,896,982	2,811,990
TOTAL LIABILITIES		4,725,396	5,338,049
SHAREHOLDERS' EQUITY			
Share capital	10	58,726,039	52,063,293
Contributed surplus		20,699,565	18,791,011
Deficit		(31,210,459)	(29,892,312)
TOTAL SHAREHOLDERS' EQUITY		48,215,145	40,961,992
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**52,940,541**	**46,300,041**

NATURE OF OPERATIONS (Note 1)
GOING CONCERN (Note 2)
SUBSEQUENT EVENTS (Note 16)

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

Approved by the Board of Directors:

“Marco Roque”	“Stephen Letwin”
Marco Roque. Director	Stephen Letwin, Director

CASSIAR GOLD CORP.
Interim Condensed Statements of Net Loss and Comprehensive Loss (Unaudited)
(Expressed in Canadian dollars)

		Three months ended		Nine months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Note	$	$	$	$
Expenses					
General and administrative	14	436,256	365,372	1,195,616	1,425,710
Share-based compensation	10	229,087	182,812	612,129	476,839
Depreciation	4,5	21,318	33,529	74,599	100,587
Total expenses		686,661	581,713	1,882,344	2,003,136
Interest income		(81,735)	(77,069)	(160,826)	(153,171)
Flow through share premium	10	(96,372)	(76,136)	(488,363)	(178,525)
Accretion	9	28,331	17,112	84,992	51,336
Net loss and comprehensive loss		**536,885**	**445,620**	**1,318,147**	**1,722,776**
Weighted average number of shares		**118,462,348**	**90,831,526**	**107,048,688**	**84,979,112**
Loss per share – basic and fully diluted		**$0.00**	**$0.00**	**$0.01**	**$0.02**

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

CASSIAR GOLD CORP.

Interim Condensed Statements of Changes in Shareholders' Equity (Unaudited)

(Expressed in Canadian dollars)

	Note	Share Capital	Contributed Surplus	Deficit	Total
		$	$	$	$
Balance as at September 30, 2022		45,728,783	15,772,067	(28,152,331)	33,348,519
Net loss and comprehensive loss		-	-	(1,722,776)	(1,722,776)
Common share issued, net costs		8,059,645	-	-	8,059,645
Warrants issued		1,148,433	-	-	1,148,433
Warrants exercised		333,165	-	-	333,165
Warrants expired		(1,932,687)	1,932,687	-	-
Stock options exercised		83,994	(38,994)	-	45,000
Share-based payments		-	476,839	-	476,839
Capitalized share-based payments		-	292,883	-	292,883
Flow-through shares discount		(1,291,901)	-	-	(1,291,901)
Balance as at June 30, 2023		**52,129,432**	**18,435,482**	**(29,875,107)**	**40,689,807**
Balance as at September 30, 2023		52,063,293	18,791,011	(29,892,312)	40,961,992
Net loss and comprehensive loss		-	-	(1,318,147)	(1,318,147)
Common share issued, net costs	10	6,319,331	-	-	6,319,331
Warrants issued	10	2,100,855	-	-	2,100,855
Warrants expired	10	(1,096,862)	1,096,862		-
Share-based payments	10	-	612,129	-	612,129
Capitalized share-based payments	10	-	199,563	-	199,563
Flow-through shares discount	10	(660,578)			(660,578)
Balance as at June 30, 2024		**58,726,039**	**20,699,565**	**(31,210,459)**	**48,215,145**

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

CASSIAR GOLD CORP.
Interim Condensed Statements of Cash Flows (Unaudited)
(Expressed in Canadian dollars)

		Three months ended		Nine months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Note	$	$	$	$
CASH FLOWS RELATING TO OPERATING ACTIVITIES					
Net loss and comprehensive loss		(536,885)	(445,620)	(1,318,147)	(1,722,776)
Items not affecting cash:					
Share-based payments	10	229,087	182,812	612,129	476,839
Depreciation	4,5	21,318	33,529	74,599	100,587
Flow through share premium	10	(96,372)	(76,136)	(488,363)	(178,525)
Interest on lease liability		1,741	1,856	4,828	6,883
Interest income		(81,735)	(77,069)	(160,826)	(153,171)
Accretion	9	28,331	17,112	84,992	51,336
Change in non-cash working capital					
Other receivables		(36,548)	(24,215)	105,913	280,143
Prepaid expenses		(280,596)	(175,916)	(254,035)	(479,950)
Deposits		(5,039)	(50,000)	(220,832)	(1,050,000)
Trade payables and accrued liabilities		740,406	849,662	(853,171)	(746,396)
Net cash used in operating activities		(16,292)	236,015	(2,412,913)	(3,415,030)
CASH FLOWS RELATING TO FINANCING ACTIVITIES					
Interest income received		37,759	16,849	110,384	84,319
Lease payments		(13,405)	(24,220)	(51,030)	(72,658)
Proceeds from share and warrants issuance, net of cost		6,507,945	9,208,078	8,420,188	9,208,078
Proceeds from options exercised		-	-	-	45,000
Proceeds from warrants exercised		-	-	-	333,165
Net cash generated from financing activities		6,532,299	9,200,707	8,479,542	9,597,904
CASH FLOWS RELATING TO INVESTING ACTIVITIES					
Investment in exploration and evaluation assets	7	(1,231,708)	(2,365,823)	(2,772,801)	(5,447,389)
Net cash used in investing activities		(1,231,708)	(2,365,823)	(2,772,801)	(5,447,389)
Increase/(decrease) in cash for the period		5,284,299	7,070,899	3,293,828	735,485
CASH & CASH EQUIVALENTS - BEGINNING OF PERIOD		2,508,721	2,254,108	4,499,192	8,589,522
CASH & CASH EQUIVALENTS - END OF PERIOD		**7,793,020**	**9,325,007**	**7,793,020**	**9,325,007**

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

1. CORPORATE INFORMATION

Margaux Resources Ltd. was incorporated under the Alberta Business Corporations Act on August 5, 2009 and changed its name to Cassiar Gold Corp. (the "Corporation" or the "Company") on September 23, 2020. The Corporation currently trades on the TSX-V and the OTCQB Venture Market under the trading symbols "GLDC" and "CGLCF" respectively. The registered address of the Corporation is Suite 2700, 1133 Melville Street, Vancouver, BC, V6E 4E5.

The Corporation is a mineral acquisition and exploration company focused on gold exploration within British Columbia.

2. GOING CONCERN

These consolidated financial statements ("Financial Statements") have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Corporation be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Corporation incurred a net loss of $536,885 and $1,318,147 (2023 - $445,620 and $1,722,776) and had negative cash flows relating to operating activities of $16,292 and $2,412,913 (2023 – positive cash flows of $236,015 and negative cash flows of $3,415,030) for the three- and nine-months periods ended June 30, 2024. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Corporation's ability to continue as a going concern. The continuation of the Corporation as a going concern is dependent on the ability of the Corporation to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Corporation be unable to continue as a going concern, and these adjustments could be material. The Corporation intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

The application of the going concern concept is dependent upon the Corporation's ability to generate future profitable operations and receive continued financial support from its shareholders. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Corporation has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Corporation to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

3. BASIS OF PREPARATION

These Financial Statements are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" using accounting policies consistent with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRICs").

The disclosures herein are incremental to those included with the audited annual financial statements as at and for the year ended September 30, 2023 and should be read in conjunction with the annual financial statements as at and for the year ended September 30, 2023.

These Financial Statements were authorized for issue by the board of directors on August 27, 2024.

(Expressed in Canadian Dollars)

4. PROPERTY AND EQUIPMENT

	Land	Buildings	Computers, Equipment & Vehicles	Total
	$	$	$	$
Cost				
Balance as at September 30, 2022	28,933	380,706	260,286	669,925
Additions/Disposal	-	-	-	-
Balance as at September 30, 2023	28,993	380,706	260,286	669,985
Additions/Disposal	-	-	-	-
Balance as at June 30, 2024	28,993	380,706	260,286	669,985
Accumulated Depreciation				
Balance as at September 30, 2022	-	72,335	202,634	274,969
Additions	-	30,837	13,434	44,271
Balance as at September 30, 2023	-	103,172	216,068	319,240
Additions	-	20,815	7,694	28,509
Balance as at June 30, 2024	-	123,987	223,762	347,749
Net book value				
September 30, 2023	28,993	277,534	44,218	350,745
June 30, 2024	28,993	256,719	36,524	322,236

5. RIGHT-OF-USE ASSETS

	ROU
	$
Cost	
Balance as at September 30, 2022	179,691
Additions	-
Balance as at September 30, 2023	179,691
Lease modification remeasurement	29,511
Balance as at June 30, 2024	209,202
Accumulated Amortization	
Balance as at September 30, 2022	**29,949**
Charge for the year	89,845
Balance as at September 30, 2023	119,794
Charge for the year	46,090
Balance as at June 30, 2024	165,884
Net book value	
Balance as at September 30, 2023	59,897
Balance as at June 30, 2024	43,318

The Company amended lease agreement of the Corporation’s office on January 4, 2024, to extend the lease term by 1 year with the same price. As a result, the Company remeasured the lease liability and right-of-use assets and recognized $29,511 additional right-of-use assets for the lease amendment agreement.

(Expressed in Canadian Dollars)

6. DEPOSITS

The Corporation's deposits include reclamation bonds and cash deposit for permits and license with banks in Canada and Government of Canada. As at June 30, 2024, the Corporation had $1,689,776 (September 30, 2023 - $1,468,944) of reclamation bonds and cash deposit with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations. $354,944 of reclamation bonds were acquired pursuant to the acquisition of Cassiar (2020). For the periods ended June 30, 2024, $205,778 (2023 – $1,050,000) of reclamation bonds were issued and $10,015 (2023 - $Nil) of cash were paid pursuant to government regulations.

7. EXPLORATION AND EVALUATION ASSETS

	Cassiar Gold Project	Sheep Creek Gold District Project	Total
Balance at September 30, 2022	$25,989,647	$2,187,826	$28,177,473
Change in estimate of asset retirement obligation	484,485	-	484,485
Share based compensation related to the projects	376,583	-	376,583
Exploration costs	10,283,651	20,890	10,304,541
Balance at September 30, 2023	$37,134,366	$2,208,716	$39,343,082
Share based compensation related to the projects	199,563	-	199,563
Exploration costs	2,753,876	18,925	2,772,801
Balance at June 30, 2024	$40,087,805	$2,227,641	$42,315,446

Exploration and Evaluation ("E&E") assets consist of costs expended on the Corporation's projects which are pending determination of technical feasibility and commercial viability.

Cassiar Gold Project

On March 25, 2019, the Corporation entered into an Option Agreement (the "Cassiar Gold Option Agreement") with Wildsky Resources Inc. ("Wildsky") for an option to acquire a 100% interest in the Cassiar Gold project (the "Cassiar Gold Project") by way of an all-share agreement. In order to exercise the option, the Corporation had to issue 11,640,000 Common Shares over 18 months. Pursuant to the Cassiar Gold Option Agreement the Corporation must also undertake exploration on the Cassiar Gold property and had to satisfy certain other conditions as follows:

(a) Cassiar will expend at least $400,000 on the planning, development and execution of the Cassiar 2019 work program, based on a mutually approved budget;

(b) Six months after the transfer of the Common Shares, Wildsky will have the right to appoint one member to the board of directors of Cassiar;

(c) Twelve months after the transfer of the Common Shares, Wildsky will have the right to appoint an additional person (for a total of two board members) to the board of directors of Cassiar;

(d) Twelve months after the transfer of the Common Shares, Wildsky will have the right to appoint one person to the senior management team of Cassiar, on terms and conditions to be agreed upon by Cassiar and Wildsky, acting reasonably; and,

(e) Wildsky being granted a 30% net profit interest on all minerals processed from Cassiar's tailings pond located on the Cassiar Gold Project, after capital payout of up to $500,000.

During the year ended September 30, 2021, the Corporation satisfied all the requirements outstanding to Wildsky and the 100% interest in the Cassiar Gold Project was fully acquired by the Corporation. The deemed value of the exercise of the option was $3,259,200 in Common Shares. Liabilities assumed by the Corporation were $2,666,584 on acquisition and related to asset retirement obligations. As at June 30, 2024, liabilities assumed by the Corporation were $2,896,982 based on recent reclamation cost estimation (Note 9).

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

During the periods ended June 30, 2024, the Corporation incurred $2,753,876 (2023 - $5,500,960) exploration and evaluation costs and $199,563 (2023 - $221,422) share based compensation cost for the project.

Sheep Creek Gold District Project

The Sheep Creek Project consists of the Bayonne and Sheep Creek properties (collectively the “Sheep Creek Project”). On December 23, 2016, the Corporation entered into an option agreement with Yellowstone Resources Ltd. for the acquisition of 100% of the Sheep Creek Project, located in Salmo, British Columbia (the “Bayonne and Sheep Creek Option Agreement”).

Under the terms of the Bayonne and Sheep Creek Option Agreement and as amended on February 10, 2020, July 10, 2020, and February 15, 2021, the Corporation had the exclusive option to acquire:

- the Bayonne property, by making payments to Yellowstone Resources Ltd. of an aggregate $154,000 cash and aggregate issuance of 182,727 shares, paid in several installments over three years. The Corporation has paid in full these amounts during the year ended September 30, 2022.
- the Sheep Creek property by making payments to Yellowstone Resources Ltd. of an aggregate $436,000 cash and aggregate issuance of 150,000 shares and 242,424 deferred payment shares, paid in several installments over five years.

During the year ended September 30, 2022 the Corporation paid $100,000 in cash and issued 90,000 shares to satisfy the final payments under the Bayonne and Sheep Creek Option Agreement and acquired a 100% interest in the Sheep Creek Project.

During the periods ended June 30, 2024, the Corporation incurred $18,925 (2023 - $17,890) exploration and evaluation costs for the project.

8. LEASE OBLIGATION

	Lease Liability $
Carrying Value	
Balance as at September 30, 2022	151,696
Lease addition	-
Accretion of lease liability	8,288
Repayment of principal and interest	(96,877)
Balance as at September 30, 2023	63,107
Lease addition	29,511
Accretion of lease liability	4,828
Repayment of principal and interest	(51,030)
Balance as at June 30, 2024	46,416
Short term lease liability	46,416
Long term lease liability	-

The Corporation’s lease relates to the corporation’s office. A discount rate of 8% was used to determine the present value of the lease obligations. The Company amended the lease agreement on January 4, 2024, to extend the lease term by 1 year with the same price. As a result, the Company remeasured the lease liability and recognized $29,511 additional lease liability for the lease amendment agreement. A discount rate of 14% was used to determine the present value of the lease obligations on remeasurement date.

(Expressed in Canadian Dollars)

9. ASSET RETIREMENT OBLIGATION ("ARO")

The Company has future obligations relating to retiring its exploration and evaluation assets at the Cassiar Property including dismantling, remediation, and treatment of the site. The exact nature and costs of the obligation are subject to change because of the ongoing changes of environmental requirements enacted by government agencies.

A continuity of the asset retirement obligation is as follows:

Balance at September 30, 2022	$2,259,056
Accretion expense	68,449
Change in estimate	484,485
Balance at September 30, 2023	**2,811,990**
Accretion expense	84,992
Balance at June 30, 2024	**$2,896,982**

The total discounted cash flow estimated to settle the obligations as at June 30, 2024 was $2,896,982 (September 30, 2023 – $2,811,990) which was based on the recent reclamation cost estimation, and adjusted for inflation at the rate of 2.57% per annual and then discounted at a risk free rate of 4.03%. A total of $2,896,982 discounted reclamation costs is expected to be incurred in 2033.

As at June 30, 2024, the Corporation had $1,689,776 (September 30, 2023 - $1,468,944) of reclamation bonds and cash deposit with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations. (Note 6)

10. SHARE CAPITAL, WARRANT RESERVE AND STOCK OPTIONS

Authorized

Unlimited number of common shares

The common shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series. No preferred shares have been issued by the Corporation.

Common Shares		
	Number of Common Shares	**Share capital**
Balance at September 30, 2023	**96,869,044**	**$49,952,631**
Common share issued	29,277,530	5,658,753
Balance at June 30, 2024	**126,146,574**	**$55,611,384**

Warrants		
	Number of warrants	**Share capital**
Balance at September 30, 2023	**12,873,484**	**$2,110,662**
Warrants issued	29,277,530	2,100,855
Warrants expired	(4,173,071)	(1,096,862)
Balance at June 30, 2024	**37,977,943**	**$3,114,655**

Total share capital at September 30, 2023	$52,063,293
Total share capital at June 30, 2024	$58,726,039

(Expressed in Canadian Dollars)

10. SHARE CAPITAL, WARRANT RESERVE AND STOCK OPTIONS (continued)

On December 12, 2023, the Company closed a non-broker private placement as below:

The Company issued 6,005,500 non-flow-through units ("Units) at a price of $0.25 per share for gross proceeds of $1,501,375. Each Unit consists of one common share ("Common Share") of the Company and one Common Share purchase warrant ("Warrant").

The Company issued 1,420,011 flow-through units ("FT Units) at a price of $0.35 per unit for gross proceeds of $497,004. Each FT Unit consists of one Common Share of the Company issued on a "CEE flow-through" basis pursuant to the Income Tax Act (Canada) and one Warrant.

Each Warrant will be exercisable by the holder to acquire one Common Share at a price of $0.50 for a period of 24 months from the date of issuance.

In connection with the non-broker private placement, $79,553 finders' fees were paid in cash and 264,930 finders' warrants were issued. Each finders' warrant is exercisable to acquire one Common Share at a price of $0.50 for a period of 24 months from the date of issuance.

A fair value of $837,879 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of grant using the following assumptions:

Risk-free rate	3.91%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	75%
Weighted-average fair value	$0.11
Expected Life	2 years

On May 3, 2024, the Company closed a non-broker, upsized private placement as below:

The Company issued 10,832,735 non-flow-through units ("Units) at a price of $0.25 per share for gross proceeds of $2,708,184. Each Unit consists of one common share ("Common Share") of the Company and one Common Share purchase warrant ("Warrant").

The Company issued 1,769,284 flow-through units ("FT Units") at a price of $0.35 per FT Unit for gross proceeds of $619,249. Each FT Unit consists of one Common Share of the Company issued on a "CEE flow-through" basis pursuant to the *Income Tax Act* (Canada) and one Warrant.

The Company issued 4,000,000 charity flow-through units ("CFT Units") at a price of $0.37 per CFT Unit for gross proceeds of $1,480,000 and 5,250,000 CFT Units at a price of $0.3825 per CFT Unit for gross proceeds of $2,008,125. Each CFT Unit consists of one Common Share of the Company issued on a "CEE flow-through" basis pursuant to the *Income Tax Act* (Canada) and one Warrant.

Each Warrant will be exercisable by the holder to acquire one Common Share at a price of $0.50 for a period of 24 months from the date of issuance.

In connection with the non-broker private placement, $224,245 finders' fees were paid in cash and 918,540 finders' warrants were issued. Each finders' warrant is exercisable to acquire one Common Share at a price of $0.50 for a period of 24 months from the date of issuance.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL, WARRANT RESERVE AND STOCK OPTIONS (continued)

A fair value of $1,262,976 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of grant using the following assumptions:

Risk-free rate	4.27%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	73%
Weighted-average fair value	$0.06
Expected Life	2 years

Flow-through shares

During the periods ended June 30, 2024, the Company raised $4,604,378 (2023 - $10,122,500) on a CEE flow-through share basis and was required to incur a net total of $4,604,378 (2023 - $10,122,500) of qualifying expenditures to renounce the tax deductions to investors.

As at June 30, 2024, the Company still needs to incur an additional $5,609,837 (September 30, 2023 - $4,893,073) to meet its flow through share commitment. A flow-through share premium liability of $807,193 (September 30, 2023 - $634,979) was recognized as the Company has not incurred sufficient qualifying expenditures to offset the liability.

The flow-through share premium of $96,372 and $488,363 (2023 - $76,136 and $178,525) was recognized during the three- and nine-months periods ended June 30, 2024.

Stock option plan

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX-V (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, at its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares exercisable for the period of up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX-V.

All options expire in five years and vest based on terms and conditions set out in the stock option agreements. A summary of the Corporation's stock option plan activity is as follows:

	Number of Options	Weighted Average Exercise Price
Exercisable as at September 30, 2022	3,912,325	$0.68
Outstanding at September 30, 2022	6,093,668	$0.67
Granted	1,400,000	$0.35
Cancelled	(248,000)	$1.16
Excercised	(100,000)	$0.45
Exercisable as at September 30, 2023	4,935,659	$0.65
Outstanding at September 30, 2023	7,145,668	$0.60
Granted	1,255,000	$0.28
Expired	(485,000)	$0.50
Forfeited/Cancelled	(80,000)	$0.53
Exercisable as at June 30, 2024	4,577,326	$0.67
Outstanding at June 30, 2024	7,835,668	$0.55

(Expressed in Canadian Dollars)

10. SHARE CAPITAL, WARRANT RESERVE AND STOCK OPTIONS (continued)

At June 30, 2024, the weighted-average life of the options outstanding was 2.98 years (September 30, 2023 – 3.20 years). Details of stock options outstanding as at June 30, 2024 were as follows:

Exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
$0.75	1.16	1,150,000	1,150,000
$0.60	1.73	1,690,668	1,690,667
$0.79	2.38	470,000	470,000
$0.66	3.21	1,900,000	1,266,659
$0.35	4.23	1,370,000	-
$0.28	4.84	1,255,000	-
Total	**2.98**	**7,835,668**	**4,577,326**

Total share-based payments of $121,586 and $326,196 (2023 – $134,868 and $437,875) for the three- and nine-months periods ended June 30, 2024 were recognized based on the estimated fair value of the options on the grant date using the Black-Scholes option pricing model. Of the total share-based payments, $36,203 and $95,124 (2023 - $46,247 and $139,230) were capitalized to E&E.

Share unit plan

The Corporation has established a deferred share unit and restricted share unit plan (the "Unit Plan"), which provides for the grant of DSUs and RSUs to eligible directors, officers, employees, advisors and consultants of the Company. The Unit Plan provides for settlement through cash payment or the issuance of common shares. The form of settlement is at the option of the Corporation. The Corporation does not intend to make cash payments and there is no history of the Company making cash payments under the Unit plan and, as such, the DSUs and RSUs are accounted for within shareholders' equity. These common shares would be issued from the same 10% rolling pool as the common shares issued under the Corporation's Deferred Share Unit Plan and the Company's Share Option Plan. As DSUs and RSUs are expected to be settled with equity, an amount equal to compensation expense is initially credited to contributed surplus, recognized over the term of the vesting period, and transferred to share capital if and when the units are exercised.

The Corporation has adopted its Share Unit Plan which received shareholder approval on March 16, 2022.

RSU and DSU movements during the period ended June 30, 2024 are as follows:

	Number of RSUs	Weighted Average Exercise Price
Outstanding as at September 30, 2022	1,068,000	$0.68
Granted	1,390,000	$0.35
Exercised	(665,998)	$0.67
Cancelled	(44,000)	$0.79
Outstanding at September 30, 2023	1,748,002	$0.41
Granted	1,115,000	$0.26
Cancelled	(40,000)	$0.42
Outstanding at June 30, 2024	2,823,002	$0.35

	Number of DSUs	Weighted Average Exercise Price
Outstanding as at September 30, 2022	744,000	$0.73
Granted	550,000	$0.35
Exercised	(488,002)	$0.73
Cancelled	(16,000)	$0.79
Outstanding at September 30, 2023	789,998	$0.46
Granted	550,000	$0.26
Outstanding at June 30, 2024	1,339,998	$0.38

10. SHARE CAPITAL, WARRANT RESERVE AND STOCK OPTIONS (continued)

Total share-based payments of $182,752 and $485,496 (2023 – $122,316 and $331,847) for the three- and nine-months periods ended June 30, 2024 were recognized based on the estimated fair value of the RSU and DSU from $0.255 to $0.79. Of the total share-based payments, $39,048 and $104,439 (2023 - $28,125 and $82,193) were capitalized to E&E.

During the periods ended June 30, 2024, $Nil (2023 - $71,460) share based payments for previous year were reclassified to capitalized to E&E as the share-based payments were related to exploration and development activities.

11. CAPITAL DISCLOSURES

The Corporation considers its capital to include shareholders' equity. The objectives of the Corporation are to attain a strong financial position from which the Corporation will be able to exhibit continued growth and obtain access to capital. The Corporation has no externally imposed restrictions.

The Corporation manages its capital structure and adjusts considering changes in economic conditions and risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Corporation may from time to time, issue shares, obtain debt financing, or adjust capital spending. As at June 30, 2024, the capital structure of the Corporation currently consists of shareholder's equity, which was $48,215,145 (September 30, 2023 - $40,961,992).

12. FAIR VALUE

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of cash, other receivables, and trade and other payables approximate their fair values due to their short terms to maturity.

13. FINANCIAL INSTRUMENTS

The Corporation is exposed to financial risks from normal course business exposures, as well as from the Corporation's use of financial instruments. These risk factors include market risk, liquidity risk, and credit risk.

(a) **Market risk**

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The market price movements that could adversely affect the value of the Corporation's financial assets, liabilities and expected future cash flows include commodity price risk, interest rate risk and foreign exchange risk.

(i) Commodity price risk
The Corporation may employ the use of various financial instruments in the future to manage price exposure; the Corporation is not currently using any such instruments. The Corporation currently has not obtained any hedging instruments.

(ii) Interest rate risk
Interest rate risk is the risk of exposure to changes in market interest rates affecting future cash flows. The Corporation is not exposed to significant interest rate risk.

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (continued)

(a) **Market risk (continued)**

(iii) Foreign exchange risk
Foreign currency risk arises from fluctuations in foreign exchanges rates and the degree of volatility of these rates relative to the Canadian dollar. The Corporation is not exposed to significant foreign exchange risk given it has no financial instruments denominated in a foreign currency.

(b) **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation may need to obtain additional sources of cash resources to execute future exploration programs and believes that it has access to sufficient capital through potential external equity sources to meet projected expenditures.

(c) **Credit risk**

Credit risk is the risk that a customer or counter party will fail to perform an obligation or fail to pay amounts due causing a financial loss. The Corporation's credit risk is primarily attributable to cash and is subject to normal credit risks. Credit risk associated with cash is minimal as the Corporation deposits its cash with a large Canadian financial institution that has been accorded a strong investment grade rating by a primary rating agency.

14. GENERAL AND ADMINISTRATIVE

General and administrative details for the three- and nine-months periods ended June 30, 2024 and 2023:

	Three months ended		**Nine months ended**	
	June 30, 2024	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Consulting	108,323	87,963	222,706	200,075
Management fees	110,904	107,124	329,420	340,316
Marketing	97,897	96,046	311,662	635,372
Office and administrative	33,258	35,152	94,328	91,445
Professional Fees	85,690	36,413	235,967	152,561
Travel and meals	184	2,674	1,533	5,941
Total	**$436,256**	**$365,372**	**$1,195,616**	**$1,425,710**

(Expressed in Canadian Dollars)

15. RELATED PARTY TRANSACTIONS

All related party transactions are in the normal course of operations and initially recorded at fair value.

As at June 30, 2024, the balance due to related parties is $Nil (September 30, 2023 - $16,198) due to directors and officers included in trade payables and accrued liabilities.

Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the three- and nine-months periods ended June 30, 2024 and 2023 were as follows:

	Three Months Ended		Nine month Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Short-term compensation	157,133	178,264	464,701	502,762
Share-based payments	207,386	150,460	549,859	458,863
Capitalized share-based payments	36,107	23,697	97,435	84,620
Total	**$400,626**	**$352,421**	**$1,111,995**	**$1,046,245**

16. SUBSEQUENT EVENTS

None.