CANADIAN GOLDCAMPS CORP.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

DECEMBER 31, 2023 AND 2022

(Expressed in Canadian dollars)

Stern & Lovrics LLP
Chartered Professional Accountants

Samuel V. Stern, BA, CPA, CA
George G. Lovrics, BComm, CPA, CA

Nazli Dewji, BA, CPA, CMA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Canadian GoldCamps Corp.

Opinion
We have audited the consolidated financial statements of Canadian GoldCamps Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the statements of income (loss) and comprehensive income (loss), shareholders equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and December 31, 2022, and its financial performance and its cash flow for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other Information
Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

Stern & Lovrics LLP

Toronto, Ontario
April 2, 2024

Chartered Professional Accountants
Licensed Public Accountants

CANADIAN GOLDCAMPS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
EXPRESSED IN CANADIAN DOLLARS

As at,	Notes	December 31, 2023 $	December 31, 2022 $
Assets			
Current assets			
Cash		**34,291**	180,747
Amounts receivable	**7**	**2,839**	10,717
Prepaid expenses		**2,902**	924
Marketable securities	**4**	**5,000**	42,000
Promissory note and loans receivable	**8**	**-**	1,710,174
Total assets		**45,032**	1,944,562
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	**9**	**146,368**	36,469
Total liabilities		**146,368**	36,469
Shareholders' Equity			
Share capital	**11**	**22,642,512**	22,642,512
Reserve	**11**	**996,812**	996,812
Accumulated other comprehensive loss		**(117,312)**	(117,312)
Deficit		**(23,623,348)**	(21,613,919)
Total shareholders' (deficiency)equity		**(101,336)**	1,908,093
Total liabilities and shareholders' equity		**45,032**	1,944,562

Nature of operations and going concern (Note 1)
Commitment (Note 18)
Subsequent event (Note 18)

Approved on behalf of the Board:

Signed: *"Brendan Purdy"*
Director

Signed: *"Maciej Lis"*
Director

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

CANADIAN GOLDCAMPS CORP.
CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
EXPRESSED IN CANADIAN DOLLARS

	Notes	December 31, 2023 $	December 31, 2022 $
Expenses			
Bank charges and interest		**(1,123)**	(2,129)
Consulting fees	**12**	**(97,329)**	(378,583)
Insurance		**(9,207)**	(10,242)
Marketing		**-**	(6,252)
Office and general		**(11,851)**	(19,151)
Professional fees		**(81,429)**	(85,066)
Foreign exchange		**(26,339)**	42,000
Transfer agent and filing fees		**(13,923)**	(9,928)
Travel		**(6,391)**	-
Total expenses		**(247,592)**	(469,351)
Other Items			
Gain on sale of exploration and evaluation properties	**5**	**-**	254,853
Interest Income		**16,959**	-
Unrealized loss on marketable securities	**4**	**(37,000)**	(7,000)
Loss on loans receivable		**(1,741,796)**	(613,224)
Bad debts		**-**	(47,502)
Other income		**-**	18,792
Total other items		**(1,761,837)**	(394,081)
Net loss and comprehensive loss for the year		**(2,009,429)**	(863,432)
Net loss per share:			
Basic and diluted		**(0.16)**	(0.07)
Weighted average number of shares outstanding			
Basic and diluted		**12,697,667**	12,697,667
			-

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

CANADIAN GOLDCAMPS CORP.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
EXPRESSED IN CANADIAN DOLLARS

	Share Capital* #	Share Capital $	Share-Based Payment Reserve $	Warrant Reserve $	Accumulated Other Comprehensive loss $	Deficit $	Total Shareholders' Equity $
Balance, December 31, 2021	12,697,667	22,642,512	-	996,812	(119,369)	(20,750,487)	2,769,468
Accumulated other comprehensive loss	-	-	-	-	2,057	-	2,057
Net loss and comprehensive loss for the year	-	-	-	-	-	(863,432)	(863,432)
Balance, December 31, 2022	12,697,667	22,642,512	-	996,812	(117,312)	(21,613,919)	1,908,093
Balance, December 31, 2022	12,697,667	22,642,512	-	996,812	(117,312)	(21,613,919)	1,908,093
Net loss and comprehensive loss for the year	-	-	-	-	-	(2,009,429)	(2,009,429)
Balance, December 31, 2023	12,697,667	22,642,512	-	996,812	(117,312)	(23,623,348)	101,336

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

CANADIAN GOLDCAMPS CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
EXPRESSED IN CANADIAN DOLLARS

For the year ended,	**December 31, 2023 $**	December 31, 2022 $
Cash flows used in for operating activities		
Net loss and comprehensive loss for the year	**(2,009,429)**	(863,432)
Adjustments for items not involving cash:		
Interest income	**(16,957)**	(18,784)
Loss on loans receivable	**1,741,796**	613,224
Gain on disposal of subsidiary	**-**	(254,853)
Unrealized loss on marketable securities	**37,000**	7,000
Foreign exchange gain	**26,339**	(44,059)
	(221,251)	(560,904)
Changes in non-cash working capital items:		
Amounts receivable	**7,878**	39,447
Prepaids expenses	**(1,978)**	12,896
Accounts payable and accrued liabilities	**109,899**	(43,738)
Net cash used in operating activities	**(105,452)**	(552,299)
Investing activities		
Promissory note and loans receivable	**(41,004)**	(1,811,761)
Net cash used in investing activities	**(41,004)**	(1,811,761)
Financing activities		
Cash disposed upon disposition of subsidiary	**-**	(10,128)
Share subscription receivable	**-**	236,000
Proceeds from disposition of mineral property	**-**	200,000
Repayment of promissory notes payable	**-**	(344,077)
Net cash provided by financing activities	**-**	81,795
Change in cash	**(146,456)**	(2.282,235)
Cash, beginning of the year	**180,747**	2,462,982
Cash, ending	**34,291**	180,747

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Canadian GoldCamps Corp. the (“Company”), is engaged in the evaluation, acquisition and exploration of lithium properties. Effective August 12, 2020, the Company changed its name from Supreme Metals Corp. to Canadian GoldCamps Corp.

The Company’s head office and registered records office is located at Suite 1890 - 1075 West Georgia Street, Vancouver, BC, V6E 3C9. The Company’s shares are listed on the Canadian Securities Exchange (“CSE”) under the symbol “CAMP”, the Frankfurt Stock Exchange under the symbol “A68”, and the OTC, under the symbol “SMATF”.

As is common with many small companies, the Company raises financing for its exploration and acquisition activities in discrete tranches.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to the adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company's ability to continue as a going concern is dependent upon obtaining additional financing and eventually achieving profitable production in the future. There can be no assurance that the Company's financing activities will continue to be successful or sufficient, in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going concern, the net realizable values of its assets may be materially less than the amounts recorded on the consolidated statement of financial position.

The Company has working capital deficit of $(101,336) (working capital 2022 – $1,908,093). For the year ended December 31, 2023, the Company had a net loss and comprehensive loss of $(2,009,429) (2022 - $(863,432)) and had cash outflows from operations of $(105,452) (2022 – $(552,299)). These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets, liabilities and reported expenses should the Company be unable to continue as a going concern. These adjustments could be material.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), effective for the Company’s reporting for the years ended December 31, 2023 and 2022.

The Board of Directors approved these consolidated financial statements on April 02, 2024.

Basis of measurement

These consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. In addition, these consolidated financial statements have been prepared on the historical-cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value.

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated. The Company's subsidiaries are as follows:

Entity	December 31, 2023	December 31, 2022
Iberian Lithium Corp.	100%	100%

On July 9, 2020, the Company acquired 100% of Sol Sureno Canada Inc. ("Sol Sureno"), an Ontario based exploration corporation focused on the acquisition and development of lithium properties in Peru, via its wholly-owned subsidiary, Sol Sureño Sociedad Anonima Cerrada (Sol Sureño S.A.C.) ("Sol Sureno Peru") a corporation formed under the laws of Peru.

On June 6, 2022, the Company completed a share purchase and sale agreement with Salt Cay Horizon Ltd. ("Salt Cay SPA") providing for the sale of all of the issued and outstanding shares of Sol Sureno, in consideration of $200,000 and the assumption of all liabilities of Sol Sureno. Sol Sureno is the owner of the Macusani Project located in the Macusani Plateau area, Peru. In connection with the Salt Cay SPA, the Company received proceeds of $200,000.

Functional and presentation currency

These consolidated financial statements are presented in Canadian Dollars, which is the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, 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.

The preparation of consolidated financial statements requires that the Company's management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company's financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgements exercised by management in applying accounting policies that have the most significant effect on the amounts presented in these consolidated financial statements are as follows:

i) Functional currency – The assessment of the Company's functional currency and the functional currency of its subsidiaries involves judgment regarding the primary economic environment the Company and its wholly owned subsidiary operates in.

ii) Going concern – The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its operations and working capital requirements as discussed in Note 1.

Critical accounting estimates

i) Income taxes and recoverability of potential deferred tax assets

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

ii) Share-based payments

Management determines costs for share-based payments using the Black-Scholes option pricing model. The fair value of the market-based and performance-based share awards are determined at the date of grant and incorporates Black- Scholes input assumption's including the future volatility of the stock price, expected dividend yield, and expected life. Such judgements and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

(b) Financial instruments

(i) Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition. A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets and collect contractual cash flows, its contractual terms give rise on specified dates that are solely payments of principal and interest on the principal amount outstanding, and it is not designated as FVTPL.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument by-instrument basis) on the day of acquisition to designate them as at FVTOCI.

Financial assets at FVTPL
Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the consolidated statement of loss and comprehensive loss in the period in which they arise. None of the Company's financial assets are classified as FVTPL.

Financial assets at FVTOCI
Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. None of the Company's financial assets are classified as FVTOCI.

Financial assets at amortized cost
Financial assets at amortized cost are initially recognized at fair value (including transaction costs) and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date. The Company's financial assets at amortized cost are comprised of cash.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities at fair value through profit or loss are immediately recognized in the consolidated statements of loss and comprehensive loss.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the consolidated statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial Assets	Classification December 31, 2023	December 31, 2022
Cash	Amortized cost	Amortized cost
Amounts receivable	Amortized costs	Amortized cost
Promissory note and loans receivable	Amortized cost	Amortized cost

(i) Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

A financial liability is defined as any contractual obligation to deliver cash or another financial asset to another entity. The Company classified its financial liabilities as subsequently measured at amortized cost which include accounts payable and accrued liabilities and promissory notes payable. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or they expire.

Financial Liabilities	Classification December 31, 2023	December 31, 2022
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issuance costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

(ii) Impairment of financial assets

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 credit risk of 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 consolidated statements of net (loss) income, 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.

(c) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(d) Share-based payment transactions

The fair value of share options granted to employees and non-employees is recognized as an expense over the vesting period with a corresponding increase in shareholders' equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

(e) Decommissioning liability

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the Company's exploration and evaluation activities. Discount rates using a pre-tax rate that reflects the risk and the time value of money are used to calculate the net present value. These costs are charged against profit or loss as exploration and evaluation expenditures and the related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. The Company has no restoration, rehabilitation and environment costs as at December 31, 2023 and 2022.

(f) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The Company has no material provisions at December 31, 2023 and 2022.

(g) Segment reporting

The Company determined that it had only one operating segment, the mining exploration.

(h) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized with regards to the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred taxes are recognized as income or expense in profit or loss, except to the extent that tax arises from transactions recognized in equity. Therefore, when deferred taxes relate to equity items, a backwards tracing is necessary to determine the adjustment to taxes (e.g. change in tax rates and change in valuation allowance) that should be recorded in equity. For this purpose, the accounting policy of the Company is to first allocate changes in valuation allowance to capital losses due to share issuance costs before non-capital losses carry-forwards.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(i) Income (loss) per share

The Company calculates basic (loss) earnings per share by dividing net (loss) income by the weighted average number of common shares outstanding during the year. Diluted (loss) earnings per share is determined by adjusting profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares, which is comprised of warrants and share options issued.

(j) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(k) Foreign exchange

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting year, monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in comprehensive income (loss).

(l) Critical Accounting Judgments and Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical Accounting Estimates

The following are the key estimates that may have a significant risk of resulting in a material adjustment in future periods.

<u>Fair value estimates of equity instruments</u>
The fair value of each stock option granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the stock options and conversion at grant date is based on the expected life of the options and assumptions about the expected exercise pattern. Expected volatility of stock options is estimated based on the volatility of companies comparable in size and operations to the Company. Forfeiture rates and dividend yields are estimated based on historical data.

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

If, after mineral property expenditures are capitalized, information becomes available suggesting that the carrying amount of the mineral properties may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit (“CGU”), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

<u>Right-of-use assets and lease liabilities</u>
The Company uses estimation in determining the incremental borrowing rate used to measure the lease liabilities, specific to the asset, underlying currency, and geographic location. Where the rate implicit in the lease is not readily determinable, the discount rate of the lease obligations is estimated using a discount rate similar to the Company’s specific borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase the asset of a similar value, with similar payment terms and security in a similar environment.

<u>Determination of Going Concern Assumption</u>
The preparation of these consolidated financial statements requires management to make judgments regarding the applicability of going concern assumption to the Company as discussed in Note 1.

<u>Impairment of mineral properties</u>
Assets or cash-generating units (“CGUs”) are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company’s mineral properties.

EXPRESSED IN CANADIAN DOLLARS

4. MARKETABLE SECURITIES

	December 31, 2023 $	December 31, 2022 $
Balance, beginning of year	42,000	-
Acquisition of marketable securities	-	49,000
Unrealized loss on marketable securities	(37,000)	(7,000)
Balance, end of the year	5,000	42,000

On February 11, 2022, the Company acquired 200,000 common shares of Mongoose Mining Ltd. with a value of $49,000 in connection with the sale of the Company's Mt. Thom project. The Company recorded an unrealized loss on its marketable securities of $37,000 (2022 - $7,000). As at December 31, 2023, the Company has 200,000 common shares of Mongoose Mining Ltd.

5. ASSET DISPOSAL

Sale of asset to Mongoose

On February 9, 2022, the Company entered into an asset purchase agreement with Mongoose Mining Ltd. ("Mongoose") for the sale of the Company's Mt Thom project, in consideration for 200,000 common shares of Mongoose (Note 4). The Company recorded a gain on sale of exploration and evaluation properties of $49,000.

Sale of asset to Salt Cay Horizon Ltd

On June 6, 2022, the Company entered into the Share Purchase Agreement ("SPA") with Salt Cay Horizon Ltd. ("Salt Cay") whereby the Company sold Sol Sureno, a wholly owned subsidiary, which held all of the Company's Peruvian assets. As consideration, Salt Cay, paid $200,000 to the Company and assumed all liabilities of Sol Sureno. Sol Sureno's assets consisted of:

- all the issued and outstanding shares of Sol Sureno subsidiary
- the Mausam Project located in the Macusani Plateau area, Peru

The net liabilities disposed of were as follows:

	$
Cash proceeds	200,000
Net liabilities disposed of:	
Cash	10,128
Accounts receivable	1,048
Accounts payable	(17,029)
Net liabilities disposed of:	(5,853)
Gain on disposition of exploration and evaluation properties	**205,853**

6. EXPLORATION AND EVALUATION EXPENDITURES

The Company's exploration and evaluation expenditures are mainly related to the acquisition of various property rights and finder's fees. Many of these property rights were either sold, terminated or returned to the original claim holders as the Company decided against further expenditures on these properties.

(1) **Valley Springs Lithium Project**

The Company entered into a definitive purchase agreement with Zaryadka Lithium Corp. (the "Vendor") for the acquisition of the Vendor's right to earn a 100% undivided ownership interest in the Valley Springs lithium project (the "Property") located in western Nevada (the "Acquisition"), as further amended on April 12, 2023.

In consideration for the Property, the Company shall issue 13,000,000 common shares to the Vendor (the "Consideration Shares") and assume all of the obligations under the Property option agreement among the Vendor and the original optionor, Great Basin Resources Inc. In the amended agreement, of April 12, 2023 an additional USD $110,000 cash should be paid (USD $30,000 paid)

The Acquisition is subject to shareholder approval and regulatory approval, including the Canadian Securities Exchange.

(2) **The Bloom Lake East Project**

On February 3, 2017, the Company entered into an agreement of purchase and sale (the "Bloom Lake East Purchase Agreement") with Thomas Poupore and Ryan Kalt (the "BL Vendors") providing for the acquisition of a one hundred percent (100%) undivided interest in and to the Bloom Lake East Project located in Newfoundland and Labrador. Pursuant to the Bloom Lake East Purchase Agreement, the Company earned 100% of the Project by paying $100,000 and issuing 12,500 common shares to the BL Vendors. The Bloom Lake East Project is subject to a 1.5% gross royalty payable to the BL Vendors.

On March 19, 2020, a purchase and sale agreement ("Purchase and Sale Agreement") of the Bloom Lake East Property was made with Champion Iron Limited's subsidiary Quebec Iron Ore Inc. ("Quebec Iron"). The Purchase and Sale Agreement consisted of a cash payment of $61,400 paid to the Company. On May 6, 2020, the Board of Directors approved the Purchase & Sale Agreement.

A gross royalty of 1.25% is held by the Company, and an additional 1% gross royalty will be held by the original claimholder. The 1.25% gross royalty held by the Company can be purchased at the discretion of Champion Iron Limited at a rate of $100,000 for each 0.1%.

(3) **Mt. Thom Project**

On February 3, 2017, the Company entered into a purchase and sale agreement with arm's length parties (the "Vendors") for the acquisition of a 100% undivided interest in the Mt. Thom Project. The Mt. Thom property is believed to be an "IOCG-type" copper-cobalt-gold prospect located in central Nova Scotia, Canada, approximately 22 km east of Truro. The project consists of 39 mineral claims over five contiguous licenses and covers approximately 1,560 acres located in the Province of Nova Scotia. In consideration for the acquisition of the Mt. Thom Project, the Company paid $20,000 and issued 125,000 common shares to the Vendors.

The Mt. Thom Project is subject to a 1.5% gross royalty payable to the Vendors.

On April 13, 2018, the Company entered into an option agreement (the "Option Agreement") with American Cobalt Corp (Formerly 1156010 BC Ltd.) (the "Purchaser"), a wholly owned subsidiary of International Cobalt Corp (CSE:CO) for its Mt. Thom Project. On August 20, 2019, the Option Agreement with American Cobalt Corp. was terminated and the Property was returned to the Company.

During the year ended December 31, 2022, the Company sold the Mt.Thom Project to Mongoose (Note 5).

EXPRESSED IN CANADIAN DOLLARS

(4) Macusani Project

On July 9, 2020, the Company acquired 100% of Sol Sureno Canada Inc. (“Sol Sureno”), an Ontario based exploration corporation focused on the acquisition and development of lithium properties in Peru, which includes the Macusani Project, via its wholly-owned subsidiary, Sol Sureño Sociedad Anonima Cerrada (Sol Sureño S.A.C.) (“Sol Sureno Peru”) a corporation formed under the laws of Peru.

Pursuant to the acquisition, the Company issued 750,000 common shares with a fair value of $2,250,000 to the shareholders of Sol Sureno in exchange for all of the issued and outstanding shares of Sol Sureno.

The Company issued 75,000 common shares with a fair value of $225,000 to arm’s length parties as finder’s fees for the acquisition of Sol Sureno.

The Macusani Project is located in two areas, comprised of several registered mining concessions and several mining concessions still pending registration. The concessions in the Macusani area are adjacent to or within the Macusani Concessions of Plateau Energy Metals Inc.

During the year ended December 31, 2022, the Company sold the Macusani Project to Salt Cay Horizon Ltd. (Note 5).

6. AMOUNTS RECEIVABLE

The Company’s amounts receivable are as follows:

	December 31, 2023 $	December 31, 2022 $
Sales tax receivable	2,839	10,717
Total	2,839	10,717

During the year ended December 31, 2022, the Company recorded bad debt of $47,502 related to exploration and evaluation incurred on behalf of an arm’s length party.

7. PROMISSORY NOTE AND LOANS RECEIVABLE

	$
Balance, December 31, 2021	448,784
Additions	2,011,761
Interest	18,784
Foreign exchange	44,069
Loan provision	(613,224)
Repayments	(200,000)
Balance, December 31, 2022	1,710,174
Additions	41,004
Interest	16,957
Foreign exchange	(26,339)
Loss on loan receivable	(1,741,796)
Balance, December 31, 2023	-

On December 10, 2021 and November 16, 2022, the Company received a promissory note for principal advances totalling $448,794 and $200,000, respectively, for expenses it paid on behalf of Zaryadka Lithium Corp. The promissory note bears interest at 1% per annum and is compounded to the principal amount on a monthly basis. The maturity date of the promissory note receivable is 12 months from the date of the advances. The Company recorded interest income of $6,488 (December 31, 2022 - $4,993) in connection with these loans.

EXPRESSED IN CANADIAN DOLLARS

During the year ended December 31, 2022, the Company received promissory notes of $1,022,350. The promissory notes bear interest of 1% per annum and is compounded monthly. The Company recorded interest income of $10,487 (December 31, 2022 - $3,886). The promissory notes mature as follows:

Promissory Note Amount $	Maturity Date
126,549	April 7, 2023
260,720	July 8, 2023
229,451	August 9, 2023
268,620	September 20, 2023
137,010	December 20, 2023
1,022,350	

During the year ended December 31, 2023 the Company invested a further $41,004 (US$30,000) (December 31, 2022 - $Nil). No interest was calculated on this amount.

During the year ended December 31, 2022, the Company received a promissory note for the principal sum of Cdn$129,607 (US$100,000). The promissory note bears interest at 6% per annum and matures on August 5, 2023. During the year ended December 31, 2023, the Company recorded accrued interest of $Nil (2022 - $3,261). As at December 31, 2022, the Company recorded a loan provision of $138,735 due to collectability uncertainty. The Company is pursuing collection of this loan.

During the year ended December 31, 2022, the Company received a promissory note for the principal sum of $174,805. The promissory note is non-interest bearing and matures on August 12, 2023. The borrower has granted the Company a right of first refusal to match in the acquisition of any mining project prospective for lithium exploration as identified by the borrower for the sale or option to a third party or for which the borrower acquires the option to earn a direct interest in said project for six months following August 12, 2022. As at December 31, 2022, the Company recorded a loan provision of $182,844 due to collectability uncertainty. The Company is pursuing collection of this loan.

During the year ended December 31, 2022, the company entered into loan agreements with an arm's length party totaling $185,000. The loans bear interest at 6% per annum. The loan is due and payable on demand. During the year ended December 31, 2023, the Company recorded accrued interest of $Nil (2022 - $4,196). As at December 31, 2022, the Company recorded a loan provision of $189,196 due to collectability uncertainty. The Company is pursuing collection of this loan.

During the year ended December 31, 2022, the company entered into a loan agreement with an arm's length party totaling $100,000. The loan bears interest at 6% per annum. The loan is due and payable on or before August 4, 2023. During the year ended December 31, 2023, the Company recorded accrued interest of $Nil, (2022 - $2,449). As at December 31, 2022, the Company recorded a loan provision of $102,449 due to collectability uncertainty. The Company is pursuing collection of this loan.

As at December 31, 2023, the Company recorded a loan provision of $1,741,796 due to collectability uncertainty. The Company is pursuing collection of these loans.

EXPRESSED IN CANADIAN DOLLARS

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are as follows:

	December 31, 2023 $	December 31, 2022 $
Trade payables	82,648	21,937
Accrued liabilities	63,720	14,532
Total	146,368	36,469

9. PROMISSORY NOTES PAYABLE

The Company, through its previously owned subsidiary, Sol Sureno, received non-interest-bearing loans from arm's length parties, totaling $236,136 (US$185,466). The loans were unsecured and are payable on demand. During the year ended December 31, 2022, the Company repaid the non-interest-bearing loans.

The Company also had $110,000 promissory notes payable unsecured, and due on demand, through its previously owned subsidiary, Sol Sureno. During the year ended December 31, 2022, the Company recognized $Nil (2021 - $Nil) interest expense on the promissory notes payable. During the year ended December 31, 2022, the Company repaid $110,000 of promissory notes payable.

10. SHARE CAPITAL

Authorized share capital

Unlimited common shares without nominal or par value and unlimited number of convertible preferred shares without par value, participating, each share convertible into one common share, and non-voting.

Issued and outstanding shares as at December 31 2023 and 2022.

On December 31, 2023 the Company had 12,697,667 (2022 – 12,697,667) common shares issued and outstanding.

Issuance of common shares during the year ended December 31, 2023.

During the year ended December 31, 2023, the Company did not issue any common shares.

Issuance of common shares during the year ended December 31, 2022.

In February 2022, the Company received $236,000 to settle share subscriptions receivable for the second tranche private placement completed on December 16, 2021.

EXPRESSED IN CANADIAN DOLLARS

(a) Share Options

The Company has a share option plan ("the Plan") under which options to purchase common shares may be granted to officers, directors, employees and non-employees of the Company. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years. The exercise price of any option granted under the Plan may not be less than fair market value of the common shares at the time the option is granted, less any permitted discount.

All options are non-transferable. The options are subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be a director, officer, or consultant of the Company, or upon the retirement, permanent disability or death of an optionee.

As at December 31, 2023 and 2022, the Company had no outstanding share options.

(b) Warrants

The following is a summary of the Company's warrant activity:

	December 31, 2023		December 31, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Beginning balance	8,926,515	$ 0.70	8,926,515	$ 0.70
Expired	-	$ 0.70	-	$ -
Ending balance	8,926,515	$ 0.70	8,926,515	$ 0.70

Weighted average remaining life of outstanding warrants as at December 31, 2023 is 2.95 (2022 - 1.54) years.

During November 2023 the Company extend the expiry date of the December 3rd warrants from December 3, 2023 to December 3, 2026; and extend the expiry date of the December 17th warrants from December 17, 2023 to December 17, 2026.

As at December 31, 2023, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
4,131,231	$0.70	December 3, 2026
4,795,284	$0.70	December 17, 2026
8,926,515	$0.70	

EXPRESSED IN CANADIAN DOLLARS

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company incurred the following related party transactions, with associated persons or corporations, which were measured at the exchange amount as follows:

Key management includes directors, executive officers and officers which constitutes the management team. The Company paid or accrued compensation in the form of consulting fees and the granting of share options to companies controlled by directors and executive officers as follows:

	December 31, 2023	December 31, 2022
	$	$
Company controlled by a director for director fees	30,000	30,000
	30,000	30,000

Due to related parties

	December 31, 2023	December 31, 2022
	$	$
Company controlled by a director for legal fees	-	32
Company controlled by a director for director fees	30,000	2,500
	30,000	2,532

13. CAPITAL RISK MANAGEMENT

The Company includes equity, comprising issued share capital and deficit, in the definition of capital, which as at December 31, 2023 was a share (deficiency)capital of $(101,336) (2022 – ($1,908,093)).

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund its exploration commitments. To secure the additional capital necessary to continue with the exploration of mineral properties, the Company may attempt to raise additional funds through the issuance of debt or equity. The Company is not subject to any capital requirements imposed by a lending institution.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares and adjusting capital spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

There were no changes in the Company's process, policies and approach to capital management during the years ended December 31, 2023 and 2022.

14. FINANCIAL INSTRUMENTS AND RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, foreign currency risk and price risk).

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, amounts receivable and promissory note and loans receivable. Cash is held with a Canadian chartered bank, from which management believes the risk of loss to be minimal.

Amounts receivable consists of sales tax receivable from government authorities in Canada and amounts due from an arms-length party in relation to exploration and evaluation expenditures. Amounts receivable are in good standing as of December 31, 2023. Management believes that the credit risk with respect to these amounts' receivable is minimal.

14. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

(ii) Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2023, the Company had cash of $34,291 ($180,747) to settle trade accounts payable and accrued liabilities of $146,368 (2022 - $36,469), the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity. As discussed in Note 1, the Company's ability to continually meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing. Management is continuing in its efforts to secure financing and believes it will be successful.

(iii) Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

iv) Interest rate risk
The Company has cash balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in guaranteed investment certificates issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank. The Company is not exposed to interest rate risk in respect of any loans payable and received which are subject to fixed rate of interest.

v) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's marketable securities amounting to $15,000 are subject to fair value fluctuations. As at December 31, 2023, if the fair value of the Company's marketable securities had changed by 10% with all other variables held constant, loss and comprehensive loss for the year ended December 31, 2023 would have been approximately $500. Similarly, as at December 31, 2022, reported equity would have been approximately $4,200 as a result of a 10% change in the fair value of the Company's marketable securities.

vi) Foreign currency risk
The Company's functional and presentation currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company has promissory note and loans receivable denominated in US dollar totalling US $Nil (December 31, 2022 - US $779,967) that is subject to foreign currency risk. The Company has moderate foreign currency risk.

vii) Sensitivity analysis
Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve-month period:

Cash is subject to floating interest rates. The Company has no variable debt and receives low interest rates on its cash and cash equivalents balances. As such, the Company does not have significant interest rate risk.

The Company's financial instruments consist of cash, amounts receivables, promissory note and loans receivable, marketable securities, accounts payable and accrued liabilities, and promissory notes payable.

14. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of the Company's cash is classified as a Level 1 fair value measurement. The Company does not have any Level 2 or 3 fair value measurements.

15. SEGMENTED INFORMATION

The Company operates in one business segment, the exploration of mineral properties with all the assets located in Canada.

16. COMMITMENT

The Company entered into a definitive purchase agreement with Zaryadka Lithium Corp. (the "Vendor") for the acquisition of the Vendor's right to earn a 100% undivided ownership interest in the Valley Springs lithium project (the "Property") located in western Nevada (the "Acquisition"). In consideration for the Property, the Company shall issue 13,000,000 common shares to the Vendor (the "Consideration Shares") and assume all of the obligations under the Property option agreement among the Vendor and the original optionor, Great Basin Resources Inc. In the amended agreement, of April 12, 2023 an additional USD 110,000 cash should be paid. (USD 30,000 - $41,004 paid and included in investments)

The Acquisition is subject to shareholder approval and regulatory approval, including the Canadian Securities Exchange.

EXPRESSED IN CANADIAN DOLLARS

17. PROVISION FOR INCOME TAXES

The income tax recovery varies from the amounts that would be computed applying the basic federal and provincial income tax rate aggregating 26% (2022 – 26%) to loss before income taxes as shown below:

	2023 $	2022 $
Expected income tax (recovery)	(522,000)	(224,000)
Other	(6,000)	13,000
Non-deductible expenditures	453,000	82,000
Share issue expenses	-	-
Adjustment in prior years provision versus statutory tax return	(42,000)	5,000
Tax benefit not recognized	117,000	124,000
Income tax recovery	-	-

Significant components of the Company’s unrecognized deferred income tax assets are approximated as follows:

	2023 $	2022 $
Non-capital losses carried forward	3,336,000	799,000
Exploration and evaluation assets	95,000	25,000
Share issue costs	13,000	7,000
	3,444,000	831,000
Unrecognized deferred tax assets	(3,444,000)	(831,000)
	-	-

The deferred income tax assets have not been recognized above as it is not probable that future taxable profit will be available against which the Company can utilize benefits therefrom.

The Company has reported non capital losses in Canada and the US available for deduction of approximately $3,336,000. These losses, if not utilized will expire as follows:

Year	Amount $
2037	419,000
2038	480,000
2039	534,000
2040	945,000
2041	184,870
2042	494,000
2043	279,230
	3,336,000

18. SUBSEQUENT EVENT

On February 16, 2024 the Company received a loan of $100,000 cash bearing interest at 10% per annum and is due on demand.

On February 19, 2024 the Company paid $100,000 cash in terms of the Murphy Lake Property letter of intent.

Murphy Lake Property – Athabasca basin, Saskatchewan

On February 23, 2024 the Company has entered into a non-binding letter of intent “LOI” with F3 Uranium Corp. (“F3”) whereby the Company will enter into a definitive option agreement with F3's wholly-owned subsidiary F4 Uranium Corp. ("F4") to earn up to a 70% interest in F4’s Murphy Lake Property, the "Property", in the Athabasca Basin, Saskatchewan. The Property is located in the north-eastern corner of the Athabasca Basin, 30 km northwest of Orano's McLean Lake deposits, 5 km south of ISOEnergy's Hurricane Uranium Deposit and covers approximately 6.1 square kilometers of land.

To earn an initial 50% in and to the Property, the Company must make the following cash payments, share issuances and property expenditures:

1. $100,000 within 7 calendar days of signing the LOI; (Paid – February 19, 2024)
2. $200,000 upon entering into of a definitive agreement;
3. $150,000 on or before the six-month anniversary of the definitive agreement;
4. $150,000 on or before the 12-month anniversary of the definitive agreement;
5. $150,000 on or before the 18-month anniversary of the definitive agreement;
6. $150,000 on or before the 24-month anniversary of the definitive agreement;
7. following the next equity financing completed by the Company for gross proceeds of not less than $6 million, the Company will issue 9.9% of its then issued and outstanding common shares to F4;
8. $5M on or before the 1-year anniversary of signing the definitive agreement; and
9. $5M on or before the 2-year anniversary of signing the definitive agreement.

Upon the Company earning a 50% interest in the Property, both parties agree to participate in a joint venture for the further exploration and development of the Property, and, if deemed warranted, to bring the Property or a portion thereof into commercial production by establishing and operating a mine.

To earn an additional 20% interest in and to the Property, for a total 70% interest in and to the Property, the Company must make the following cash payments and property expenditures:
1. $250,000 on or before the 30-month anniversary of signing the definitive agreement;
2. $250,000 on or before the 36-month anniversary of signing the definitive agreement; and
3. $8M on or before the 3-year anniversary of signing the definitive agreement.

Upon the Company exercising the option, F4 shall receive a 2% net smelter royalty “NSR Royalty”, provided that the Company shall be responsible only for the percentage of the NSR Royalty equal to its percentage interest in the Property. Therefore, if the Company obtains the initial 50% interest, it shall be responsible for 50% of the NSR Royalty; and if the Company obtains the full 70% interest, it shall be responsible for 70% of the NSR Royalty.