

FORM 5

QUARTERLY LISTING STATEMENT

Name of Issuer: **37 Capital Inc. (the “Issuer” or the “Company” or “37 Capital”).**

Trading Symbol: **JJJ.X**

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

Please see Schedule “A” attached.

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.

SCHEDULE B: SUPPLEMENTARY INFORMATION

Please see Schedules “A” and “C” attached herewith which includes 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.

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:
(from August 18, 2023 to November 24, 2023)

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds (Settlement)	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
N/A								

- (b) summary of options granted during the period (from August 18, 2023 to November 24, 2023)

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
Nil						

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.

Capital Stock (as of November 24, 2023)

Capital Stock

Authorized share capital: Unlimited number of common shares without nominal or par value
Unlimited number of preferred shares without nominal or par value

Outstanding Share Data	No. of Common Shares	No. of Preferred Shares	Exercise Price per Share	Expiry Date
Issued and Outstanding as at November 24, 2023	13,745,947	Nil	N/A	N/A
Warrants as at November 24, 2023	250,000 750,000 200,000 6,000,000 <u>2,000,000</u> 9,200,000	Nil	Cdn \$0.05 Cdn \$0.05 Cdn \$0.05 Cdn \$0.05 Cdn \$0.05	August 31, 2027 October 7, 2027 October 31, 2027 May 15, 2028 July 24, 2028
Fully Diluted as at November 24, 2023	22,945,947	Nil		

3. **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 Directors and/or Officers of the Issuer	Position Held as at the date of this report
Jake H. Kalpakian	President, CEO and Director
Neil Spellman	CFO & Director
Gregory T. McFarlane	Director
Bedo H. Kalpakian	Director
Maria P. Arenas	Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

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

Please see Schedule “C” attached.

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 24, 2023.

Jake H. Kalpakian
Name of Director or Senior Officer

"Jake H. Kalpakian"
Signature

President & CEO
Official Capacity

Issuer Details Name of Issuer: 37 Capital Inc.	For Quarter Ended September 30, 2023	Date of Report September, 2023
Issuer Address: Suite 575 – 510 Burrard Street		
City/Province/Postal Code Vancouver, BC, V6C 3A8	Issuer Fax No. (604) 681-9428	Issuer Telephone No. (604) 681-0204
Contact Name Jake H. Kalpakian	Contact Position: President, CEO & Director	Contact Telephone No. (604) 681-0204 ext. 6105
Contact Email Address info@37capitalinc.com	Web Site Address www.37capitalinc.com	

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SCHEDULE “A”

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

37 CAPITAL INC.

**Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited)**

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Notice of No Auditor Review of Condensed Interim Financial Statements

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited condensed interim financial statements as at September 30, 2023 and for the nine months ended September 30, 2023 and 2022.

37 CAPITAL INC.
Condensed Balance Sheets
(Expressed in Canadian Dollars)
(Unaudited)

	September 30, 2023	December 31, 2022 (audited)
Assets		
Current		
Cash	\$ 44,308	\$ 122
GST receivable	1,330	1,560
Prepaid	<u>-</u>	<u>-</u>
	<u>45,638</u>	<u>1,682</u>
Mineral Property Interests (note 5)	66,728	54,001
Total Assets	<u>\$ 112,366</u>	<u>\$ 55,683</u>
Liabilities and Stockholders' Deficiency		
Current		
Accounts payable and accrued liabilities (note 6)	\$ 47,966	\$ 176,163
Due to related parties (note 7)	75,600	103,200
Loan payable (note 8)	61,712	57,973
Convertible debentures (note 9)	<u>512,089</u>	<u>489,589</u>
Total Liabilities	<u>697,367</u>	<u>826,925</u>
Stockholders' Deficiency		
Capital stock (note 10)	27,736,269	27,536,269
Equity portion of convertible debentures (note 9)	33,706	33,706
Reserve	24,000	24,000
Deficit	<u>(28,378,976)</u>	<u>(28,365,217)</u>
Total Stockholders' Deficiency	<u>(585,001)</u>	<u>(771,242)</u>
Total Liabilities and Stockholders' Deficiency	<u>\$ 112,366</u>	<u>\$ 55,683</u>
Going Concern (note 2)		
Commitments (note 11)		

On behalf of the Board:

"Jake H. Kalpakian" (signed)

Jake H. Kalpakian, Director

"Gregory T. McFarlane" (signed)

Gregory T. McFarlane, Director

The accompanying notes form an integral part of these financial statements.

37 CAPITAL INC.
Condensed Statements of Comprehensive Income/Loss
(Expressed in Canadian Dollars)

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Expenses				
Finance and interest (notes 7 and 10)	\$ 8,760	\$ 9,516	\$ 27,349	\$ 27,144
Legal, accounting and audit	3,548	605	3,548	2,510
Office, rent and miscellaneous (note 7)	7,142	7,171	19,489	20,070
Regulatory and transfer fees	2,498	4,561	16,744	19,015
Shareholder communication	-	341	-	341
Gain on debt settlement	-	-	(53,371)	-
Gain on mineral property interest investment	-	(1,500)	-	(1,500)
	21,948	20,694	13,759	67,580
Net and Comprehensive Loss for the Period	\$ (21,948)	\$ (20,694)	\$ (13,759)	\$ (67,580)
Basic and Diluted Loss per Common Share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Weighted Average Number of Common Shares Outstanding	9,277,083	4,605,730	9,277,083	4,532,943

The accompanying notes form an integral part of these financial statements.

37 CAPITAL INC.
Condensed Statements of Changes in Stockholders' Deficiency
(Expressed in Canadian Dollars)

	Common Shares	Amount	Equity Portion of Convertible Debentures Reserve	Warrants	Deficit	Total Stockholders' Equity (Deficiency)
Balance, December 31, 2022	4,495,947	\$27,511,269	\$ 33,706	\$ -	\$ (28,240,181)	\$ (695,206)
Net loss for the period	-	-	-	-	(67,580)	(67,580)
Shares issued for mineral property interests investment	50,000	1,000	-	-	-	1,000
Private placement, net of issuance of costs	250,000	5,000	-	5,000	-	10,000
Balance, September 30, 2022	4,795,947	27,517,269	33,706	5,000	(28,307,761)	(751,786)
Net loss for the period	-	-	-	-	(57,456)	(57,456)
Private placement, net of issuance of costs	950,000	19,000	-	19,000	-	38,000
Balance, December 31, 2022	5,745,947	27,536,269	33,706	24,000	(28,365,217)	(771,242)
Net loss for the period	-	-	-	-	(13,759)	(13,759)
Private placement, net of issuance of costs	8,000,000	200,000	-	-	-	200,000
Balance, September 30, 2023	13,745,947	\$ 27,736,269	\$ 33,706	\$ 24,000	\$ (28,378,976)	\$ (585,001)

37 CAPITAL INC.
Condensed Statements of Cash Flows
(Expressed in Canadian Dollars)

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Operating Activities		
Net loss	\$ (13,759)	\$ (67,580)
Items not involving cash:		
Gain on debt settlement	(53,371)	-
Gain on mineral property interest investment	-	(1,500)
Interest expense on loan and convertible debentures	27,349	27,144
	<u>(39,781)</u>	<u>(41,936)</u>
Changes in non-cash working capital		
GST/HST receivable	230	(517)
Accounts payable and accrued liabilities	(74,826)	(3,982)
Due to related parties	12,772	19,653
Cash provided by (used in) operating activities	<u>(101,605)</u>	<u>(26,782)</u>
Investing Activities		
Purchase of mineral property interests	(12,727)	(39,718)
Financing Activities		
Private placement, net of share issue costs	200,000	10,000
Funds from loan payable	-	6,500
Proceeds from related party loan	-	50,118
Repayment of related party loan	(41,482)	(2,500)
Cash provided by financing activities	<u>158,518</u>	<u>64,118</u>
Net increase (decrease) in cash	44,186	(2,382)
Cash, beginning of period	122	1,611
Cash/(Cheques issued in excess of funds on deposit), end of period	<u>\$ 44,308</u>	<u>\$ (771)</u>

37 CAPITAL INC.

Notes to Condensed Financial Statements

Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

1. NATURE OF BUSINESS

37 Capital Inc. ("37 Capital" or the "Company") was incorporated on August 24, 1984 in British Columbia, Canada. The principal business of the Company is the acquisition, exploration, and if warranted, the development of natural resource prospects.

The common shares of the Company trade on the Canadian Securities Exchange (the "Exchange") under the symbol "JJJ.X", and trade on the OTC Pink tier of the OTC markets in the United States of America under the symbol "HHHEF". The Company's office is located at 575 – 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3A8 and its registered office is located at 3200 - 650 West Georgia Street, Vancouver BC V6B 4P7.

Effective June 15, 2021, the Company consolidated its capital stock on the basis of 5 pre-consolidation common shares to 1 post-consolidation common share. All the figures as to the number of common shares, stock options, warrants, prices of issued shares, exercise prices of stock options and warrants, as well as loss per share, in the financial statements are post-consolidation amounts and the prior year comparatives have been retroactively restated to present the post- consolidation amounts.

In March 2020, the World Health Organization declared coronavirus ("COVID-19") a global pandemic, which has caused significant wide-spread adverse, financial impact. The novel strains of coronavirus have caused and are continuing to cause disruptions globally. As the Company has no material operating income or cash flows, it is reliant on additional financing to fund its operations. An extended disruption that may be caused by the novel strains of coronavirus can affect the Company's ability to obtain additional financing. The impact on the economy and the Company is not yet determinable.

2. GOING CONCERN

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several adverse conditions cast substantial doubt on the validity of this assumption. The Company has incurred an income/loss over the past nine months (September 30, 2023 – Loss \$13,759) (September 30, 2022 – Loss \$67,580) (September 30, 2021 – Loss \$74,920) and has incurred significant losses over the past three fiscal years (December 31, 2022 - \$125,036; December 31, 2021 - \$1,044,863; December 31, 2020 - \$133,379), has a deficit of \$28,378,976 as at September 30, 2023 (December 31, 2022 - \$28,365,217; December 31, 2021 - \$28,240,181), a working capital deficiency of \$651,729 (December 31, 2022 - \$825,243; December 31, 2021 - \$695,206). As the Company has limited resources and no sources of operating cash flow, there can be no assurances whatsoever that sufficient funding will be available for the Company to continue operations for an extended period of time.

The application of the going concern concept is dependent upon the Company's ability to raise sufficient funding to pay creditors and to satisfy its liabilities as they become due. Management is actively engaged in the review and due diligence on opportunities of merit and is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance whatsoever that management's plan will be successful.

If the going concern assumption were not appropriate for these financial statements then adjustments may be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

3. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements are prepared in accordance with the International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”).

(b) Basis of presentation

These condensed interim financial statements were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements.

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

In addition, these condensed interim financial statements have been prepared on the accrual basis, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company’s functional currency.

(c) Approval of the financial statements

These condensed interim financial statements were approved and authorized for issue by the Board of Directors on November 24, 2023.

(d) Reclassification

Certain prior period amounts in these condensed interim financial statements have been reclassified to conform to current period’s presentation. These reclassifications had no net effect on the results of operations or financial position for any period presented.

(e) Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The key area of judgment applied in the preparation of the condensed interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities is as follows:

- assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that give rise to significant uncertainty;
- the classification/allocation of expenses as exploration and evaluation expenditures or operating expenses; and

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

3. BASIS OF PRESENTATION (Continued)

- the determination whether there have been any events or changes in circumstances that indicate the impairment of its exploration and evaluations assets.

The key estimates applied in the preparation of the condensed interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- The recoverability of the carrying value of exploration and evaluation assets;
- The provision for income taxes and recognition of deferred income tax assets and liabilities; and
- The inputs in determining the liability and equity components of the convertible debentures.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Company include the following:

- (a) Financial instruments
 - (i) Recognition and classification

The Company classifies its financial instruments in the following categories:

- At fair value through profit and loss ("FVTPL"): cash
- At fair value through other comprehensive income (loss) ("FVTOCI")
- Amortized cost: accounts payable and accrued liabilities, due to related parties, refundable subscription, loan payable and convertible debentures

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

- (ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements

Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive loss ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

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

Gains and losses on derecognition are generally recognized in profit or loss.

(b) Mineral property interests

Costs directly related to the acquisition, exploration and evaluation of resource properties are capitalized once the legal rights to explore the resource properties are acquired.

The Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

- an obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined impairment in value, the property is written down to its recoverable amount. From time to time, the Company acquires or disposes properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balance of the payments received is recorded as a gain on option or disposition of mineral property.

Once the technical feasibility and commercial viability of the extraction of mineral resources are demonstrable, mineral property interests attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property and equipment.

To date, the Company's mineral property interest has not demonstrated technical feasibility and commercial viability. The recoverability of the carrying amount of any mineral property interests is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

(c) Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(d) Decommissioning liabilities

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

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset. The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arise during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. To date the Company does not have any decommissioning liabilities.

(e) Income taxes

Income tax expense consisting of current and deferred tax expense is recognized to profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(f) Share-based payments

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

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

37 CAPITAL INC.
Notes to Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Convertible debentures

The liability component of convertible debentures is recognized initially at the fair value of a similar liability that does not have a conversion option. The equity component is recognized initially, as the difference between the fair value of the convertible debenture as a whole and the fair value of the liability component. Transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the convertible debenture is measured at amortized cost using the effective interest method. The equity component is not re-measured subsequent to initial recognition.

(h) Loss per share

Loss per share is calculated by dividing net loss attributable to common shares of the Company by the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

(i) Capital stock

Proceeds from the exercise of stock options and warrants are recorded as capital stock. The proceeds from the issuance of units of the Company are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are issued and any residual value is allocated to the warrants. When the warrants are exercised, the related value is transferred from the warrant reserve to capital stock. For unexercised warrants that expire, the recorded value is transferred from the warrant reserves to deficit.

On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through tax liability"). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through tax liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

(j) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

- i. Monetary assets and liabilities, at the rate of exchange in effect as at the balance sheet date;
- ii. Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
- iii. Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the rate of exchange on the transaction date.

Exchange differences are recognized in profit or loss in the period which they arise.

37 CAPITAL INC.**Notes to Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)****4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (k) Accounting standards issued but not yet effective

At the date of the approval of the condensed interim financial statements, a number of standards and interpretations were issued but not effective. The Company considers that these new standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's condensed interim financial statements.

5. MINERAL PROPERTY INTERESTS

	Acacia Property	Extra High Property	Total
Balance, December 31, 2020	\$ 15,000	\$ 25,001	\$ 40,001
Impairment	<u>(15,000)</u>	<u>(25,001)</u>	<u>(40,001)</u>
Balance, December 31, 2021	\$ -	\$ -	\$ -
Acquisition costs	<u>-</u>	<u>54,001</u>	<u>54,001</u>
Balance, December 31, 2022	\$ -	\$ 54,001	\$ 54,001
Exploration costs	<u>-</u>	<u>12,727</u>	<u>12,727</u>
Balance, September 30, 2023	\$ -	<u>\$ 66,728</u>	<u>\$ 66,728</u>

Acacia Property

On September 30, 2019, the Company entered into a property option agreement (the "Option Agreement") with Eagle Plains Resources Ltd. ("Eagle Plains") to acquire a 60% interest in the Acacia Property ("Acacia Property") in Adams Plateau Area of the Province of British Columbia.

On October 15, 2020, the Company entered into an amendment agreement to the Option Agreement with Eagle Plains as the Company was not able to incur the required amount of \$100,000 in property related expenditure during the 1st Anniversary.

During November 2021, by mutual consent, the Company and Eagle Plains terminated the Option Agreement dated September 30, 2019 and the Amendment Agreement to the Option Agreement dated October 15, 2020. Accordingly, the Company recorded an impairment loss of \$15,000 during the year ended December 31, 2021.

Extra High Property

Previously the Company held a 33% interest in the Extra High Claims, located in the Kamloops Mining Division of the Province of British Columbia ("Extra High Property").

On October 31, 2019, as amended on November 4, 2019, the Company entered into an agreement with Colt Resources Inc. ("Colt Resources") to purchase the remaining 67% right, interest and title in and to the Extra High Property. The following was required to complete the purchase:

- a cash consideration of \$100,000 of which \$25,000 was paid on the closing date and the remaining balance of \$75,000 was payable after eighteen months (unpaid); and
- a 0.5% NSR from commercial production which may be purchased by the Company at any time by making a payment of \$500,000.

37 CAPITAL INC.**Notes to Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)****5. MINERAL PROPERTY INTERESTS (Continued)**

During the year ended December 31, 2021, the Company recorded an impairment loss of \$25,001 relating to the Extra High Property.

Pursuant to the Company's offer letter to Colt Resources dated July 6, 2022, the Company has made a cash payment of \$15,000 and issued 50,000 common shares in the capital of the Company to Colt Resources as consideration for the full and final settlement of all matters between the Company and Colt Resources in respect to the Extra High Property. The 50,000 common shares in the capital of the Company were subject to a hold period from trading which expired on December 10, 2022.

During the year ended December 31, 2022, the Company incurred \$38,001 to extend the expiry date of the Extra High Property to June 30, 2023.

During June 2023, the Company conducted exploration work on the Extra High Property. As a result, the expiration date of the Extra High property has been extended from June 30, 2023 to September 10, 2025. Additional work has been proposed on the Extra High property during the fourth quarter of 2023.

During the nine months ended September 30, 2023, the Company incurred \$12,727 towards exploration work on the Extra High Property.

As at September 30, 2023, the Company owns a 100% undivided right, interest and title in and to the Extra High Property.

The Extra High Property is subject to a 1.5% Net Smelter Royalty ("NSR") payable to a third party, 50% of which, or 0.75%, can be purchased by the Company at any time by paying \$500,000.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	December 31, 2022
Trade payables	\$ 16,480	\$ 90,195
Accrued liabilities	<u>31,486</u>	<u>85,968</u>
	<u>\$ 47,966</u>	<u>\$ 176,163</u>

6. RELATED PARTY TRANSACTIONS

The amounts due to related parties are unsecured, payable on demand which consist of the following:

	September 30, 2023	December 31, 2022
Advances from directors (interest at prime plus 1%)	\$ -	\$ 40,372
Entities controlled by directors (non-interest-bearing)	<u>75,600</u>	<u>62,828</u>
	<u>\$ 75,600</u>	<u>\$ 103,200</u>

The convertible debentures and accrued interest of \$512,089 (December 31, 2022 - \$489,589) is owed to the Chief Executive Officer, and to a director of the Company (note 9).

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS (Continued)

During the nine months period ended September 30, 2023, the following amounts were charged by related parties.

	<u>2023</u>	<u>2022</u>
Interest charged on amounts due to related parties	\$ 1,110	\$ 685
Rent charged by entities with common directors (note 11)	9,000	9,000
Office expenses charged by, and other expenses paid on behalf of the Company by a company with common directors (note 11)	11,660	13,953
	<u>\$ 21,770</u>	<u>\$ 23,638</u>

The Company, together with Jackpot Digital Inc. ("Jackpot"), a related company with certain common directors, have entered into an office lease agreement, and an office support services agreement (note 11).

8. LOAN PAYABLE

During the year ended December 31, 2016, the Company entered into an agreement with an arm's length party whereby the arm's length party paid certain debts owed by the Company. The loan was non-interest bearing, unsecured and due on demand. On January 25, 2021, the principal amount of \$103,924 plus accrued interest were settled by the issuance of 415,697 common shares with a fair value of \$0.55 per share pursuant to a debt settlement agreement dated December 11, 2020. The Company recognized a loss of \$124,709 during the year ended December 31, 2021.

During May 2021, an arm's length party has lent the Company the amount of \$50,000. As of September 30, 2023, the loan is outstanding and has accrued interest in the amount of \$11,712.

9. CONVERTIBLE DEBENTURES FINANCING

Convertible Debentures Financing 2015

On January 6, 2015, the Company closed a convertible debenture financing with two directors of the Company for the amount of \$250,000. The convertible debentures matured on January 6, 2016, and bear interest at the rate of 12% per annum payable on a quarterly basis. The convertible debentures are convertible into common shares of the Company at a conversion price of \$1.50 per share. The liability component of the convertible debentures was recognized initially at the fair value of a similar liability with no equity conversion option, which was calculated based on the application of a market interest rate of 25%. On the initial recognition of the convertible debentures, the amount of \$222,006 was recorded under convertible debentures and the amount of \$27,994 has been recorded under the equity portion of convertible debenture reserve.

On October 29, 2021, the Company entered into an Addendum to the convertible debentures whereby the maturity date of the principal amount totaling \$250,000 of the convertible debentures together with the accrued interest has been extended indefinitely, until mutual consent of the Company and Lender has been reached.

At September 30, 2023, the Company recorded interest expense of \$22,500 (December 31, 2022 - \$30,000). As of September 30, 2023, \$250,000 of the convertible debentures are outstanding plus the accrued interest of \$262,089 (December 31, 2022- \$239,589).

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements Nine Months Ended September 30, 2023 and 2022 (Expressed in Canadian Dollars)

9. CONVERTIBLE DEBENTURES FINANCING (Continued)

Convertible Debentures Financing 2013

Pursuant to debt settlement agreements dated December 11, 2020 in respect to the convertible debentures 2013, on January 25, 2021 the Company issued an aggregate of 833,409 common shares of the Company with a fair value of \$0.55 per share in settlement of the outstanding convertible debentures 2013 totaling \$100,000 plus accrued interest. The Company recognized a loss of \$250,023 during the year ended December 31, 2021. The common shares issued were subject to a hold period which expired on May 26, 2021.

10. CAPITAL STOCK

(a) Authorized

Unlimited number of common and preferred shares without par value.

As of September 30, 2023, there are no preferred shares issued.

(b) Issued

As of September 30, 2023, there are 13,745,947 common shares issued and outstanding.

On July 24, 2023, the Company closed the non-brokered private placement financing, which was announced on June 5, 2023 for gross proceeds of \$50,000 through the issuance of 2,000,000 flow-through units of the Company at \$0.025 per unit. Each unit consists of one flow-through common share in the capital of the Company and non-flow-through share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing include a hold period in accordance with applicable securities laws.

On May 15, 2023, the Company closed the non-brokered private placement financing which was announced in December 2022 for gross proceeds of \$150,000 through the issuance of 6,000,000 units of the Company at \$0.025 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing include a hold period in accordance with applicable securities laws.

On October 7, 2022 and October 31, 2022, the Company has closed the second, third and final tranches of the non-brokered private placement financing which was announced on August 8, 2022 for gross proceeds of \$38,000 through the issuance of 950,000 non-flow through units of the Company at \$0.04 per unit. Each non-flow through unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing included a hold period in accordance with applicable securities laws.

On August 31, 2022 the Company closed the first tranche of the non-brokered private placement financing which was announced on August 8, 2022 for gross proceeds of \$10,000 through the issuance of 250,000 non-flow through units of the Company at \$0.04 per unit. Each non-flow through unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing included a hold period in accordance with applicable securities laws.

37 CAPITAL INC.**Notes to Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)****10. CAPITAL STOCK (Continued)****(b) Issued (continued)**

On January 15, 2021, the Company issued 80,000 flow-through units for proceeds of \$20,000. Each flow-through unit consists of one flow-through common share of the Company and one non-flow-through share purchase warrant to acquire one non-flow-through common share of the Company at a price of \$0.50 for a period of two years. During the year-ended December 31, 2022, the Company made a formal application to Canada Revenue Agency and cancelled the Company's flow-through share application which was submitted during the year ended December 31, 2020.

On January 25, 2021, the Company issued 2,957,406 common shares of the Company at a price of \$0.25 per common share in settlement of debts totaling the amount of \$739,351 to certain creditors, including to a related party and a director and officer of the Company. The fair value of the 2,957,406 common shares was \$1,626,573. As a result, the Company recorded a loss on debt settlement of \$887,222.

(c) Warrants

Warrants activity is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2020	964,997	\$ 0.60
Expired	(100,000)	\$ 0.675
Issued	80,000	\$ 0.50
Balance, December 31, 2021	944,997	\$ 0.59
Issued	1,200,000	\$ 0.05
Expired	(864,997)	\$ 0.12
Balance, December 31, 2022	1,280,000	\$ 0.08
Expired	(80,000)	\$ 0.50
Issued	8,000,000	\$ 0.05
Balance, September 30, 2023	9,200,000	\$ 0.05

As of September 30, 2023, the following warrants were outstanding:

<u>Expiry Date</u>	<u>Exercise Price</u>	<u>Number of Warrants Outstanding</u>
August 31, 2027	\$ 0.05	250,000
October 7, 2027	\$ 0.05	750,000
October 31, 2027	\$ 0.05	200,000
May 15, 2028	\$ 0.05	6,000,000
July 24, 2028	\$ 0.05	<u>2,000,000</u>
		<u>9,200,000</u>

The weighted average remaining contractual life for warrants outstanding at September 30, 2023 is 4.59 years (September 30, 2022 – 1.11 years).

37 CAPITAL INC.
Notes to Condensed Interim Financial Statements
Nine Months Ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

10. CAPITAL STOCK (Continued)

(d) Stock options

The Company's 2015 Stock Option Plan provides that the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company options to acquire up to 20% of the issued and outstanding common shares of the Company calculated from time to time on a rolling basis. The terms of the options are determined at the date of grant.

As of September 30, 2023, there were no stock options outstanding (September 30, 2022 – Nil).

11. COMMITMENTS

- a) The Company has an office lease agreement with Jackpot. Under the agreement, the Company is entitled to have office space from Jackpot at a monthly rate of \$1,000 plus applicable taxes. Furthermore, Jackpot or the Company may terminate this agreement by giving each other a three months' notice in writing.
- b) The Company has an office support services agreement with Jackpot which has been extended until September 30, 2023. Under the agreement, the Company is entitled to receive office support services from Jackpot at a monthly rate of \$1,000 plus applicable taxes. Either Jackpot or the Company may terminate this agreement by giving each other a three-months' notice in writing.
- c) In relation to the flow-through private placement completed during January 2021, the Company was committed to incur and renounce \$20,000 in Canadian exploration expenditures by December 31, 2022. The Company was unable to incur the \$20,000. The Company has agreed to indemnify the flow-through shareholder for certain costs incurred by the shareholder as a result of the Company not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement. As at December 31, 2022 the Company has included a provision for indemnification of the flow through shareholder for an amount of \$10,000 in accounts payable.
- d) In relation to the flow-through private placement completed during July 2023, the Company is committed to incur and renounce \$50,000 in Canadian exploration expenditures by December 31, 2024.

12. CAPITAL MANAGEMENT

The Company considers its capital to be comprised of stockholders' deficiency and convertible debenture.

The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition, exploration and, if warranted, the development of mineral properties, to invest in non-mining related projects and to maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity and debt financing. Future financings are dependent on market conditions and there can be no assurance that the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the nine months ended September 30, 2023. The Company is not subject to externally imposed capital requirements.

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements

Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Company's business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Company's risk management framework, the Company's management has the responsibility to administer and monitor these risks.

(b) Fair value of financial instruments

The fair values of cash, accounts payable and accrued liabilities, due to related parties, refundable subscription, loan payable and convertible debentures approximate their carrying values due to the short-term maturity of these instruments.

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

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

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

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

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash. The Company mitigates its exposure to credit loss associated with cash by placing its cash with a major financial institution.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

At September 30, 2023, the Company had cash of \$44,308 (December 31, 2022 - \$122) available to apply against short-term business requirements and current liabilities of \$697,367 (December 31, 2022 - \$826,925). All of the current liabilities are due within 90 days. Amounts due to related parties are due on demand. As of September 30, 2023, two convertible debentures together with the accrued interest for a total amount of \$512,089 are outstanding, and the loan payable in the amount of \$50,000 plus accrued interest in the amount of \$11,712 are due. Liquidity risk is assessed as high.

(e) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's net earnings or the value of financial instruments. As at September 30, 2023, the Company is not exposed to significant interest rate risk, currency risk or other price risk on its financial assets and liabilities due to the short-term maturity of its financial liabilities and the fixed interest rate on the outstanding convertible debentures.

37 CAPITAL INC.

Notes to Condensed Interim Financial Statements

Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

14. SUBSEQUENT EVENTS

- (a) The office support services agreement with Jackpot has been extended until September 30, 2024.
- (b) The Company incurred an additional \$23,811 towards its first and second phase exploration work program on the Extra High Property.

SCHEDULE “B”

Not Applicable

SCHEDULE “C”

MANAGEMENT’S DISCUSSION & ANALYSIS CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

37 CAPITAL INC.

Management's Discussion & Analysis
Condensed Interim Financial Statements for the
Nine months ended September 30, 2023

The following discussion and analysis of the financial condition and financial position and results of operations of 37 Capital Inc. (the "Company" or "37 Capital") should be read in conjunction with the condensed interim unaudited financial statements for the nine months ended September 30, 2023 and 2022 and the notes thereto, and the audited financial statements and notes thereto for the years ended December 31, 2022 and 2021. The condensed interim unaudited financial statements and the notes thereto for the nine months ended September 30, 2023 and 2022 have not been reviewed by the Company's auditors.

The condensed interim unaudited financial statements, including comparatives, have been prepared using accounting policies in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company's condensed interim unaudited financial statements are expressed in Canadian (CDN) Dollars which is the Company's functional currency. All amounts in this MD&A are in CDN dollars unless otherwise stated.

The following information is prepared as at November 24, 2023.

Forward-Looking Statements

Certain statements contained herein are "forward-looking" and are based on the opinions and estimates of management, or on opinions and estimates provided to and accepted by management. Forward-looking statements may include, among others, statements regarding future plans, costs, projections, objectives, economic performance, or the assumptions underlying any of the foregoing. In this MD&A, words such as "may", "would", "could", "will", "likely", "seek", "project", "predict", "potential", "should", "might", "hopeful", "objective", "believe", "expect", "anticipate", "intend", "plan", "estimate", "optimistic" and similar words are used to identify forward-looking statements. Forward-looking statements are subject to a variety of significant risks and uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, projections and estimations, there can be no assurance that these assumptions, projections or estimations are accurate. Readers, shareholders and investors are therefore cautioned not to place reliance on any forward-looking statements in this MD&A as the plans, assumptions, intentions, estimations, projections, expectations or factors upon which they are based might vary or might not occur. The forward-looking statements contained in this MD&A are made as of the date of this MD&A, and are subject to change after such date. The Company undertakes no obligation to update or revise any forward-looking statements, except in accordance with applicable securities laws.

Description of Business

The Company is a junior mineral exploration company.

The Company was incorporated on August 24, 1984 in British Columbia, Canada. The principal business of the Company is the acquisition, exploration and, if warranted, the development of natural resource prospects.

37 Capital is a reporting issuer in the Provinces of British Columbia, Alberta, Quebec and Ontario and files all public documents on www.Sedar.com. The Company is a foreign private issuer in the United States of America and in this respect files, on EDGAR, its Annual Report on Form 20-F and other reports on Form 6K. The following link, <http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=825171> will give you direct access to the Company's filings with the United States Securities and Exchange Commission ("U.S. SEC").

Effective June 15, 2021, the Company consolidated its capital stock on the basis of 5 pre-consolidation common shares to 1 post-consolidation common share. The CUSIP number of the Company's common shares is 88429G201. All the figures as to the number of common shares, stock options, warrants, prices of issued shares, exercise prices of stock options and warrants, as well as loss per share, in the Company's condensed interim unaudited financial statements and in this Management Discussion and Analysis are post-consolidation amounts and the prior year comparatives have been retroactively restated to present the post-consolidation amounts.

In Canada, the common shares of the Company trade on the Canadian Securities Exchange (CSE) under the symbol "JJJ.X", and in the USA, the Company's common shares trade on the OTC Pink tier of the OTC markets under the trading symbol "HHHEF". The Company's office is located at Suite 575, 510 Burrard Street, Vancouver, British Columbia V6C 3A8, Canada, and its registered and records office is located at Suite 3200 - 650 West Georgia Street, Vancouver, British Columbia V6B 4P7. The Company's registrar and transfer agent is Computershare Investor Services Inc., at 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. The Company's auditors are Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, at 1500-1140 West Pender Street, Vancouver, British Columbia V6E 4G1. The facsimile number is (604) 689-2778.

Pursuant to the policies of the CSE, the Company has been deemed to be inactive, and as a result, the Company's current trading symbol is "JJJ.X".

Results of Operations

For the nine months ended September 30, 2023:

- The Company recorded operating expenses of \$13,759 as compared to operating expenses of \$67,580 for the corresponding period in 2022.
- The Company recorded net income and comprehensive income of \$ 13,759 as compared to net loss and comprehensive loss of \$67,580 during the corresponding period in 2022.
- The basic and diluted loss per common share was \$0.00 as compared to a basic and diluted loss of \$0.01 during the corresponding period in 2022.
- The Company's total assets were \$112,366 as compared to total assets of \$43,237 during the corresponding period in 2022 (December 31, 2022: \$55,683).
- The Company's total liabilities were \$697,367 as compared to total liabilities of \$795,023 during the corresponding period in 2022 (December 31, 2022: \$826,925).
- The Company had a working capital deficiency of \$651,729 as compared to a working capital deficiency of \$794,004 during the corresponding period in 2022 (December 31, 2022: working capital deficiency of \$825,243).

The Company is presently not a party to any legal proceedings whatsoever.

Pursuant to debt settlement agreements dated December 11, 2020 totaling the sum of \$739,351.50 between the Company and certain creditors, including Jackpot Digital Inc. (“Jackpot”) and the Company’s President and CEO, on January 25, 2021 the Company issued a total of 2,957,406 common shares of the Company at a deemed price of \$0.25 per common share (the “Debt Settlement Shares of the Company”), of which Jackpot acquired 597,380 Debt Settlement Shares of the Company and the Company’s President and CEO acquired 615,395 Debt Settlement Shares of the Company. As of the date of this MD&A, Jackpot owns 607,377 common shares of the Company representing 4.42% of the issued and outstanding common shares of the Company. The Debt Settlement Shares of the Company were subject to a hold period which expired on May 26, 2021.

Effective as of May 1, 2021, Fred A.C. Tejada resigned from the Board of Directors of the Company, and effective as of May 25, 2021, Bedo H. Kalpakian was appointed as a director of the Company.

At the Company’s Annual General Meeting, which was held on November 14, 2022, the Company’s shareholders passed all the resolutions presented including the re-election of Jake H. Kalpakian, Gregory T. McFarlane, Neil Spellman and Bedo H. Kalpakian as Directors of the Company; re-appointed the Company’s Auditor, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants for the ensuing year and authorized the Directors to fix the remuneration to be paid to the Auditor; and re-approved the Company’s Stock Option Plan.

During 2019 the Company had intended to issue up to 800,000 flow-through units of the Company at a price of \$0.25 per unit for gross proceeds to the Company of \$200,000 in order to use the proceeds of this financing towards mineral exploration work expenditures located in the Province of British Columbia. However, due to the Covid-19 pandemic the Company was able to raise only the amount of \$20,000 for which the Company has issued 80,000 flow-through units of the Company. Each flow-through unit consisted of one flow-through common share of the Company and one non-flow-through share purchase warrant to acquire one non-flow-through common share of the Company at a price of \$0.50 for a period of two years. All securities issued in connection with this financing were subject to a hold period which expired on May 16, 2021. During the year-ended December 31, 2022, the Company made a formal application to Canada Revenue Agency and cancelled the Company’s flow-through share application which was submitted during the year ended December 31, 2020. On January 15, 2023, the non-flow through share purchase warrants expired unexercised.

In relation to the flow-through share private placement completed during January 2021, the Company was committed to incur and renounce \$20,000 in Canadian exploration expenditures by December 31, 2022. The Company was unable to incur the \$20,000. The Company has agreed to indemnify the flow-through shareholder for certain costs incurred by the shareholder as a result of the Company not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement. As at September 30, 2023 the Company has included a provision for indemnification of the flow through shareholder for an amount of \$10,000 in accounts payable.

On August 8, 2022, the Company announced that it intended to offer a non-brokered private placement financing whereby the Company may raise gross proceeds of up to \$400,000 by issuing up to 10,000,000 units of the securities of the Company at the price of \$0.04 per unit. During August and October 2022, the Company closed the private placement financing in three tranches by the issuance in aggregate of 1,200,000 non-flow through units of the Company at \$0.04 per unit for total gross proceeds of \$48,000. Each Unit consists of one common share in the capital of the Company

and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of five years. All securities that have been issued were subject to a four-month and one day hold period.

On May 15, 2023, the Company closed the non-brokered private placement financing which was announced in December 2022 for gross proceeds of \$150,000 through the issuance of 6,000,000 units of the Company at \$0.025 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing include a hold period in accordance with applicable securities laws.

On June 1 & 5, 2023, the Company announced a non-brokered private placement of up to \$100,000 through the issuance of up to 4,000,000 units of the Company at the price of \$0.025 per unit whereby each unit would have consisted of one common share and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per share for a period of five years from closing. The proposed private placement did not close.

On June 5, 2023, the Company announced a non-brokered private placement offering to raise funds for gross proceeds of up to \$100,000 by the issuance of up to 4,000,000 flow-through units of the Company at the price of \$0.025 per unit. On July 24, 2023, the Company closed the flow-through share offering through the issuance of 2,000,000 flow-through units of the Company at \$0.025 per unit for gross proceeds of \$50,000. Each flow-through unit consists of one flow-through common share of the Company and one non-flow-through share purchase warrant to acquire one non-flow-through common share of the Company at a price of \$0.05 for a period of five years. The funds raised from this financing will be used towards exploration work expenditures on the Company's mineral property located in the Province of British Columbia. In the event that the Company's shares trade on the CSE at \$0.20 per share or above for a period of 10 consecutive trading days, a forced exercise provision will come into effect for the warrants issued in connection with this financing. All securities issued in connection with this financing include a hold period in accordance with applicable securities laws.

Mineral Properties

1. Extra High Claims

Previously the Company held a 33% interest in the Extra High Claims which are located in the Kamloops Mining Division of the Province of British Columbia ("Extra High Property").

On October 31, 2019, as amended on November 4, 2019, the Company entered into an agreement with Colt Resources Inc. ("Colt Resources") to purchase the remaining 67% right, interest and title in and to the Extra High Property. The following was required to complete the purchase:

- a cash consideration of \$100,000 of which \$25,000 was paid on the closing date and the remaining balance of \$75,000 was payable after eighteen months (unpaid); and
- a 0.5% NSR from commercial production which may be purchased by the Company at any time by making a payment of \$500,000.

During the year ended December 31, 2021, the Company recorded an impairment loss of \$25,001 relating to the Extra High Property.

Pursuant to the Company's offer letter to Colt Resources dated July 6, 2022 which was accepted by Colt Resources, the Company has made a cash payment of \$15,000 and, has issued 50,000 common shares in the capital of the Company to Colt Resources as consideration for the full and final settlement of all matters between the Company and Colt Resources in respect to the Extra High Property. The 50,000 common shares in the capital of the Company were subject to a hold period from trading which expired on December 10, 2022.

During the year ended December 31, 2022, the Company incurred \$38,001 to extend the expiry date of the Extra High Property to June 30, 2023.

During June 2023, the Company conducted exploration work on the Extra High Property, and the expiration date of the Extra High Property has been extended from June 30, 2023 to September 10, 2025. During September and October 2023, the Company conducted additional exploration work on the Extra High Property.

During the nine months ended September 30, 2023, the Company incurred \$12,727 towards exploration work on the Extra High Property. As of the date of this MD&A, the Company incurred an additional \$23,811 towards its first and second phase exploration work program on the Extra High Property.

As of the date of this MD&A, the Company owns a 100% undivided right, interest and title in and to the Extra High Property.

The Extra High Property is subject to a 1.5% Net Smelter Returns Royalty ("NSR") payable to a third party, 50% of which, or 0.75%, can be purchased by the Company at any time by paying \$500,000.

2. Ontario Mineral Leases (Lithium)

During the year ended December 31, 2008, the Company sold all of its Ontario Mineral Leases (Lithium). In the event that at a future date the Ontario Mineral Leases (Lithium) are placed into commercial production, then the Company is entitled to receive a 0.5% gross receipts royalty after six months from the date of commencement of commercial production from the Ontario Mineral Leases (Lithium).

3. Acacia Property

On September 30, 2019, the Company entered into a property option agreement (the "Option Agreement") with Eagle Plains Resources Ltd. ("Eagle Plains") to acquire a 60% interest in the Acacia Property ("Acacia Property") in Adams Plateau Area of the Province of British Columbia. The following was required to exercise the option:

- Issuance of 20,000 common shares (issued) to Eagle Plains upon receipt of the current Acacia Property NI 43-101 Technical Report;
- Incur a total of \$100,000 in property related expenditures on or before the first anniversary of the Option Agreement;
- Issuance of 10,000 common shares to Eagle Plains and incur a total of \$100,000 in property related expenditures on or before the second anniversary of the Option Agreement;
- Issuance of 10,000 common shares to Eagle Plains and incur a total of \$300,000 in property related expenditures on or before the third anniversary of the Option Agreement;

- Issuance of 10,000 common shares to Eagle Plains and incur a total of \$750,000 in property related expenditures on or before the fourth anniversary of the Option Agreement; and
- Issuance of 10,000 common shares to Eagle Plains and incur a total of \$1,250,000 in property related expenditures on or before the fifth anniversary of the Option Agreement.

Within a period of 30 days after each annual anniversary of the Option Agreement, the Company was required to decide whether or not it wishes to continue with the Option Agreement.

On October 15, 2020, the Company entered into an amendment agreement to the Option Agreement with Eagle Plains as the Company was not able to incur the required amount of \$100,000 in property related expenditure during the 1st Anniversary. The following are the amendments which were required to exercise the option:

- Issuance of 20,000 common shares (issued) to Eagle Plans.
- Commitment to incur \$200,000 in property related expenditures during the 2nd period of the agreement.

During November 2021, by mutual consent, the Company and Eagle Plains terminated the Option Agreement dated September 30, 2019 and the Amendment Agreement to the Option Agreement dated October 15, 2020. Accordingly, the Company recorded an impairment loss of \$15,000 at year-end December 31, 2021.

Third Quarter (September 30, 2023)

During the three months [third quarter] period ended September 30, 2023:

- The Company had a net and comprehensive loss of \$ 21,948 or \$0.00 per share as compared to a net loss and comprehensive loss of \$20,694 or \$0.00 per share during the same three month [third quarter] period ended September 30, 2022.
- The Company's had Operating costs of \$21,948 as compared to operating costs of \$20,694 for the same three month [third quarter] period ended September 30, 2022.

Summary of Quarterly Results

For the Quarterly Periods ended:	September 30, <u>2023</u>	June 30, <u>2023</u>	March 31, <u>2023</u>	December 31, <u>2022</u>
Total Revenues	0	0	0	0
Net income/(loss) and Comprehensive income/(loss)	(21,948)	27,072	(18,883)	(57,456)
Income/(loss) per share	(0.00)	0.00	(0.00)	(0.01)

For the Quarterly Periods ended:	September 30, <u>2022</u>	June 30, <u>2022</u>	March 31, <u>2022</u>	December 31, <u>2021</u>
Total Revenues	0	0	0	0
Net loss and comprehensive loss	(20,694)	(24,768)	(22,118)	(969,942)
Loss per share	(0.00)	(0.01)	(0.00)	(0.22)

The Company's business is not of a seasonal nature.

Risks related to our Business

The Company, and the securities of the Company, should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

- The Company does not anticipate to generate any revenue in the foreseeable future. In the event that the Company generates any revenues in the future, then the Company intends to retain its earnings in order to finance growth.
- There are a number of outstanding securities and agreements pursuant to which common shares of the Company may be issued in the future. This will result in further dilution to the Company's shareholders.
- Governmental regulations, including those regulations governing the protection of the environment, taxes, labour standards, occupational health, waste disposal, mine safety and other matters, could have an adverse impact on the Company.
- Trading in the common shares of the Company may be halted or suspended or may be subject to cease trade orders at any time and for any reason, including, but not limited to, the failure by the Company to submit documents to the Regulatory Authorities within the required time periods.
- The exploration of mineral properties involves significant risks which even experience, knowledge and careful evaluation may not be able to avoid. The prices of metals have fluctuated widely, particularly in recent years as it is affected by numerous factors which are beyond the Company's control including international, economic and political trends, expectations of inflation or deflation, currency exchange fluctuations, interest rate fluctuations, global or regional consumptive patterns, speculative activities and increased production due to new extraction methods. The effect of these factors on the price of metals, and therefore the economic viability of the Company's interest in its mineral exploration property cannot be accurately predicted. Furthermore, changing conditions in the financial markets, and Canadian Income Tax legislation may have a direct adverse impact on the Company's ability to raise funds for its interest in the Extra High mineral exploration property. A drop in the availability of equity financings will likely impede spending on mineral properties which can affect the Company.
- The Company has outstanding debts, has working capital deficiency, has no revenues, has incurred operating losses, and has no assurances whatsoever that sufficient funding can be available for the Company to continue its operations uninterrupted.

- The market price of the Company's common shares has experienced considerable volatility and may continue to fluctuate in the future. Furthermore, there is a limited trading market for the Company's common shares and as such, the ability of investors to sell their shares cannot be assured.
- In March 2020, the World Health Organization declared a global pandemic related to the coronavirus known as COVID-19 which has caused significant wide-spread adverse financial impact. The novel strains of coronavirus have caused and are continuing to cause disruptions globally. As the Company has no material operating income or cash flows, it is reliant on additional financing to fund its operations. An extended disruption that may be caused by the novel strains of coronavirus can affect the Company's ability to obtain additional financing. As such, the Company may not be able to raise the required funds and may not be able to conduct exploration works on its Extra High mineral property. The impact on the Company is not yet determinable; however, the Company's financial position, results of operations and cash flows in future periods may be materially affected. In particular, there may be heightened risk of asset impairment and liquidity thus creating further going concern uncertainty.

Liquidity and Capital Resources

The Company has incurred operating losses over the past three fiscal years, has limited resources, and does not have any source of operating cash flow.

During 2023, the Company shall require at least \$400,000 to conduct its operations uninterrupted. In order to meet this requirement, the Company intends to seek equity and/or debt financings through private placements and/or public offerings and/or loans. In the past, the Company has been successful in securing equity and debt financings in order to conduct its operations uninterrupted. While the Company does not give any assurances whatsoever that in the future it will continue being successful in securing equity and/or debt financings in order to conduct its operations uninterrupted, it is the Company's intention to pursue these methods for future funding of the Company.

As at September 30, 2023:

- the Company's total assets were 112,366 as compared to \$43,237 for the corresponding period in 2022 (December 31, 2022: \$55,683);
- the Company's total liabilities were \$697,367 as compared to \$795,023 for the corresponding period in 2022 (December 31, 2022: \$826,925);
- the Company had \$44,308 in cash as compared to \$771 in cheques issued in excess of funds on deposit for the corresponding period in 2022 (December 31, 2022: \$122); and
- the Company had GST/HST receivable in the amount of \$1,330 as compared to \$1,019 for corresponding period in 2022 (December 31, 2022: \$1,560).

Shares for Debt Financing

Pursuant to debt settlement agreements dated December 11, 2020 totaling the amount of \$739,351.50 between the Company and certain creditors, on January 25, 2021, the Company issued 2,957,406 common shares of the Company (the "Debt Settlement Shares of the Company") at a price of \$0.25 per common share in settlement of debts totaling the amount of \$739,351.50 to certain creditors, including to a related

party and a director and officer of the Company. The Debt Settlement Shares of the Company were subject to a hold period which expired on May 26, 2021. The fair value of the 2,957,406 common shares was \$1,626,573. As a result, the Company recorded a loss on debt settlement of \$887,222.

Private Placement Financings

During the nine months ended September 30, 2023 and up to the date of the MD&A, the following transactions have occurred:

- i) On July 24, 2023, the Company closed the non-brokered private placement financing which was announced on June 5, 2023 for gross proceeds of \$50,000 through the issuance of 2,000,000 flow-through units of the Company at \$0.025 per unit. Each unit consists of one flow-through common share in the capital of the Company and non-flow-through share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing include a hold period in accordance with applicable securities laws.
- ii) On May 15, 2023, the Company closed the non-brokered private placement financing which was announced in December 2022 for gross proceeds of \$150,000 through the issuance of 6,000,000 units of the Company at \$0.025 per unit. Each unit consists of one common share in the capital of the Company and one share purchase warrant to purchase an additional common share in the capital of the Company at the price of \$0.05 per common share for a period of 5 years. All securities issued in connection with this financing included a hold period in accordance with applicable securities laws.

During the year ended December 31, 2022, the following share transactions occurred:

- i) During August and October 2022, the Company issued in aggregate 1,200,000 non flow-through units of the Company. Each non flow-through unit consists of one common share and one share purchase warrant to acquire one common share of the Company at a price of \$0.05 for a period of five years. All securities issued in connection with this financing were subject to four-months and one day hold period.
- ii) On January 15, 2021, the Company issued 80,000 flow-through units of the Company. Each flow-through unit consists of one flow-through common share of the Company and one non-flow-through share purchase warrant to acquire one non-flow-through common share of the Company at a price of \$0.50 for a period of two years. All securities issued in connection with this financing were subject to a hold period which expired on May 16, 2021.

Loan Payable

The Company had borrowed the sum of \$103,924 from an arm's length party to pay certain amounts that were owed by the Company to some of its creditors. The borrowed amount of \$103,924 was non-interest bearing, unsecured and was payable on demand. Pursuant to a debt settlement agreement dated December 11, 2020 with the Company and the arm's length party, on January 25, 2021 the Company issued a total of 415,697 common shares of the Company with a fair value of \$0.55 per shares in full settlement of the debt (the "Debt Settlement Shares of the Company"). The Company recognized a loss of \$124,709 during the year ended December 31, 2021. The Debt Settlement Shares of the Company were subject to a hold period which expired on May 26, 2021.

During May 2021, an arm's length party has lent the Issuer the amount of \$50,000. As of September 30, 2023, the loan is outstanding and has accrued interest in the amount of \$11,712.

Convertible Debentures Financing 2015

On January 6, 2015, the Company closed a convertible debenture financing with two directors of the Company for the amount of \$250,000. The convertible debentures matured on January 6, 2016, and bear interest at the rate of 12% per annum payable on a quarterly basis. The convertible debentures are convertible into common shares of the Company at a conversion price of \$1.50 per share. The liability component of the convertible debentures was recognized initially at the fair value of a similar liability with no equity conversion option, which was calculated based on the application of a market interest rate of 25%. On the initial recognition of the convertible debentures, the amount of \$222,006 was recorded under convertible debentures and the amount of \$27,994 has been recorded under the equity portion of convertible debenture reserve.

On October 29, 2021, the Company entered into an Addendum to the convertible debentures whereby the maturity date of the principal amount totaling \$250,000 of the convertible debentures together with the accrued interest has been extended indefinitely, until mutual consent of the Company and Lender has been reached.

As at September 30, 2023, the Company recorded interest expense of \$22,500 (December 31, 2022 - \$30,000). As of September 30, 2023, \$250,000 of the convertible debentures are outstanding plus the accrued interest of \$262,089 (December 31, 2022 - \$239,589).

Convertible Debentures Financing 2013

Pursuant to debt settlement agreements dated December 11, 2020 in respect to the convertible debentures 2013, on January 25, 2021 the Company issued an aggregate of 833,409 common shares of the Company with a fair value of \$0.55 per share in settlement of the outstanding convertible debentures 2013 totaling \$100,000 plus accrued interest. The Company recognized a loss of \$250,023 during the year ended December 31, 2021.

Warrants

As at September 30, 2023, a total of 9,200,000 warrants exercisable at the price of \$0.05 per warrant share were outstanding. As of the date of this MD&A, there are 9,200,000 share purchase warrants outstanding.

While there are no assurances whatsoever that any warrants may be exercised, however if any warrants are exercised in the future, then any funds received by the Company from the exercising of warrants shall be used for general working capital purposes.

Stock Options

As at September 30, 2023, there were no outstanding stock options (December 31, 2022 – Nil).

As of the date of this MD&A there are no outstanding stock options.

Significant Accounting Policies

The condensed interim financial statements for the nine months ended September 30, 2023 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”).

The condensed interim financial statements for the nine months ended September 30, 2023 were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements.

The Significant Accounting Policies are detailed in Note 4 of the Company's condensed interim financial statements for the nine months ended September 30, 2023.

On transition to IFRS 16, the Company did not recognize any lease assets or liabilities as its operating leases had a remaining term of less than 12 months from the date of initial application.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Trends

During the last several years commodity prices have fluctuated significantly, and should this trend continue or should commodity prices remain at current levels, then companies such as 37 Capital will have difficulty in raising funds and/or acquiring mineral properties of merit at reasonable prices.

Related Party Transactions

The Company shares office space and certain employees with Jackpot, a company related by certain common key management personnel.

The Company has an office lease agreement with Jackpot. Under the agreement, the Company is entitled to have office space from Jackpot at a monthly rate of \$1,000 plus applicable taxes. Furthermore, Jackpot or the Company may terminate this agreement by giving each other a three months' notice in writing.

The Company has an office support services agreement with Jackpot which has been extended until September 30, 2024. Under the agreement, the Company is entitled to receive office support services from Jackpot at a monthly rate of \$1,000 plus applicable taxes. Either Jackpot or the Company may terminate this agreement by giving each other a three months' notice in writing.

Jackpot is related to the Company by virtue of the fact that Jackpot has certain directors and officers who are also directors and officers of the Company.

The amounts due to related parties are unsecured, payable on demand which consist of the following:

	September 30, 2023	December 31, 2022
Advances from directors (interest at prime plus 1%)	\$ -	\$ 40,372
Entities controlled by directors (non-interest-bearing)	75,600	62,828
	<u>\$ 75,600</u>	<u>\$ 103,200</u>

During the nine months ended September 30, the following amounts were charged by related parties.

	<u>2023</u>	<u>2022</u>
Interest charged on amounts due to related parties	\$ 1,110	\$ 685
Rent charged by entities with common directors	9,000	9,000
Office expenses charged by, and other expenses paid on behalf of the Company by a company with common directors	11,660	13,953
	<u>\$ 21,770</u>	<u>\$ 23,638</u>

On January 6, 2015, the Company closed convertible debentures financing with two directors of the Company for the Principal amount of \$250,000. The convertible debentures have a maturity date of twelve months from the date of closing, and bear interest at the rate of 12% per annum payable on a quarterly basis. The Principal amount of \$250,000 together with the accrued interest of the convertible debentures became due and payable on January 6, 2016 (the “Due Date”). However, on the Due Date the Company was unable to repay the Principal amount and the accrued interest to the two directors. On October 29, 2021 the Company entered into an Addendum to the Convertible Debentures whereby the maturity date of the principal amount of \$250,000 of the convertible debentures together with the accrued interest has been extended indefinitely, until mutual consent of the Company and Lender has been reached.

The convertible debentures and accrued interest of \$512,089 (December 31, 2022 - \$489,589) is owed to the Chief Executive Officer, and to a director of the Company.

As of the date of this MD&A, Jackpot owns 607,377 common shares of the Company representing 4.42% of the Company’s issued and outstanding common shares.

Insider Participation

In connection with the non-brokered private placement which was announced on June 5, 2023, two Insiders of the Company acquired 2,000,000 flow-through units at \$0.025 per unit in the capital of 37 Capital. For further particulars please see Private Placement Financings on page 9 of this MD&A.

In connection with the non-brokered private placement which was announced on December 16, 2022, an Insider of the Company, a family member and his private company, acquired in aggregate 2,600,000 units at \$0.025 per unit in the capital of 37 Capital. For further particulars please see Private Placement Financings on page 9 of this MD&A.

In connection with the non-brokered private placement which was announced on August 8, 2022, an Insider of the Company and his private company, acquired in aggregate 1,200,000 units at \$0.04 per unit in the capital of 37 Capital. For further particulars please see Private Placement Financings on page 9 of this MD&A.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above

risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Company's business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Company's risk management framework, the Company's management has the responsibility to administer and monitor these risks.

(b) Fair value of financial instruments

The fair values of cash, accounts payable and accrued liabilities, due to related parties, refundable subscription, loan payable and convertible debentures approximate their carrying values due to the short-term maturity of these instruments.

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

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

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

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

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash. The Company mitigates its exposure to credit loss associated with cash by placing its cash with a major financial institution.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

At September 30, 2023, the Company had cash of \$44,308 (December 31, 2022 - \$122) available to apply against short-term business requirements and current liabilities of \$697,367 (December 31, 2022 - \$826,925). All of the current liabilities are due within 90 days. Amounts due to related parties are due on demand. As of September 30, 2023, two convertible debentures, together with the accrued interest for a total amount of \$512,089, are outstanding, and the loan payable in the amount of \$50,000 plus accrued interest in the amount of \$11,712 are due. Liquidity risk is assessed as high.

(e) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's net earnings or the value of financial instruments. As at September 30, 2023, the Company is not exposed to significant interest rate risk, currency risk or other price risk on its financial assets and liabilities due to the short-term maturity of its financial liabilities and the fixed interest rate on the convertible debentures.

Analysis of expenses

For a breakdown of general and administrative expenditures, please refer to the Statements of Comprehensive Loss in the Company's Condensed Interim Financial Statements for the nine months ended September 30, 2023 and 2022.

Capital Stock

Authorized share capital: Unlimited number of common shares without nominal or par value
Unlimited number of preferred shares without nominal or par value

Outstanding Share Data	No. of Common Shares	No. of Preferred Shares	Exercise Price per Share	Expiry Date
Issued and Outstanding as at November 24, 2023	13,745,947	Nil	N/A	N/A
Warrants as at November 24, 2023	250,000 750,000 200,000 6,000,000 <u>2,000,000</u> 9,200,000	Nil	\$0.05 \$0.05 \$0.05 \$0.05 \$0.05	August 31, 2027 October 7, 2027 October 31, 2027 May 15, 2028 July 24, 2028
Fully Diluted as at November 24, 2023	22,945,947	Nil		

Director Approval

The contents of this MD&A and the sending thereof to the Shareholders of the Company have been approved by the Company's Board of Directors.

Outlook

Management's efforts are directed towards pursuing opportunities of merit for the Company, and Management is hopeful that, in due course, the Company shall be able to acquire an opportunity of merit. However, there are no assurances whatsoever that Management's efforts shall succeed.