GRANDE PORTAGE RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Financial Statements
October 31, 2024 and 2023
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Grande Portage Resources Ltd.

Opinion

We have audited the consolidated financial statements of Grande Portage Resources Ltd. (the "Company") which comprise:

- The consolidated statements of financial position as at October 31, 2024 and 2023;
- the consolidated statements of comprehensive loss for the years ended October 31, 2024 and 2023;
- the consolidated statements of changes in equity for the years ended October 31, 2024 and 2023;
- the consolidated statements of cash flows for the years ended October 31, 2024 and 2023; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

We draw attention to *Note 1* of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of material uncertainties that cast significant doubt about 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 audit of the consolidated financial statements of the current year. 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 other key audit matters.

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

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 audit 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.

If, based on the work we have performed on this other information, 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 Accounting Standards as issued by the International Accounting Standards Board, 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 Artem Valeev.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
February 28, 2025

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT OCTOBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Note	2024	2023
		$	$
ASSETS			
CURRENT ASSETS			
Cash		**616,804**	344,159
Amounts receivable		**12,085**	5,922
Prepaid expenses and deposits	8	**151,259**	53,864
		780,148	403,945
INVESTMENT IN SUBLEASE	13	**61,400**	86,754
RIGHT OF USE ASSET	13	**52,945**	77,377
RECLAMATION BONDS	5	**72,153**	72,153
EXPLORATION AND EVALUATION ASSETS	6	**20,641,539**	20,239,257
		21,608,185	20,879,486
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	8	**138,378**	919,220
Lease liability – short-term	13	**54,467**	43,175
Total current liabilities		**192,845**	962,395
Security deposit	13	**13,000**	13,000
Lease liability – long-term	14	**81,423**	131,100
Total liabilities		**287,268**	1,106,495
EQUITY			
SHARE CAPITAL	7	**40,919,164**	38,798,256
RESERVES	7	**4,695,654**	4,242,279
DEFICIT		**(24,293,901)**	(23,267,544)
		21,320,917	19,772,991
		21,608,185	20,879,486

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Note 12)
Subsequent Event (Note 14)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

“Ian Klassen”	Director	*“Alistair MacLennan”*	Director
Ian Klassen		Alistair MacLennan	

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED OCTOBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Note	2024	2023
		$	$
Expenses			
Share-based compensation	7	**347,600**	376,700
Management fees	8	**297,460**	289,845
Legal and accounting	8	**165,534**	155,227
Office and miscellaneous		**53,437**	62,928
Consulting fees		**100**	57,000
Travel and promotion		**30,531**	52,198
Investor and shareholder relations		**46,177**	40,664
Directors' fees	8	**40,000**	40,000
Regulatory and transfer agent fees		**36,248**	27,443
Rent	8	**-**	15,000
Depreciation	13	**24,432**	4,072
Foreign exchange loss (gain)		**5,852**	(704)
Loss before other items		**(1,047,371)**	(1,120,373)
Other items			
Interest earned on short-term investments		**305**	16,176
Interest on Sub-lease investment		**5,270**	-
Rental income		**15,439**	-
Write-off accounts payable		**-**	7,629
Realized gain (loss) on marketable securities		**-**	19
		21,014	23,824
Net loss and comprehensive loss		**(1,026,357)**	(1,096,549)
Loss per share – basic and diluted		**(0.01)**	(0.01)
Weighted average number of common shares outstanding		**120,037,844**	110,812,235

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED OCTOBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Issued Capital				
	Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance, October 31, 2022	**108,151,276**	**37,688,256**	**3,795,379**	**(22,170,995)**	**19,312,640**
Shares issued for cash	5,550,000	1,110,000	-	-	1,110,000
Share-based compensation - services	-	-	376,700	-	376,700
Share-based compensation – exploration	-	-	70,200	-	70,200
Comprehensive loss	-	-	-	(1,096,549)	(1,096,549)
Balance, October 31, 2023	**113,701,276**	**38,798,256**	**4,242,279**	**(23,267,544)**	**19,772,991**
Shares issued for cash (net)	11,486,221	2,004,258	117,725	-	2,121,983
Shares issuance cost - warrants	-	(25,100)	25,100	-	-
Shares issued for option exercise	500,000	112,350	(47,350)	-	65,000
Shares issued for warrant exercise	122,500	29,400	-	-	29,400
Share-based compensation - services	-	-	347,600	-	347,600
Share-based compensation – exploration	-	-	10,300	-	10,300
Comprehensive loss	-	-	-	(1,026,357)	(1,026,357)
Balance, October 31, 2024	**125,809,997**	**40,919,164**	**4,695,654**	**(24,293,901)**	**21,320,917**

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

GRANDE PORTAGE RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED OCTOBER 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	2024	2023
	$	$
Operating activities		
Net loss	**(1,026,357)**	(1,096,549)
Items not involving cash:		
Accrued interest income	**(5,270)**	(16,177)
Share-based compensation-services	**347,600**	446,900
Share-based compensation-exploration	**-**	(70,200)
Unrealized loss on marketable securities	**-**	268
Write-off of accounts payable	**-**	(7,629)
Accretion on lease liability	**11,292**	2,017
Depreciation	**24,432**	4,072
	(648,303)	359,251
Changes in non-cash working capital balances		
Accounts payable and accrued liabilities	**(712,806)**	650,716
Amounts receivable	**(6,163)**	377
Security deposit	**-**	13,000
Prepaid expenses and deposits	**(97,395)**	(1,164)
Cash used for operating activities	**(1,464,667)**	(74,369)
Investing activities		
Expenditures on exploration and evaluation assets	**(460,018)**	(3,042,423)
Rental income received from sub-lease	**30,624**	5,104
Lease payments	**(49,677)**	-
Interest received on short-term investments	**-**	27,840
Redemption of short-term investments	**-**	2,000,000
Cash used for investing activities	**(479,071)**	(1,009,479)
Financing activities		
Proceeds from private placement (net)	**2,121,983**	1,110,000
Proceeds from warrant exercises	**29,400**	-
Proceeds from option exercises	**65,000**	-
Cash provided by financing activities	**2,216,383**	1,110,000
Change in cash	**272,645**	26,152
Effects of foreign exchange	**-**	-
Cash, beginning of year	**344,159**	318,007
Cash, end of year	**616,804**	344,159

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Grande Portage Resources Ltd. (the "Company") was incorporated under the Business Corporations Act of British Columbia. The Company is an exploration-stage public company, whose principal business activities are the exploration for and development of natural resource properties, namely gold in Alaska. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol GPG, on the OTCQB (symbol: GPTRF), and on the Frankfurt exchange (symbol: GPB).

The address of the Company's corporate office and principal place of business is #1050 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether they contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

The Company incurred a net loss and comprehensive loss of $1,026,357 (2023 - $1,096,549) for the year ended October 31, 2024, and has an accumulated deficit of $24,293,901 (2023 - $23,267,544) which has been funded primarily by the issuance of equity. The Company's ability to continue as a going concern is dependent upon the generation of profits from exploration and evaluation assets, obtaining additional financing or maintaining continued support from its shareholders and creditors. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. While the Company has been successful in obtaining financing in the past, there is no assurance that such financing will continue to be available or be available on favourable terms in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. In assessing the appropriateness of the going concern assumption management is required to consider all available information about the future, which is at least, but not limited to, twelve months from the year end date. Management has carried out an assessment of the going concern assumption and has concluded that it is appropriate that the consolidated financial statements are prepared on a going concern basis. Accordingly, these consolidated financial statements do not reflect any adjustments to the carrying value of assets and liabilities, or the impact on the consolidated statements of loss and consolidated statements of financial position classifications that would be necessary were the going concern assumption not appropriate.

2. BASIS OF PREPARATION

a) Statement of Compliance

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

These consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on February 28, 2025.

2. BASIS OF PREPARATION (continued)

b) Consolidation and Measurement

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, GPG Alaska Resources Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

These consolidated financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4. The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

3. MATERIAL ACCOUNTING POLICIES

a) Cash

Cash consist of cash on hand and balances with banks.

b) Exploration and Evaluation Assets

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

All exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized as exploration and evaluation assets and are classified as intangible assets. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs including drilling costs directly attributable to a property, and directly attributable general and administrative costs including share-based payments to geologists. General exploration costs not related to specific exploration and evaluation property are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Exploration and evaluation assets are tested for impairment and no amortization is taken during the exploration and evaluation phase.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets. Upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves

3. MATERIAL ACCOUNTING POLICIES (continued)

b) Exploration and Evaluation Assets (continued)

i) Impairment

Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present; the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full be development or sale. The related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

ii) Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or on-going production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

c) Equipment

Equipment is recorded at cost less accumulated amortization and impairment.

Amortization on additions during the year is calculated at one-half of the annual rate. Useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of loss.

Where an item of equipment comprises significant components with different useful lives, the components are accounted for as separate items of equipment. Subsequent costs to replace parts of an item of equipment are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and the cost of the item can be measured reliably.

3. MATERIAL ACCOUNTING POLICIES (continued)

d) Income Taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years.

Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting not taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

e) Share Capital

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Any previously recorded share-based payment included in the reserves account is transferred to share capital on exercise of options. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from issuance of units are allocated between common shares and warrants based on the residual method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of warrants is recorded in share capital, and any related amount recorded in warrants reserve is transferred to share capital.

f) Basic and Diluted Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings/loss per share does not adjust the loss attributable to common shareholders or the weight average number of common shares outstanding when the effect is anti-dilutive.

g) Share-based Payment Transactions

The Company grants share options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

3. MATRIAL ACCOUNTING POLICIES (continued)

g) Share-based Payment Transactions (continued)

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as mineral property interests with a corresponding increase in option reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in capital stock and the related share-based payment in option reserves is transferred to capital stock.

h) Government Assistance

Mining exploration tax credits for certain exploration expenditures incurred are treated as a reduction of the exploration and development costs of the respective mineral property.

i) Share Issuance Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to expenses.

j) Marketable Securities

Investments in publicly traded companies listed on an active stock exchange are recorded at fair value based upon the closing bid price at the year-end date. If an active market does not exist, the investments are recorded at fair value using a valuation technique based upon management's estimates which consider reliable and observable market inputs. The amounts at which investments in publicly traded companies could be disposed of may differ from fair value as a result of a number of factors including, but not limited to, premiums paid for large blocks of shares or discounts due to a lack of liquidity.

k) Short-term Investments

Investments in cashable GICs with a maturity date of one year or less recorded at fair value along with accrued interest. The GICs are redeemable at any time with no penalty.

l) Financial Instruments – IFRS 9

Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement". A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of equity instrument of another entity.

i) Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

3. MATRIAL ACCOUNTING POLICIES (continued)

l) Financial Instruments – IFRS 9 (continued)

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and marketable securities are measured at FVTPL.

ii) Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) amortized cost. All financial liabilities are measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

iii) Impairment of financial assets at amortized costs

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

m) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

3. MATERIAL ACCOUNTING POLICIES (continued)

n) Foreign Currency Translation

The functional currency of both the Company and its subsidiary, being the currency of the primary economic environment in which the Company operates, is the Canadian dollar. Foreign denominated monetary assets and liabilities are translated at the year-end rates of exchange. Non-monetary items are translated using the exchange rates prevailing at the date of the transaction. Revenues and expenses are translated using average rates of exchange during the year. Exchange gains or losses arising from currency translation are recognized in the consolidated statement of comprehensive loss.

o) Use of Estimates and Judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether indicators of impairment exist, considering estimates and assumptions around the reserves, prices and future costs required to develop and decommission those reserves. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the carrying amount exceeds the recoverable amount, the amount capitalized is written down to the recoverable amount in the profit or loss in the period the new information becomes available.

ii) Estimated reclamation provisions

The Company's provision for decommissioning liabilities represents management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs at the end of mine's life. The provision reflects estimates of future costs, inflation, movements in foreign exchange rates and assumptions of risks associated with the future cash outflows, and the applicable risk-free interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

Changes to reclamation and closure cost obligations are recorded with a corresponding change to the carrying amounts of related mining properties. Adjustments to the carrying amounts of related mining properties can result in a change to future depletion expense.

3. MATERIAL ACCOUNTING POLICIES (continued)

o) Use of Estimates and Judgements (continued)

iii) Share-based payment transactions

Management uses the Black-Scholes pricing model to determine the fair value of stock options and standalone share purchase warrants issued. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

iv) Impairment of exploration and evaluation assets

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's exploration and evaluation assets are impaired. External sources of information management consider includes changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its mining interests. Internal sources of information management consider include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of economic performance of the assets.

In determining the recoverable amounts of the Company's exploration properties, management makes estimates of the discounted future pre-tax cash flows expected to be derived from the Company's exploration properties, and the appropriate discount rate.

v) Income taxes

Management exercises judgment to determine the extent to which deferred tax assets are recoverable and can therefore be recognized in the consolidated statements of financial position and consolidated comprehensive income or loss.

vi) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgement. The management monitor future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1

p) Leases and right-of-use assets

Management exercises judgment when contracts are entered into that may give rise to a right-of-use asset that would be accounted for under IFRS 16 as a lease. Judgment is required in determining the appropriate lease term by lease basis. Management considers all facts and circumstances that create the economic incentive to exercise a renewal option or to not exercise a termination option at inception and over the term of the lease, including investments in major leasehold improvements, operating performance, and changed circumstances. The periods covered by renewal or termination options are only included in the lease term if management is reasonably certain to exercise the option.

i) Right-of-use ("ROU") asset

A lease is a contract that transfers substantially all the risks and rewards incidental to ownership of an identified asset. In accordance with IFRS 16, Leases, the Company initially recognizes a lease at its commencement date which is when an identified asset is made available for use. Right-of-use assets are measured at the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and any initial direct or estimated restoration costs. A right-of-use asset is then depreciated on a straight-line basis over the shorter of the asset's useful life or the lease term.

3. MATERIAL ACCOUNTING POLICIES (continued)

p) Leases and right-of-use assets (continued)

ii) Net investment in sublease

If a sublease is classified as a finance lease, the original lessee derecognizes the right-of-use asset on the head lease at the sublease commencement date and continues to account for the original lease liability in accordance with the lessee accounting model. The original lessee, as the sublessor, recognizes a net investment in the sublease and evaluates it for impairment at period-end.

iii) Lease liabilities

Lease liabilities include the present value of future fixed payments, less any lease incentives receivable, and the exercise price of a purchase option if it is reasonably certain to be exercised. Future fixed lease payments are discounted using the Company's incremental borrowing rate if the rate implicit in the lease is not readily determinable. The term of each lease includes its non-cancellable period. The term can also include periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option. After the commencement date, the Company continually measures its lease liabilities to reflect changes in lease payments, discount rates or the leases' remaining term with an offsetting adjustment to right-of-use assets.

Lease payments are applied against lease liabilities using the effective interest method. Short-term leases with an initial lease term of less than 12 months are evaluated by class of the underlying asset whereas lease payments for low-value assets are evaluated on a lease-by-lease basis. Short-term and low-value leases can be accounted for as either leases or expensed.

(Expressed in Canadian Dollars)

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial instruments are categorized in 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 Company's financial instruments include cash, marketable securities and accounts payable.

The fair value of cash and marketable securities are determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. As at October 31, 2024, the Company believes that the carrying values of accounts payable approximate their fair values because of their nature and relatively short maturity dates or durations.

Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position as of October 31, 2024 and 2023, as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1) $	Significant Other Observable Inputs (Level 2) $	Significant Unobservable Inputs (Level 3) $	Total $
October 31, 2024				
Cash	616,804	–	–	616,804
October 31, 2023				
Cash	344,159	–	–	344,159

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash and marketable securities as all are placed with two major Canadian financial institutions. The Company is not exposed to significant credit risk on its cash and marketable securities as all have been placed with major financial institutions.

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At October 31, 2024, the Company had working capital of $587,303 (2023 – working capital deficiency of $558,450). The Company has sufficient funding for its current activities but will need to raise additional financing in order to fund any future operations. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

c) Interest Rate Risk

The Company is not subject to any significant interest rate risk.

d) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable that are denominated in a foreign currency. As at October 31, 2024, a 10% fluctuation in the foreign exchange rate of the United States dollar against the Canadian dollar would affect the Company's cash and account payable by approximately $1,000.

e) Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

f) Market Risk

The Company's financial instruments include marketable securities which are publicly traded and therefore subject to the risks related to the fluctuation in market prices. The Company closely monitors market values to determine the most appropriate course of action.

5. RECLAMATION BONDS

The Company placed Guaranteed Interest Certificates ("GICs") in trust as reclamation deposits pursuant to a condition of receiving consent from a government agency to explore its resource property interests. As at October 31, 2024, the Company held GICs totaling $72,153 (2023 – $72,153).

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

	New Amalga Mine Gold
Balance, October 31, 2022	$ 17,126,634
Acquisition costs:	
Cash payments and other	43,912
Deferred exploration costs:	
Assaying	37,765
Claim maintenance fees	23,227
Consulting	14,392
Drilling	1,627,025
Field expenses	83,537
Food and lodging	94,499
Freight	4,829
Geological consulting	205,784
Helicopter costs	839,832
Legal fees	111
Share-based compensation	70,200
Site Personnel	35,069
Travel costs	12,058
Vehicle rentals	19,589
Total additions	3,112,623
Balance, October 31, 2023	**$ 20,239,257**
Acquisition costs:	
Cash payments and other	49,479
Deferred exploration costs:	
Assaying	22,951
Claim maintenance fees	28,531
Consulting	181,449
Drilling credit from prior year	(68,036)
Field expenses	56,393
Food and lodging	11,723
Geological consulting	41,754
Helicopter costs	21,665
Legal fees	1,791
Share-based compensation	10,300
Site Personnel	19,636
Travel costs	7,919
Vehicle rentals	16,727
Total additions	402,282
Balance, October 31, 2024	**$20,641,539**

6. EXPLORATION AND EVALUATION ASSETS (continued)

New Amalga Mine Gold Project (formerly Herbert Gold Project)

The Company holds a 100% interest in the New Amalga Mine Gold Project pursuant to an agreement dated June 16, 2010, as amended on June 12, 2012, (the "Option Agreement") with Quaterra Alaska, Inc. ("Quaterra"), the Company was granted and exercised an option to acquire a 65% interest in a mining lease dated November 1, 2007 (the "Mining Lease") for the New Amalga Mine Gold Project, consisting of 84 unpatented mining claims (now 91 unpatented mining claims pursuant to the area of interest provisions of the Mining Lease), located 20 miles north of Juneau, Alaska. The Company was required to incur at least USD$1,250,000 (incurred) under the Option Agreement in exploration expenditures on the property to acquire its 65% interest.

Pursuant to a purchase agreement with Quaterra to acquire Quaterra's remaining 35% interest in the Mining Lease in exchange for the issuance of 1,182,331 common shares (issued) on a non-diluted basis, equal to 9.0% of the Company's outstanding common shares and, a cash payment of $250,000 USD. The Company issued the 1,182,331 common shares during the year ended October 31, 2016, but these were held by the Company until such time that the assignment of the remaining 35% interest to the Company was completed during the year ended October 31, 2017.

The New Amalga Mine Gold Project is subject to a 5% net smelter returns royalty reserved to the underlying lessor, plus minimum annual advance royalties of $30,000 USD due every November 1. All advance royalties will be credited towards any net smelter returns royalty paid upon the commencement of commercial production.

Realization of assets

The investment in and expenditures on exploration and exploration assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

Environmental

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its property interests and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former property interests that may result in material liability to the Company.

7. SHARE CAPITAL

a) Authorized - Unlimited number of common shares without par value.

b) Issued

As at October 31, 2024, there were 125,809,997 common shares issued and outstanding (2023: 113,701,276).

(i) During the year ended October 31, 2024, the Company closed a non-brokered private placement with the issuance of 5,600,000 Units at a price of $0.20 per Unit for gross proceeds of $1,120,000. Each Unit consisted of one common share and one half of a share purchase warrant. Each whole warrant is exercisable at a price of $0.24 for a period of two years. The Company paid $34,680 in cash and issued 167,400 warrants for finder's fees, with a fair value of $20,200, in conjunction with this non-brokered placement. The broker warrants have the same terms as the subscriber warrants.

The Company also closed a non-brokered private placement with the issuance of 5,886,221 Units at a price of $0.18 for gross per unit for gross proceeds of $1,059,520. Each unit in this offering consisted of one common share in the capital of the company and one share purchase warrant. Each warrant entitles the unit holder to purchase one additional common share at a price of $0.25 per share at any time within 24 months of the closing. The fair value allocated to warrants issued as part of the units is $117,724.

The Company paid an aggregate of $22,858 in cash and issue 119,210 Finders Warrants with a fair value of $4,900 in connection with this offering. Each Finder's Warrant entitles the holder to acquire one common share of the Company at $0.25 per share for 24 months from the date of closing. The Finder's Warrants are issued on the same terms and conditions as the private placement Warrants. All finder's fees are subject to compliance with applicable securities legislation and TSX Venture Exchange policies.

The Company issued 500,000 shares for the exercise of options priced at $0.13 for gross proceeds of $65,000.

The Company also issued 122,500 shares for the exercise of warrants priced at $0.24 for gross proceeds of $29,400.

(ii) During the year ended October 31, 2023, the Company closed a non-brokered private placement with the issuance of 5,550,000 Units at a price of $0.20 per Unit for gross proceeds of $1,110,000. Each Unit consisted of one common share and one share purchase warrant. Each whole warrant is exercisable at a price of $0.30 for a period of two years. No Finders' fees were paid in conjunction with this private placement.

c) Stock options

Effective October 31, 2012, the Company adopted a revised rolling stock option plan under whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan. The stock option plan provides for the granting of stock options to directors, officers, employees, consultants, consulting company or management company employees, and eligible charitable organizations. Shares issuable under the plan to insiders as a group, or to any one optionee, consultant, and investor relation person are restricted up to a limit of 10%, 5%, 2% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. An option shall be granted as fully vested, unless a vesting schedule is imposed by the board as a condition of the grant date and provided that if the option is being granted to an eligible person who is providing investor relating activities to the Company, then the option must vest in stages over at least a one-year period and not more than ¼ of such options may be vested in any three-month period.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

c) Stock options (continued)

Details of the status of the Company's stock options as at October 31, 2024 and 2023 are as follows:

	Number of Options	Weighted-Average Exercise Price ($)
Balance, October 31, 2022	6,705,000	$0.29
Granted	1,900,000	0.30
Granted	600,000	0.25
Expired	(1,050,000)	0.15
Expired	(950,000)	0.22
Cancelled	(20,000)	0.35
Balance, October 31, 2023	7,185,000	$0.32
Exercised	(500,000)	0.13
Expired	(900,000)	0.15
Cancelled	(250,000)	0.38
Granted	2,600,000	0.20
Balance, October 31, 2024	**8,135,000**	**$ 0.31**

The Company applies the fair value method using the Black-Scholes Option Pricing Model in accounting for stock options granted to employees. Stock options granted to employees are valued using the Black-Scholes Option Pricing Model as the fair values of services received were not reliably measurable.

The fair value of the options granted was calculated using the following weighted average assumptions:

	2024	2023
Expected life (years)	5.00	5.00
Risk-free interest rate	2.87%	2.81-2.99%
Expected annualized volatility	99.83%	109.01-109.08%
Dividend yield	N/A	N/A
Stock price at grant date	$0.185	$0.23-0.24
Exercise price	$0.20	$0.25-0.30
Weighted average grant date	$0.137	$0.175 - 0.19

As at October 31, 2024, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Expiry Date	Exercise Price
360,000	June 29, 2025	0.35
725,000	May 3, 2026	0.38
1,950,000	May 2, 2027	0.45
1,900,000	April 6, 2028	0.30
600,000	April 27, 2028	0.25
2,600,000	July 30, 2029	0.20
8,135,000		

The weighted average remaining contractual life of stock options outstanding at October 31, 2024 is 3.34 years (2023 – 3.02 years).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

d) Warrants

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants	**Weighted-Average Exercise Price**
Balance, October 31, 2022	4,571,910	$0.59
Granted	5,550,000	0.30
Expired	(112,020)	0.72
Balance, October 31, 2023	10,009,890	$0.47
Expired	(553,358)	0.45
Expired	(3,906,540)	0.72
Granted	2,967,400	0.24
Granted	6,005,431	0.25
Exercised	(122,500)	0.24
Balance, October 31, 2024	**14,400,323**	**$0.27**

During the period, the Company issued 122,500 shares for the exercise of warrants with a weighted average price at $0.24 for gross proceeds of $29,400.

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

As at October 31, 2024, the following warrants were outstanding and exercisable:

Outstanding Number of Warrants	**Expiry Date**	**Exercise Price**
5,550,000	May 10, 2025	$0.30
2,844,900	December 8, 2025	$0.24
6,005,431	August 12, 2026	$0.25

The weighted average remaining contractual life of warrants outstanding at October 31, 2024 is 1.16 years (2023 – 0.89 years).

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS AND KEY PERSONNEL COMPENSATION

In November 2023, the Company received an advance of $250,000 from a company controlled by an Officer of the Company which was paid back in full in December 2023. In July 2024, the Company received an advance of $100,000 from a company controlled by an Officer of the Company which was paid back in full in August 2024 upon closure of the private placement. The advance had no fixed terms and no interest was paid.

Included in accounts payable is $69,738 owing to a company owned by a Director and to an Officer of the Company for management and expenses respectively.

Included in prepaid expenses is $56,134 (2023 - $25,000) advanced to a company controlled by the president of the Company. This amount is unsecured, non-interest bearing and due on demand.

During the year ended October 31, 2024, the Company incurred the following related party transactions:

a) $228,460 (2023 - $220,845) in management fees to a company controlled by the President and CEO of the Company;

b) $53,553 (2023 - $71,283) for exploration and administrative costs billed to the personal credit card of the President and CEO of the Company;

c) $69,000 (2023 - $69,000) in management fees to a company controlled by a Director of the Company;

d) $93,692 (2023 - $93,700) in accounting fees to a company controlled by the CFO of the Company.

e) $40,000 (2023 - $40,000) in directors' fees to members of the Board of Directors.

f) $Nil (2023 - $15,000) to a company controlled by an officer of the Company for rent.

The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the years ended October 31, 2024 and 2023. Short-term key management compensation consists of the following for the years ended October 31, 2024 and 2023:

	2024	**2023**
Management fees	$ 297,460	$ 289,845
Accounting fees	93,692	93,700
Administrative and exploration costs	53,553	71,283
Directors' fees	40,000	40,000
Share-based payments	304,150	282,064
	$ 788,855	$ 776,892

The Company entered into management fee agreements for a term of two years with the President and the CFO of the Company ("Contractors") in the amounts of annual compensation of $198,000 and $84,000 per annum, respectively. The Company is committed to make monthly payments of $23,500.

(Expressed in Canadian Dollars)

9. INCOME TAXES

Significant components of the Company's deferred income tax assets are as follows:

	2024	2023
	$	$
Non-capital and capital losses	2,918,000	2,732,000
Exploration and evaluation assets	1,353,000	1,345,000
Share issuance costs	15,000	12,000
Lease liability	37,000	(21,000)
Right-of-use asset	(14,000)	47,000
Lease - Investment	(17,000)	(23,000)
Deferred tax asset not recognized	(4,292,000)	(4,092,000)
Net deferred tax asset	-	-

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2024	2023
	$	$
Expected income tax recovery	(277,000)	(324,000)
Permanent differences and others	77,000	134,000
Change in valuation allowance	200,000	190,000
	-	-
Combined statutory rate	27%	27%

Available to	**Amount**
	$
2027	602,000
2028	773,000
2029	402,000
2030	-
2031	180,000
2032	333,000
2033	312,000
2034	270,000
2035	312,000
2036	295,000
2037	602,000
2038	1,041,000
2039	808,000
2040	921,000
2041	941,000
2042	904,000
2043	746,000
2044	691,000
	10,133,000

(Expressed in Canadian Dollars)

9. INCOME TAXES (continued)

The Company has capital losses of $1,349,000 carried forward and $10,133,000 in non-capital tax losses carried forward available to reduce future Canadian taxable income. The non-capital losses begin to expire in 2027. The capital losses can be carried forward indefinitely unless used.

10. CAPITAL MANAGEMENT

The Company defines capital as all components 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 exploration and evaluation assets. 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 is not subject to any externally imposed capital requirements.

The properties in which the Company currently has an interest are in the exploration stage, as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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. There have been no changes to the Company's approach to capital management during the year ended October 31, 2024.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of resource properties. The Company's head office is located in Canada with its exploration assets located in the U.S.A. The Company's exploration and evaluation assets in geographic locations are as follows:

	2024	**2023**
U.S.A.	$ 20,641,539	$ 20,239,257

During the year, the Company entered into a Settlement Agreement with NASCO Industrial Services and Supply, LLC to resolve a dispute with respect to an outstanding amount for drilling services during the 2023 drilling season. Both parties agreed to settle the disputed amount of US$64,034, with the Company paying US$20,000 releasing both parties from any further obligation. The resulting difference of US$44,034 (CA$68,036) is recorded as a credit in deferred exploration costs for the year (Note 6).

12. COMMITMENTS AND CONTINGENCIES

a) Commitments

The Company entered into management fee agreements with the President and the CFO of the Company (see Note 8). The agreements can be terminated by the Company upon providing twelve months of notice, based on the mutual agreement or with no notice for just cause. In case of the absence of just cause of or the mutual agreement, the Company is required to pay a full twelve months of additional compensation upon termination. The Company is committed to make monthly payments of $23,500.

(Expressed in Canadian Dollars)

12. COMMITMENTS AND CONTINGENCIES (continued)

b) Contingencies

From time to time, the Company is engaged in various legal proceedings and claims that have arisen in the ordinary course of business. The outcome of all the proceedings and claims against the Company is subject to future resolution, including the uncertainties of litigation.

The Company believes that the probable ultimate resolution of any such proceedings and claims, individually or in aggregate will not have a material adverse effect on the financial condition of the Company.

13. RIGHT-OF-USE ASSET AND LEASE LIABILITY

In July 2023, the Company entered into an office lease agreement for a period of three years from January 1, 2024 to December 31, 2026. The Company is committed to pay $43,248 per annum in years one and two and $44,520 in basic rent per annum in year three. The Company is also responsible for all applicable operating costs plus GST beginning on January 1, 2024.

The lease also included a fixturing period beginning on August 1, 2023 through to December 31, 2023 for the purpose of carrying out installation of cabling and moving goods into the premises and to commence its business operations during which the Company will have free basic and additional rent with the exclusion of utilities.

Lease liability consists of a lease for office space.

Balance at October 31, 2022	$	-
Additions		172,259
Interest expense		2,016
Lease payments		-
Balance at October 31, 2023	$	174,275
Interest expense		11,292
Lease payments		(49,677)
Balance at October 31, 2024	**$**	**135,890**
Current portion of the lease liability	$	54,467
Non-current portion of the lease liability		81,423

As at October 31, 2024 and 2023, the balance of the right-of-use asset is as follows:

Balance at October 31, 2022	$	-
Additions		81,449
Depreciation		(4,072)
Balance at October 31, 2023	$	77,377
Additions		-
Depreciation		(24,432)
Balance at October 31, 2024	**$**	**52,945**

On July 7, 2023, the Company entered into a three-year sublease agreement with a third-party Springhouse Investment Corp. (“Springhouse”) for sub-leasing half of the office space. Springhouse will reimburse half the total lease payments to the Company. The Company received a security deposit of $13,000 during the year. At commencement of the sublease, the Company recognized an investment in sublease of $90,810 and derecognized ROU assets by the same amount. The reconciliation of the Company’s net investment in sublease for the year ended October 31, 2024 is as follows:

Balance at October 31, 2023	$	86,754
Interest		5,270
Lease payments received		(30,624)
Interest income		-
Balance at October 31, 2024	**$**	**61,400**

14. SUBSEQUENT EVENT

On November 13, 2024, the Company completed a non-brokered private placement with the sale of 3,470,000 units at a price of C$0.30 per Unit for aggregate gross proceeds of C$1,041,000. Each Unit consisted of one common share in the capital of the Company and one Common Share purchase warrant. Each Warrant entitles the holder thereof to acquire one additional Common Share at an exercise price of C$0.45 per Common Share until November 13, 2026.

The Finders received total cash compensation of C$70,770 and issued non-transferable share purchase warrants which entitle the Finders to acquire up to 235,900 Common Shares at an exercise price of $0.30 per share any time until November 13, 2026.

The Company has granted incentive stock options to two consultants to purchase up to 250,000 common shares exercisable at a price of $0.30 (CAD) per share for a period of five years.