

Quebec Nickel Corp.

Condensed Interim Financial Statements
For the Three- and Nine-month Periods Ended December 31, 2023 and 2022
(Unaudited)

Notice to Reader

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

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

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

Quebec Nickel Corp.

Condensed Interim Statements of Financial Position

(Stated in Canadian Dollars)

(Unaudited)

	Notes	December 31, 2023	March 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents		\$ 459,431	\$ 5,321,200
Amounts receivable	3	1,868,426	1,002,337
Prepaid expenses		56,384	307,824
Total current assets		2,384,241	6,631,361
Exploration and evaluation assets	4	13,923,840	11,050,050
TOTAL ASSETS		\$ 16,308,081	\$ 17,681,411
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	8	\$ 660,057	\$ 1,385,265
Flow-through share premium	5	-	1,201,400
Total current assets		660,057	2,586,665
Deferred tax liability	5	2,522,700	2,522,700
TOTAL LIABILITIES		3,182,757	5,109,365
Shareholders' equity			
Common shares	6	15,557,558	15,574,625
Share-based payments reserve	7	1,997,700	1,862,500
Deficit		(4,429,934)	(4,865,079)
Total equity		13,125,324	12,572,046
TOTAL LIABILITIES AND EQUITY		\$ 16,308,081	\$ 17,681,411
Nature and continuance of operations	1		
Subsequent events	11		
Approved on behalf of the Board of Directors:			
<u>"David Patterson"</u>		<u>"Hani Zabaneh"</u>	
David Patterson, Director		Hani Zabaneh, Director	

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

Quebec Nickel Corp.

Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(Stated in Canadian Dollars)

(Unaudited)

		For the three-month period ended December 31,		For the nine-month period ended December 31,	
	Notes	2023	2022	2023	2022
Expenses					
General and administrative		\$ 48,375	\$ 75,188	\$ 146,787	\$ 185,969
Management fees	8	89,500	36,000	299,335	86,000
Professional fees		5,190	41,559	116,779	145,067
Promotion and marketing		18,139	78,777	140,780	147,455
Share-based payments	7, 8	-	-	135,200	179,300
Transfer agent and filing fees		11,713	9,842	33,928	35,459
Travel		160	6,031	17,294	79,630
Loss before other items		(173,077)	(247,397)	(890,103)	(858,880)
Other income					
Flow-through share premium	4	270,365	-	1,201,400	-
Interest income		56,307	14,592	123,848	30,501
Income (loss) and comprehensive income (loss) for the period		\$ 153,595	\$ (232,805)	\$ 435,145	\$ (828,379)
Weighted average number of common shares outstanding					
Basic		11,534,422	7,993,435	11,534,422	7,446,966
Diluted		11,534,422	7,993,435	11,534,422	7,446,966
Basic and diluted income (loss) per common share		\$ 0.01	\$ (0.03)	\$ 0.04	\$ (0.11)

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

Quebec Nickel Corp.

Condensed Interim Statements of Changes in Shareholders' Equity

(Stated in Canadian Dollars)

(Unaudited)

	Common Shares		Share-based Payments	Deficit	Total
	Number	Amount	Reserve		
Balance at March 31, 2023	11,534,422	\$ 15,574,625	\$ 1,862,500	\$ (4,865,079)	\$ 12,572,046
Share issuance costs	-	(17,067)	-	-	(17,067)
Share-based payments	-	-	135,200	-	135,200
Net income (loss) for the period	-	-	-	435,145	435,145
Balance at December 31, 2023	11,534,422	\$ 15,557,558	\$ 1,997,700	\$ (4,429,934)	\$ 13,125,324

	Common Shares		Share-based Payments	Deficit	Total
	Number	Amount	Reserve		
Balance at March 31, 2022	7,161,644	\$ 9,149,730	\$ 1,245,933	\$ (2,971,394)	\$ 7,424,269
Common stock issued for cash					
Exercise of stock options	25,000	27,500	-	-	27,500
Exercise of warrants	182,040	182,040	-	-	182,040
Proceeds from shares issued	3,715,537	8,695,288	-	-	8,695,288
Fair value of stock options exercised	-	23,125	(23,125)	-	-
Fair value of warrants exercised	-	12,717	(12,717)	-	-
Share issuance costs		(762,015)	205,300	-	(556,715)
Flow-through share premium		(2,002,700)	-	-	(2,002,700)
Share-based payments	-	-	179,300	-	179,300
Net income (loss) for the period	-	-	-	(828,379)	(828,379)
Balance at December 31, 2022	11,084,221	\$ 15,325,685	\$ 1,594,691	\$ (3,799,773)	\$ 13,120,603

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

Quebec Nickel Corp.

Condensed Interim Statements of Cash Flows

(Stated in Canadian Dollars)

(Unaudited)

	For the nine-month periods ended December 31,	
	2023	2022
Operating activities		
Income (loss) for the period	\$ 435,145	\$ (828,379)
Item not involving cash:		
Flow-through share premium	(1,201,400)	-
Share-based payments	135,200	179,300
Changes in non-cash working capital items:		
Amounts receivable	(866,088)	(503,734)
Prepaid expenses	251,440	(88,837)
Trade and other payables	(1,103,659)	845,312
Net cash used in operating activities	(2,349,362)	(396,338)
Investing activity		
Exploration and evaluation assets, net	(2,495,340)	(6,905,892)
Net cash used in investing activity	(2,495,340)	(6,905,892)
Financing activities		
Proceeds from issuance of common shares net of issuance costs	(17,067)	8,138,573
Proceeds from exercise of options	-	27,500
Proceeds from exercise of warrants	-	182,040
Net cash provided by financing activity	(17,067)	8,348,113
Change in cash and cash equivalents during the period	(4,861,769)	1,045,883
Cash and cash equivalents, beginning of period	5,321,200	7,151,340
Cash and cash equivalents, end of the period	\$ 459,431	\$ 8,197,223
Cash and cash equivalents consists of:		
Cash	\$ 419,111	4,157,223
Cash equivalents	40,320	4,040,000
	\$ 459,431	\$ 8,197,223
Supplemental Cash Flow Information		
Income taxes paid	\$ -	\$ -
Interest paid (received)	\$ -	\$ -
Adjustment to exploration and evaluation assets to trade payables	\$ 378,451	\$ -

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

Quebec Nickel Corp.
Notes to the Condensed Interim Financial Statements
December 31, 2023 and 2022
(Stated in Canadian Dollars)
(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Quebec Nickel Corp. (the “Company”) was incorporated on September 18, 2020 pursuant to the Business Corporations Act (British Columbia). On June 21, 2021, a Prospectus filed by the Company was given final receipt by the British Columbia Securities Commission. On July 2, 2021, the Company’s common shares began trading on the Canadian Securities Exchange (“CSE”) under the symbol ‘QNI’. On September 13, 2021, the Company’s common shares were listed for trading on the Frankfurt Exchange under the symbol ‘71B’ and on February 22, 2022, the Company’s common shares began trading on the OTCQB Venture Market (“OTCQB”) under the symbol ‘QNICF’.

These condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at December 31, 2023, the Company had not yet determined whether its mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time.

On December 29, 2023, the Company announced that it will complete a consolidation of the authorized and issued common shares of the Company (the “Common Shares”) on the basis of a one (1) post-consolidated Common Share for each ten (10) pre-consolidation Common Shares (the “Consolidation”). Prior to the Consolidation, the Company had 115,344,205 pre-Consolidation Common Shares issued and outstanding. Following the Consolidation, the Company will have 11,534,422 post-Consolidation Common Shares issued and outstanding. All information relating to basic and diluted loss per share, issued and outstanding common shares, and per share amounts in the Company’s financial statements for the three- and nine-month periods ended December 31, 2023 and 2022 have been adjusted retrospectively to reflect the share consolidation.

As at December 31, 2023, the Company had not yet achieved profitable operations, had an accumulated deficit of \$4,429,934 since inception, and expects to incur further losses in the development of its business. These events and conditions indicate a material uncertainty that may cast substantial doubt on the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is primarily dependent upon its ability to raise financing from equity markets or borrowings and upon successful results from its mineral property exploration activities. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these financial statements.

The office and principal place of business of the Company is located at 1100 – 1111 Melville Street, Vancouver, BC, V6E 3V6.

Quebec Nickel Corp.
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2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim financial statements, including comparatives, are unaudited and have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

b) Basis of presentation

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's financial statements for the year-ended March 31, 2023.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed interim financial statements do not include all of the information required for full annual financial statements.

These condensed interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published and effective at the time of preparation.

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

c) Approval of the financial statements

The financial statements of the Company for the three-and nine-month periods ended December 31, 2023 were reviewed, approved and authorized for issue by the Board of Directors on February 16, 2024.

d) Recent accounting pronouncements and changes to accounting policies

At the date of authorization of these financial statements, the IASB and IFRIC have issued new and revised Standards and Interpretations which are not yet effective, and none of which are expected to have a material impact on the financial statements.

3. AMOUNTS RECEIVABLE

A summary of the Company's amounts receivable is as follows:

	December 31, 2023	March 31, 2023
Mineral tax credits	\$ 1,596,792	\$ -
Interest receivable	-	7,574
Sales taxes	271,634	994,763
	<u>\$ 1,868,426</u>	<u>\$ 1,002,337</u>

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4. EXPLORATION AND EVALUATION ASSETS

On October 6, 2020, the Company entered into an agreement with Val-D'Or Mining Corporation ("Val-d'Or") for the purchase of 100% interest in a mineral property, referred to as the Ducros Property, located in the Val d'Or area of Quebec, Canada. The Company issued 3,589,341 special warrants at their fair value of \$0.05 for the purchase of the mineral property. The 3,589,341 special warrants were subsequently converted, at no additional cost, into 3,589,341 common shares of the Company.

As of December 31, 2023, the Company has staked 282 contiguous mining claims covering 15,293 hectares.

The Company is subject to net smelter return royalties and an associated area of interest which includes the additional staked property. Commencing on October 6, 2024, the Company shall pay to Val-d'Or advance minimum yearly royalty payments of \$10,000.

For the nine-month periods ended December 31, 2023 and 2022, the Company incurred the following expenditures:

	For the nine-month periods ended December 31,		Cumulative expenditures through to December 31,	
	2023	2022	2023	2022
Acquisition Costs				
Land acquisition	\$ -	\$ -	\$ 211,850	\$ 211,850
Exploration Costs				
Assays	516,727	443,112	1,643,158	313,416
Biochemistry	18,533	105,870	133,765	92,660
Consulting	31,868	15,104	51,258	35,104
Drilling	1,495,967	2,507,791	5,169,606	1,474,457
Environmental baseline	97,808	-	97,808	-
Equipment rentals	125,876	678,844	927,058	143,950
Geochemistry	65,577	-	65,577	-
Geology	1,133,546	2,035,993	4,094,080	1,832,284
Geophysics	153,798	725,465	1,270,353	920,500
Lodging and meals	300,472	65,260	491,783	47,947
Metallurgy	131,069	-	131,069	-
Permits and licenses	11,858	62,178	146,773	92,136
Supplies and materials	493,852	290,697	1,301,222	197,166
Exploration tax credit	(1,703,160)	-	(1,811,519)	-
	2,873,790	6,930,314	13,711,990	5,149,620
Total exploration & evaluation expenditures	\$ 2,873,790	\$ 6,930,314	\$ 13,923,840	\$ 5,361,469

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5. DEFERRED TAX LIABILITY AND FLOW-THROUGH SHARE PREMIUM LIABILITY

During the year-ended March 31, 2023, the Company issued an aggregate of 2,653,037 of flow-through shares (each, a "FT Share") for gross proceeds of \$6,570,288. The flow-through premium was determined to be \$2,002,700 and recognized that amount as a liability prior to the renunciation of the exploration expenditures. The Company recognizes the settlement of the flow-through premium liability on the incurrence of eligible expenditures.

Effective December 31, 2022, the Company renounced \$6,570,288 in flow-through expenditures. The renunciation of expenditures created a deferred tax liability of \$1,212,200.

6. COMMON SHARES

a) Authorized:

An unlimited number of common shares with no par value.

b) During the nine-month period ended December 31, 2023, no common shares were issued by the Company.

On December 29, 2023, the Company announced that it will complete a consolidation of the authorized and issued common shares of the Company (the "Common Shares") on the basis of a one (1) post-consolidated Common Share for each ten (10) pre-consolidation Common Shares (the "Consolidation").

Prior to the Consolidation, the Company had 115,344,205 pre-Consolidation Common Shares issued and outstanding. Following the Consolidation, the Company will have 11,534,422 post-Consolidation Common Shares issued and outstanding. All information relating to basic and diluted loss per share, issued and outstanding common shares, and per share amounts in the Company's financial statements for the three- and nine-month period ended December 31, 2023 and 2022 have been adjusted retrospectively to reflect the share consolidation.

During the nine-month period ended December 31, 2022, the Company issued the following common shares:

- i) The Company issued 25,000 common shares on the exercise of 25,000 stock options at a weighted average price of \$1.11 per share for gross proceeds of \$27,500.
- ii) The Company issued 182,040 common shares pursuant to the exercise of 182,040 warrants at \$1.00 per share for gross proceeds of \$82,300.
- iii) The Company issued an aggregate of 3,715,537 common shares for gross proceeds of \$8,695,288 pursuant to the closing of non-brokered private placements. The private placements were comprised of: 1) 1,062,500 units ("Unit"); 2) 623,037 flow-through shares ("FT Share"); and 3) 2,030,000 Quebec flow-through shares ("Quebec FT Share").

Each Unit was issued for proceeds of \$2.00 and comprised one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder thereof to acquire one additional common share at a price of \$3.00 for a period of two years from the closing date.

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6. COMMON SHARES (continued):

The fair value of the 531,250 warrants was estimated using the Residual Value Method whereby the Company bifurcated the Units which consisted of one common share and one-half of a common share purchase warrant. The common share component of the unit was measured at fair value using the market price and allocating the residual value of the Unit price to the share purchase warrant component. The weighted average value of the warrant component was determined to be \$0.50 per warrant.

Each FT Share was issued for proceeds of \$2.40 per FT Share and comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada).

Each Quebec FT Share was issued for proceeds of \$2.50 per Quebec FT Share and comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada).

The Company incurred \$740,966 in cash share issuance costs.

The Company also issued 222,932 broker warrants to arm's length third parties. Each broker warrant entitles the holder to acquire one common share of the Company for the price of \$3.00 per common share for a period of two years following the closing.

The fair value of the 222,932 broker warrants was estimated using the Black-Scholes option pricing model assuming a weighted average risk-free interest rate of 3.90%, a dividend yield of nil, a weighted average expected annual volatility of the Company's share price of 125% and an expected life of 2 years. The fair value of the broker warrant was \$0.90 per warrant. The expected volatility assumption is based on the estimated volatility of comparable early-stage mineral exploration companies. The risk-free interest rate is based on yield curves on the Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the warrant's expected life.

7. SHARE-BASED PAYMENTS RESERVE

a) Warrants:

The changes in warrants issued is as follows:

	Nine-month periods ended December 31,			
	2023		2022	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Balance at April 1,	1,416,037	\$ 3.00	1,774,595	\$ 1.70
Exercised	-	-	(182,040)	1.00
Expired	(661,855)	2.98	(25,200)	1.00
Issued	-	-	754,182	3.00
Balance, December 31,	754,182	\$ 3.00	2,321,537	\$ 2.20

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7. SHARE-BASED PAYMENTS RESERVE (continued):

a) Warrants (continued):

Warrants exercisable and outstanding as at December 31, 2023 are as follows:

Expiry Date	Number of warrants	Exercise Price
December 9, 2024	626,472	\$ 3.00
December 29, 2024	127,710	3.00
	754,182	\$ 3.00

b) Stock Options

On August 3, 2022, the Company adopted an option plan in accordance with the rules and policies of the CSE. The terms of any award are determined by the Board, provided that no options may be granted with an exercise price lower than the greater of the closing market price of the Common Shares on (a) the trading day prior to the date of the grant of the stock options, and (b) the date of grant of the stock options, and the term may not exceed 10 years. The aggregate number of securities available for issuance under the plan may not exceed 10% of the number of common shares of the Company issued and outstanding from time to time.

On August 3, 2022, the Company adopted an option plan in accordance with the rules and policies of the CSE. The terms of any award are determined by the Board, provided that no options may be granted with an exercise price lower than the greater of the closing market price of the Common Shares on (a) the trading day prior to the date of the grant of the stock options, and (b) the date of grant of the stock options, and the term may not exceed 10 years. The aggregate number of securities available for issuance under the plan may not exceed 10% of the number of common shares of the Company issued and outstanding from time to time.

On August 10, 2023, the Company granted 400,000 stock options to various directors, officers and consultants at an exercise price of \$0.50. The stock options expire on August 9, 2025 and vested immediately upon grant. The Company recognized \$135,200 for share-based payments.

The fair value of the 400,000 stock options was estimated using the Black-Scholes option pricing model assuming a weighted average risk-free interest rate of 4.80%, a dividend yield of nil, a weighted average expected annual volatility of the Company's share price of 135% and an expected life of 2 years. The fair value of the stock options was \$0.34 per option. The expected volatility assumption is based on the estimated volatility of comparable early-stage mineral exploration companies. The risk-free interest rate is based on yield curves on the Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the options' expected life.

On August 29, 2022, the Company granted 177,500 stock options to directors, officers, and consultants, at an exercise price of \$1.50. The stock options expire on August 29, 2024 and vested immediately upon grant. The Company recognized \$179,300 for share-based payments.

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7. SHARE-BASED PAYMENTS RESERVE (continued):

b) Stock Options (continued):

The fair value of the 177,500 stock options was estimated using the Black-Scholes option pricing model assuming a weighted average risk-free interest rate of 3.60%, a dividend yield of nil, a weighted average expected annual volatility of the Company's share price of 135% and an expected life of 2 years. The fair value of the stock options was \$1.01 per option. The expected volatility assumption is based on the estimated volatility of comparable early-stage mineral exploration companies. The risk-free interest rate is based on yield curves on the Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the options' expected life.

The changes in stock options is as follows:

	Nine-month periods ended December 31,			
	2023		2022	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Balance at April 1,	672,500	\$ 2.30	570,000	\$ 2.50
Granted	400,000	0.50	177,500	1.50
Exercised	-	-	(25,000)	1.10
Cancelled	-	-	(45,000)	1.10
Expired	(335,000)	2.97	-	-
Balance, December 31,	737,500	\$ 1.02	677,500	\$ 2.30

Stock options exercisable and outstanding as at December 31, 2023 are as follows:

Expiry Date	Number of options	Exercise Price
February 9, 2024	80,000	2.50
August 29, 2024	172,500	1.50
August 9, 2025	400,000	0.50
July 28, 2026	85,000	1.10
	737,500	\$ 1.02

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8. 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.

The following is a summary of the related party transactions that occurred during the three- and nine-month periods ended December 31, 2023 and 2022.

The Company has determined that key management personnel consist of its Directors, the CEO, the CFO and the Vice-President of Exploration.

	Three-month period ended December 31,		Nine-month period ended December 31,	
	2023	2022	2023	2022
Management fees paid to a company controlled by the CEO of the Company	\$ 50,000	\$ -	\$ 103,334	\$ -
Management fees paid to a company controlled by the interim CEO of the Company	-	-	57,502	-
Management fees paid to a company controlled by the CFO of the Company	37,500	18,000	112,500	54,000
Consulting fees paid to a company controlled by the VP Exploration of the Company	124,980	49,500	249,960	177,000
Management fees paid to the independent directors of the Company	2,000	18,000	26,000	38,000
Share-based payments	-	-	77,740	116,168
Total	\$ 214,480	\$ 85,500	\$ 627,035	\$ 385,168

9. FINANCIAL INSTRUMENTS

The Company is exposed to various financial risks resulting from both its operations and its investment activities. The Company's management manages financial risks. The Company does not enter into financial instruments agreements, including derivative financial instruments for speculative purposes. The Company's main financial risks exposure and its financial policies are as follows:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk, with the carrying value being the Company's maximum exposure. The Company's cash and cash equivalents consists of funds held at Canadian chartered banks or occasionally, in trust with the Company's corporate lawyer. Management believes the Company's exposure to credit risk is minimal.

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9. FINANCIAL INSTRUMENTS (continued):

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had a cash and cash equivalents balance of \$459,431 to settle trade liabilities of \$660,057. The Company expects to fund future expenditures through the issuance of capital stock.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management does not believe the Company is exposed to material currency or other price risk.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as cash and cash equivalents comprise \$40,320 held at a Canadian chartered bank in cashable GICs which bear interest ranging from 1.75% per annum as at December 31, 2023.

The Company had no interest rate swaps or financial contracts in place as at or during the nine-month periods ended December 31, 2023 and 2022.

e) Other risks

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the relations between NATO and the Russian Federation, the growing conflict regarding Israel and the Hamas-led Palestinian militant group and, the potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

Fair value estimates are made at the statement of financial position date, based on relevant market information and other information about financial instruments. As at December 31, 2023, the Company's financial instruments are cash and cash equivalents and trade and other payables. The amounts reflected in the statement of financial position approximate their fair values due to the short-term nature of these financial instruments.

There have been no changes in the Company's management of risks associated with financial instruments during the nine-month periods ended December 31, 2023 and 2022.

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(Unaudited)

10. CAPITAL MANAGEMENT

The Company's capital currently consists of common shares and its principal source of cash is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to acquire and explore mineral property assets. The Company does not have any externally imposed capital requirements to which it is subject. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new equity instruments.

As the Company's mineral property is in the exploration stage, the Company is dependent on external financing to fund its activities. In order to carry out its operations, the Company will spend its existing working capital and raise additional amounts as needed.

There were no changes in the Company's approach to capital management during the nine-month periods ended December 31, 2023 and 2022.

11. SUBSEQUENT EVENTS

Subsequent to the nine-month period ended December 31, 2023, a total of 80,000 stock options with an exercise price of \$2.50 expired unexercised.

Subsequent to the nine-month period ended December 31, 2023, the common shares of the Company were trading on a post-consolidated basis.