# SAVILLE RESOURCES INC.

## Condensed Interim Financial Statements

For the Three Months Ended July 31, 2023

*The accompanying unaudited condensed interim financial statements of Saville Resources Inc. for the three months ended July 31, 2023 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.*

(Unaudited - Expressed in Canadian Dollars)

## Saville Resources Inc.

Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | | July 31, 2023 | | April 30, 2023 |
|---|---|---|---|---|
| **Assets** | | | | |
| **Current** | | | | |
| Cash | $ | **127,011** | $ | 56,106 |
| Receivables (Note 6) | | **113** | | 687 |
| Marketable securities (Note 7) | | **34,999** | | 52,499 |
| Prepaid expenses | | **-** | | 1,638 |
| | | **162,123** | | 110,930 |
| **Exploration and evaluation assets** (Note 8) | | **2,978,884** | | 3,071,444 |
| | $ | **3,141,007** | $ | 3,182,374 |
| **Liabilities** | | | | |
| **Current** | | | | |
| Accounts payable and accrued liabilities | $ | **339,282** | $ | 304,318 |
| | | **339,282** | | 304,318 |
| **Loans payable** (Note 9) | | **369,009** | | 369,009 |
| | | **708,291** | | 673,327 |
| **Equity** | | | | |
| **Share capital** (Note 10) | | **11,778,000** | | 11,778,000 |
| **Contributed surplus** (Note 10) | | **466,121** | | 466,121 |
| **Deficit** | | **(9,811,405)** | | (9,735,074) |
| | | **2,432,716** | | 2,509,047 |
| | $ | **3,141,007** | $ | 3,182,374 |

Commitments (Note 14)

The financial statements were approved by the Board of Directors on September 6, 2023 and were signed on its behalf by:

| | |
|---|---|
| *“Mike Hodge”* | *“Charn Deol”* |
| President, Director | Director |

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

**Saville Resources Inc.**

Condensed Interim Statements of Loss and Comprehensive Loss
For the three months ended July 31, 2023 and 2022
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | 2023 | 2022 |
|---|---|---|
| **Expenses** | | |
| Accretion (Note 9) | $ - | $ 1,459 |
| Administration fees (Note 14) | 37,500 | 37,500 |
| Advertising and travel | 925 | 5,297 |
| Office and miscellaneous | 1,669 | 1,706 |
| Professional fees | 798 | - |
| Salaries and consulting fees (Note 11) | 18,851 | 27,226 |
| Transfer agent and filing fees | 450 | 927 |
| | (60,193) | (74,115) |
| **Other income (expenses)** | | |
| Flow-through premium recovery | - | 4,564 |
| Unrealized loss on marketable securities (Note 7) | (17,500) | (27,222) |
| Interest income | 1,362 | - |
| | (16,138) | (22,658) |
| **Net and comprehensive loss for the period** | (76,331) | (96,773) |
| **Basic and diluted loss per share** | $ (0.00) | $ (0.00) |
| **Weighted average number of common shares outstanding – basic and diluted** | 101,846,567 | 101,846,567 |

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

**Saville Resources Inc.**
Condensed Interim Statements of Changes in Equity
For the three months ended July 31, 2023 and 2022
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | Number of shares | | Share capital | | Contributed surplus | | Deficit | | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, April 30, 2022** | **101,846,567** | **$** | **11,778,000** | **$** | **466,121** | **$** | **(9,457,035)** | **$** | **2,787,086** |
| Net loss for the period | - | | - | | - | | (96,773) | | (96,773) |
| **Balance, July 31, 2022** | **101,846,567** | **$** | **11,778,000** | **$** | **466,121** | **$** | **(9,553,808)** | **$** | **2,690,313** |

| | Number of shares | | Share capital | | Contributed surplus | | Deficit | | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, April 30, 2023** | **101,846,567** | **$** | **11,778,000** | **$** | **466,121** | **$** | **(9,735,074)** | **$** | **2,509,047** |
| Net loss for the period | - | | - | | - | | (76,331) | | (76,331) |
| **Balance, July 31, 2023** | **101,846,567** | **$** | **11,778,000** | **$** | **466,121** | **$** | **(9,811,405)** | **$** | **2,432,716** |

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

**Saville Resources Inc.**

Condensed Interim Statements of Cash Flows
For the three months ended July 31, 2023 and 2022
Expressed in Canadian Dollars
(Unaudited – prepared by management)

| | | 2023 | | 2022 |
|---|---|---|---|---|
| **Operating Activities** | | | | |
| Net income (loss) | **$** | **(76,331)** | $ | (96,773) |
| **Items not involving cash** | | | | |
| Unrealized loss on marketable securities | | **17,500** | | 27,222 |
| Accretion | | **-** | | 1,459 |
| Deferred income taxes | | **-** | | (4,564) |
| Changes in non-cash working capital | | | | |
| Taxes and other receivables | | **574** | | (875) |
| Prepaid expenses | | **1,638** | | (49,881) |
| Accounts payable and accrued liabilities | | **34,964** | | 41,476 |
| **Cash Flows (Used in) Operating Activities** | | **(21,655)** | | (81,936) |
| **Investing Activities** | | | | |
| Exploration and evaluation assets | | **(736)** | | - |
| Mining tax credits received | | **93,296** | | - |
| **Cash Flows From Investing Activities** | | **92,560** | | - |
| **Net Change in Cash and Cash Equivalents** | | **70,905** | | (81,936) |
| **Cash and Cash Equivalents, Beginning of Period** | | **56,106** | | 522,651 |
| **Cash and Cash Equivalents, End of Period** | **$** | **127,011** | $ | 440,715 |
| **Supplemental Cash Flows Information** | | | | |
| Interest paid | **$** | **-** | $ | - |
| Income taxes paid | **$** | **-** | $ | - |
| Exploration and evaluation costs in accounts payable | **$** | **-** | $ | 23,379 |

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

Expressed in Canadian Dollars

## 1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Saville Resources Inc. ("Saville" or "the Company") is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange under the symbol "SRE" and the Frankfurt Stock Exchange under the symbol "S0J". The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties. The head office, principal address and registered and records office of the Company are located at 1450, 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its investments contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for the investment in the mineral properties is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the investment in the mineral properties, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the investment in the mineral properties.

## 2. GOING CONCERN

The Company's ability to continue as a going concern is dependent upon the Company's ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests and the attainment of profitable mining operations. Management is actively engaged in the review and due diligence of opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. The conditions described above may cast significant doubt as to the appropriateness of the use of the going concern assumption.

Management of the Company does not expect that cash flows for the Company's operations will be sufficient to cover all of its operating requirements, financial commitments and business development priorities during the next twelve months. Accordingly, there is a material uncertainty that may cast significant doubt on Company's ability to continue as going concern. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next twelve months. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of planned exploration and other programs. As at July 31, 2023 and April 30, 2023, the Company reported the following:

| | July 31, 2023 | April 30, 2023 |
|---|---|---|
| Net loss for the period | $76,331 | $278,039 |
| Deficit | $9,811,405 | $9,735,074 |
| Working capital (deficit) | ($177,159) | ($193,388) |

Accordingly, these financial statements do not give effect to adjustments, which could be material, to the carrying values and classification of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

## 3. BASIS OF PREPARATION

a) Statement of compliance

These statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting ("IAS 34").

**3. BASIS OF PREPARATION – Continued**

b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value.

c) Approval of the financial statements

The financial statements of the Company for the three months ended July 31, 2023 were authorized for issue in accordance with a resolution of the directors on September 6, 2023.

**4. SIGNIFICANT ACCOUNTING POLICIES**

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the audited financial statements for the year ended April 30, 2023. Therefore, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended April 30, 2023.

**5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments and estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the financial statements.

**a) Critical judgments in applying accounting policies**

<u>Going concern assumption</u>
These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company's ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that cast substantial doubt upon the soundness of this assumption. Refer to Note 2 for more details.

<u>Exploration and evaluation assets</u>
The Company makes certain judgments and assumptions regarding indicators of impairment and the recoverability of the carrying values of exploration and evaluation assets. Management has assessed for impairment indicators for the Company's properties and has concluded that no indicators of impairment occur as at July 31, 2023 and April 30, 2023.

**b) Key sources of estimation uncertainty**

<u>Income taxes</u>
Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Expressed in Canadian Dollars

## 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - Continued

### b) Key sources of estimation uncertainty - continued

Fair value of share-based payment
Management measures the fair value of equity-settled share-based transactions with officers, directors and consultants by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The Company uses Black-Scholes option pricing model. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

Interest rate on government loan
The government loan is measured at fair value based on management's best estimate of the effective interest rate at initial recognition. The fair value is also based on the Company's estimate that the amount will be fully repaid by December 31, 2023.

## 6. RECEIVABLES

| | | July 31, 2023 | | April 30, 2023 |
|---|---|---|---|---|
| GST receivable | $ | 2,043 | $ | 2,617 |
| QST (payable) receivable | | (1,930) | | (1,930) |
| Total | $ | 113 | $ | 687 |

## 7. MARKETABLE SECURITIES

During the year ended April 30, 2020, the Company received 388,888 shares of Ximen Mining Corp. in connection with the sale of the Bud Property. As at July 31, 2023, the Company holds 388,888 shares (April 30, 2023 - 388,888) with a fair market value of $35,000, or $0.09 per share. During the three months ended July 31, 2023, the Company recorded an unrealized loss on the shares of $17,500 (July 31, 2022 - $27,222).

## 8. EXPLORATION AND EVALUATION ASSETS

**Niobium Claim Group Property**

On January 11, 2018, the Company entered into an exploration earn-in agreement with Commerce Resources Corp. ("Commerce") on the Niobium Claim Group Property wholly owned by Commerce in Quebec. Under the exploration earn-in agreement, the Company has agreed to perform $5 million of exploration work on the Niobium Claim Group Property over a six-year period (as amended) to earn a 75% interest in the claims. The Company made a payment of $25,000 upon signing and a payment of $225,000 following TSX Venture Exchange approval on October 11, 2018. Commerce will retain a 2% Net Smelter Royalty (NSR) on production from some of the claims with a 1% NSR buyback for $1 million, and a 1% NSR on the claims that are already subject to royalties. On February 14, 2023, the Company announced the extension of the Earn-In agreement with Commerce for an additional year.

Expressed in Canadian Dollars

**8. EXPLORATION AND EVALUATION ASSETS – Continued**

**Covette Property**

On November 27, 2017, the Company entered into an agreement with Zimtu Capital Corp. ("Zimtu") to acquire a 100% interest in and to the Covette Property, located in the James Bay Region of Quebec. In exchange for 100% of the right, title, and interest in and to the Covette Property, consisting of 65 mineral claims, the Company paid Zimtu $350,000. This agreement was accepted by the TSX Venture Exchange on June 28, 2018.

| | | Niobium Claim Group Property | | Covette Property | | Total |
|---|---|---|---|---|---|---|
| Balance, April 30, 2022 | $ | 2,333,958 | $ | 326,090 | $ | 2,660,048 |
| Assays | | 41,445 | | - | | 41,445 |
| Drilling | | 84,020 | | - | | 84,020 |
| Field supplies and rentals | | 28,278 | | - | | 28,278 |
| Geological expenses | | 105,110 | | - | | 105,110 |
| Permitting | | 559 | | - | | 559 |
| Travel and accommodation | | 151,984 | | - | | 151,984 |
| Total property costs for the year | | 411,396 | | - | | 411,396 |
| Balance, April 30, 2023 | $ | 2,745,354 | $ | 326,090 | $ | 3,071,444 |
| Assays | | 736 | | - | | 736 |
| Mining tax credits | | (93,296) | | - | | (93,296) |
| Total property costs for the period | | (92,560) | | - | | (92,560) |
| Balance, July 31, 2023 | $ | 2,652,794 | $ | 326,090 | $ | 2,978,884 |

**9. LOANS PAYABLE**

On April 30, 2020, the Company received a $40,000 line of credit ("CEBA LOC") with the Bank of Montreal under the Canada Emergency Business Account ("CEBA") program funded by the Government of Canada. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty. On January 1, 2021, the outstanding balance of the CEBA LOC automatically converted to a 2-year interest free term loan ("CEBA Term Loan"). The CEBA Term Loan may be repaid at any time without notice or the payment of any penalty. If 75% of the CEBA Term Loan at the CEBA Term Loan commencement date is repaid on or before December 31, 2022, the repayment of the remaining 25% shall be forgiven. If on December 31, 2022, the Company exercises the option for a 3-year term extension, 5% interest during the term extension period will apply on any balance remaining. The Government of Canada announced the December 31, 2022 forgiveness repayment date for CEBA loans has been extended to December 31, 2023.

The Company has recorded the fair value of $19,636 as at April 30, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of $20,364 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant for the year ended April 30, 2020. During the three months ended July 31, 2023, the Company recorded accretion expense of $nil (July 31, 2022 - $1,094).

Expressed in Canadian Dollars

**9. LOANS PAYABLE - Continued**

On December 31, 2020, the Company received a second $20,000 CEBA LOC with the Bank of Montreal under the CEBA program. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty, with the same terms as the first CEBA LOC received on April 30, 2020. The Company has recorded the fair value of $7,277 as at December 31, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of $12,724 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant during the year ended April 30, 2021. During the three months ended July 31, 2023, the Company recorded interest accretion expense of $nil (July 31, 2022 - $365).

On December 7, 2021, the Company was advanced $240,000 from Commerce for drilling costs on the Niobium Claims Property. The amount is non-interest bearing and was originally due on December 7, 2022 and has been extended for one year. During the year ended April 30, 2023, Commerce invoiced the Company for $89,009 in shared camp costs during the field program in Fall 2022.

**10. SHARE CAPITAL**

(a) Authorized - Unlimited number of common shares without par value.

(b) Issued - As of July 31, 2023, there are 101,846,567 common shares issued and outstanding (April 30, 2023 – 101,846,567).

There were no shares issued during the three months ended July 31, 2023 or the year ended April 30, 2023.

(c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

| | **July 31, 2023** | | **April 30, 2023** | |
|---|---|---|---|---|
| | Number of Warrants | Exercise Price | Number of Warrants | Exercise Price |
| Outstanding, beginning of period | 15,138,933 | $0.105 | 15,138,933 | $0.105 |
| Expired | - | - | - | - |
| Outstanding, end of period | 15,138,933 | $0.105 | 15,138,933 | $0.105 |

The following warrants were outstanding and exercisable as at July 31, 2023:

| Expiry Date | Exercise Price | Weighted Average Remaining Contractual Life (Years) | Number of Warrants Outstanding and Exercisable |
|---|---|---|---|
| December 23, 2023 | $0.15 | 0.40 | 6,014,500 |
| December 31, 2023** | $0.15 | 0.42 | 91,600 |
| June 24, 2024 | $0.075 | 0.90 | 6,800,000 |
| June 24, 2024** | $0.075 | 0.90 | 257,833 |
| December 24, 2024 | $0.075 | 1.40 | 1,575,000 |
| December 24, 2024** | $0.075 | 1.40 | 400,000 |
| **Total** | | **0.76** | **15,138,933** |

**indicates broker warrants

Expressed in Canadian Dollars

**10. SHARE CAPITAL – Continued**

(d) Options

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares of the Company, being 10,184,657 to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors, but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option should be for a maximum term of five years. Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations consultants vest according to TSX-V policy. There are currently 4,775,000 (April 30, 2023 – 4,975,000) stock options outstanding.

Option transactions and the number of options outstanding and exercisable are summarized as follows:

| | **July 31, 2023** | | **April 30, 2023** | |
|---|---|---|---|---|
| | Number of Options | Exercise Price | Number of Options | Exercise Price |
| Outstanding, beginning of period | 4,975,000 | $0.05 | 5,225,000 | $0.05 |
| Cancelled | (200,000) | 0.05 | (250,000) | 0.05 |
| Outstanding, end of period | 4,775,000 | $0.05 | 4,975,000 | $0.05 |

During the three months ended July 31, 2023, 200,000 (April 30, 2023 – 250,000) stock options issued to consultants were cancelled as they are no longer working with the Company.

The following options were outstanding and exercisable as July 31, 2023:

| Expiry Date | Exercise Price | Weighted Average Remaining Contractual Life (Years) | Number of Options Outstanding and Exercisable |
|---|---|---|---|
| February 6, 2025 | $0.05 | 1.52 | 4,775,000 |

**11. RELATED PARTY TRANSACTIONS AND BALANCES**

The Company incurred the following transactions during the three months ended July 31, 2023 and 2022:

| **Key Management Compensation** | **2023** | **2022** |
|---|---|---|
| Salaries and consulting fees | $ 16,000 | $ 24,000 |

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As at July 31, 2023 and April 30, 2023, there was $nil due from/(to) the related parties of the Company.

## 12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended July 31, 2023 or the year ended April 30, 2023. The Company is not subject to externally imposed capital requirements.

## 13. FINANCIAL INSTRUMENTS

**Fair Value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

At July 31, 2023 and April 30, 2023, the Company's marketable securities were measured at FVTPL and are using Level 1 inputs.

The Company's other financial assets and liabilities measured at amortized cost, including cash, receivables (excluding tax receivables) and accounts payable and accrued liabilities, the fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The fair value of the Company's loans payable were measured at the initial recognition date using Level 2 inputs.

The Company is exposed to a variety of financial instrument related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit risk*
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

*Liquidity risk*
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that there is sufficient working capital to fund its ongoing operating expenditures, after taking into account cash flows from operations and the Company's holdings of cash. As at July 31, 2023, the Company had a working capital deficit of $177,159 (April 30, 2023 - $193,388).

## 14. COMMITMENTS

On June 1, 2017, the Company entered into a Management & Administration Agreement ("Agreement") with Zimtu Capital Corp. ("Zimtu"). Under the terms of the Agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, at a rate of $12,500 per month. The Agreement has been continually renewed each year. The agreement expiring November 30, 2022 was renewed on December 1, 2022 for a further twelve months.

Expressed in Canadian Dollars

## 15. LIABILITY AND INCOME TAX EFFECT ON FLOW-THOUGH SHARES

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds, less the qualified expenditures made to date, represent the funds received from flow-through share issuances that have not been spent.

On December 24, 2021, the Company issued 8,300,000 common shares on a "flow-through" basis at a price of $0.05 per Share for gross proceeds of $415,000 (Note 10(b)). At April 30, 2023, the Company had incurred $415,000 in qualified expenditures. The flow-through proceeds were renounced as of December 31, 2021 and the remaining expenditures were incurred prior to December 31, 2022.

| | Issued on December 24, 2021 |
|---|---|
| **Balance, April 30, 2022** | **$ 78,878** |
| Liability incurred on flow-through shares issued | - |
| Settlement of flow-through share liability on incurred expenses | (78,878) |
| **Balance, July 31, 2023 and April 30, 2023** | $ - |