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BENZ MINING

C O R P .

Financial Statements

April 30, 2024

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Benz Mining Corp.:

Opinion

We have audited the financial statements of Benz Mining Corp. (the "Company"), which comprise the statements of financial position as at April 30, 2024 and 2023, and the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRSs").

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 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 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had an accumulated deficit of \$32,318,216 and is dependent upon the future receipt of financing to maintain its operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended April 30, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be a key audit matter to be communicated in our auditors' report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets

Description of the matter

We draw attention to Note 2, *Basis of Presentation*, Note 3, *Material Accounting Policy for Impairment*, and Note 6, *Exploration and Evaluation Assets*, to the financial statements. The Company has exploration and evaluation assets with a carrying amount of \$3,903,216 at April 30, 2024.

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At each reporting period, management assesses whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

Management determined that there were no indicators of impairment for its exploration and evaluation assets as at April 30, 2024.

Why the matter is a key audit matter

We considered this a key audit matter due to (i) the significance of the exploration and evaluation assets balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

How the matter was addressed in the audit

In order to address this key audit matter, we evaluated and assessed the reasonableness of management's assessment of impairment indicators, which included the following:

- Confirmed that the Company's right to explore the properties had not expired;
- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment;
- Reviewed exploration budgets and technical reports to assess that further exploration and evaluation work is planned, and tested, on a sample basis, expenditures incurred during the current reporting period to assess that substantive expenditures have occurred;
- Assessed whether sufficient data exists to indicate that the carrying amount of an exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale;
- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit;
- Evaluated management's assessment of impairment indicators;
- Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets; and
- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report.

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

In connection with our audits of the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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.

For the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter, or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Brandon J. David.

A handwritten signature in black ink that reads "Lancaster & David". The script is cursive and fluid.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
July 26, 2024

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Benz Mining Corp.

Statements of Operations and Comprehensive Loss (Expressed in Canadian Dollars)

	Note	Year ended April 30, 2024	Year ended April 30, 2023
Operating costs			
Exploration and evaluation costs	6, 7	\$ 3,848,259	\$ 5,644,976
Listing and filing fees		94,042	93,461
Management and consulting fees	7	483,661	730,030
Office and miscellaneous		164,958	199,176
Professional fees		200,344	116,213
Salaries and wages	7	116,168	-
Reclamation costs	9	179,078	-
Share-based payments	10	434,089	-
Shareholder information		78,429	88,815
Loss from operations		\$ (5,599,028)	\$ (6,872,671)
Other income (expense)			
Accretion expense	9	\$ (4,529)	\$ -
Foreign exchange		(26,616)	78,078
Indemnity and Part XII.6 tax on flow-through shares	8	(1,702,982)	-
Interest income		143,182	119,018
Other income	4	162,508	-
Other expenses	4	(110,851)	-
Reduction of flow-through share premium liability on shortfall of flow-through expenditure commitments	8	730,424	-
Settlement of flow-through share premium liability	8	2,383,411	1,898,613
Net loss and comprehensive loss		\$ (4,024,481)	\$ (4,776,962)
Loss per share - basic and diluted		\$ (0.02)	\$ (0.04)
Weighted average number of shares outstanding - basic and diluted		167,735,987	122,250,955

See accompanying notes to the financial statements

Benz Mining Corp.
 Statements of Financial Position
 (Expressed in Canadian Dollars)

	Note	April 30, 2024	April 30, 2023
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 3,020,475	\$ 10,132,350
Sales taxes recoverable		34,386	537,616
Other receivables	5	550,785	69,837
Prepaid expenses and deposits		111,491	176,891
Total current assets		\$ 3,717,137	\$ 10,916,694
Exploration and evaluation assets	6	3,903,216	2,157,307
Total assets		\$ 7,620,353	\$ 13,074,001
LIABILITIES			
Current Liabilities			
Trade and other payables	7	\$ 171,187	\$ 1,194,390
Flow-through share liability	8	-	3,113,835
Other provisions	7, 9	191,868	-
Total current liabilities		\$ 363,055	\$ 4,308,225
EQUITY			
Common shares	10	\$ 38,352,848	\$ 34,959,037
Equity reserves	10	1,222,666	4,666,769
Deficit		(32,318,216)	(30,860,030)
Total equity		\$ 7,257,298	\$ 8,765,776
		\$ 7,620,353	\$ 13,074,001

Nature of Operations and Going Concern (Note 1)

These financial statements are authorized for issue by the Board of Directors on July 26, 2024

Approved by the Board of Directors:

(Signed) Evan Cranston
 Evan Cranston, Chairman of the Board

(Signed) Mathew O'Hara
 Mathew O'Hara, Director

See accompanying notes to the financial statements

Benz Mining Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Note	Year ended April 30, 2024	Year ended April 30, 2023
Cash Flow from Operating Activities			
Net loss for the year		\$ (4,024,481)	\$ (4,776,962)
Adjustments for non-cash items:			
Accretion expense	9	4,529	-
Share based payments	10	434,089	-
Settlement of flow-through share premium liability	8	(2,383,411)	(1,898,613)
Reduction of flow-through share premium liability on shortfall of flow-through expenditure commitments	8	(730,424)	-
Other expenses	4	110,851	-
Changes in non-cash working capital:			
Sales taxes recoverable		503,230	687,441
Other receivables	5	(591,799)	99,048
Prepaid expenses and deposits		65,400	(120,891)
Trade and other payables		(1,023,203)	(1,350,155)
Other provisions	9	187,339	-
Net cash flows used in operating activities		\$ (7,447,880)	\$ (7,360,132)
Cash Flow from Investing Activities			
Additions to exploration and evaluation assets	6	\$ (1,350,000)	\$ (330,640)
Net cash flows used in investing activities		\$ (1,350,000)	\$ (330,640)
Cash Flow from Financing Activities			
Issuance of common shares for cash, net of costs	10	\$ -	\$ 11,318,870
Proceeds from exercise of warrants	10	1,451,783	3,561,436
Proceeds from exercise of compensation units	10	234,222	160,790
Net cash flows provided by financing activities		\$ 1,686,005	\$ 15,041,096
Net change in cash and cash equivalents		\$ (7,111,875)	\$ 7,350,324
Cash and Cash Equivalents, Beginning of Year		10,132,350	2,782,026
Cash and Cash Equivalents, End of Year		\$ 3,020,475	\$ 10,132,350
Cash and cash equivalents consist of:			
Cash		\$ 2,981,475	\$ 10,093,350
Redeemable guaranteed investment certificate		39,000	39,000
Total Cash and Cash Equivalents		\$ 3,020,475	\$ 10,132,350
Non-cash Investing and Financing Activities:			
Issuance of common shares for E&E assets	6	\$ 395,909	\$ -
Fair value transferred from reserves to share capital upon the exercise of warrants, options and compensation units	10	\$ 1,311,897	\$ 1,605,533
Premium on flow-through shares	8	\$ -	\$ 5,012,448

See accompanying notes to the financial statements

Benz Mining Corp.

Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Note	Common Shares		Equity Reserves	Deficit	Total Equity
		Number	Amount			
Balance, April 30, 2022		110,100,310	\$ 23,648,836	\$ 8,863,788	\$ (28,998,534)	\$ 3,514,090
Common shares issued for cash:						
Private placement	10	16,434,000	11,914,728	-	-	11,914,728
Share issuance costs	10	-	(919,838)	323,980	-	(595,858)
Premium on flow-through shares	8	-	(5,012,448)	-	-	(5,012,448)
Exercise of compensation units	10	2,115,652	353,617	(192,827)	-	160,790
Exercise of warrants	10	29,333,938	4,974,142	(1,412,706)	-	3,561,436
Expiry of warrants	10	-	-	(2,915,466)	2,915,466	-
Net loss for the year		-	-	-	(4,776,962)	(4,776,962)
Balance, April 30, 2023		157,983,900	\$ 34,959,037	\$ 4,666,769	\$ (30,860,030)	\$ 8,765,776
Common shares issued for cash:						
Issuance of common shares for E&E assets	6	1,237,216	395,909	-	-	395,909
Exercise of compensation units	10	1,377,778	438,841	(204,619)	-	234,222
Exercise of warrants	10	8,539,900	2,559,061	(1,107,278)	-	1,451,783
Expiry of compensation units	10	-	-	(18,482)	18,482	-
Expiry of compensation warrants	10	-	-	(331,610)	331,610	-
Expiry of warrants	10	-	-	(359,955)	359,955	-
Expiry of options	10	-	-	(1,856,248)	1,856,248	-
Share based payments	10	-	-	434,089	-	434,089
Net loss for the year		-	-	-	(4,024,481)	(4,024,481)
Balance, April 30, 2024		169,138,794	\$ 38,352,848	\$ 1,222,666	\$ (32,318,216)	\$ 7,257,298

See accompanying notes to the financial statements

Notes to the Financial Statements
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Benz Mining Corp. (the **Company**) was incorporated under the laws of the Province of British Columbia on November 9, 2011. The Company is an exploration and development stage company engaged in the acquisition, exploration and exploitation of mineral properties located in Canada. The Company's head and registered offices are located at Suite 3000 Bentall Four, 1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1K8. The Company's common shares are traded on the TSX-V Exchange (**BZ**), the Frankfurt Exchange (**1VU**) and the Australian Securities Exchange (**BNZ**).

Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will realize its assets and discharge its obligations in the normal course of operations. As at April 30, 2024, the Company has a working capital surplus of \$3,354,082 (2023 – \$6,608,469), and has an accumulated deficit of \$32,318,216 (2023 - \$30,860,030). The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due.

The Company is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is highly speculative and involves inherent risks.

Management believes the Company's cash position will support all of its financial obligations and expected expenditures during the next twelve months. However, the Company expects that it will need to obtain further financing in order to continue exploration activities in the future. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production. There can be no assurance that management will be successful in securing adequate financing. If adequate financing is not obtained, the Company may be required to delay or reduce the scope of any or all of its exploration and development projects.

The Company reported a net loss and total comprehensive loss in the year ended April 30, 2024 of \$4,024,481 (2023 - \$4,776,962). These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements for the year ended April 30, 2024 (**Financial Statements**) have been prepared in accordance with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**) and interpretations of the International Financial Reporting Interpretations Committee (**IFRIC**).

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Basis of measurement

These financial statements are expressed in Canadian dollars, the Company's functional currency, and have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Significant accounting judgements and estimates

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

a) Impairment of exploration and evaluation assets

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

b) Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected life, price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

c) Recognition and measurement of deferred tax assets and liabilities

Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Weight is attached to tax planning opportunities that are within the Company's control and are feasible and implementable without significant obstacles. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets/liabilities.

Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

d) Reclamation provision

The Company assesses its mineral property reclamation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. The assessment of a provision, including the scope of the reclamation work, can be complex and requires management to make judgements.

The Company's provision represents management's best estimate of the present value of the future cash outflows required to settle the liability. Actual costs incurred may differ from those amounts estimated. Factors that affect the final cost of remediation include estimates of the extent and costs of rehabilitation activities, assumptions on the expected timing, technological changes, estimated cost increases, estimates of discount rates, and the requirements under environmental laws and regulations. Changes in the above factors can result in a change to the provision recognized by the Company and could materially impact the amounts recognized in the statements of financial position and charged to operations and comprehensive loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are cashable and readily convertible into a known amount of cash.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss.

Exploration tax credits

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred in the province of Québec and a refundable credit on duties for losses under the Mining Tax Act (Québec). The tax credits are recorded as a reduction to exploration and evaluation expenditures incurred when there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Exploration and evaluation assets

The cost of a property acquired as an individual asset purchase or as part of a business combination represents the property's fair value at the date of acquisition. This cost is capitalized until the viability of the mining property is determined. When it is determined that a property is not economically viable, the amount capitalized is written off which includes expenditures which were capitalized to the carrying amount of the property subsequent to its acquisition.

The Company expenses all costs relating to the exploration for and evaluation of mineral claims until such time as a technical feasibility study has been completed and commercial viability of extracting the mineral resources is demonstrable. Such costs include, but are not limited to, geological, geophysical studies, exploratory drilling and sampling. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation expenses attributable to that area of interest will be capitalized to mineral properties. Costs will continue to be capitalized until the property to which they relate is ready for its intended use, sold, abandoned, or management has determined there is impairment. If economically recoverable reserves are developed, capitalized costs of the property are depleted using the units of production method.

The Company capitalizes acquisition costs related to exploration and evaluation assets.

Impairment

Non-financial assets are reviewed for impairment at the end of each reporting period and throughout the year if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill, any intangible asset with an indefinite useful life, or any intangible asset not yet available for use is tested for impairment annually and whenever there is an indication that the asset may be impaired.

An asset or cash-generating unit's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. Impairment of goodwill cannot be reversed.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Financial instruments

Financial assets and financial liabilities are classified into three categories: Amortized Cost, Fair Value through Other Comprehensive Income (**FVOCI**) and Fair Value through Profit and Loss (**FVPL**). The classification of financial assets is determined by their context in the Company's business model and by the characteristics of the financial asset's contractual cash flows.

Financial assets and financial liabilities are measured at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification.

Cash and cash equivalents, other receivables, and trade and other payables are measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. The financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company has no financial instruments measured at FVPL or FVOCI.

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

Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to passage of time is recognized as accretion expense.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized in other income on the statements of operations and comprehensive loss and the related deferred tax is recognized as a tax provision.

The Company may be required to indemnify the flow-through shareholders for any tax and other costs payable by them if the required exploration expenditures are not incurred before the deadline. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada flow-through regulations. The related interest and penalties for the Part XII.6 tax and any potential costs to indemnify the shareholders are recorded in other expenses on the statements of operations and comprehensive loss.

Unit offerings

The Company has adopted the relative fair value method with respect to the measurement of shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair values of the components. If and when the warrants are ultimately exercised, the applicable amounts are transferred from equity reserves to share capital. If the warrants expire unexercised, the Company will transfer the value attributed to those warrants from equity reserves to deficit.

Share-based payment transactions

The share option plan allows Company employees, directors, and consultants to acquire shares of the Company. All options granted are measured at fair value and are recognized in expenses as share-based payments with a corresponding increase in equity reserves. 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.

The fair value of employee options is measured at grant date, and each tranche is recognized using the graded vesting method 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. For non-employees, share-based payments are measured at the fair value of goods or services received, or the fair value of the equity instruments issued if it is determined that the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the options is accrued and charged either to operations or exploration and evaluation assets, with the offset credit to equity reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. Upon the expiration or cancellation of unexercised stock options, the Company will transfer the value attributed to those stock options from equity reserves to deficit.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. In the Company's case, diluted loss per share is the same as basic loss per share as the effects of including all outstanding options and warrants would be anti-dilutive.

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. 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.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized as equity.

Current tax expense is the expected tax payable on the taxable income for the year, using rates substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced using a valuation allowance.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Recently adopted accounting standards

Amendments to IAS 1 and IFRS Practice Statement 2

The IASB has issued amendments titled ‘*Disclosure of Accounting Policies*’ to IAS 1 and IFRS Practice Statement 2, effective from January 1, 2023. These changes guide entities to prioritize the disclosure of “material” over “significant” accounting policies. The amendments provide clarity on identifying material policies, emphasizing that information can be material due to its inherent nature, even if related amounts are immaterial. Additionally, IFRS Practice Statement 2 has been enhanced to support these changes. The adoption of these amendments resulted in certain changes to the Company’s accounting policy disclosures. The Company’s material accounting policies are disclosed in Note 3 – Material Accounting Policy Information.

Amendments to IAS 8, Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of “accounting estimates”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023, and apply to changes in accounting policies and accounting estimates that occur on or after the start of that period. The amendments are effective for annual periods beginning on or after January 1, 2023. The adoption of these amendments had no impact on the financial statements.

Amendments to IAS 12, Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 to clarify the accounting for deferred tax on transactions such as leases and decommissioning obligations by removing the initial recognition exemption for transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual periods beginning on or after January 1, 2023. The adoption of these amendments had no impact on the financial statements.

Accounting standards issued but not yet effective or adopted

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 which replaces IAS 1. IFRS 18 carries forward many requirements from IAS 1 unchanged but introduces significant changes to how information is communicated in financial statements, in particular the structure of the statement of profit or loss to include defined categories and new defined subtotals, enhanced transparency of management-defined performance measures, and enhanced guidance on how companies group information in the financial statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the potential impact of this new standard but does not expect it to have a material impact on the financial statements.

All other new accounting standards and amendments to existing standards that have been issued and that the Company will be required to adopt in future years are either not applicable or are not expected to have a material impact on the Company’s financial statements.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

4. OTHER INCOME AND EXPENSES

During the year ended April 30, 2024, the Company's Australian goods and services tax (GST) registration was completed. Included in its initial return was a refund for GST which had originally been written off along with the underlying expenditures and related to prior fiscal years. Consequently, the Company recognized a gain related to GST refunded amounting to \$162,508 which has been recorded as other income in the statements of operations and comprehensive loss.

On October 6, 2023, the Company fell victim to a 'Spear Phishing' attack, whereby hackers were able to gain access to a team members' email account and then misrepresent themselves as a key supplier and request changes to the supplier's bank payment details. As soon as the attack was identified the counterparty bank was able to freeze the hacker's account and recover some but not all of the funds. Investigations to trace the remaining funds were unsuccessful. A total of \$110,851 was lost as a result of the attack which has been recorded as other expenses in the statements of operations and comprehensive loss.

5. OTHER RECEIVABLES

Other receivables as at April 30, 2024 and 2023 were as follows:

	April 30, 2024	April 30, 2023
Expenditures recoverable from third parties	\$ 119,311	\$ 172,907
Amounts refundable from suppliers	6,806	13,114
Exploration tax credits recoverable	540,852	-
Total other receivables	666,969	186,021
Less provision for doubtful debts	(116,184)	(116,184)
	\$ 550,785	\$ 69,837

6. EXPLORATION AND EVALUATION ASSETS

The Company has accumulated the following acquisition expenditures:

	Eastmain and Ruby Hill Properties	Windy Mountain Property	Total
Balance, April 30, 2022	\$ 1,815,903	\$ 10,764	\$ 1,826,667
Acquisition costs – cash	329,840	800	330,640
Balance, April 30, 2023	\$ 2,145,743	\$ 11,564	\$ 2,157,307
Acquisition costs – cash	1,350,000	-	1,350,000
Acquisition costs – shares (Note 10(b))	395,909	-	395,909
Balance, April 30, 2024	\$ 3,891,652	\$ 11,564	\$ 3,903,216

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Notes to the Financial Statements (continued)
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During the year ended April 30, 2024, and 2023, exploration and evaluation expenditures, recorded in the statements of operations and comprehensive loss, consisted of the following:

	April 30, 2024	April 30, 2023
Geology (Note 7)	\$ 1,518,461	\$ 970,010
Location/camp services	116,278	779,697
Drilling	1,742,492	2,932,475
Geochemical analysis	572,158	489,939
Geophysics	237,870	241,875
Environment	39,776	39,884
Health and safety	128,643	123,310
Property maintenance	33,433	67,786
Exploration tax credits	(540,852)	-
Total exploration and evaluation costs	\$ 3,848,259	\$ 5,644,976

Eastmain Project and Ruby Hill Properties (Québec)

In August 2019, the Company entered into an option agreement (the **Option Agreement**) to acquire from Fury Gold Mines Limited (formerly Eastmain Resources Inc.) (**Fury Gold** or the **Vendor**), an initial 75% interest (and up to 100%) in the former producing Eastmain Gold project (the **Eastmain Project**) located in James Bay District, Québec. In April 2020, the Company entered into an amending agreement (the **Amending Agreement**) in connection with the Eastmain Project pursuant to which the Company acquired a further option to earn an initial 75% interest (and up to 100%) in the Ruby Hill West and Ruby Hill East properties (collectively, the **Ruby Hill Properties**), located west of the Eastmain Project.

Pursuant to the Option Agreement and Amending Agreement, (collectively the **Amended Agreement**) the Company was required to issue cash and common share payments to the Vendor (the **Option Payments**) totaling \$2,695,000 over a four year period from the effective date of the original Option Agreement. In addition to the Option Payments, the Company issued to Fury Gold 3,000,000 common shares, with a fair value of \$255,000 on October 23, 2019. On May 21, 2020, the Company also issued to Fury Gold an additional 2,000,000 common shares with a fair value of \$360,000 and 4,000,000 share purchase warrants with a fair value of \$539,078. Each warrant enabled the holder to purchase one common share of the Company at a price of \$0.12 per share until April 27, 2023. The warrants were valued using the Black-Scholes pricing model with a share price of \$0.18, risk-free rate of 0.29%, volatility of 117.92% and expected life of 2.93 years. Under the Amended Agreement the Company also committed to incur property expenditures totaling \$3,500,000 over a four year period from the effective date of the original Option Agreement (met).

On October 23, 2023, the Company made the final Option Payments under the Amended Agreement comprising \$1,350,000 in cash and the issuance of 1,237,216 common shares (determined based on the payment value of \$375,000 divided by the prevailing 10-day volume weighted average price (**VWAP**) of the Company's common shares) with a fair value of \$395,909 (Note 10 (b)). Upon making the final Option Payments on October 23, 2023, and having incurred the required property expenditures prior to this date, the Company exercised its' option to acquire a 75% right, title and interest to the Eastmain Project and the Ruby Hill Properties.

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

Under the terms of the Amended Agreement, the Company remains obligated to make the following additional payments to the Vendor on the occurrence of the following events:

- \$1,000,000 (the **First Milestone Payment**) within 5 business days of the earlier of: (i) closing of project financing to develop the Eastmain Project with the intent to place the property (or any part thereof) into commercial production, or (ii) the date that is 24 months after the exercise of the option to acquire 75% interest in the Eastmain Project (being October 23, 2025). If the Company fails to make the First Milestone Payment, Fury Gold will have the right to buy back the Company's 75% interest in the Eastmain Project for \$3,500,000, of which up to \$1,225,000 may be paid in common shares of Fury Gold. Upon payment of the First Milestone Payment the Company's ownership interest in the Eastmain Project increases to 100%; and
- \$1,500,000 within 5 business days of the commencement of commercial production on the Eastmain Project (**Second Milestone Payment**).

The Company may also, at its election, pay up to 25% of the First Milestone Payment and the Second Milestone Payment in common shares of the Company. The number of common shares required to be issued will be determined by the share equivalent of such payment on the date of issuance.

Fury Gold retains a 2% Net Smelter Return (**NSR**) royalty in respect of the Eastmain Project. The Company may, at any time, purchase one half of the NSR royalty, thereby reducing the NSR royalty to a 1% NSR royalty, for \$1,500,000.

Under the terms of the Amended Agreement, the Company has the right to earn an additional 25% interest in the Ruby Hill Properties by paying an additional \$100,000 to Fury Gold by October 23, 2025, which can be paid in cash or by the issuance of common shares at the election of Fury Gold whereby the number of common shares to be issued is based on a payment value of \$500,000 divided by the prevailing 20-day VWAP of the Company's common shares up to a maximum of 500,000 common shares.

Following the acquisition of a 100% interest in the Ruby Hill Properties, Fury Gold will retain a 1% NSR royalty, of which one half may be purchased for \$500,000 thereby reducing it to a 0.5% NSR royalty. The NSR royalty is also offset by any pre-existing royalties which may reduce the royalty burden.

During the year ended April 30, 2023, the Company independently acquired a 100% interest in an additional 124 claims on the Ruby Hill West property for cash totaling \$19,840 and staked an additional 2 claims for registration fees totaling \$340. As at April 30, 2024 the total number of claims held on the Eastmain Project and Ruby Hill Properties totaled 547, covering 28,837.2 hectares (288.37 km²).

During the year ended April 30, 2024, the Company completed exploration and evaluation activities totaling \$3,707,611, net of exploration credits of \$540,852 (2023 - \$5,636,716) on the Eastmain Project and Ruby Hill Properties.

Windy Mountain Property (Québec)

In August 2021, the Company acquired the Windy Mountain property, located in James Bay District, Québec, for cash totaling \$10,764. In September 2022, the Company acquired an additional 5 claims on the Windy Mountain property for cash totaling \$800. As at April 30, 2024, the total claims held on the property were 78, covering 4,109.7 hectares (41.10 km²).

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

During the year ended April 30, 2024, the Company completed exploration and evaluation activities totaling \$140,648 (2023 - \$8,260) on the Windy Mountain property.

7. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are measured at the estimated fair values of the services provided or goods received. Related party transactions not disclosed elsewhere in these financial statements are as follows:

a) Key management compensation

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for years ended April 30, 2024, and 2023 was as follows:

	April 30, 2024	April 30, 2023
Salaries, bonuses, fees and benefits		
Management, director and consulting fees to the officers and directors of the Company (including \$172,840 (2023 - \$181,646) classified with exploration and evaluation costs)	\$ 695,058	\$ 728,153
Share-based payments		
Officers and directors of the Company	356,946	-
	\$ 1,052,004	\$ 728,153

b) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts payable to related parties are unsecured, non-interest bearing, due on demand, and are included in trade and other payables and other provisions:

	April 30, 2024	April 30, 2023
Management fees and provision for accrued vacation	\$ 30,881	\$ 48,240

8. FLOW-THROUGH SHARE PREMIUM LIABILITY

The following is a continuity schedule of the liability portion of the flow-through share issuances.

Balance, April 30, 2022	\$ -
Premium liability incurred on flow-through shares issued (September 2022)	5,012,448
Settlement of flow-through premium liability upon incurring exploration expenditures	(1,898,613)
Balance, April 30, 2023	\$ 3,113,835
Settlement of flow-through premium liability upon incurring exploration expenditures	(2,383,411)
Reduction of flow-through premium liability on shortfall of flow-through expenditure commitments	(730,424)
Balance, April 30, 2024	\$ -

Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

On September 21, 2022, the Company completed a private placement which included 7,929,317 charity flow-through common shares for total proceeds of \$7,000,001 (Note 10(c)). Under the terms of the subscription agreements signed between the Company and the flow-through subscribers, the Company committed to use these funds to incur \$7,000,001 of Canadian and Québec Exploration Expenditures (**CEE/QEE**) which would also qualify for the federal 30% Critical Mineral Exploration Tax Credit (**CMETC**). Under flow-through rules, the Company renounced the CEE/QEE to the subscribers with an effective date of December 31, 2022, and had until December 31, 2023, to incur the CEE/QEE.

The Québec wildfires during the exploration season of 2023 resulted in mandatory evacuations of the area around the Eastmain camp which lead to the Company being unable to fully spend its exploration budget. Consequently, the Company only incurred CEE/QEE of \$5,606,403, with \$4,362,782 qualifying for the CMETC, resulting in a shortfall of \$1,393,598 expenditures as at December 31, 2023. As a result, the flow-through premium liability relating to the shortfall of \$730,424 was recognized as a reduction of flow-through share premium liability on shortfall of flow-through expenditure commitments. In accordance with the flow-through rules, the Company amended the amounts of CEE/QEE and CMETC previously renounced. Under the terms of the subscription agreements, the Company is obligated to indemnify subscribers for the cost of any additional Federal or Provincial income taxes payable as a result of the shortfall. Accordingly, during the year ended April 30, 2024, the Company paid \$1,387,818 in indemnification of tax liabilities to the flow-through share subscribers attributable to each subscriber's proportionate share of the shortfall, which has been recorded in other expenses on the statements of operations and comprehensive loss.

The Company is also subject to interest on flow-through proceeds renounced under the lookback rules in respect of prior years (**Part XII.6 tax**), and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on CEE/QEE. During the year ended April 30, 2024, the Company paid \$315,164 in Part XII.6 tax and penalties. The combined total indemnification of tax liabilities to the flow-through share subscribers and the Part XII.6 tax and penalties of \$1,702,982 has been recorded in other expenses on the statements of operations and comprehensive loss.

9. OTHER PROVISIONS

Other provisions as at April 30, 2024 and 2023 were as follows:

	April 30, 2024	April 30, 2023
Reclamation provision	\$ 183,607	\$ -
Accrued vacation - related party (Note 7)	8,261	-
	\$ 191,868	\$ -

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Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

In October 2023, upon exercising the option to acquire 75% interest to the Eastmain Project and the Ruby Hill Properties, the Company assumed a 75% share in all obligations associated with the properties. On the Eastmain Project, close to the mine camp there is tank farm comprising 38 fuel reservoirs which are subject to ongoing permitting every two years by the Ministry of Natural Resources (the **Ministry**). In September 2023, the Ministry informed the Company that the tank farm permit would not be renewed beyond the current expiration date of August 21, 2025. Consequently, the tank farm will need to be removed and the site cleaned prior to the permit expiration date. The Company has estimated a total provision for the reclamation work to be \$183,607 at April 30, 2024 (2023 - \$Nil) based on the total future liability of \$195,000 (2023 - \$Nil), adjusted for inflation, and a discount rate of 4.65% over a time period to expiry of the existing permit. During the year ended April 30, 2024, the Company recorded accretion expense of \$4,529 (2023 - \$Nil).

10. SHARE CAPITAL

a) Authorized: Unlimited common shares, without par value

Unlimited preferred shares, without par value

b) Issued: During the current year

On October 23, 2023, the Company issued 1,237,216 common shares pursuant to the terms of the Amended Agreement (Note 6) with a fair value of \$395,909.

During the year ended April 30, 2024, the Company issued 1,377,778 common shares and 1,377,778 compensation warrants on the exercise of compensation units for proceeds of \$234,222. The fair value of the share component of these compensation units, totaling \$204,619, was transferred to share capital from reserves.

During the year ended April 30, 2024, the Company issued 7,162,122 common shares on the exercise of warrants and 1,377,778 common shares on the exercise of compensation warrants for total proceeds of \$1,451,783. The fair value of these warrants, totaling \$1,107,278, was transferred to share capital from reserves.

c) Issued: During the previous year

On September 21, 2022, the Company completed a private placement of 16,434,000 common shares, consisting of (i) 7,929,317 charity flow-through common shares issued at a price of \$0.883 per share and 3,945,813 flow through common shares issued at a price of \$0.76 per share, and (ii) 4,558,870 non-flow-through common shares at a price of \$0.42 per share for aggregate gross proceeds of \$11,914,728. The Company incurred share issuance costs of \$595,858 in the form of finders' fees and professional fees in addition to issuing 1,400,000 compensation warrants valued at \$323,980. A premium of \$5,012,448 was allocated to flow-through share premium liabilities, resulting in a corresponding reduction in share capital.

During the year ended April 30, 2023, the Company issued 2,115,652 common shares and 2,115,652 warrants upon the exercise of 2,115,652 compensation units for proceeds of \$160,790. The fair value of the common shares, totaling \$192,827, was transferred to share capital from equity reserves, and the fair value of the warrants, totaling \$176,088, remained in equity reserves. Each warrant issued entitled the holder to purchase one non-flow through common share at a price of \$0.12 per share until April 27, 2023.

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Notes to the Financial Statements (continued)
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During the year ended April 30, 2023, the Company issued 29,333,938 common shares on the exercise of 29,333,938 warrants for proceeds of \$3,561,436. The fair value of these warrants, totaling \$1,412,706 was transferred to share capital from equity reserves.

Escrow shares

As at April 30, 2024 and 2023, an amount of 222,857 common shares are being held in escrow subject to an escrow agreement with Tusk Exploration Ltd. Due to unmet contractual obligations relating to the completion of an option purchase agreement that was relinquished in 2016, these shares continue to be held. The Company plans to cancel the shares held in escrow at a future date.

d) Share purchase warrants

A summary of changes in share purchase warrants is as follows:

	Underlying Shares	Weighted Average Exercise Price
Balance, April 30, 2022	44,865,039	\$ 0.28
Issued	2,115,652	0.12
Expired	(7,628,571)	1.00
Exercised	(29,333,938)	0.12
Balance, April 30, 2023	10,018,182	\$ 0.17
Expired	(2,856,060)	0.17
Exercised	(7,162,122)	0.17
Balance, April 30, 2024	-	\$ -

During the year ended April 30, 2023, the exercise of 2,115,652 compensation units resulted in the issuance of 2,115,652 warrants with an exercise price of \$0.12 per share. These warrants were immediately exercised.

During the year ended April 30, 2024, 2,856,060 share purchase warrants expired unexercised (2023 – 7,628,571). The fair value of these expired share purchase warrants, totaling \$359,955 (2023 - \$2,915,466), was transferred to deficit from equity reserves.

Share purchase warrants outstanding as at April 30, 2024 and 2023, are:

Expiry Date	Exercise Price per Share	Outstanding and Exercisable	
		April 30, 2024	April 30, 2023
June 1, 2023	\$0.17	-	10,018,182
		-	10,018,182

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Notes to the Financial Statements (continued)
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e) Compensation units and warrants

A summary of changes in compensation units and warrants is as follows:

	Compensation Units	Compensation Warrants	Weighted Average Exercise Price
Balance, April 30, 2022	3,555,652	909,090	\$ 0.23
Issued	-	1,400,000	0.63
Exercised	(2,115,652)	-	0.076
Balance, April 30, 2023	1,440,000	2,309,090	\$ 0.46
Issued	-	1,377,778	0.17
Exercised	(1,377,778)	(1,377,778)	0.17
Expired	(62,222)	(909,090)	0.62
Balance, April 30, 2024	-	1,400,000	\$ 0.63

During the year ended April 30, 2024, the Company issued 1,377,778 common shares and 1,377,778 compensation warrants on the exercise of compensation units and 62,222 compensation units and 909,090 compensation warrants expired unexercised. The fair value of these expired compensation units and warrants, totaling \$350,092, was transferred to deficit from equity reserves.

Pursuant to the September 2022 private placement of 16,434,000 common shares, the Company paid finders' fees and professional fees consisting of a cash payment in the aggregate amount of \$595,858 and issued 1,400,000 compensation warrants with a fair value of \$323,980. Each compensation warrant is exercisable at a price of \$0.63 per share until December 21, 2025, and entitles the holder to purchase one common share of the Company.

The following assumptions were used for the Black-Scholes Option Pricing Model valuation of the compensation warrants granted during the year ended April 30, 2023:

	Compensation Warrants
Weighted average assumptions:	
Risk-free interest rate	3.48%
Expected dividend yield	0.00%
Expected option life (years)	3
Expected stock price volatility	96%
Weighted average fair value at measurement date	\$0.23

Compensation units and warrants outstanding as at April 30, 2024 and 2023, are:

Expiry Date	Exercise Price per Share/Unit	Outstanding and Exercisable	
		April 30, 2024	April 30, 2023
June 1, 2023	\$0.17	-	1,440,000
August 31, 2023	\$0.65	-	909,090
December 21, 2025	\$0.63	1,400,000	1,400,000
		1,400,000	3,749,090

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Notes to the Financial Statements (continued)
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f) Stock options

The Company's Equity Incentive Compensation Plan authorizes for the granting of options to directors, officers, employees, and consultants. Pursuant to the terms of the Equity Incentive Compensation Plan, the Board of Directors may from time to time, in its discretion, and in accordance with Exchange policies, grant incentive stock options to purchase the Company's common shares to directors, officers, employees, and consultants. Under the Equity Incentive Compensation Plan, a maximum of 10% of the outstanding shares can be reserved for issuance. The number of shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding shares and the number of shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding shares.

A summary of changes in stock options is as follows:

	Underlying Shares	Weighted Average Exercise Price
Stock options outstanding, April 30, 2022 and 2023	7,305,963	\$0.42
Granted	3,600,000	\$0.40
Expired	(3,900,000)	\$0.64
Stock options outstanding, April 30, 2024	7,005,963	\$0.29
Stock options exercisable, April 30, 2024	7,005,963	\$0.29

On July 3, 2023, the Company granted 600,000 stock options to eligible parties, exercisable at a price of \$0.41 per share for a period of three years. The options vested immediately.

On October 2, 2023 3,900,000 stock options exercisable at \$0.64 per share expired unexercised. The fair value of these expired stock options, totaling \$1,856,248, was transferred to deficit from equity reserves.

On December 18, 2023, the Company granted a total of 3,000,000 stock options to eligible parties, comprising 1,500,000 stock options exercisable at a price of \$0.35 per share for a period of three years and 1,500,000 stock options exercisable at a price of \$0.45 per share for a period of four years. The options vested immediately.

The fair value of stock options issued during the year ended April 30, 2024 was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Weighted average assumptions:	
Risk-free interest rate	3.97%
Expected dividend yield	0.00%
Expected option life (years)	2.43
Expected stock price volatility	79%
Weighted average fair value at measurement date	\$0.10

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Notes to the Financial Statements (continued)
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A summary of stock options outstanding as at April 30, 2024, is as follows:

Number of Stock Options Outstanding	Number of Stock Options Exercisable	Exercise Price	Weighted Average Remaining Contractual Life (in years)	Intrinsic Value	Expiry Date
9,713	9,713	\$3.00	0.72	\$0.00	January 18, 2025
70,000	70,000	\$0.076	0.84	\$0.07	March 3, 2025
2,100,000	2,100,000	\$0.12	0.99	\$0.03	April 27, 2025
1,095,000	1,095,000	\$0.21	1.09	\$0.00	June 1, 2025
600,000	600,000	\$0.41	2.18	\$0.00	July 3, 2026
1,500,000	1,500,000	\$0.35	2.64	\$0.00	December 18, 2026
131,250	131,250	\$0.265	3.34	\$0.00	August 31, 2027
1,500,000	1,500,000	\$0.45	3.64	\$0.00	December 18, 2027
7,005,963	7,005,963		2.07		

g) Performance share units

The Company's Equity Incentive Compensation Plan authorizes for the granting of Performance Share Units (**PSUs**) to directors, officers, employees, and consultants. Pursuant to the terms of the Equity Incentive Compensation Plan, the Board of Directors may from time to time, in its discretion, and in accordance with Exchange policies, grant PSUs in such amounts and upon such terms as the Board shall determine. However, PSUs must have a minimum vesting period of twelve months from the date of grant.

On December 18, 2023, the Company granted 1,000,000 PSUs to an eligible officer. The PSUs were estimated to have a fair value of \$0.23 per share, being the share price on the date of grant, and will vest on December 18, 2024. The Company will recognize the expense over the vesting period and recognized \$84,208 as share-based payments during the year ended April 30, 2024.

h) Share-based payments

During the year ended April 30, 2024, the Company recorded share-based payments related to the grants of stock options and PSUs totaling \$434,089 (2023 - \$Nil), of which \$356,946 (2023 - \$Nil) pertained to directors and officers of the Company.

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11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

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 shares or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the year ended April 30, 2024.

12. FINANCIAL INSTRUMENTS AND RISK

a) Fair values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, other receivables, and trade and other payables. The fair value of the financial instruments approximates their carrying values due to the relatively short-term maturity of these instruments.

b) Credit risk

The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents, sales taxes recoverable and other receivables. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Company's sales taxes recoverable consists primarily of GST receivables from Canada Revenue Agency, Revenu Québec and Australian Taxation Office. The Company's other receivables consist primarily of exploration tax credits receivable from Revenu Québec and expenditures recoverable from third parties.

To reduce the credit risk of expenditures recoverable from third parties, the Company regularly reviews collectability to ensure there is no indication that these amounts will not be fully recoverable. During the year ended April 30, 2024, the Company recognized a provision for doubtful debts of \$nil (2023 - \$116,184) in accordance with IFRS 9, *Financial Instruments*.

Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

The Company's maximum exposure to credit risk is \$3,605,646, which is the carrying value of the Company's cash and cash equivalents, sales taxes recoverable and other receivables at April 30, 2024.

c) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2024, the Company had a cash and cash equivalents balance of \$3,020,475 (2023 - \$10,132,350) to settle current liabilities of \$363,055 (2023 - \$4,308,225).

Historically, the Company's primary source of funding has been the issuance of common shares for cash, primarily through private placements. The Company's access to financing is dependent upon market conditions and market risks. There can be no assurance of continued access to financing.

d) Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at April 30, 2024, the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at April 30, 2024, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately \$220,000 (2023 - \$330,000). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

f) Price risk

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

Notes to the Financial Statements (continued)
(Expressed in Canadian Dollars)

13. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	April 30, 2024	April 30, 2023
Statutory rates	26.5%	26.5%
Loss before income taxes	\$ (4,024,481)	\$ (4,776,962)
Expected income tax recovery at statutory rate	1,066,487	1,265,895
Non-deductible items and permanent differences	(599,506)	(864,493)
Change in valuation allowance	(466,981)	(401,402)
Future income tax recovery	\$ -	\$ -

The significant components of the Company's future income tax assets are as follows:

	April 30, 2024	April 30, 2023
Future income tax asset:		
Non-capital loss carryforwards	\$ 2,680,558	\$ 2,213,577
Exploration expenditure pool	674,533	859,459
Reclamation provision	48,656	-
Undeducted financing costs	180,772	309,921
	3,584,519	3,382,957
Less: valuation allowance	(3,584,519)	(3,382,957)
Net future income tax assets	\$ -	\$ -

The Company has non-capital losses for tax purposes of approximately \$10,116,000 which may be used to reduce future taxable income in Canada. The losses expire in the following years:

Year	Amount
2031	\$ 9,000
2032	4,000
2033	130,000
2034	185,000
2035	330,000
2036	104,000
2037	310,000
2038	1,079,000
2039	627,000
2040	676,000
2041	1,561,000
2042	1,824,000
2043	1,515,000
2044	1,762,000
	<u>\$ 10,116,000</u>

The Company also has available mineral resource related expenditure pools of approximately \$6,450,000, which may be deducted against future taxable income on a discretionary basis.

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MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED APRIL 30, 2024

The following management's discussion and analysis of financial conditions and results of operations (the **MD&A**) has been prepared by management and provides a review of the activities, results of operations, and financial condition of Benz Mining Corp. (the **Company**). This discussion dated July 26, 2024, complements and supplements the Company's audited financial statements and associated notes for the years ended April 30, 2024, and 2023. Please also refer to the cautionary statement of forward-looking information at the end of this document.

All financial information in this MD&A is prepared in accordance with International Financial Reporting Standards (**IFRS**) and reported in Canadian dollars unless otherwise noted. Additional information about the Company is available under the Company's profile at www.sedarplus.ca and www.asx.com.au.

1. COMPANY OVERVIEW AND OVERALL PERFORMANCE

The Company was incorporated under the laws of the Province of British Columbia on November 9, 2011. The Company is an exploration and development stage company engaged in the acquisition, exploration and exploitation of mineral properties located in Canada. The Company's common shares trade on the TSX Venture Exchange under the symbol "BZ", the Frankfurt Exchange under the trading symbol "1VU", and the Australian Securities Exchange under the trading symbol "BNZ".

In August 2019, the Company entered into an option agreement (the **Option Agreement**) to acquire from Fury Gold Mines Limited (formerly Eastmain Resources Inc) (**Fury Gold** or the **Vendor**), an initial 75% interest (and up to 100%) in the former producing Eastmain Gold project (the **Eastmain Project**) located in James Bay District, Quebec. In April 2020, the Company entered into an amending agreement (the **Amending Agreement**) in connection with the Eastmain Project pursuant to which the Company acquired a further option to earn an initial 75% interest (and up to 100%) in the Ruby Hill West and Ruby Hill East properties (collectively, the **Ruby Hill Properties**), located west of the Eastmain Project.

Pursuant to the Option Agreement and Amending Agreement, (collectively the **Amended Agreement**) the Company was required to issue cash and common share payments to the Vendor (the **Option Payments**) totaling \$2,695,000 over a four year period from the effective date of the original Option Agreement. In addition to the Option Payments, the Company issued to Fury Gold 3,000,000 common shares, with a fair value of \$255,000 on October 23, 2019. On May 21, 2020, the Company also issued to Fury Gold an additional 2,000,000 common shares valued at \$360,000 and 4,000,000 share purchase warrants with a fair value of \$539,078. Each warrant enabled the holder to purchase one common share of the Company at a price of \$0.12 per share until April 27, 2023. The warrants were valued using the Black-Scholes pricing model with a share price of \$0.18, risk-free rate of 0.29%, volatility of 117.92% and expected life of 2.93 years. Under the Amended Agreement the Company also committed to incur property expenditures totaling \$3,500,000 over a four year period from the effective date of the original Option Agreement (met).

On October 23, 2023, the Company made the final Option Payments under the Amended Agreement comprising \$1,350,000 in cash and the issuance of 1,237,216 common shares (determined based on the payment value of \$375,000 divided by the prevailing 10-day volume weighted average price (**VWAP**) of the Company's common shares) with a fair value of \$395,909. Upon making the final Option Payments on October 23, 2023 and having incurred the required property expenditures prior to this date, the Company

Management's Discussion and Analysis (continued)

exercised its' option to acquire a 75% right, title and interest to the Eastmain Project and the Ruby Hill Properties.

Under the terms of the Amended Agreement, the Company remains obligated to make the following additional payments to the Vendor on the occurrence of the following events:

- \$1,000,000 (the **First Milestone Payment**) within five 5 business days of the earlier of: (i) closing of project financing to develop the Eastmain Project with the intent to place the property (or any part thereof) into commercial production, or (ii) the date that is 24 months after the exercise of the option to acquire 75% interest in the Eastmain Project (being October 23, 2025). If the Company fails to make the First Milestone Payment, Fury Gold will have the right to buy back the Company's 75% interest in the Eastmain Project for \$3,500,000, of which up to \$1,225,000 may be paid in common shares of Fury Gold. Upon payment of the First Milestone Payment the Company's ownership interest in the Eastmain Project increases to 100%; and
- \$1,500,000 within 5 business days of the commencement of commercial production on the Eastmain Project (**Second Milestone Payment**).

The Company may also, at its election, pay up to 25% of the First Milestone Payment and the Second Milestone Payment in common shares of the Company. The number of common shares required to be issued will be determined by the share equivalent of such payment on the date of issuance.

Fury Gold retains a 2% Net Smelter Return (**NSR**) royalty in respect of the Eastmain Project. The Company may, at any time, purchase one half of the NSR royalty, thereby reducing the NSR royalty to a 1% NSR royalty, for \$1,500,000.

Under the terms of the Amended Agreement, the Company has the right to earn an additional 25% interest in the Ruby Hill Properties by paying an additional \$100,000 to Fury Gold by October 23, 2025, which can be paid in cash or by the issuance of common shares at the election of Fury Gold based whereby the number of common shares to be issued is based on a payment value of \$500,000 divided by the prevailing 20-day VWAP of the Company's common shares up to a maximum of 500,000 common shares.

Following the acquisition of a 100% interest in the Ruby Hill Properties, Fury Gold will retain a 1% NSR royalty, of which one half may be purchased for \$500,000 thereby reducing it to a 0.5% NSR royalty. The NSR royalty is also offset by any pre-existing royalties which may reduce the royalty burden.

During the year ended April 30, 2023, the Company has independently acquired a 100% interest in an additional 124 claims on the Ruby Hill West property for cash totaling \$19,840 and staked an additional 2 claims for registration fees totaling \$340. As at April 30, 2024 the total number of claims held on the Eastmain Project and Ruby Hill Properties totaled 547, covering 28,837.2 hectares (288.37 km²).

In August 2021, the Company acquired the Windy Mountain property, located in James Bay District, Québec, for cash totaling \$10,764. In September 2022, the Company acquired an additional 5 claims on the Windy Mountain property for cash totaling \$800. As at April 30, 2024, the total claims held on the property were 78, covering 4,109.7 hectares (41.10 km²).

2. GOING CONCERN UNCERTAINTY

The Company's financial statements have been prepared on a going concern basis, which assumes that the Company will realize its assets and discharge its obligations in the normal course of operations. As at April 30, 2024, the Company has a working capital surplus of \$3,354,082 (2023 – \$6,608,469). The

Management's Discussion and Analysis (continued)

Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due.

The Company is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is highly speculative and involves inherent risks.

Management believes the Company's cash position will support all of its financial obligations and expected expenditures during the next twelve months. However, the Company expects that it will need to obtain further financing in order to continue exploration activities in the future. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production. There can be no assurance that management will be successful in securing adequate financing. If adequate financing is not obtained, the Company may be required to delay or reduce the scope of any or all of its exploration and development projects.

The Company reported a net loss and total comprehensive loss in the year ended April 30, 2024 of \$4,024,481 (2023 - \$4,776,962). These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

3. OPERATIONS

Eastmain Project Background

The Eastmain Project is located approximately 750km northeast of Montreal and 316km northeast of Chibougamau and comprises 155 contiguous mining claims each with an area of approximately 52.7 ha, covering a total of 8,172.71 ha plus one industrial lease permit. It is accessible by road via the Route 167 extension, a permanent all-season road, and is serviced by an existing camp, all season gravel roads, and an airstrip. The Eastmain Project benefits from access to Chibougamau (population of 7,541) that serves as the main centre of communications and supplies for the area.

The Eastmain Project has a history of significant exploration that has been undertaken intermittently since Placer Development Limited's initial discovery of the Eastmain deposit in 1969/1970. At this time the gold-silver-copper bearing A Zone was intersected while drill-testing an airborne geophysical conductor. Subsequent drill testing of airborne conductors in the 1980's defined two additional gold-rich zones known as the B and C Zones. In 1987, the Placer and MSV Resources Inc. joint venture completed underground development on the Eastmain deposit including an 826.2 m decline, 226.2 m of sub-level drifting, and 95.5m of raising. In 1994 to 1995, MSV Resources Inc. mined 118,356 tonnes grading 10.58 g/t Au and 0.3% Cu by room and pillar mining. The mineralization was processed at the Copper Rand Mine in Chibougamau, and 40,000 oz of Au was recovered. Fury Gold. acquired a 100% interest in the Eastmain Project from Campbell Resources Inc. in 2007.

On August 7, 2019, the Company entered into the Option Agreement with Fury Gold followed by the Amending Agreement on April 30, 2020. Upon making the final Option Payments on October 23, 2023 and

Management's Discussion and Analysis (continued)

having incurred the required property expenditures prior to this date, the Company exercised its' option to acquire a 75% interest in the Eastmain Project and the Ruby Hill East and West properties.

Ruby Hill Properties Background

The Ruby Hill East property is located within the upper Eastmain greenstone belt of James Bay, Québec where the Eastmain Gold deposit is located. The Stornoway diamond mine is located about 80 km north of the property. The Ruby Hill East property consists of 88 mineral claims (4,640 ha) in a single block contiguous to the west with the Eastmain Mine Project. Fury Gold completed drill programs in 2008 and in 2016. In 2008, eight holes were drilled totalling 1,263m. In 2016, five diamond drill holes were completed totalling 1,044m.

The Ruby Hill West property is located approximately 800 km north of Montreal, 320 km north-northeast of Chibougamau and 160 km north of Temiscamie, Québec. The Ruby Hill West property consists of 302 contiguous claim cells (15,919.18 ha) in a single block. The eastern boundary of the property is located approximately 18km west of the Eastmain Project and 10 km from highway 167 North. The Ruby Hill West property is helicopter accessible from the base camp on the Eastmain Project.

Fury Gold commenced exploration in 2005, completed a drill program testing airborne geophysical targets in 2008 and a surface prospecting program in 2016. In 2008, 21 holes were drilled totalling 3,648 m. The 2016 work program consisted of geological mapping and prospecting. A total of 237 outcrops were described and 158 grab samples were collected. From the 158 collected samples, seven returned gold values >100 ppb, amongst which four assayed >1 g/t gold. The best gold value obtained is 18.15 g/t.

In the western part of the Ruby Hill West property, samples of a spodumene-bearing pegmatite dyke returned values of 0.50% to 2.19% lithium with very anomalous tantalum, cesium and rubidium values.

Exploration Activities at Eastmain Project

On May 23, 2023, the Company announced an updated independent Mineral Resource Estimate (**MRE**) on the Eastmain Project. The updated MRE has been possible following extensive drilling campaigns on the Eastmain Mine Shear Zone during 2021/22.

The updated MRE for the Eastmain Project, prepared by P&E Mining Consultants Inc. (**P&E**) has been estimated at 621 koz Inferred and 384 koz Indicated gold at respective grades of 5.1 and 9.0 g/t Au.

Table 1: Eastmain Project Updated Mineral Resources at 2.5 g/t Au Cut-off.

Classification	Tonnes (Mt)	Au (g/t)	Au (koz)
Indicated	1.3	9.0	384
Inferred	3.8	5.1	621

Notes:

1. The Mineral Resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by CIM (2019).
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
4. The underground Mineral Resources in this estimate have been reported using a 2.5 g/t lower cut-off based on US\$1,800/oz Au, 0.77 US\$ FX, 95% process recovery and costs of C\$125/t mining, C\$40/t processing and \$15/t G&A. Up-dip cut-and-fill mining is envisioned for extracting mineralization at Eastmain.
5. The Eastmain Zones have been classified as Indicated and Inferred according to drill spacing and two grade estimation passes. Underground Mineral Resources have been classified manually within a constraining volume to remove isolated areas not satisfying reasonable prospects for eventual economic extraction ("RPEEE") and have been reported using an approximate 2 m minimum down hole intercept.

Management's Discussion and Analysis (continued)

6. Historical workings were depleted from the Mineral Resource model.
7. The bulk density of 2.95 t/m³ has been applied based on measurements taken on the drill core with Au values equal or greater than 2.0 g/t. This value was assigned to the block model.
8. The MRE is based on a block model with a parent block size in mineralized domains of 10 m x 10 m x 10 m with subcells as small as 0.5 m.
9. Tonnage and grades have been expressed in the metric system, and gold metal content has been expressed in troy ounces.
10. The tonnages have been rounded to the nearest 100 kt and the metal content has been rounded to the nearest 1 k ounces. Gold grades have been reported to one decimal place.

This MRE is an update from the previously reported NI 43-101 compliant MRE (2019) of 236.5 koz indicated and 139.3 koz of inferred at respective grades of 8.19 g/t Au and 7.48 g/t Au on the Eastmain Project. This updated MRE was prepared and is reported in accordance with NI 43-101 and JORC 2012 and is effective as of May 24, 2023. The Company engaged International Resource Solutions of Australia and P&E of Canada to prepare the updated MRE of the Eastmain Project. The updated MRE is based on 383 diamond drill holes totalling 103,444 m.

The MRE is sensitive to the selection of a reporting Au cut-off value, as demonstrated in Table 2.

Table 2: Mineral Resource Estimate Sensitivity to Au Cut-off Grade.

Cut-off Au (g/t)	Indicated			Inferred		
	Tonnes (Mt)	Au (g/t)	Au (koz)	Tonnes (Mt)	Au (g/t)	Au (koz)
4.5	1.0	10.5	351	1.6	7.4	370
4.0	1.1	10.0	362	2.1	6.6	444
3.5	1.2	9.6	371	2.6	6.0	510
3.0	1.3	9.3	380	3.3	5.5	576
2.5	1.3	9.0	384	3.8	5.1	621
2.0	1.4	8.6	392	4.7	4.6	685
1.5	1.5	8.4	393	5.5	4.1	733
1.0	1.5	8.3	394	6.0	3.9	755

Notes 1 – 10 below Table 1 also above apply.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Mineral Resource Estimates do not account for mineability, selectivity, mining loss and dilution. Inferred Mineral Resources are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Indicated Mineral Resources will be converted into Mineral Reserves, once economic considerations are applied; or that Inferred Mineral Resources will be converted to Measured and Indicated classifications through further drilling, or into Mineral Reserves, once economic considerations are applied.

During July 2023, the Company reported that 45 diamond drill holes were drilled for a total of 17,965m¹. The drilling program was designed to extend the gold deposit to the northern part of the property and to explore outside of the known mine area and along the northwestern trend that includes the Suzanna, Michel and Julien prospects whilst the Company was waiting for assays from additional drilling done over the zones the subject of the May 2023 resource upgrade.

¹ Refer release dated 27 July 2023: New High-Grade Gold and Copper Discoveries on the Eastmain Project.

Management's Discussion and Analysis (continued)

The drilling program followed a strategy of targeting previously identified time domain electromagnetic anomalies at the Eastmain Mine area and Induced Polarisation at the Julien, Suzanna and Michel prospect areas, to follow the best geophysical response, interpreted to be caused by sulphide rich gold mineralisation. The Company was pleased to report new high-grade discoveries on the Suzanna and Michel prospects, including a new copper-gold discovery, including:

- 4.85m at 7.50 g/t and 1.91% Cu from 76.65m (EM22-272); and
- 3.40m at 9.32 g/t from 264.10m at Suzanna (EM22-260).

Both holes are located in a wide-open area with very few drill holes at Michel (EM22-272) and Suzanna (EM22-260).

In addition, drilling at Zone E yielded several positive intersections that should result in the expansion of the gold mineralisation in that area. It is also anticipated that Zone NW will continue to expand with the new results indicating continuance towards the northwest and the north that will be investigated by further drilling. While no further specific ground exploration activities were completed at the Eastmain Project following this program, efforts were focused on a desktop targeting study to identify new exploration targets within the Eastmain Project tenure.

Exploration Activities at Ruby Hill Properties

In late May 2023, mapping and prospecting work led to the discovery of the new Mikisiw area of outcrops and blocks of spodumene bearing LCT (lithium-cesium-tantalum) pegmatite. Further mapping then uncovered a third spodumene bearing outcrop approximately 2km west of Mikisiw.

Drilling on the Ruby Hill West (**RHW**) and Mikisiw pegmatite targets concluded in early November 2023 and results were received and interpreted². The drill program consisted of 19 holes for approximately 2,940m via a single helicopter supported diamond drill rig. An additional 58.95m of trench channel samples were also completed targeting visible pegmatite outcrops.

Results show we have a significant LCT pegmatite system at the RHW property with drilling uncovering multiple thick LCT pegmatite dykes. While the thicknesses and fertility indicators are highly encouraging, the individual pegmatite dykes exhibit internal zonation, moving from spodumene rich to spodumene poor zones over short distances. Importantly, all the ingredients for a major lithium discovery still exist on the Ruby Hill West property, with over 25km of mostly unexplored prospective lithium trend remaining to be tested. The geological setting still suggests that additional discoveries are likely, with further work needed on uncovering the spodumene rich parts of the system.

Drilling followed up on the previously announced intersection of **26.1m at 1% Li₂O** from hole RHW22-006³. Hole RHW23-025 targeted the down dip extension of RHW22-006, and intersected **10.7m at 0.67% Li₂O**, within a greater **21.3m** LCT pegmatite. Trenching uncovered **19.5m at 1.13%** in RHW23CH-004, which significantly increased the mineralised zone of the pegmatite. The RHW pegmatites form a series of subparallel pegmatite dykes that typically dip 50 to 60 dg to the NW, changing to sub-horizontal near surface. The pegmatite dykes appear to closely follow the contacts of a differentiated mafic-ultramafic sill.

² Refer release dated 13 February 2024: Ruby Hill West 2023 Drill Results.

³ Refer release dated 29 April 2022: Multiple Spodumene Pegmatites Intersected in Maiden Drill Program at Ruby Hill West.

Management's Discussion and Analysis (continued)

At the Mikisiw (**M2**) target, drilling intersected a stacked sequence of LCT pegmatites. Similar to RHW, there is evidence of internal zonation. Drillhole RHW-017 hit **11.11 at 0.56% Li₂O** within a wider **32.62m** pegmatite intersection. Several other thick pegmatite dykes were intersected showing encouraging lithium fertility indicators, however, did not intersect mineralised spodumene zones. Attention will now turn to vectoring into the spodumene rich zones within this stacked LCT pegmatite system.

LCT pegmatites on the RHW property are spatially associated with both mafic-ultramafic intrusions following D1 shearing and Late NE-SW and NW-SE structures. The intersection of these 2 trends is a potential trap for the more prospective LCT pegmatites. With this criterion, there are clear upside exploration targets at the RHW pegmatite. The prospective mafic-ultramafic sill combined with late structures is interpreted to extend for up to 2km either side of the known pegmatite intersections providing an immediate target for strike extension.

Next Steps

The Eastmain Project remains a focus for the Company with a gold targeting review still in progress. The review is focused on both the high-grade structural trends of the Eastmain Mine, and district-scale tier 1 opportunities within the tenement package. The Upper Eastmain belt remains underexplored and is in the right geological setting for a new significant gold discovery. LCT pegmatite geochemistry and structural review of the belt is currently being conducted to better understand and predict / vector into where spodumene rich pegmatites occur. Management is also actively reviewing new opportunities worldwide to strategically expand our portfolio and enhance shareholder value.

Corporate Activities

During the year ended April 30, 2024, the Company issued 1,377,778 common shares and 1,377,778 compensation warrants on the exercise of 1,377,778 compensation units for proceeds of \$234,322 and a further 8,539,900 common shares on the exercise of 7,162,122 warrants and 1,377,778 compensation warrants for total proceeds of \$1,451,783.

On October 23, 2023, the Company made the final Option Payments under the Amended Agreement comprising \$1,350,000 in cash and the issuance of 1,237,216 common shares (determined based on the payment value of \$375,000 divided by the prevailing 10-day VWAP of the Company's common shares) with a fair value of \$395,909. Upon making the final Option Payments on October 23, 2023, and having incurred the required property expenditures prior to this date, the Company exercised its' option to acquire a 75% right, title and interest to the Eastmain Project and the Ruby Hill Properties. Under the Amended Agreement, the Company also has the option to acquire the remaining 25% (for a total interest of 100%) in the Eastmain Project and the Ruby Hill Properties.

On November 17, 2023, the Company appointed Mark Lynch-Staunton as its Chief Development Officer to drive expansion of the Eastmain Project and Ruby Hill Properties.

On December 8, 2023, the Company held its Annual General Meeting (**AGM**). At the AGM, the following directors were re-elected: Evan Cranston, Mathew O'Hara, Nicholas Tintor and Peter Williams. In addition, shareholders of the Company re-approved the Company's Omnibus Equity Incentive Compensation Plan as described in the management information circular dated November 3, 2023 as well as the re-appointment of Lancaster & David, Chartered Professional Accountants as the auditor of the Company for the ensuing fiscal year, the approval of the 10% Placement Facility and the ratification of the prior issue of Shares to Fury Gold Mines Limited, all as described in the management information circular.

Management's Discussion and Analysis (continued)

4. SELECTED ANNUAL INFORMATION

	2023	2022	2022
Net loss	\$ (4,024,481)	\$ (4,776,962)	\$ (12,636,747)
<i>Basic and diluted loss per share</i>	(0.02)	(0.04)	(0.12)
Total assets	7,620,353	13,074,001	6,058,635
Total liabilities	363,055	4,308,225	2,544,545

For the year ended April 30, 2024, the Company had a net loss of \$4,024,481 compared to a net loss of \$4,776,962 in the prior year. The decrease in net loss from the prior year primarily resulted from the impacts of the Québec wildfires during the exploration season of 2023. These resulted in mandatory evacuations of the area around the Eastmain camp which lead to the Company being unable to fully spend its calendar year 2023 exploration budget. As a result, exploration and evaluation expenditures incurred were reduced year on year to \$3,848,259 (includes reduction of \$540,852 from exploration tax credits receivable) from \$5,644,976. While the overall activity of flow-through eligible expenditures in the year caused an increase in the settlement of the flow-through share premium liability credited to net loss to \$2,383,411 from \$1,898,613, this was offset by the indemnification of tax liabilities to the flow-through share subscribers and Part XII.6 tax and penalties of \$1,702,982 resulting from the shortfall of flow-through expenditures as the wildfires prevented the Company from fulfilling its flow-through expenditure commitments prior to the deadline of December 31, 2023. The remaining flow-through premium liability relating to the shortfall of \$730,424 was recognized as a reduction of flow-through share premium liability on shortfall of flow-through expenditure commitments

Exploration and evaluation expenditures for the Eastmain, the Ruby Hill East and West and the Windy Mountain projects combined, for the years ending April 30, 2024 and 2023, consisted of the following:

	April 30, 2024	April 30, 2023
Geology	\$ 1,518,461	\$ 970,010
Location/camp services	116,278	779,697
Drilling	1,742,492	2,932,475
Geochemical analysis	572,158	489,939
Geophysics	237,870	241,875
Environment	39,776	39,884
Health and safety	128,643	123,310
Property maintenance	33,433	67,786
Exploration tax credits	(540,852)	-
Total exploration and evaluation costs	\$ 3,848,259	\$ 5,644,976

For the year ended April 30, 2024, the Company had total assets of \$7,620,353 compared to total assets of \$13,074,001 in the prior year. The decrease in net assets from the prior year primarily resulted from a decrease in financing activities as discussed below (refer section 6).

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Management's Discussion and Analysis (continued)

5. REVIEW OF FINANCIAL RESULTS

Summary of Quarterly Results

	Apr. 30, 2024	Jan. 31, 2024	Oct. 31, 2023	Jul. 31, 2023	Apr. 30, 2023	Jan. 31, 2023	Oct. 31, 2022	Jul. 31, 2022
Interest income	\$19,443	\$ 25,578	\$ 38,082	\$ 60,079	\$60,132	\$53,094	\$ 3,058	\$ 2,734
Operating loss	(936,572)	(376,014)	(2,542,805)	(1,743,637)	(3,561,977)	(1,243,739)	(717,977)	(1,348,978)
Net loss	(886,408)	(387,255)	(1,360,372)	(1,390,446)	(2,190,019)	(679,764)	(558,748)	(1,348,431)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)	(0.00)	(0.01)

Quarter Ended April 30, 2024, compared with the Quarter Ended April 30, 2023.

During the quarter ended April 30, 2024, the Company had a net loss of \$886,408 compared to a net loss of \$2,190,019 for the quarter ended April 30, 2023. The difference between these two quarters is primarily due to the following:

- Decrease in exploration and evaluation costs of \$3,191,564 related to the Eastmain, Ruby Hill East and Ruby Hill West drilling programs (including an increase in exploration tax credits receivable of \$85,852)
- Increase in reclamation costs of \$179,078
- Increase in share-based payments recognised of \$318,349
- Increase in salaries and wages of \$65,009
- Decrease in settlement of flow-through share premium liability of \$1,365,852

Explanation of Quarterly Results

During the three months ended April 30, 2024, the Company recorded an operating loss of \$936,572 and net loss of \$886,408. Net loss was mainly comprised of exploration and evaluation costs of \$142,166, reclamation costs of \$179,078, management and consulting fees of \$111,701, share-based payments of \$318,349, salaries and wages of \$65,009, professional fees of \$61,759 offset by interest income of \$19,443.

During the three-months ended January 31, 2024, the Company recorded an operating loss of \$376,014 and net loss of \$387,255. Net loss was mainly comprised of exploration and evaluation costs of \$50,803, management and consulting fees of \$127,821, office and miscellaneous expenses of \$43,257, salaries and wages of \$51,159 and professional fees of \$61,051 offset by settlement of flow-through share premium liability of \$861,576, and interest income of \$25,578. However, in addition, during the quarter there were a number of one-off transactions impacting net loss:

- i. The Québec wildfires during the exploration season of 2023 resulted in mandatory evacuations of the area around the Eastmain camp which lead to the Company being unable to fully spend its exploration budget. Consequently, the Company realized a shortfall on its Canadian and Québec Exploration Expenditures (CEE/QEE) commitments related to its September 21, 2022 flow-through financing (refer section 6 below). In accordance with the flow-through rules, the Company amended the amounts of CEE/QEE and the federal 30% Critical Mineral Exploration Tax Credit (CMETC) previously renounced to the flow-through share subscribers. Under the terms of the subscription agreements, the Company is obligated to indemnify subscribers for the cost of any additional Federal or Provincial income taxes payable as a result of the shortfall. Accordingly, during the quarter, the

Management's Discussion and Analysis (continued)

Company realized a loss of \$1,387,818 relating to the indemnification of tax liabilities to the flow-through share subscribers attributable to each subscriber's proportionate share of the shortfall. The Company is also subject to interest on flow-through proceeds renounced under the lookback rules in respect of prior years (**Part XII.6 tax**), and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on CEE/QEE. During the quarter, the Company realized a loss of \$315,164 relating to Part XII.6 tax and penalties.

- ii. During the quarter, the Company's Australian GST registration was completed. Included in its initial return was a refund for GST which had originally been written off along with the underlying expenditures and related to prior fiscal years. Consequently, during the quarter, the Company recognized a gain related to GST refunded amounting to \$162,500 which has been recorded as part of net loss for the quarter.
- iii. During the quarter, the Company fell victim to a 'Spear Phishing' attack, whereby hackers were able to gain access to a team members' email account and then misrepresent themselves as a key supplier and request changes to the supplier's bank payment details. As soon as the attack was identified the counterparty bank was able to freeze the hacker's account and recover some but not all of the funds. Investigations to trace the remaining funds were unsuccessful. Additional internal controls have now been implemented designed to prevent this incident from recurring. A total of \$110,851 was lost as a result of the attack which has been recorded as part of net loss for the quarter.
- iv. The Company is entitled to receive Québec Resource Tax Credits and Québec Mining Duties at the rates of 38.75% and 16% respectively on certain eligible exploration expenditures incurred in Québec. During the quarter, the Company recognized the estimated tax credits receivable of \$455,000 as a reduction to exploration and evaluation expenditures incurred.

During the three-months ended October 31, 2023, the Company recorded an operating loss of \$2,542,805 and net loss of \$1,360,372. Net loss was mainly comprised of exploration and evaluation costs of \$2,301,104, management and consulting fees of \$114,243, office and miscellaneous expenses of \$54,714, foreign exchange loss of \$35,484, offset by settlement of flow-through share premium liability of \$1,179,835 and interest income of \$38,082.

During the three-months ended July 31, 2023, the Company recorded an operating loss of \$1,743,637 and net loss of \$1,390,446. Net loss was mainly comprised of exploration and evaluation costs of \$1,354,186, management and consulting fees of \$129,846, share-based payments of \$115,740, foreign exchange loss of \$48,888, offset by settlement of flow-through share premium liability of \$342,000 and interest income of \$60,079.

During the three months ended April 30, 2023, the Company recorded an operating loss of \$3,561,977 and net loss of \$2,190,019. Net loss was mainly comprised of exploration and evaluation costs of \$3,333,730, management and consulting fees of \$136,376, foreign exchange loss of \$54,026, offset by settlement of flow-through share premium liability of \$1,365,852 and interest income of \$60,132.

During the three months ended January 31, 2023, the Company recorded an operating loss of \$1,243,739 and net loss of \$679,764. Net loss was mainly comprised of exploration and evaluation costs of \$897,318, management and consulting fees of \$203,467, office and miscellaneous expense of \$65,728, offset by settlement of flow-through share premium liability of \$408,073, foreign exchange gain of \$102,808 and interest income of \$53,094.

Management's Discussion and Analysis (continued)

During the three months ended October 31, 2022, the Company recorded an operating loss of \$717,977 and net loss of \$558,748. Net loss was mainly comprised of exploration and evaluation costs of \$383,532, management and consulting fees of \$203,279, office and miscellaneous expense of \$71,273, offset by settlement of flow-through share premium liability of \$124,688.

During the three months ended July 31, 2022, the Company recorded an operating loss of \$1,348,978 and net loss of \$1,348,431. Net loss was mainly comprised of exploration and evaluation costs of \$1,030,396 and management and consulting fees of \$186,908.

6. LIQUIDITY AND CAPITAL RESOURCES

A summary of the Company's working capital balances is as follows:

	April 30, 2024	April 30, 2023
Cash and cash equivalents	3,020,475	10,132,350
Sales taxes recoverable	34,386	537,616
Other receivables	550,785	69,837
Prepaid expenses and deposits	111,491	176,891
Trade and other payables	(171,187)	(1,194,390)
Flow-through share premium liability	-	(3,113,835)
Other provisions	(191,868)	-
Working Capital	3,354,082	6,608,469

The changes in working capital are primarily due to operating activities, as discussed in the previous section, and investing and financing activities as detailed below.

Cash Used in Investing Activities

Year ended April 30, 2024

The Company made cash payments of \$1,350,000 pursuant to the terms of the Eastmain amended option agreement.

Year ended April 30, 2023

The Company made cash payments of \$310,000 pursuant to the terms of the Eastmain amended option agreement and also made cash payments of \$19,840 and \$800 to acquire additional claims on the Ruby Hill West and Windy Mountain projects, respectively.

Cash From Financing Activities

Year ended April 30, 2024

During the year ended April 30, 2024, the Company issued 1,377,778 common shares and 1,377,778 compensation warrants on the exercise of 1,377,778 compensation units for proceeds of \$234,222.

During the year ended April 30, 2024, the Company issued 7,162,122 common shares on the exercise of 7,162,122 warrants and 1,377,778 common shares on the exercise of compensation warrants for total proceeds of \$1,451,783.

Year ended April 30, 2023

On September 21, 2022, the Company completed a private placement of 16,434,000 common, consisting of (i) 7,929,317 charity flow-through common shares issued at a price of \$0.883 per share and 3,945,813 flow through common shares issued at a price of \$0.76 per share, and (ii) 4,558,870 non-flow-through common shares at a price of \$0.42 per share for aggregate gross proceeds of \$11,914,728. The Company

Management's Discussion and Analysis (continued)

incurred share issuance costs of \$595,858 in the form of finders' fees and professional fees in addition to issuing 1,400,000 compensation warrants valued at \$323,980.

During the year ended April 30, 2023, the Company issued 2,115,652 common shares and 2,115,652 warrants upon the exercise of 2,115,652 compensation units for proceeds of \$160,790. Each warrant issued entitled the holder to purchase one non-flow through common share at a price of \$0.12 per share until April 27, 2023.

During the year ended April 30, 2023, the Company issued 29,333,938 common shares on the exercise of 29,333,938 warrants for proceeds of \$3,561,436.

7. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements other than those discussed above.

8. RELATED PARTY TRANSACTIONS

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for years ended April 30, 2024 and 2023 was as follows:

	April 30, 2024	April 30, 2023
Salaries, bonuses, fees and benefits		
Management, director and consulting fees to the officers and directors of the Company (including \$172,840 (2023 - \$181,646) classified with exploration and evaluation costs)	\$ 695,058	\$ 728,153
Share-based payments		
Officers and directors of the Company	356,946	-
	\$ 1,052,004	\$ 728,153

In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts payable to related parties are unsecured, non-interest bearing, due on demand, and are included in trade and other payables:

	April 30, 2024	April 30, 2023
Management fees and provision for accrued vacation	\$ 30,881	\$ 48,240

9. PROPOSED TRANSACTIONS

As is typical of the mining industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, other receivables, and trade and other payables. The fair value of these financial instruments approximates their carrying value due to

Management's Discussion and Analysis (continued)

the relatively short-term maturity of these instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity, foreign exchange, interest and price risks arising from these financial instruments. For a summary of how the Company manages these risks, please refer to Note 12 of the audited annual financial statements for the year ended April 30, 2024.

11. ADDITIONAL DISCLOSURES

Additional Disclosure for Venture Issuers without Significant Revenue

Detail regarding material items within general and administrative expenses has been provided throughout this document.

Outstanding Shares

Authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at the date of this MD&A, the Company had the following issued and outstanding common shares and unexercised stock options, warrants and agent compensation options:

	Shares and Potential Shares
Common shares outstanding	169,138,794
Stock options (weighted average exercise price \$0.29)	7,005,963
Warrants (weighted average exercise price - \$Nil)	-
Compensation units and warrants (weighted average exercise price \$0.63)	1,400,000
Performance share units (weighted average exercise price \$Nil)	1,000,000
Total common shares and potential common shares	178,544,757

As at April 30, 2024, an amount of 222,857 common shares were held in escrow subject to an escrow agreement with Tusk Exploration Ltd. Due to unmet contractual obligations relating to the completion of an option purchase agreement that was relinquished in 2016, these shares continue to be held. The Company plans to cancel the shares held in escrow at a future date.

Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Critical Judgements and Estimates

The financial statements are prepared in accordance with IFRS. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that has the most significant effect on the amounts recognized in the

Management's Discussion and Analysis (continued)

Company's financial statements are the impairment of exploration and evaluation assets, the valuation of share-based payments and the valuation of deferred tax assets and liabilities.

For a summary of significant accounting judgements and estimates, please refer to Note 2 of the audited annual financial statements for the year ended April 30, 2024. Management believes it has made estimates that best reflect the facts and circumstances, however, actual results may differ from estimates.

Management Changes

On September 30, 2022, Paul Fowler resigned as Head of Corporate Development (Canada).

On January 27, 2023, Xavier Braud resigned from his role as Chief Executive Officer and Head of Corporate Development (Australia). Evan Cranston, Executive Chairman, agreed to act as the Interim Chief Executive Officer until the Board makes a permanent appointment to the position.

On February 1, 2023, Daniella Tintor was appointed Corporate Secretary (Canada) replacing Mathew O'Hara who filled the role in an interim position.

On November 17, 2023, Mark Lynch-Staunton was appointed Chief Development Officer.

12. RISKS AND UNCERTAINTIES

Our business, operating, and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our Company. Additional risks not presently known, or that the Company currently deems immaterial, may also impair our business operations. If any such risks actually occur, the financial condition, liquidity, and results of operations of the Company as well as the ability of the Company to implement its growth plans could be materially adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

Limited Operating History

The Company is a relatively new company with limited operating history and no history of business or mining operations, revenue generation, or production history. The Company was incorporated on November 9, 2011 and has yet to generate a profit from its activities. The Company is subject to all the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development, and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few properties, which are explored, are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature, and there can be no assurance that any minerals discovered will be discovered in sufficient quantities to warrant commercial exploitation. The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development, and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding, and other conditions involved in the extraction of material, any of which could result in damage to, or

Management's Discussion and Analysis (continued)

destruction of, mines and other producing facilities, damage to life or property, environmental damage, and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations, and financial performance of the Company.

Substantial Capital Requirements and Liquidity

Substantial additional funds will be required and there can be no assurances given that the Company will be able to raise the necessary funds. To meet such funding requirements, the Company may undertake additional equity financing, which would be dilutive to shareholders. There is no assurance that additional financing will be available on terms acceptable to the Company, or at all. If the Company is unable to obtain additional financing as needed, it may be required to discontinue operations.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other mining companies, many of which have greater financial, technical, and other resources than the Company, for, among other things, the acquisition of minerals claims, leases, and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Company is currently largely dependent upon the performance of its directors and officers, and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Fluctuating Mineral Prices and Marketability of Minerals

The market price of any mineral is volatile and affected by many factors beyond the Company's control, including but not limited to: international supply and demand, consumer product demand levels, international economic trends, commodity prices, operations costs, variations in mineral grade, fluctuations in the market price of minerals, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events, and international events as well as a range of other market forces. Depending on the price of certain minerals, the Company may determine that it is impractical to continue its mineral exploration or development operations, if any. Sustained downward movements in mineral market prices could render less economic, or uneconomic, some or all of the mineral extraction and/or exploration activities to be undertaken by the Company. The marketability of minerals is affected by factors such as government regulation of mineral prices, royalties, allowable production, and the importation and exportation of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of minerals found, if any, on the Company's properties.

No Mineral Reserves or Mineral Resources

Mineral resources are estimates of the size and grade of deposits based on limited sampling and on certain assumptions and parameters. No assurance can be given that the anticipated tonnages and grades will be achieved or realized. Prolonged declines in the market price of silver, copper, lead or zinc may render mineral resources containing relatively lower grades of mineralization uneconomic and could materially reduce any estimate of resources. Should such declines occur, the Company could be required to take a

Management's Discussion and Analysis (continued)

material write-down of its investment in mining properties or the development of new projects, resulting in increased net losses.

Environmental Risks

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions, local laws, and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that operations be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability, and potentially increased capital expenditures and operating costs.

Governmental Regulations and Processing Licenses and Permits

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards, and occupational health, mine safety, toxic substances, and other matters. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner, which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations, and financial performance of the Company. Further, the mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

Conflicts of Interest

Certain directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Business Corporations Act of British Columbia ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Markets for Securities

There can be no assurance that an active trading market in the Company's shares will be established and sustained. The market price for the Company's shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Company's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of Company. The stock market has from time-to-time experienced extreme price and volume fluctuations, particularly in the mining sector.

Uninsurable Risks

Exploration, development, and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods,

Management's Discussion and Analysis (continued)

earthquakes, and other environmental occurrences. It is not always possible to obtain insurance against all such risks, and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares. The Company does not intend to maintain insurance against environmental risks.

Risks Relating to Infectious Diseases or Outbreaks of Viruses

Global markets have been adversely impacted by emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases, including the novel COVID-19. A significant outbreak could result in a widespread crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn which could adversely affect the Company's business and the market price of the Common Shares. Many industries, including the mining industry, have been impacted by these market conditions. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities. In addition, there may not be an adequate response to emerging infectious diseases. There are potentially significant economic and social impacts, including labour shortages and shutdowns, delays and disruption in supply chains, social unrest, government or regulatory actions or inactions, including permanent changes in taxation or policies, decreased demand, declines in the price of commodities, delays in permitting or approvals, governmental disruptions or other unknown but potentially significant impacts. At this time, the Company cannot accurately predict what effects these conditions will have on its operations or financial results, including due to uncertainties relating to the ultimate geographic spread, the duration of the outbreak, and the length of restrictions or responses that have been or may be imposed by the governments. Given the global nature of the Company's operations, the Company may not be able to accurately predict which operations will be impacted. Any outbreak or threat of an outbreak of a contagions or epidemic disease could have a material adverse effect on the Company, its business and operational results.

13. APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

14. FORWARD LOOKING INFORMATION

This MD&A is based on a review of the Company's operations, financial position, and plans for the future based on facts and circumstances as of July 26, 2024.

Certain statements contained in this MD&A may constitute "forward looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including, that the Company's financial condition and development plans do not change as a result of unforeseen events and that the Company obtains regulatory approval. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, and

Management's Discussion and Analysis (continued)

delays in regulatory approval, as well as the other risks and uncertainties applicable to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at www.sedarplus.ca and www.asx.com.au. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

15. COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to the Mineral Resource Estimate was first reported under the JORC Code by the Company on May 24, 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and confirms that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this announcement that relates to historical exploration results was first reported to the ASX in accordance with ASX Listing Rule 5.7. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.