

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: 79 Resources Ltd. (the “Issuer”).

Trading Symbol: SNR

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

**79 RESOURCES LTD.**

**Condensed Interim Consolidated Financial Statements**

**For the nine months ended September 30, 2023**

**Unaudited - Expressed in Canadian Dollars**

**[ATTACHED HERETO AS SCHEDULE A]**

**79 RESOURCES LTD.**  
**Condensed Interim Consolidated Financial Statements**  
**For the nine months ended September 30, 2023**  
**Unaudited - Expressed in Canadian Dollars**

### **NOTICE TO READER**

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

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

**79 RESOURCES LTD.**

Condensed Interim Consolidated Statements of Financial Position  
(Unaudited - Expressed in Canadian dollars)

|   | September 30,<br>2023 | December 31,<br>2022 |
|---|-----------------------|----------------------|
| <b>ASSETS</b>                               |                       |                      |
| Current assets                              |                       |                      |
| Cash  | \$ 46,971             | \$ 71,214            |
| GST receivable                              | 940                   | 4,824                |
|   | <u>47,911</u>         | <u>76,038</u>        |
| Non-current assets                          |                       |                      |
| Exploration and evaluation assets (Note 3)  | 541,646               | 592,885              |
|   | <u>\$ 589,557</u>     | <u>\$ 668,923</u>    |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> |                       |                      |
| Current liabilities                         |                       |                      |
| Accounts payable and accrued liabilities    | \$ 1,788              | \$ 13,945            |
|   | <u>1,788</u>          | <u>13,945</u>        |
| Shareholders' equity                        |                       |                      |
| Share capital (Note 4)                      | 2,900,529             | 2,900,529            |
| Reserves (Note 4)                           | 578,328               | 518,079              |
| Deficit                                     | (2,891,088)           | (2,763,630)          |
|   | <u>587,769</u>        | <u>654,978</u>       |
|   | <u>\$ 589,557</u>     | <u>\$ 668,923</u>    |

**Nature of Operations and Going Concern (Note 1)**

Approved on Behalf of the Board of Directors:

\_\_\_\_\_  
"Ryan Kalt"  
Director

\_\_\_\_\_  
"Brian Hearst"  
Director

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

**79 RESOURCES LTD.**

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Unaudited - Expressed in Canadian dollars)

|   | Three months<br>ended<br>September 30,<br>2023 | Three months<br>ended<br>September 30,<br>2022 | Nine months<br>ended<br>September 30,<br>2023 | Nine months<br>ended<br>September 30,<br>2022 |
|---|--|--|---|---|
| <b>Expenses</b>   |  |  |   |   |
| Consulting fees (Note 5)  | \$ 8,625                                       | \$ 8,625                                       | \$ 25,875                                     | \$ 24,000                                     |
| Management fees (Note 5)  | -  | -  | -   | 6,000   |
| Marketing and promotion   | -  | -  | 2,250   | 3,257   |
| Office and miscellaneous  | 35   | 33   | 140   | 616   |
| Professional fees (Note 5)  | 7,500  | 7,500  | 28,406  | 26,200  |
| Regulatory and filing fees  | 2,696  | 4,741  | 10,899  | 12,394  |
| Share-based payments  | -  | -  | 60,249  | 103,054                                       |
| Loss before other income  | (18,856)                                       | (20,899)                                       | (127,819)                                     | (175,521)                                     |
| Other income  | -  | -  | 361   | -   |
| Loss for the period   | <u>\$ (18,856)</u>                             | <u>\$ (20,899)</u>                             | <u>\$ (127,458)</u>                           | <u>\$ (175,521)</u>                           |
| Loss Per Share, Basic and Diluted                                 | \$ (0.00)                                      | \$ (0.00)                                      | \$ (0.00)                                     | \$ (0.00)                                     |
| Weighted Average Common Shares<br>Outstanding (basic and diluted) | 102,182,001                                    | 102,182,001                                    | 102,182,001                                   | 102,182,001                                   |

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

**79 RESOURCES LTD.**

## Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

|                                      | Share Capital      |                     | Share-Based Payment Reserve | Deficit               | Shareholders' Equity |
|--------------------------------------|--------------------|---------------------|-----------------------------|-----------------------|----------------------|
|                                      | Shares             | Amount              |                             |                       |                      |
| <b>Balance at December 31, 2021</b>  | <b>102,182,001</b> | <b>\$ 2,900,529</b> | <b>\$ 415,025</b>           | <b>\$ (2,555,667)</b> | <b>\$ 759,887</b>    |
| Share-based payments                 | -                  | -                   | 103,054                     | -                     | 103,054              |
| Loss for the period                  | -                  | -                   | -                           | (175,521)             | (175,521)            |
| <b>Balance at September 30, 2022</b> | <b>102,182,001</b> | <b>\$ 2,900,529</b> | <b>\$ 518,079</b>           | <b>\$ (2,731,188)</b> | <b>\$ 687,420</b>    |
| Loss for the period                  | -                  | -                   | -                           | (32,442)              | (32,442)             |
| <b>Balance at December 31, 2022</b>  | <b>102,182,001</b> | <b>\$ 2,900,529</b> | <b>\$ 518,079</b>           | <b>\$ (2,763,630)</b> | <b>\$ 654,978</b>    |
| Share-based payments                 | -                  | -                   | 60,249                      | -                     | 60,249               |
| Loss for the period                  | -                  | -                   | -                           | (127,458)             | (127,458)            |
| <b>Balance at September 30, 2023</b> | <b>102,182,001</b> | <b>\$ 2,900,529</b> | <b>\$ 578,328</b>           | <b>\$ (2,891,088)</b> | <b>\$ 587,769</b>    |

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

**79 RESOURCES LTD.**

Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - Expressed in Canadian dollars)

|  | <b>Nine months<br/>ended<br/>September 30,<br/>2023</b> | <b>Nine months<br/>ended<br/>September 30,<br/>2022</b> |
|--|---|---|
| <b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>               |   |   |
| Loss for the period  | \$ (127,458)  | \$ (175,521)  |
| Items not involving cash:                                    |   |   |
| Share-based payments   | 60,249  | 103,054   |
| Net change in non-cash working capital items:                |   |   |
| GST recoverable  | 3,884   | 28,763  |
| Prepaid expenses   | -   | 5,000   |
| Accounts payable and accrued liabilities                     | (12,157)  | (16,850)  |
| Due to related parties                                       | -   | (1,050)   |
| Net cash used in operating activities                        | <u>(75,482)</u>   | <u>(56,604)</u>   |
| <b>CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES</b> |   |   |
| Exploration and evaluation expenditures                      | <u>51,239</u>   | <u>(62,427)</u>   |
| Net cash provided by (used in) investing activities          | <u>51,239</u>   | <u>(62,427)</u>   |
| <b>Change in cash during the period</b>                      | <b>(24,243)</b>   | <b>(119,031)</b>  |
| <b>Cash, beginning of period</b>                             | <u>71,214</u>   | <u>228,585</u>  |
| <b>Cash, end of period</b>                                   | <u><b>\$ 46,971</b></u>                                 | <u><b>\$ 109,554</b></u>                                |

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



## **79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### **1. Nature and continuance of operations**

79 Resources Ltd. (the “**Company**” or “**79 Resources**”) was incorporated on April 17, 2019 under the laws of the Province of British Columbia, Canada. On October 20, 2021, the Company completed a transaction with Buck Gold Inc. (“**Buck Gold**”). Upon closing of the transaction, the shareholder of Buck Gold had control of the combined entity, and as a result, the transaction was considered a reverse acquisition of 79 Resources by Buck Gold. For accounting purposes, Buck Gold was considered the acquirer and 79 Resources the acquiree. Accordingly, these consolidated financial statements, which are presented on a consolidated basis, are a continuation of the financial statements of Buck Gold starting from Buck Gold’s date of incorporation on February 18, 2021 (See Note 8) pursuant to the laws of the Province of British Columbia.

The Company’s registered office is Suite 1890 - 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9.

On August 28, 2020, the Company completed its initial public offering (“**IPO**”) and became publicly listed on the Canadian Securities Exchange (“**CSE**”). The Company trades under the symbol “**SNR**”.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As at September 30, 2023, the Company was in the exploration stage and holds mining project interests in Canada.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, 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 has sustained losses from operations and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As at September 30, 2023, the Company had a positive working capital balance of \$46,123 (December 31, 2022 - \$62,093).

Based on cash requirements of present corporate strategies and their budgeted operating and capital expenditures levels, the Company does not have sufficient cash to finance its current plans and will require additional funding moving forward. These material uncertainties may cast substantial doubt about the Company’s ability to continue as a going concern. The Company estimates that it will need to raise substantial additional capital to accomplish its business plan and meet its financial obligations, including on a near-term basis and if successful therewith then longer-term. The Company expects to seek additional funding, including potential financing through equity and/or debt financing and/or project disposition strategies, including by way of possible changes to its capital structure. There can be no assurance as to the availability or terms upon which any funding might be available to the Company so that it can meet its ongoing operating and capital needs (among other obligations).

These condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

### **2. Significant accounting policies and basis of preparation**

The condensed interim consolidated financial statements were authorized for issue on November 27, 2023 by the Company through its board of directors.

#### ***Statement of compliance***

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”). Therefore, these condensed interim consolidated financial statements comply with International Accounting Standards (“**IAS**”) 34 “Interim Financial Reporting”.

## 79 RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the nine months ended September 30, 2023

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### 2. Significant accounting policies and basis of preparation (cont'd)

#### *Basis of preparation*

The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. The condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency, unless otherwise noted.

#### *Basis of consolidation*

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Buck Gold Inc., effective on October 20, 2021. Inter-company balances and transactions are eliminated on consolidation.

#### *Significant accounting judgments, estimates and assumptions*

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The following areas required a significant degree of estimation:

##### a) Recoverability of exploration and evaluation assets

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

##### b) Share-based compensation

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model, which incorporates market data and involves uncertainty in estimates used by management in the assumptions. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, and, as a result, changes in subjective input assumptions can materially affect the fair value estimate.

##### c) Income taxes

The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense (recovery).

The following areas required a significant degree of judgment:

##### a) Going concern

The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

## **79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### **2. Significant accounting policies and basis of preparation (cont'd)**

#### ***Foreign currency translation***

The condensed interim consolidated financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

#### **Transactions and balances:**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

#### ***Financial instruments***

Financial assets are classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition. All financial assets not classified at amortized cost or FVOCI are measured at FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss; and
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the consolidated statements of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in profit or loss. Financial assets and financial liabilities classified at amortized cost are using the effective interest method.

#### ***Impairment of assets***

The carrying amount of the Company's assets which include exploration and evaluation assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous periods.

## 79 RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### 2. Significant accounting policies and basis of preparation (cont'd)

#### *Income taxes*

##### Deferred income tax:

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

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

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

#### *Exploration and evaluation assets*

The Company is in the exploration stage in respect to its exploration and evaluation assets.

Pre-exploration costs are expensed in the period in which they are incurred.

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, geological and geophysical evaluation, surveying costs, drilling costs, payments made to contractors and depreciation on property and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

Where the Company has entered into option agreements for the acquisition of an interest in exploration and evaluation assets which provided for periodic payments, such amounts unpaid are not recorded as a liability when they are payable entirely at the Company's discretion. Although the Company has taken steps to verify title to the exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. The exploration and evaluation assets may be subject to prior undetected agreements or transfers and title may be affected by such defects.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written-off to profit or loss.

The Company assesses exploration and evaluation assets for indications of impairment at each reporting date.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine development cost". Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

Any incidental revenue earned in connection with exploration activities is applied as a reduction to capitalized exploration costs. Any operational income earned in connection with exploration activities is recognized in profit or loss.

Mineral exploration and evaluation expenditures are classified as intangible assets.

## **79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### **2. Significant accounting policies and basis of preparation (cont'd)**

#### ***Provision for environmental rehabilitation***

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense. The Company does not have any provisions for rehabilitation obligations.

#### ***Flow-through shares***

The Company may from time to time, issue flow-through common shares to finance its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability on a pro-rata basis to the expenditures incurred. The reduction of the flow-through share premium previously recorded is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian exploration expenses (as defined in the Tax Act).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with the Tax Act. When applicable, this tax is accrued as a financial expense until paid.

#### ***Share capital***

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company. The Company's common shares, share warrants and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### ***Loss per share***

Basic loss per share is calculated based on the weighted average aggregate number of common shares outstanding during each period. Diluted loss per share is computed similarly to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, this calculation proved to be anti-dilutive.

#### ***Leases***

IFRS 16 Leases - Specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Company had no leases in effect during the financial period presented.

**79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

**3. Exploration and evaluation assets**

|                             | <b>Five Point Copper-<br/>Gold Project,<br/>British Columbia</b> | <b>North Preston<br/>Uranium Project,<br/>Saskatchewan</b> | <b>Total</b>      |
|-----------------------------|--|--|-------------------|
| <b>Acquisition Costs:</b>   |  |  |                   |
| Balance, December 31, 2021  | \$ 209,975   | \$ 1,200   | \$ 211,175        |
| Cash                        | 49,992   | 1,023  | 51,015            |
| Balance, December 31, 2022  | \$ 259,967   | \$ 2,223   | \$ 262,190        |
| Cash                        | 1,951  | -  | 1,951             |
| Balance, September 30, 2023 | \$ 261,918   | \$ 2,223   | \$ 264,141        |
| <b>Exploration Costs:</b>   |  |  |                   |
| Balance, December 31, 2021  | \$ 302,230   | \$ -   | \$ 302,230        |
| Geological and consulting   | 8,465  | -  | 8,465             |
| Geophysical                 | 20,000   | -  | 20,000            |
| Balance, December 31, 2022  | \$ 330,695   | \$ -   | \$ 330,695        |
| Cost recovery               | (53,190)   | -  | (53,190)          |
| Balance, September 30, 2023 | \$ 277,505   | \$ -   | \$ 277,505        |
| <b>Total</b>                | <b>\$ 539,423</b>  | <b>\$ 2,223</b>  | <b>\$ 541,646</b> |

**Five Point Copper & Gold Project ("Five Point")***Project Background*

The Five Point Copper-Gold Project is contiguous to the Buck Project being advanced by Sun Summit Minerals Corp. ("Sun Summit"), who has discovered gold and copper mineralization at its project.

On October 20, 2021, the Company acquired the Five Point Copper-Gold Project pursuant to the share purchase agreement with Buck Gold (Note 8).

On February 19, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in fifty-eight licenses located in British Columbia from a company beneficially owned by the director for consideration of \$153,774, the sum of which reflected fees paid to the Government of British Columbia.

On February 20, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in five licenses located in British Columbia from a company beneficially owned by the director for consideration of \$12,690, the sum of which reflected fees paid to the Government of British Columbia.

On March 23, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in fifteen licenses located in British Columbia from a company beneficially owned by the director for consideration of \$43,511, the sum of which reflected fees paid to the Government of British Columbia.

## **79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### **3. Exploration and evaluation assets (cont'd)**

#### *Recent Exploration Developments*

In May 2021, the Company completed certain exploration work at Five Point by way of a helicopter-borne magnetic survey covering 14,790 hectares utilizing 805 line-kilometres flown, as well as 3-D inversion modelling of a portion of that geophysical airborne survey.

In December 2021, the Company commenced and completed a phase II helicopter-borne magnetic survey at the Five Point project that significantly expanded upon the geophysical work done by the Company earlier in the year (see Company news release dated December 14, 2021).

During 2022, the Company completed a further phase III helicopter-borne magnetic survey at the Five Point project (see also the Company's news release dated February 16, 2022). In addition, the Company actively managed its tenure position with a view to prioritizing overall project footprint to better align with functional areas for target follow-up as well as to better manage and reduce the related government-prescribed assessment obligations which aligns to focusing on project licenses deemed by the Company to be of priority.

During the summer of 2023, the area of British Columbia where the Five Point Copper-Gold Project is situated (being in particular, south of Houston, BC), was impacted by wildfire activity and fire risk that led to area restrictions as well precautionary reductions in the region's mineral exploration activity levels due to fire risk.

Subsequent to the interim period ending September 30, 2023, the Company successfully executed a re-staking strategy involving certain maturing mining claims associated with its Five Point Copper-Gold Project, whereby it re-acquired a number of mining claims (post Crown re-opening) through re-staking efforts (which benefited the Company from both cost and tenure duration standpoints). The royalty originally assumed by the Company in relation to the covered area is applicable to re-staked mining claims.

#### **North Preston Uranium Project (Saskatchewan)**

##### *Project Background*

On November 8, 2021, the Company entered into a purchase agreement with a company controlled by a related party of the Company to acquire a 100% interest in the North Preston Uranium Project located in the southwest region of Saskatchewan's Athabasca Basin. As consideration, the Company paid \$1,200 for the license fees paid to Government of Saskatchewan and certain non-material expenses affiliated with the license acquisition process. A pre-existing 2% gross royalty on the claim was assumed by the Company.

##### *Recent Developments*

During 2022, the tenure comprising the North Preston Uranium Project matured with Crown reversion (due to an absence of filed assessment work) but was successfully re-staked by Company through two licenses, having substantially identical coverage, during a Crown re-opening in August 2022 with applicable government-prescribed license fees paid to the Government of Saskatchewan. The pre-existing 2% gross royalty applies to the re-staked license area.

As a result of the above-described corporate activity performed in 2022 by the Company, the North Preston Uranium Project is now in good-standing to 2024.

**79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

**4. Share capital***Authorized share capital*

The Company is authorized for an unlimited number of common shares without par value.

*Escrow shares*

As at September 30, 2023, the Company had 36,430,500 common shares subject to escrow arrangements as either a direct or indirect result of the acquisition of Buck Gold Inc. Under the aforementioned escrow arrangements, 10% of the escrowed common shares, warrants and options were released from escrow upon the date that the shares commenced trading on the CSE on a post-transaction basis, to be followed by six (6) subsequent escrow releases of 15% every six (6) months thereafter.

*Stock options*

The Company adopted a stock option plan to grant options to individuals exercisable up to 10 years from the date of grant to purchase shares at the market price, less applicable discount, if any. Such grants are not to exceed an aggregate of 10% of the issued and outstanding shares and vesting periods will be determined by the Board of Directors.

On June 27, 2023, the Company granted incentive stock options to purchase 3,000,000 common shares at an exercise price of \$0.05 per share for a period of five years. Accordingly, the Company recorded the estimated grant date fair value of \$60,249 in connection to these options.

The grant date fair value of the options granted above was based on the following assumptions: share price at grant date of \$0.025; exercise price of \$0.05; expected life of 5 years; expected volatility of 128%; risk free interest rate of 3.52%; expected dividend yield of 0%; and forfeiture rate of 0%.

On March 15, 2022, the Company granted incentive stock options to purchase 2,395,000 common shares at an exercise price of \$0.10 per share for a period of five years. Accordingly, the Company recorded the estimated grant date fair value of \$103,054 in connection to these options.

The grant date fair value of the options granted above was based on the following assumptions: share price at grant date of \$0.055; exercise price of \$0.10; expected life of 5 years; expected volatility of 123%; risk free interest rate of 1.96%; expected dividend yield of 0%; and forfeiture rate of 0%.

Stock option transactions are summarized as follows:

|                                      | <b>Number of<br/>Stock<br/>Options</b> | <b>Weighted<br/>Average<br/>Exercise Price</b> |
|--------------------------------------|--|--|
| Balance at December 31, 2021         | 1,280,000                              | 0.14   |
| Granted                              | 2,395,000                              | 0.10   |
| Expired/cancelled                    | (430,000)                              | 0.13   |
| Balance at December 31, 2022         | 3,245,000                              | 0.11   |
| Granted                              | 3,000,000                              | 0.05   |
| Expired/cancelled                    | (1,250,000)                            | 0.13   |
| <b>Balance at September 30, 2023</b> | <b>4,995,000</b>                       | <b>\$ 0.07</b>                                 |



**79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

**4. Share capital (cont'd)**

Details of options outstanding as at September 30, 2023 are as follows:

| <b>Number of Options</b> | <b>Exercise Price</b> | <b>Expiry date</b> | <b>Exercisable</b> |
|--------------------------|-----------------------|--------------------|--------------------|
| 1,995,000                | \$0.10                | March 15, 2027     | 1,995,000          |
| 3,000,000                | \$0.05                | June 27, 2028      | 3,000,000          |

As at September 30, 2023 the options outstanding had a weighted average exercise price of \$0.07 and a weighted average life of 4.23 years.

***Warrants***

Warrants transactions are summarized as follows:

|                                      | <b>Number of<br/>Warrants</b> | <b>Weighted<br/>Average<br/>Exercise Price</b> |
|--------------------------------------|-------------------------------|--|
| Balance at December 31, 2021         | 11,792,060                    | 0.18   |
| Expired                              | (5,060,000)                   | 0.15   |
| Balance at December 31, 2022         | 6,732,060                     | 0.20   |
| Expired                              | (4,440,000)                   | 0.20   |
| <b>Balance at September 30, 2023</b> | <b>2,292,060</b>              | <b>\$0.20</b>                                  |

Details of warrants outstanding as at September 30, 2023 are as follows:

| <b>Number of Warrants</b> | <b>Exercise Price</b> | <b>Expiry date</b> |
|---------------------------|-----------------------|--------------------|
| 2,292,060                 | \$0.20                | November 30, 2023  |

As at September 30, 2023 the warrants outstanding had a weighted average exercise price of \$0.20 and a weighted average life of 0.17 years.

**5. Related party transactions*****Key management compensation***

Key management personnel include those having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management consists of members of the Company's Board of Directors and corporate officers.

***Current Management***

During the nine months ended September 30, 2023, the Company did not pay or accrue any compensation to the Chief Executive Officer (CEO) of the Company (2022 - \$Nil).

During the nine months ended September 30, 2023, the Company has paid or accrued \$27,000 (2022 - \$20,000) to an accounting firm in which the Chief Financial Officer (CFO) of the Company is a partner of the firm for professional services.

During the nine months ended September 30, 2023, the Company granted stock options to management and directors with a fair value of \$52,216 (2022 - \$70,997).

## 79 RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the nine months ended September 30, 2023

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### 5. Related party transactions (cont'd)

#### *Former Management*

During the nine months ended September 30, 2023, the Company has paid or accrued \$Nil (2022 - \$6,000) to a company controlled by a former Director of the Company for management services.

During the nine months ended September 30, 2023, the Company has paid or accrued \$Nil (2022 - \$1,000) to the former CFO for accounting services included in consulting fees.

During the period from the date of incorporation on February 18, 2021 to December 31, 2021, the Company entered into purchase and sale agreements to acquire a 100% interest in certain licenses related to the Five Point Copper-Gold Project (see Note 3). As consideration, the Company paid a total of \$209,975, the sum of which reflected fees paid to the Government of British Columbia.

On November 8, 2021, the Company entered into a purchase agreement with a company controlled by a related party of the Company to acquire a 100% interest in the North Preston Uranium Project located in the southwest region of Saskatchewan's Athabasca Basin (see Note 3). As consideration, the Company paid \$1,200 for the license fees paid to Government of Saskatchewan and certain non-material expenses affiliated with the license acquisition process.

### 6. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

#### a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

#### b) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

#### c) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

#### d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

## 79 RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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### 6. Financial risk management (cont'd)

#### e) Capital Management

The Company is engaged in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental issues and fluctuations in commodity-based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

The Company includes the components of equity in the definition of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

There were no changes in the Company's approach to capital management during the period.

#### f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

Management estimates that the recorded values of all cash, accounts payable and accrued liabilities, all of which are classified as amortized cost, approximate their current fair values because of their nature and anticipated settlement dates.

### 7. Segmented information

The Company presently operates in one industry segment being the acquisition and exploration of mineral projects in one geographical jurisdiction (Canada), as disclosed in Note 3.

### 8. Share Acquisition of Buck Gold Inc. ("Buck Gold")

On June 15, 2021, the Company entered into a definitive share purchase agreement with an arm's-length party to acquire all of the issued and outstanding common shares of Buck Gold. Buck Gold holds certain mineral claims in British Columbia (subject a 2% royalty).

To acquire a 100% interest in the securities of Buck Gold, the Company issued 80,000,000 common shares (the "SNR Shares") as consideration for all the issued and outstanding common shares of Buck Gold. The former shareholder of Buck Gold owned greater than 50% of the resulting combined entity and accordingly controlled the combined entity thus resulting in a reverse takeover transaction as defined by IFRS. The SNR Shares have customary escrow provisions as effectuated by the CSE.

The transaction constituted a fundamental change of the Company in accordance with the policies of the CSE, the equity exchange on which the Company is listed, and as such, was subject to certain CSE filings, shareholder approval, CSE approval and other customary regulatory approvals (all conditions of which were met at closing). In addition, the Company paid a finder's fee of 2,000,000 common shares in connection with the transaction to an arm's-length party.

**79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

**8. Share Acquisition of Buck Gold Inc. ("Buck Gold") (cont'd)**

The Company closed the acquisition of Buck Gold on October 20, 2021.

The substance of the transaction was a reverse takeover of the non-operating company, and the transaction does not constitute a business combination as 79 Resources does not meet the definition of a business under IFRS 3. As a result, the transaction was recorded by the Company as a reverse takeover that was not a business combination with a recognition of a listing expense which represented the difference between the fair value of consideration Buck Gold paid and the fair value of 79 Resources' net assets.

Buck Gold, the legal subsidiary, has been identified as the accounting acquirer and 79 Resources, the legal parent, has been identified as the accounting acquiree. As Buck Gold was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these consolidated financial statements at their historical carrying value. 79 Resources' results of operations have been included from October 20, 2021, the date of the completion of the transaction.

The fair value of the consideration was calculated as follows:

- The fair value of 17,530,001 common shares was determined to be \$2,103,600 based on the fair value of 79 Resources' shares on the closing date.
- The fair value of 2,000,000 common shares paid for finder's fees was determined to be \$240,000 based on the fair value of 79 Resources' shares on the closing date.
- The fair value of 1,280,000 stock options were valued at \$58,746 using the Black-Scholes option pricing model using the following weighted average assumptions: an annualized volatility of 96%; an expected life of 1.35 years; a dividend yield of 0%; and risk-free rate of 0.57%.
- The fair value of 9,500,000 warrants were valued at \$342,551 using the Black-Scholes option pricing model using the following weighted average assumptions: an annualized volatility of 99%; an expected life of 1.11 years; a dividend yield of 0%; and risk-free rate of 0.48%.

|  | <b>Amount</b>    |
|--|------------------|
|  | <b>\$</b>        |
| Consideration (Non-Cash)                 |                  |
| Common shares                            | 2,103,600        |
| Stock options                            | 58,746           |
| Warrants                                 | 342,551          |
| Common shares for finder's fee           | <u>240,000</u>   |
| Total consideration                      | <u>2,744,897</u> |
| Identifiable net assets acquired         |                  |
| Cash                                     | 251,988          |
| GST receivable                           | 19,552           |
| Accounts payable and accrued liabilities | <u>(40,804)</u>  |
| Total identifiable net assets acquired   | <u>230,736</u>   |
| Allocated to listing expense             | <u>2,514,161</u> |

**79 RESOURCES LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the nine months ended September 30, 2023

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**9. Capital disclosures**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development and expansion of its business and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk level.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares or debt, dispose of assets, or adjust the amount of cash and cash equivalents. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits.

The Company does not pay out dividends, has not paid or declared any dividends since the date of incorporation, nor are any dividends contemplated in the foreseeable future.

The Company is not subject to externally imposed capital requirements as at September 30, 2023 except when the Company issues flow-through shares for which the amount is required to be used for exploration work. On November 30, 2021, the Company completed a flow-through private placement totaling \$134,625.

As at September 30, 2023, the Company had no flow-through obligations outstanding, having already fully incurred eligible exploration and evaluation expenditures related to the flow-through obligations under the November 30, 2021 flow-through financing.

## SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

### 1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

See Financial Statements (note 5) attached as Schedule A.

### 2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

| Date of Issue   | Type of Security<br>(common shares, convertible debentures, etc.) | Type of Issue<br>(private placement, public offering, exercise of warrants, etc.) | Number | Price | Total Proceeds | Type of Consideration<br>(cash, property, etc.) | Describe relationship of Person with Issuer (indicate if Related Person) | Commission Paid |
|---|---|---|--------|-------|----------------|---|--|-----------------|
| No securities were issued during the period of July 1, 2023 to September 30, 2023 |   |   |        |       |                |   |  |                 |

(b) summary of options granted during the period

| Date  | Number | Name of Optionee<br>if Related Person<br>and relationship | Generic description of<br>other Optionees | Exercise Price | Expiry Date | Market Price<br>on date of<br>Grant |
|---|--------|---|---|----------------|-------------|-------------------------------------|
| No stock options were granted during the period of July 1, 2023 to September 30, 2023 |        |   |   |                |             |                                     |

### 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

See Financial Statements (Note 4) attached as Schedule A.

### 4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

| Name of Director/Officer | Position with Issuer   |
|--------------------------|--|
| Ryan Kalt                | Director, Chairman, Chief Executive Officer and Audit Committee member |
| Brian Hearst             | Director and Audit Committee member                                    |
| Christina Kalt           | Director and Audit Committee member                                    |
| Eugene Hodgson           | Director   |
| Nicholas Koo             | Chief Financial Officer  |
| Dong Shim                | Corporate Controller   |

## SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

**79 RESOURCES LTD.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

**[attached hereto]**



# 79 RESOURCES LTD.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

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This Management Discussion and Analysis (“MD&A”) of 79 Resources Ltd. (the “Company” or “79 Resources”) has been prepared by management as of November 27, 2023 and should be read together with the unaudited condensed interim financial statements and related notes for the nine months ended September 30, 2023 and the audited consolidated financial statements for the year ended to December 31, 2022, which are prepared in accordance with International Financial Reporting Standards (“IFRS”).

### FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be or otherwise constitute forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by, or include the words ‘believes,’ ‘expects,’ ‘anticipates,’ ‘estimates,’ ‘intends,’ ‘plans,’ ‘forecasts,’ or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

During 2023, the global economy continued to experience moderate effects from the aftermath of the COVID-19 pandemic, which have included continued supply chain tightness, reduced in-office personnel availability at government offices and escalated labour and service costs (including due to inflation attributed to state-level expenditures originating out of pandemic measures). The original virus had a material adverse effect on the global economy and impacted regions in which the Company operates, including by way of various activity restrictions and constraints mandated by governmental authorities and/or otherwise imposed by remote communities where the Company holds projects. If enduring, the pandemic, through its forward variants or other viruses like it, may potentially have negative and ongoing impacts to on broader equity markets and their volatility, the trading value of the Company's shares and the Company's ability to perform near-term exploration (particularly without additional complications and/or costs). These factors, among others, may have a continuing impact on the Company's operations however the Company is unable to determine the duration or extent that forward-aspects of the pandemic (and particularly its variants) may have on its business, save and except that the impact would likely be adverse in nature.

### CORPORATE OVERVIEW

79 Resources was incorporated under the *Business Corporations Act* (British Columbia) on April 17, 2019 and is engaged in the business of early-stage mineral exploration.

The Company's registered office is Suite 1890 - 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9.

On August 28, 2020, the Company began trading on the Canadian Securities Exchange under the symbol SNR.

On October 20, 2021, the Company completed a definitive share purchase agreement to acquire all of the outstanding common shares of Buck Gold Inc. (“Buck Gold”) in consideration of 80,000,000 common shares. Buck Gold is an exploration company headquartered in Vancouver, B.C. and incorporated on February 18, 2021, which holds the Five Point Project, a district-scale exploration project covering nearly 120,000 hectares in central British Columbia (subject to a 2% royalty). As the former shareholder of Buck Gold owned greater than 50% of the Company on a post-close basis and accordingly controlled the combined entity, therein resulting in a reverse takeover transaction as defined by IFRS. The shares issued in the acquisition of Buck Gold were subject customary escrow provisions imposed by the CSE, such escrow arrangements now in effect as further described in the accompanying financial statements to this MD&A. In connection to the transaction, the Company also issued 2,000,000 common shares as finder's fee.

For accounting purposes under IFRS, Buck Gold is considered the acquirer and 79 Resources the acquiree. Accordingly, the consolidated financial statements for the presented period are a continuation of the financial statements of Buck Gold.

## RESULTS OF OPERATIONS

The Company is an exploration-stage resource company and does not presently have revenue from operations.

As at September 30, 2023, the Company had total assets of \$589,557 (December 31, 2022 - \$668,923) and total liabilities of \$1,788 (December 31, 2022 - \$13,945).

### Nine months ended September 30, 2023

For the nine months ended September 30, 2023, the Company reported a net loss of \$127,458 (2022 – \$175,521). The loss for the nine months ended September 30, 2023 comprised primarily of consulting fees of \$25,875 (2022 - \$24,000), marketing and promotion of \$2,250 (2022 - \$3,257), professional fees of \$28,406 (2022 - \$26,200), and regulatory and filing fees of \$10,899 (2022 - \$12,394) related to general corporate matters.

During the period, under accounting recognition policies, the Company recognized non-cash, share-based payments of \$60,249 (2022 - \$103,054) related to 3,000,000 stock options granted at an exercise price of \$0.05 and expires in 5 years from the grant date.

### Three months ended September 30, 2023

For the three months ended September 30, 2023, the Company reported a net loss of \$18,856 (2022 - \$20,899). The loss for the three months ended September 30, 2023 comprised primarily of consulting fee of \$8,625 (2022 - \$8,625), professional fees of \$7,500 (2022 - \$7,500), and regulatory and filing fees of \$2,696 (2022 - \$4,741) related to general corporate matters.

## SUMMARY OF QUARTERLY RESULTS

|                         | Q3                    | Q2               | Q1                | Q4                   | Q3                    | Q2               | Q1                | Q4                                |
|-------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|------------------|-------------------|-----------------------------------|
|                         | September 30,<br>2023 | June 30,<br>2023 | March 31,<br>2023 | December 31,<br>2022 | September 30,<br>2022 | June 30,<br>2022 | March 31,<br>2022 | December 31,<br>2021 <sup>1</sup> |
| Net loss for the period | \$ (18,856)           | \$ (87,141)      | \$ (21,461)       | \$ (32,442)          | \$ (20,899)           | \$ (24,501)      | \$ (130,121)      | \$ (2,555,667) <sup>2</sup>       |
| Loss per share          | \$ (0.00)             | \$ (0.00)        | \$ (0.00)         | \$ (0.00)            | \$ (0.00)             | \$ (0.00)        | \$ (0.00)         | \$ (0.11) <sup>2</sup>            |
| Total assets            | \$ 589,557            | \$ 608,413       | \$ 648,113        | \$ 668,923           | \$ 689,207            | \$ 713,365       | \$ 754,554        | \$ 779,574                        |

<sup>1</sup> The amounts are for the period from incorporation on February 18, 2021 to December 31, 2021 as the Company did not publicly disclose quarterly information for this period.

<sup>2</sup> Net loss and comprehensive loss and loss per share includes a non-cash and non-recurring listing expense of \$2,514,161 (\$0.11 per share) related to the share purchase agreement between Buck Gold and the Company resulting in a reverse acquisition.

## EXPLORATION AND PROJECTS

The principal exploration asset of the Company is its interest in the Five Point Copper-Gold Project, a copper-gold exploration project located in British Columbia, as obtained through its acquisition of Buck Gold.

### **Five Point Copper-Gold Project (“Five Point”)**

The Five Point project is a mineral exploration project located near Houston, B.C., and is contiguous to Sun Summit Mineral Corp.'s (“Sun Summit”) Buck Project.

## ***Project Background***

On October 20, 2021, the Company closed its acquisition of Buck Gold (the “Buck Acquisition”), which became, at closing, a wholly owned subsidiary of the Company, and therein acquired a 100% interest (subject to a 2% gross royalty) in the Five Point Copper-Gold Project (“Five Point”). In connection with the acquisition of Buck Gold, the Company issued 80,000,000 common shares to the former shareholder of Buck Gold. Prior thereto, on a consolidated basis: the Company on:

February 19, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in fifty-eight licenses located in British Columbia from a company beneficially owned by the director for consideration of \$153,774, the sum of which reflected fees paid to the Government of British Columbia.

February 20, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in five licenses located in British Columbia from a company beneficially owned by the director for consideration of \$12,690, the sum of which reflected fees paid to the Government of British Columbia.

March 23, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest, subject to a 2% gross royalty reserved for a related party, in fifteen licenses located in British Columbia from a company beneficially owned by the director for consideration of \$43,511, the sum of which reflected fees paid to the Government of British Columbia.

[i]n May 2021, the Company completed certain exploration work at Five Point by way of a helicopter-borne magnetic survey covering 14,790 hectares utilizing 805 line-kilometres flown, as well as 3-D inversion modelling of a portion of that geophysical airborne survey.

Subsequent to the Buck Acquisition, in December 2021, the Company commenced and completed a phase II helicopter-borne magnetic survey at the Five Point project that significantly expanded upon the geophysical work done by the Company earlier in the year (see Company news release dated December 14, 2021).

### ***Exploration Work by the Company (2021)***

In December 2021, the Company commenced and completed a phase II helicopter-borne magnetic survey at the Five Point project that significantly expanded upon the geophysical work done by the Company earlier in the year (see Company news release dated December 14, 2021).

### ***Recent Exploration Work & Developments (2022 & 2023)***

During 2022, the Company undertook and completed a further phase III helicopter-borne magnetic survey at the Five Point project (see also the Company’s news release dated February 16, 2022).

Having regard to the original scale of the Five Point Copper & Gold Project, the Company has actively managed its tenure position with a view to prioritizing overall project footprint to better align with functional areas for target follow-up as well as to better manage and reduce the related government-prescribed assessment obligations which aligns to focusing on project licenses deemed by the Company to be of priority. More generally, and as part of ongoing efforts to prioritize project areas for future exploration, the Company has continued to actively manage the mining claims associated with and constituting the Five Point Copper-Gold Project. As part of that process, the Company has, in recent past, also renewed, on a cash-basis, certain mining claim areas of its Five Point Copper-Gold Project which are expected to contribute part of the continued focus area for forward exploration (subject, without limitation, to funding availability, market conditions, exploration and technical consultant availability and tenure maturities involving priority project areas).

Prioritized areas have been determined by the Company using a criteria matrix that included the retention of geologist-identified targets that arose from the Company’s geophysical exploration programs (see also the Company’s 43-101 technical report on the project) as well as certain claims that comprise particular mining claim boundaries to exploration targets being advanced by nearby exploration companies. The Company also notes that areas it deemed non-core to its priority mineral licenses (as well as areas formerly held by the Company that were Crown-reverted (being former license areas the Company deemed of lower priority)) were, in part, subsequently staked by adjoining Sun Summit during the first quarter of 2023 (see Sun Summit news release, Sun Summit Significantly Expands Buck Project Area by Acquiring Adjoining Mineral Claims, Central British Columbia, dated March 7, 2023). The Company positively views this development as it believes tie-on activity closer to the Company’s areas of priority by a larger more-substantially funded regional explorer (see Sun Summit news release, Sun Summit Closes Oversubscribed \$2.89 Million Private Placement, dated May 11, 2023) helps demonstrate and validate its exploration model to enhance the market desirability of its now-constituted and more focused project tenure base.

During the summer of 2023, the area of British Columbia where the Five Point Copper-Gold Project is situated (being in particular, south of Houston, BC), was impacted by wildfire activity and fire risk that led to restrictions and reductions in the region's mineral exploration activity. This fire activity also included an evacuation order issued south of the town of Houston BC with locality to the Company's project (see also Evacuation Order R21250, [https://www.rdbn.bc.ca/application/files/9716/8992/7134/20230721-Heading\\_Creek\\_FSR\\_EO2-SOnilPCW.pdf](https://www.rdbn.bc.ca/application/files/9716/8992/7134/20230721-Heading_Creek_FSR_EO2-SOnilPCW.pdf))

These restrictions and fire prevention measures impacted exploration activity in the region, including, more broadly, as safeguard measures. As a result of the foregoing, the Company necessarily incorporates fire risk assessment in activities related to its Five Point Copper-Gold Project. While the Company continues to view its Five Point Copper-Gold Project as its primary exploration project, the Company believes it may also be prudent to evaluate additional opportunities for potential project diversification so as to prospectively lessen future location-specific fire-risk impact on exploration which may face mineral project holders in Central B.C. given the Company's forward-view of wildfire levels and related risks in the region.

Subsequent to the interim period ending September 30, 2023, the Company successfully executed a re-staking strategy involving certain maturing mining claims associated with its Five Point Copper-Gold Project, whereby it re-acquired a number of mining claims (post Crown re-opening) through re-staking efforts (which benefited the Company from both cost and tenure duration standpoints). The royalty originally assumed by the Company in relation to the covered area is applicable to re-staked mining claims.

The re-acquired claim areas, which in their consolidated area adjoin a claim boundary with neighbouring exploration junior Sun Summit are now in good-standing until the fall of 2024 and are an exploration priority (budget-permitting) for the Company.

#### ***43-101 Technical Report (Five Point Copper-Gold Project)***

The Company has published a 43-101 Technical Report on the Five Point project, copy of which may be found under the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

*The Company cautions that past results or discoveries on the adjacent project (e.g. Sun Summit's Buck Project) may not necessarily be indicative as to the presence of mineralization on the Company's project (i.e. the Five Point Copper-Gold Project).*

#### **North Preston Uranium Project ("North Preston")**

##### ***Project Background***

On November 8, 2021, the Company entered into a purchase agreement with a company controlled by a related party of the Company to acquire a 100% interest in the North Preston Uranium Project located in the southwest region of Saskatchewan's Athabasca Basin. As consideration, the Company paid \$1,200 for the license fees paid to Government of Saskatchewan and certain non-material expenses affiliated with the license acquisition process. A pre-existing 2% gross royalty on the claim was assumed by the Company.

The North Preston Uranium Project is an early-stage uranium exploration project located in the Western Athabasca Basin region of Saskatchewan. The project is adjacent to Azincourt Energy Corp.'s East Preston Uranium Project, which is being explored by Azincourt Energy Corp. ("Azincourt Energy") through drill-based exploration (see Azincourt Energy news release, Azincourt Energy Completes the 2023 Drill Program at the East Preston Uranium Project, dated March 28, 2023).

During the first nine-months of 2023, globally traded uranium spot prices have risen materially, and the Company is evaluating potential strategies for its North Preston Uranium Project, subject to capital availability and/or third-party interest.

##### ***Current Developments***

During the year ended December 31, 2022, the tenure comprising the North Preston Uranium Project matured with Crown reversion (due to an absence of filed assessment work) but was successfully re-staked by Company through two licenses, having substantially identical coverage, during a Crown re-opening in August 2022 with applicable government-prescribed license fees paid to the Government of Saskatchewan. The pre-existing 2% gross royalty applied to the re-staked license area.

As a result of the above-described corporate activity performed in 2022 by the Company, the North Preston Uranium Project is now in good-standing to 2024.

*The Company cautions that past results or discoveries on the adjacent project (e.g. Azincourt Energy's East Preston Uranium Project) may not necessarily be indicative as to the presence of mineralization on the Company's project (i.e. the North Preston Uranium Project).*

## LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2023, the Company reported working capital of \$46,123 (December 31, 2022 - \$62,093) and cash of \$46,971 (December 31, 2022 - \$71,214). Current liabilities as at September 30, 2023 consisted of accounts payable and accrued liabilities of \$1,788 (December 31, 2022 - \$13,945).

On October 20, 2021, the Company issued 80,000,000 common shares (valued at \$7,200,000 using a deemed value of \$0.09 per common share) to acquire all outstanding common share securities of Buck Gold. The Company issued 2,000,000 common shares as a finder's fee to an arm's-length party in relation to its acquisition of Buck Gold (valued at \$180,000 using a deemed value of \$0.09 per common share). Buck Gold is an exploration company headquartered in Vancouver, B.C., being now a wholly owned corporate subsidiary of the Company, entity of which serves as license holder of the Five Point Copper-Gold Project (as above described), a district-scale exploration project situated in central British Columbia.

On November 30, 2021, the Company closed the non-brokered private placement of 1,575,000 non-flow-through units at a price of \$0.10 per unit ("Unit") and 1,077,000 flow-through units at a price of \$0.125 per flow-through unit ("FT Unit") for aggregate gross proceeds of \$292,152. Each Unit was comprised of one common share and one transferable share purchase warrant of the Company. Each FT Unit was comprised of one common share and one half of one transferable share purchase warrant of the Company. Each whole warrant entitles the holder to purchase one share exercisable at a price of \$0.20 until November 30, 2023. In connection with the private placement, the Company paid finder's fees of \$19,570 and issued 178,560 finder's warrants. Finder's warrants entitle the finder to purchase one common share in the Company at a price of \$0.20 per common share until November 30, 2023.

The Company has limited working capital to continue administrative operations and development of its exploration asset and may continue to have capital requirements greater than its currently available resources. The Company intends to raise additional financing either privately or through a public financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional future financing will be available on terms acceptable to the Company.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

## RELATED PARTY TRANSACTIONS

### *Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

#### *Current Management*

During the nine months ended September 30, 2023, the Company did not pay or accrue any compensation to the Chief Executive Officer (CEO) of the Company (2022 - \$Nil).

During the nine months ended September 30, 2023, the Company paid or accrued \$27,000 (2022 - \$20,000) to an accounting firm in which the Chief Financial Officer (CFO) of the Company is a partner of the firm for professional services.

During the nine months ended September 30, 2023, the Company granted stock options to management and directors with a non-cash deemed fair value of \$52,216 (2022 - \$70,997).

#### *Former Management*

During the nine months ended September 30, 2023, the Company paid or accrued \$Nil (2022 - \$6,000) to a company controlled by a former Director of the Company for management services.

During the nine months ended September 30, 2023, the Company paid or accrued \$Nil (2022 - \$1,000) to the former CFO for accounting services included in consulting fees.

During the period from the date of incorporation on February 18, 2021 to December 31, 2021, the Company entered into purchase and sale agreements to acquire a 100% interest in certain licenses related to the Five Point Copper-Gold Project. As consideration, the Company paid a total of \$209,975, the sum of which reflected fees paid to the Government of British Columbia. The Company also assumed certain royalty obligations. On November 8, 2021, the Company entered into a purchase agreement with a company controlled by a related party of the Company to acquire a 100% interest in the North Preston Uranium Project located in the southwest region of Saskatchewan's Athabasca Basin. As consideration, the Company paid \$1,200 for the license fees paid to Government of Saskatchewan and certain non-material expenses affiliated with the license acquisition process. The Company also assumed certain royalty obligations.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The Company is exposed in varying degrees to a variety of financial instrument-related risks.

### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

### **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

### **Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

### **Fair value**

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

Management estimates that the recorded values of all cash, accounts payable and accrued liabilities, and amounts due to related parties, all of which are classified as amortized cost, approximate their current fair values because of their nature and anticipated settlement dates.

## **OUTSTANDING SECURITIES AS AT THE DATE OF THIS REPORT**

Authorized: Unlimited number of common shares without par value.

Issued and outstanding: 102,182,001 common shares.

**Options:**

| Number    | Exercisable | Exercise Price | Expiry date    |
|-----------|-------------|----------------|----------------|
| 1,995,000 | 1,995,000   | \$0.10         | March 15, 2027 |
| 3,000,000 | 3,000,000   | \$0.05         | June 27, 2028  |

**Warrants:**

| Number    | Exercise Price | Expiry date       |
|-----------|----------------|-------------------|
| 2,292,060 | \$0.20         | November 30, 2023 |

**HISTORIC CHANGES IN MANAGEMENT AND BOARD OF DIRECTORS**

On December 23, 2020, William Rascan was appointed to the Company's Board of Directors and resigned from this position on February 9, 2023.

On May 6, 2021, Charles Desjardins was appointed to the Company's Board of Directors and resigned from this position on October 19, 2022.

On November 19, 2021, Ryan Kalt was appointed to the Company's Board of Directors and to the position of CEO.

On February 3, 2022, Nicholas Koo was appointed as the Company's Chief Financial Officer.

On March 14, 2022, John Masters resigned from the Company's Board of Directors and Christina Kalt was appointed to the Company's Board of Directors.

On February 9, 2023, Brian Hearst was appointed to the Company's Board of Directors.

On June 27, 2023, Eugene Hodgson was appointed to the Company's Board of Directors.

**RISKS AND UNCERTAINTIES**

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to a large number and varied kinds of risks, including but not limited to, environmental, metal prices, political risks and economic factors. The Company has no revenue producing operations and thus no significant source of operating cash flow and consequently no sales or revenue from any such operations. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures will be required to be made by the Company to determine if it can establish any form of economic mineral reserves.

The risks and uncertainties identified in this document, as well as other factors not detailed herein, may, individually or in aggregate, impact the viability of Company and/or its projects, and include factors which are not possible to predict with certainty.

The Company is exposed to a large multitude of risks and uncertainties, which include, among other factors, the following:

*Exploration and Development*

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

The Company's projects are at an early stage of development. The Company has not defined any economic ore bodies since inception. There is no assurance that the Company's mineral exploration and development activities or projects will result in any discoveries of commercial bodies of minerals, metals or resources of value. The long-term profitability and viability of the Company's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by numerous unforeseeable factors.

The business of exploration for minerals and mining involves a high degree of risk and frequently results in the loss of capital. Whether a mineral deposit can be commercially viable depends upon numerous factors, including, but not limited to, the particular attributes of the deposit, including size, grade and proximity to infrastructure; metal prices which can be highly variable; and government regulations, including environmental and reclamation obligations. Few mineral exploration properties that are explored are ultimately developed into profitable and/or producing mines.

Substantial expenditures are required to establish the continuity of mineralized zones through exploration and drilling and to develop and maintain the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for any proposed development of the Company's properties can be obtained on a timely basis.

The marketability of any minerals acquired or discovered by the Company in the future may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which may result in the Company not receiving an adequate return on investment capital.

In addition to the foregoing, the Company may enter into property exploration or option agreements, both as optionee and/or optionor, which may result in additional risks and/or capital obligations.

Furthermore, there is no assurance that the CSE or any other regulatory authority having jurisdiction over the Company will approve the acquisition of any additional properties by the Company.

#### *Financial Capability and Additional Financing*

The Company has limited financial resources and has no assurance that additional funding will be available to it for further exploration and/or development of its projects or for working capital purposes. There can be no assurance that it will be able to obtain adequate financing in the future to carry out exploration and/or development work on its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company and the share/capital structure that it can offer to investors. An inability to secure funding for the Company and its operations could result in a material adverse impact to the Company and its capacity to sustain operations (see also going-concern risk and disclosures).

The Company cautions that elevated interest rate levels (as compared to recent historic averages) has likely led to capital being cycled away from higher-risk speculative equities, including away from junior exploration securities such as that of the Company, and this adds further financial risk involving any sustained period of elevated central bank rates, like conditions that have existed during the first nine-months of 2023, given that potential sources of capital may prospectively obtain attractive lower-risk adjusted returns elsewhere.

#### *Mining Titles*

There is no guarantee that the Company's title to or interests in the Company's property interests will not be challenged or impugned. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. The Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed. There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties. In order to retain mining tenure, the Company is obligated to perform certain government-prescribed annual work assessments. A failure to perform adequate exploration work on specific mineral tenure claims, in the absence of any permitted cash deposits in lieu of (where allowed), would be expected to result in the loss of such tenure.

In addition to the Mining Title risks above outlined, the Company holds mining claims in British Columbia (e.g., the Five Point Copper-Gold Project), which the Company deems as material to its current operations. Most, if not all, of the mining claims underlying the Five Point Copper-Gold Project originated through the free entry mineral claim system operated by the Government of British Columbia. During the third quarter of 2023, the Supreme Court of British Columbia, a first-level court, released a decision involving British Columbia's online mineral claim system and Crown duties of consultation (see *Gitxaala v. British Columbia (Chief Gold Commissioner)*, 2023 BCSC 1680). Given prospective appeal processes, the Company is not currently able to determine specific impact to its project interests in British Columbia, but ongoing legal matters as between the Crown and litigating parties may have adverse forward-impact to free-entry mineral claim holders and create certain risks and uncertainties. The Company is not a party to the aforementioned litigation and is therefore not able to impact outcomes which may result therefrom.



### *Wildfire Activity*

The Company operates in more remote regions that are particularly susceptible to wildfires. Wildfire activity will generally be detrimental to the Company and, without limitation, can result in reduced access to the Company's projects, including within central British Columbia and northern Saskatchewan (jurisdictions which have experienced elevated forest fire activity in recent years). Wildfires may in turn, without limitation, result in the Company being unable to advance exploration work, including restrictions imposed by authorities that may result in the Company facing the risk of tenure loss and/or reduced access to capital due to an inability to deploy capital within restricted fire zones. In addition, the Company may face the loss of direct or indirect project infrastructure, such infrastructure which may, without limitation, be uninsured or altogether uninsurable.

### *Management*

The success of the Company is currently largely dependent on the performance of its officers. The loss of the services of these persons, or increases related to their compensation, could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

### *Conflicts of Interest*

Certain directors and officers of the Company are, and are expected to continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships, joint ventures, royalties, working interests, projects, option agreements and other financial and/or mining interests which are potential competitors of the Company and/or which may otherwise be adverse in interest. It is understood and accepted by the Company that certain directors and/or officers of the Company may continue to independently pursue opportunities in the mineral exploration industry. Situations may arise in connection with potential acquisitions, operational aspects, project title interests or investments where the other interests of these directors and/or officers may conflict with the interests of the Company. Directors and/or officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies and the particulars of any agreements made between the Company and the applicable director and/or officer.

### *Dilution*

If the Company is successful in raising additional funds through the sale of equity securities, shareholders will have their investment diluted. In addition, if warrants and options are issued in the future, the exercise of such options and warrants may also result in dilution to the Company's shareholders. Furthermore, if the Company is able to attract capital, it may be required to make changes to its capital structure (as example consolidations) or issue debt instruments that have paramouncy to equity holders. The Company intends to seek capital through the issuance of equity and/or debt in the future, although may be unsuccessful in doing so.

In addition to capital structure dilution, the Company may also enter into project-level option agreements whereby third parties may prospectively fund exploration expenditures at a project held by the Company, with the resulting process potentially having a dilutive effect in terms of the Company's prior working interest due to such third parties completing any permitted project earn-in.

### *History of Losses and No Assurance of Profitable Operations*

The Company has incurred operating losses since inception. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its operations or exploration and development plans because of insufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

### *Uninsurable Risks*

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions may occur. These unexpected or unusual conditions may include, but are not limited to, rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

### *Environmental and Safety Regulations and Risks*

Environmental laws and regulations may adversely affect the operations of the Company, and may be subject to change. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

### *Reliance on Exploration Service Companies*

The Company relies significantly on the utilization of third-party exploration service providers. The availability of services from and/or personnel of such providers, as well as pricing changes related thereto, may have a material impact on the Company and its ability to conduct exploration.

### *Title Assertions*

The Company operates in Canada where various, developing and/or conflicting First Nations title assertions may adversely impact the operations of the Company and/or its interests (see also above risk section, *Mining Titles*).

### *Fluctuating Commodity Prices*

The Company's revenues, if any result, are expected to be in large part derived from the sale of commodities which are set by world markets. The prices of commodities have fluctuated widely in recent years and are affected by factors beyond the control of the Company which may include, but not be limited to, economic and political trends, pandemics, currency exchange fluctuations, geopolitical conflict, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply due to new mine developments, mine closures, and advances in various production and technological uses for commodities being explored for by the Company. All of these factors, and other factors not detailed herein, may impact the viability of Company projects, and include factors which are not possible to predict with certainty. In addition, while commodities, generally-speaking, have been responsive to periods of inflation, there is no assurance that the commodities for which the Company is exploring will sustain pricing power to offset inflationary pressures in real terms and any decline in the real as opposed to nominal value associated with such commodities may cause negative impact to the Company and its operations.

Commodity prices may impact investor interest in providing exploration funding, and in particular, as relates to commodities currently being pursued by the Company, which presently includes project-level exploration targets of gold, copper and uranium. Depressed commodity prices may deter capital market interest, and by contrast, elevated commodity prices may augment capital market interest.

### *Competitive Conditions*

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical capabilities. Competition in the mining industry includes competition for mineral properties which might be developed and produced economically; the technical expertise to find, develop, and produce such properties; the labour to operate and explore mining properties (including full-time labour, part-time labour and consultants); and the capital for the purpose of financing development of such properties. Many competitors not only explore for and mine for metals and minerals, but also conduct refining and marketing operations on a world-wide basis and most of these companies have much greater financial and technical resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or source the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other private or publicly held mining companies for these mineral deposits could have a material adverse effect on the Company's results.

### *Price Volatility of Publicly Traded Securities*

In recent years, as well as during the first nine-months of 2023, North American securities markets have experienced high levels of price and volume volatility, and the market prices of securities of many companies, particularly junior mining exploration companies, have experienced wide fluctuations in price which have not necessarily been correlated to the fundamental or actual operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in ultimately creating revenues, cash flows or earnings, primarily through the process of successfully exploring for mineral deposits which end up having economic viability. In addition to risks relating to the Company, any share equity positions in other entities that may be held by the Company are also subject to market volatility and liquidity challenges that may negatively impact their future market or realizable value.

### *Inadequate Infrastructure May Affect the Company's Operations*

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, airfield infrastructure, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

### *Results of Nearby Exploration Companies*

The Company is exposed to certain mining jurisdictions, including but not limited to exploration camps near Houston, British Columbia and in the Athabasca Basin in Saskatchewan, where there are other private and public exploration companies exploring for minerals, particularly gold, base metals such as copper/nickel, as well as uranium. Unfavorable exploration results from the Company's exploration projects or from adjacent and/or proximal exploration companies may in turn have a negative impact on the Company from a capital markets perspective.

### *COVID-19 Variants / Pandemics / Supply-Chain Risks*

The Company may be or may become subject to various constraints, health and safety mandates, or uncertain risks impacting operations that result from forward-variants of COVID-19 and/or other pandemics. In addition, the Company may face business, supply-chain and escalated inflationary pressures originating from recent pandemics (see also risk disclosure notes related to COVID-19, as found elsewhere in this MD&A).

***Further disclosures and risk statements pertaining to the Company may be also found within its management information circulars, material change reports, press releases, financial statements and other public record postings available on SEDAR+, which may be found at [www.sedarplus.ca](http://www.sedarplus.ca).***

### **Forward-Looking Statements**

This MD&A and its related financial statements contain information on risks, uncertainties and other factors that may constitute forward-looking information. Although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended or to differ. In addition, many of the factors that influence outcomes are beyond the control of the Company. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue, revise or update forward-looking information as a result of new information or events after the date of this MD&A except as may otherwise be required by law.

All forward-looking information disclosed in this document is qualified by this cautionary statement, as well as by other additional cautionary disclosures found within the publicly filed documents of the Company.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated November 27, 2023

Nicholas Koo

Name of Director or Senior Officer

/s/ Nicholas Koo

Signature

Chief Financial Officer

Official Capacity

|                                  |                         |                            |
|----------------------------------|-------------------------|----------------------------|
| Issuer Details<br>Name of Issuer | For Quarter Ended       | Date of Report<br>YY/MM/DD |
| 79 Resources Ltd.                | September 30, 2023      | 2023/11/27                 |
| Issuer Address                   |                         |                            |
| 1890 – 1075 West Georgia Street  |                         |                            |
| City/Province/Postal Code        | Issuer Fax No.          | Issuer Telephone No.       |
| Vancouver, BC V6E 3C9            | 604 687 3141            | 604 687 2038               |
| Contact Name                     | Contact Position        | Contact Telephone No.      |
| Nicholas Koo                     | Chief Financial Officer | 604 687 2038               |
| Contact Email Address            | Web Site Address        |                            |
| info@79resources.com             | www.79resources.com     |                            |