INOMIN MINES INC.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inomin Mines Inc.:

Opinion

We have audited the consolidated financial statements of Inomin Mines Inc. and its subsidiary (together the "Company"), which comprise the consolidated statements of financial position as at March 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating 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 consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated 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 of our auditor's report, we have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of the existence of impairment indicators for exploration and evaluation assets	
Refer to notes 3 and 5	Our approach to addressing the matter involved the following procedures, among others:
As at March 31, 2024, the carrying amount of the Company's exploration and evaluation assets was $1,094,648. At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Management assesses exploration and evaluation assets for impairment based on, at minimum, the presence of any of the following indicators: (i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned; (iii) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or (iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at March 31, 2024. We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of impairment indicators related to the exploration and evaluation assets. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.	Evaluating the judgments made by management in assessing for the presence of impairment indicators, which included the following: • Obtained evidence to support the right to explore the properties under the permit titles held by the Company. • Read the board of directors' minutes and resolutions, and observed evidence supporting the continued and planned exploration expenditures, which included evaluating events subsequent to March 31, 2024 related to private placements of units for continued exploration activities. • Assessed whether available data indicates the potential for commercially viable mineral resources. • Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information 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 in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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 Doris Yingying Cen.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
July 26, 2024

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Notes	March 31, 2024 $	March 31, 2023 $
ASSETS			
Current assets			
Cash and cash equivalents		**95,524**	182,663
Receivables		**2,130**	3,799
Securities	4	**55,000**	45,000
Prepayments		**1,162**	22,834
Total current assets		**153,816**	254,296
Non-current assets			
Exploration and evaluation assets	5	**1,094,648**	753,120
Equipment	6	**32,193**	-
Security deposit on exploration and evaluation assets	5a	**57,139**	55,000
Total non-current assets		**1,183,980**	808,120
TOTAL ASSETS		**1,337,796**	1,062,416
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	**66,233**	61,566
Flow-through premium liability	7b	**440**	-
TOTAL LIABILITIES		**66,673**	61,566
EQUITY			
Share capital	7	**2,863,163**	2,408,229
Reserve		**480,868**	364,703
Deficit		**(2,072,908)**	(1,772,082)
TOTAL EQUITY		**1,271,123**	1,000,850
TOTAL LIABILITIES AND EQUITY		**1,337,796**	1,062,416

Nature of operations and going concern	1
Subsequent event	13

Approved and authorized for issue by the Board of Directors on July 26, 2024

On behalf of the Board:

"Evilio Gomez-Garcia" Director   *"Anil Jiwani"* Director

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

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars, except for number of shares)

	Notes	For the year ended March 31, 2024 $	For the year ended March 31, 2023 $
Operating expenses			
Filing fees		**17,988**	15,903
Insurance		**10,000**	9,166
Interest and bank charges		**1,326**	1,835
Listing fees		**5,732**	5,704
Management fees	10	**60,000**	60,000
Marketing and investor communications		**82,573**	50,334
Office costs		**6,949**	6,600
Professional fees	10	**113,274**	103,789
Share-based compensation	7c	**103,660**	-
Travel costs		**11,823**	16,103
Total operating expenses		**(413,325)**	(269,434)
Other items			
Write off of exploration and evaluation asset	5c	**-**	(38,314)
Unrealized gain (loss) on securities	4	**10,000**	(70,000)
Interest income		**4,871**	-
Flow through premium liability recovery	7b	**97,810**	4,480
Foreign exchange (loss) gain		**(182)**	681
Net loss and comprehensive loss for the year		**(300,826)**	(372,587)
Loss per common share			
Basic and fully diluted		**(0.01)**	(0.01)
Weighted average number of common shares outstanding		**37,115,297**	30,923,891

(Expressed in Canadian dollars, except for number of shares)

	Number of Shares	Share Capital $	Shares to be issued $	Reserve $	Deficit $	Total $
Balance, March 31, 2022	29,261,510	2,144,590	132,720	407,357	(1,399,495)	1,285,172
Exercise of warrants	1,049,900	157,485	(132,720)		-	24,765
Fair value of warrants	-	7,057	-	(7,057)	-	-
Exercise of options	635,000	63,500	-	-	-	63,500
Fair value of options exercised	-	35,597	-	(35,597)	-	-
Net loss and comprehensive loss for the year	-	-	-	-	(372,587)	(372,587)
Balance, March 31, 2023	30,946,410	2,408,229	-	364,703	(1,772,082)	1,000,850
Private placement – flow-through shares	3,275,000	327,500	-	-	-	327,500
Flow-through shares premium liability	-	(98,250)	-	-	-	(98,250)
Private placement – non - flow - through shares	3,992,142	279,450	-	-	-	279,450
Finders fees and other issuance cost	-	(48,261)	-	-	-	(48,261)
Finders warrants	-	(12,505)	-	12,505	-	-
Shares issued for mineral property	100,000	7,000	-	-	-	7,000
Share-based compensation	-	-	-	103,660	-	103,660
Net loss and comprehensive loss for the year	-	-	-	-	(300,826)	(300,826)
Balance, March 31, 2024	38,313,552	2,863,163	-	480,868	(2,072,908)	1,271,123

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	For the year ended March 31, 2024 $	For the year ended March 31, 2023 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss and comprehensive loss for the year	**(300,826)**	(372,587)
Items not involving cash:		
Write off of exploration and evaluation asset	**-**	38,314
Share-based compensation	**103,660**	-
Unrealized (gain) loss on securities	**(10,000)**	70,000
Flow-through premium recovery	**(97,810)**	(4,480)
Changes in non-cash working capital items:		
Receivables	**1,669**	9,764
Deposit	**(2,139)**	-
Prepayments	**21,672**	(22,834)
Accounts payable and accrued liabilities	**8,882**	5,619
Net cash used in operating activities	**(274,892)**	(276,204)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration costs net of recovery	**(335,230)**	(88,185)
Purchase of equipment	**(34,803)**	-
Net cash used in investing activities	**(370,033)**	(88,185)
CASH FLOWS FROM FINANCING ACTIVITIES		
Funds received on private placements, net of finders' fees	**558,689**	-
Proceeds from the exercise of options	**-**	63,500
Proceeds from the exercise of warrants	**-**	24,765
Net cash provided by financing activities	**558,689**	88,265
Change in cash and cash equivalents for the year	**(86,236)**	(276,124)
Impact of foreign exchange	**(903)**	(702)
Cash and cash equivalents at beginning of year	**182,663**	459,489
Cash and cash equivalents at the end of year	**95,524**	182,663
Cash	**62,825**	122,663
Cash equivalents	**32,699**	60,000
Total cash and cash equivalents at the end of year	**95,524**	182,663
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Fair value of warrants and options exercised	**-**	42,654
Issuance of warrants as issuance costs	**12,505**	-
Fair value of exploration and evaluation assets received for common shares issued	**7,000**	-
Exploration and evaluation costs payable	**3,312**	3,800
Depreciation capitalized to exploration and evaluation assets	**2,610**	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inomin Mines Inc. (the "Company" or “Inomin”) was incorporated under the Business Corporations Act (British Columbia) on August 23, 2012, and is an exploration stage public company whose shares trade on the TSX Venture Exchange (“TSX-V”) under the symbol “MINE”. The Company’s principal purpose is the identification, acquisition, and exploration of mineral properties. The Company's principal place of business is 700 West Georgia Street, Suite 2200, Vancouver, British Columbia V7Y 1K8, Canada.

These consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company is in the process of exploring its mineral properties and has not yet determined whether those properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to fund property commitments and to complete the exploration and development of the properties and upon achieving future profitable production or proceeds from the disposition thereof.

The Company has an accumulated deficit of $2,072,908 as at March 31, 2024 (2023 – $1,772,082) and recognized a net loss and comprehensive loss of $300,826 for the year ended March 31, 2024 (2023 – loss of $372,587). During the year ended March 31, 2024, the Company's cash flows used in operating activities were $274,892 (2023 – $276,204). The Company has financed its operations primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. During the year ended March 31, 2024, the Company completed private placement to raise $606,950 (Note 7b). While the Company has been successful in securing financing, there is no assurance that it will be able to do so in the future or on terms that are favourable to the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

These consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these consolidated financial statements.These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance
These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

Basis of Measurement
These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company and its subsidiary's functional currency.

Basis of consolidation
These consolidated financial statements include the financial statements of the Company and its 100% controlled Mexican subsidiary, Minera Rio Dorado S.A. de C.V. A subsidiary is an entity in which the Company has control, directly or indirectly. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intercompany transactions and balances have been eliminated.

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

Critical judgements

Significant judgements made by management affecting the consolidated financial statements include:

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

Flow-through expenditures

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures. Differences in judgement between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates made by management affecting the consolidated financial statements include:

Share-based payments and share issue costs

Estimating fair value for granted stock options and warrants issued as compensation or for share issuance costs requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the option or warrant, volatility, dividend yield, risk-free discount rate and rate of forfeitures and making assumptions about them.

3. MATERIAL ACCOUNTING POLICIES

Cash equivalents
The Company considers all highly liquid instruments that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value to be cash equivalents.

Financial instruments
Recognition
The Company recognizes a financial asset or financial liability on the consolidated statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and Measurement
The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

i) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and
ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair value at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition). The classification and measurement bases of the Company's financial instruments are as follows:

Financial Instrument	**Classification**
Cash and cash equivalents	FVTPL
Securities	FVTPL
Security deposit on exploration and evaluation assets	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

After initial recognition at fair value, financial liabilities are classified and measured at either:
i) amortized cost;
ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
iii) FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs for all classifications of financial instruments, other than those at FVTPL, that are directly attributable to the acquisition or issuance of a financial asset or financial liability are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

Financial instruments that are classified and measured at amortized cost utilize the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period. Interest expense is reported in profit or loss.

Impairment
The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportable forward-looking information.

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

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date and which are expected to be applicable in the period(s) in which realization or settlement of the carrying amount of assets and liabilities is expected to occur.

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.

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

<u>Flow-through units/shares</u>

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchase the shares.

At the time of closing a financing involving flow-through shares, the Company allocates proceeds received first to common shares based on the market trading price of the common shares at the time the flow-through shares are issued, and any excess is allocated to flow-through premium liability.

At the time of closing a financing involving flow-through units consisting of common shares and warrants, the Company allocates proceeds received as follows:

- Share capital – the market trading price of the common share;
- Flow-through premium – the difference noted between the market trading price of the common share and the price for each flow-through share or unit.
- Reserves – excess, if any.

Thereafter, as qualifying resource expenditures are incurred, these costs are capitalized to exploration and evaluation asset.

At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense/liability accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time.

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. When applicable, this flow-through share tax expense is accrued and recorded in profit or loss.

Share capital
Common shares are classified as equity. Common shares issued for consideration other than cash, are measured at fair value at the date of issuance.

Share issue costs
Costs directly identifiable with the raising of capital are charged against the related share capital, net of any tax effects. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs are charged against the related share capital or charged to profit or loss if the shares are not issued. The Company may issue compensatory warrants to brokers and agents, from time to time. The fair value of the warrants is determined using the Black-Scholes option pricing model, and is recognized as share issuance costs, in reserve within equity, with a corresponding amount charged against share capital.

Valuation of equity units issued in private placements
The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method allocates the private placement proceeds first to the fair value of the shares issued, and the residual value, if any, is assigned to the warrants.

The fair value of the common shares issued in a private placement is measured using the closing quoted bid price on the issuance date. Any fair value attributed to warrants is recorded in reserve within equity.

Share-based compensation
The Company grants stock options to buy common shares of the Company to Directors, Officers and technical consultants. The Company may also issue compensatory warrants to agents. The Company recognizes share-based compensation expense based on the estimated fair value of the options at grant date. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option pricing model. The fair value of the options is recognized over the vesting period of the options granted as share-based compensation expense, with a corresponding amount recognized in reserve within equity. The fair value includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserve is subsequently reduced if the options are exercised, and the amount initially recorded is then reclassified/transferred to share capital.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based compensation. Otherwise, share-based compensation is measured at the fair value of goods or services received.

Earnings (loss) per share
The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is adjusted for potential common shares outstanding. Diluted loss per share is equivalent to basic loss per share, as the effect of adjusting for potential common shares outstanding is anti-dilutive.

Foreign exchange
The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Exploration and evaluation assets

Pre-exploration costs are expensed in the year in which they are incurred. Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration, and evaluation are recognized and capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss. The Company assesses exploration and evaluation assets for indicators of impairment at least annually, and whenever facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction”. Exploration and evaluation assets are tested for impairment before the assets are transferred to mines under construction.

Exploration and evaluation assets are classified by the Company as intangible assets.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive, or legal obligations associated with the retirement of exploration and evaluation assets, when those obligations result from the acquisition, construction, development, or normal operation of the assets. The present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The rehabilitation costs are depreciated on the same basis as the exploration and evaluation assets. Changes in the present value, excluding changes in the Company’s estimates of reclamation costs, are charged to profit or loss for the period.

The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding adjustment to the rehabilitation provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

The Company had no material environmental rehabilitation obligations for the years presented.

Recent accounting pronouncements

The Company’s management have reviewed recent upcoming accounting standards and amendments to standards and interpretations that have been issued but are not yet effective and have determined that there are none are expected to materially affect the Company’s consolidated financial statements.

Adoption of amendments to IAS 1 Presentation of Financial Statements

Effective April 1, 2023, amendments to IAS 1 *Presentation of Financial Statements* were adopted with respect to disclosure of the Company’s accounting policies. The adoption of the amendments did not result in any changes to the Company's accounting policies, the only impact was to the accounting policy information disclosed in the consolidated financial statements. As a result of the adoption of the amendments, the title of this Note 3 was changed from “significant accounting policies” which had been used in all previous periods. Where management determined necessary, clarifying language was applied in order to enhance focus on the materiality of a policy, and immaterial policy language was deleted. There was no significant impact on these consolidated financial statements for adoption of this amendment.

(Expressed in Canadian dollars)

Adoption of amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
Effective April 1, 2023, the Company adopted the amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* with respect to the new definition of "accounting estimates". The amendments clarify how measurement techniques and inputs are used to develop accounting estimates, and clarifies the distinction between changes in accounting policies, correction of prior period errors, and changes are made to accounting estimates, including the facts and circumstances that are considered. The definition of a change in accounting estimates was deleted. There was no significant impact on these consolidated financial statements for adoption of this amendment.

4. SECURITIES

In conjunction with the sale of its previously owned 100% King's Point Property in Newfoundland (the "King's Point Project"), the Company acquired common shares of Maritime Resources Corp. ("Maritime"). As at March 31, 2023, and March 31, 2024, the Company held 1,000,000 common shares of Maritime. These securities of Maritime are carried at the market value of $55,000 based on their quoted price.

	Number of securities	Fair value $
Balance, March 31, 2022	1,000,000	115,000
Unrealized loss on securities	-	(70,000)
Balance, March 31, 2023	1,000,000	45,000
Unrealized gain on securities	-	10,000
Balance, March 31, 2024	1,000,000	55,000

5. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for uncertainty arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, titles to all of its interests are in good standing.

(a) Beaver-Lynx Property

During the 2019 fiscal year, the Company acquired the Beaver and Lynx nickel-cobalt properties located in the Cariboo region of south-central British Columbia through staking.

The Company was issued Mines Act permits on the proposed program of mineral exploration on both the Beaver and Lynx properties by posting reclamation security deposits amounting to $55,000.

The Company subsequently acquired additional mineral claims to join the Beaver and Lynx properties into a single property (Beaver-Lynx).

On July 7, 2023, the Company issued 100,000 common shares of the Company to acquire additional mineral claims, extending the size of its Beaver-Lynx property. Fair value of the common shares issued of $7,000, was measured at the closing market price of common shares at the date of issuance.

(b) La Gitana and Pena Blanca Properties

During the 2020 and 2021 fiscal years, the Company acquired a 100% interest in the La Gitana and Pena Blanca gold-silver properties in Oaxaca State, Mexico from Gunpoint Exploration Ltd. ("Gunpoint") for

(Expressed in Canadian dollars)

1,000,000 common shares (issued) of Inomin, $35,000 cash payment (paid), and the grant of a 1.5% Net Smelter Royalty ("NSR") payable to Gunpoint on the Pena Blanca property (with an option for Inomin to purchase 0.5% of the NSR at any time for $1,000,000). La Gitana is subject to an existing 3% NSR to a third-party which was assumed by the Company.

(c) Fleetwood Property

On March 28, 2018, the Company acquired a 100% interest in the Fleetwood zinc-copper-silver-gold property located in the New Westminster mining division of south-western British Columbia for the aggregate consideration of $37,000 comprising:

- $10,000 cash payment (paid); and
- 200,000 common shares (valued at $27,000) (issued).

During the year ended March 31, 2023, the claims related to the Fleetwood property were allowed to lapse and the $38,314 capitalized on the consolidated statement of financial position was written off.

(d) Exploration cost for the years ended March 31, 2024 and 2023

The table below details the expenditures incurred on each project during the years ended March 31, 2024, and 2023:

	Beaver-Lynx Property	La Gitana and Pena Blanca Properties	General	Total
	$	$	$	$
Balance, March 31, 2022	409,471	259,264	38,314	707,049
Consulting expenses	12,581	49,965	-	62,546
Drilling	5,000	-	-	5,000
Evaluation and community costs	-	3,417	-	3,417
Laboratory test work	10,680	-	-	10,680
Staking	2,742	-	-	2,742
Write off	-	-	(38,314)	(38,314)
Balance, March 31, 2023	440,474	312,646	-	753,120
Acquisition of property: paid in cash	3,404	-	-	3,404
Acquisition of property: paid in common shares	7,000	-	-	7,000
Depreciation	2,610	-	-	2,610
Drilling	122,091	-	-	122,091
Evaluation and community costs	-	837	-	837
Geological and consulting	69,650	14,789	-	84,439
Laboratory test work	18,122	-	-	18,122
Recoveries	(9,745)	-	-	(9,745)
Shipping	44,731	-	-	44,731
Staking	4,962	-	-	4,962
Supplies and other	30,171	-	-	30,171
Travel, logistics and camp costs	32,906	-	-	32,906
Balance, March 31, 2024	**766,376**	**328,272**	**-**	**1,094,648**

The Company is eligible for British Columbia Mining Exploration Tax Credit ("BCMETC") on qualifying exploration expenditures of up to 30%. The Company's claims for the BCMETC for exploration expenditures incurred during the taxation years ended March 31, 2022, and March 31, 2023, were approved by the Canada

(Expressed in Canadian dollars)

Revenue Agency. During the year ended March 31, 2024, the Company received and recognized in the recoveries $9,745 for its 2022 and 2023 BCMETC claims.

(e) King's Point Project

The Company holds a 1% NSR on the King's Point Project, including mineral claims acquired by Maritime within three kilometres from the perimeter of the King's Point Project (Note 4).

6. EQUIPMENT

	Equipment
Cost:	**$**
Balance, March 31, 2022 and 2023	-
Additions	34,803
Balance, March 31, 2024	**34,803**
Accumulated depreciation:	
Balance, March 31, 2022 and 2023	-
Additions	2,610
Balance, March 31, 2024	**2,610**
Carrying amount:	
Balance, March 31, 2023	-
Balance, March 31, 2024	**32,193**

During the year ended March 31, 2024, the Company purchased XRF Handheld Spectrometer, which is being depreciated on a straight-line basis with estimated useful life of 10 years. The depreciation is capitalized to the exploration and evaluation assets.

7. SHARE CAPITAL

(a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Issued and Outstanding – 38,313,552 as at March 31, 2024 (March 31, 2023 – 30,946,410).

During the year ended March 31, 2024

2023 Private Placement – Flow-Through and Non-Flow-Through Units.

On May 31, 2023, the Company completed a non-brokered private placement (the "2023 Private Placement") of 3,992,142 units (each, a "Unit") at a price of $0.07 per Unit and 3,275,000 flow-through units (each, a "FT Unit") at a price of $0.10 per FT Unit for gross proceeds of $606,950.

Each Unit consists of one common share of the Company and one share purchase warrant (each, a "NFT Warrant"). Each NFT Warrant is exercisable by the holder to acquire one share for a period of 36 months at a price of $0.13 per Share. The residual warrant value was determined to be $Nil.

Each FT Unit consists of one share that will qualify as a "flow-through share" and one share purchase warrant of the Company (each, a "FT Warrant"). Each FT Warrant is exercisable by the holder to acquire one share for a period of 24 months at a price of $0.15 per Share. $98,250 was recognized as flow-through premium liability and the residual warrant value was determined to be $Nil.

(Expressed in Canadian dollars)

In connection with the 2023 Private Placement, the Company issued an aggregate of 256,550 non-transferrable finder's warrants (the "Finder's Warrants") and paid finder's commissions of an aggregate of $24,574. A total of 36,050 Finder's Warrants were issued on the same terms as the NFT Warrants and 220,500 Finder's Warrants were issued on the same terms as the FT Warrants. The Company also paid other professional and filing fees totaling $23,687.

The premium received on the issuance of FT Units was recognized as a liability on the Company's statement of financial position. The continuity of the flow-through premium liability was as follows:

Balance, March 31, 2022	$	4,480
Recognized to profit or loss upon incurring qualifying expenditures		(4,480)
Balance, March 31, 2023	$	-
Flow-through premium liability recognized		98,250
Recognized to profit or loss upon incurring qualifying expenditures		(97,810)
Balance, March 31, 2024	$	440

Common shares issued for property

During the year ended March 31, 2024, the Company issued 100,000 common shares to acquire additional mineral claims, extending the size of its Beaver-Lynx property. Fair value of the common shares issued of $7,000, was measured at the closing market price of common shares at the date of issuance (Note 5a).

<u>During the year ended March 31, 2023</u>

Stock option and warrant exercises.

During the year ended March 31, 2023, 635,000 stock options were exercised in exchange for 635,000 common shares for proceeds of $63,500. A total of 1,049,900 warrants were also exercised in exchange of 1,049,900 common shares of the Company, for total proceeds of $157,485 of which $24,765 was received during the year ended March 31, 2023, and $132,720 was recognized as shares to be issued at March 31, 2022.

(c) Stock Options

The Board of Directors of the Company may from time to time, at its discretion, and in accordance with TSX-V requirements, grant to Directors, Officers, and consultants of the Company, non-transferable options to purchase common shares exercisable for a period of up to 10 years from the date of grant, provided that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares.

<u>During the year ended March 31, 2024</u>

On April 11, 2023, the Company granted incentive stock options to a consultant to acquire 100,000 common shares of the Company at $0.07 per common share, vesting immediately, for a period of two years expiring April 11, 2025. The Company recognized $5,380 as share-based compensation expense for these options granted.

On July 3, 2023, the Company granted 1,400,000 stock options under the Company's stock option plan to directors and advisors of the Company. The options are exercisable until July 3, 2028, at a price of $0.075 per common share, and vested immediately. Fair value of the options was $98,280 ($91,260 of which was with related parties).

During the year ended March 31, 2023, the Company did not grant any stock options, but 635,000 stock options were exercised in exchange for 635,000 common shares for proceeds of $63,500. The weighted average market price of the Company's common shares on the dates of exercise was $0.31 per share.

(Expressed in Canadian dollars)

The following assumptions were used in the valuation of options granted during the year ended March 31, 2024:

	April 11, 2023	July 3, 2023
Share price at grant date	$0.07	$0.075
Exercise price	$0.07	$0.075
Expected annual volatility	166%	162%
Expected life	2 years	5 years
Expected dividends	Nil	Nil
Expected forfeiture rate	Nil	Nil
Risk-free interest rate	4.32%	3.74%

The following table summarizes the continuity of stock options:

	Number of options	Weighted average exercise price ($)
Outstanding and exercisable, March 31, 2022	2,835,000	0.13
Exercised	(635,000)	0.10
Outstanding and exercisable, March 31, 2023	2,200,000	0.13
Expired	(225,000)	0.10
Granted	1,500,000	0.07
Outstanding and exercisable, March 31, 2024	3,475,000	0.11

As at March 31, 2024, the following stock options were outstanding and exercisable:

Expiry date	Number of options	Exercise price ($)	Remaining contractual life (years)
June 21, 2024	300,000	0.05	0.22
October 9, 2024	300,000	0.05	0.53
April 11, 2025	100,000	0.07	1.03
October 5, 2026	1,025,000	0.10	2.52
March 30, 2027	350,000	0.38	3.00
July 3, 2028	1,400,000	0.08	4.26
	3,475,000	0.11	2.85

On June 21, 2024, subsequent to year end, 300,000 stock options expired unexercised.

(d) Warrants

During the year ended March 31, 2024, in connection with the 2023 Private Placement, the Company granted 3,495,500 FT Warrants and 4,028,192 NFT Warrants, as part of the FT Units and NFT Units, described above (Note 7b). In addition, during the year ended March 31, 2024, the Company issued 256,550 finders' warrants valued at $12,505. A total of 36,050 Finder's Warrants were issued on the same terms as the NFT Warrants and 220,500 Finder's Warrants were issued on the same terms as the FT Warrants, described above. The fair value attributed to the FT finders' warrants was determined using the Black-Scholes option pricing model using the following assumptions: Risk free interest rate of 4.32%, expected life of two years, and volatility rate of 166%. The fair value attributed to the NFT finders' warrants was determined using the Black-Scholes option pricing model using the following assumptions: Risk free interest rate of 3.96%, expected life of three years, and volatility rate of 180%.

During the year ended March 31, 2023, a total of 1,049,900 warrants were exercised in exchange of 1,049,900 common shares of the Company, for total proceeds of $157,485 of which $24,765 was received during the year ended March 31, 2023. The weighted average market price of the Company's common shares on the date of exercise was $0.31 per share.

(Expressed in Canadian dollars)

The following table summarizes the continuity of the Company's warrants:

	Number of warrants	Weighted average exercise price ($)
Outstanding and exercisable, March 31, 2022	2,427,566	0.14
Exercised	(1,049,900)	0.15
Expired	(266,666)	0.08
Outstanding and exercisable, March 31, 2023	1,111,000	0.15
Granted flow-through warrants	3,495,500	0.15
Granted non-flow-through warrants	4,028,192	0.13
Expired	(63,000)	0.15
Outstanding and exercisable, March 31, 2024	8,571,692	0.14

As at March 31, 2024, the following warrants were outstanding and exercisable:

Expiry date	Number of warrants	Exercise price ($)	Remaining contractual life (years)
August 25, 2025	1,048,000	0.15	1.40
May 29, 2025	3,495,500	0.15	1.16
May 29, 2026	4,028,192	0.13	2.16
	8,571,692	0.14	1.66

During August 2023, the Company extended the term of 1,048,000 warrants issued as part of the Company's private placements that closed on August 25, 2021, and September 24, 2021. The warrants are exercisable at a price of $0.15 and would have expired on during August and September 2023. The term of these warrants was extended to August 25, 2025. All other terms of the warrants remained the same. A total of 63,000 warrants issued as part of the same private placement expired unexercised.

8. INCOME TAXES

The tax expense at statutory rates for the Company can be reconciled to the reported loss per the statement of loss and comprehensive loss as follows:

	2024 $	**2023** $
Loss before income taxes	**(300,826)**	(372,587)
Canadian federal and provincial income tax rates	**27.0%**	27.0%
Income tax expense (recovery) based on the above rates	**(81,505)**	(100,818)
Permanent differences	**15,111**	5,818
Share issue costs	**(13,030)**	-
Tax benefits renounced to flow through shareholders	**88,425**	-
Impact of deferred tax assets not recognized	**(9,000)**	95,000
Total tax expense	**-**	-

(Expressed in Canadian dollars)

The Company's unrecognized deferred tax assets are as follows:

	2024 $	2023 $	Expiry date range
Unrecognized deferred tax assets (liabilities)			
Non-capital losses carried forward	**477,000**	401,000	See below
Securities	**12,000**	13,000	Not applicable
Share issue costs	**15,000**	7,000	2025-2028
Equipment	**1,000**	-	Not applicable
Exploration and evaluation assets	**(254,000)**	(161,000)	Not applicable
Total unrecognized deferred tax assets	**251,000**	260,000	

The Company has non-capital losses available of approximately $1,768,500 that may be carried forward to reduce future taxable income. These losses are with respect to Canadian operations, and if not utilized, will expire as follows:

Expiry Date	$
2033	15,000
2034	55,600
2035	269,800
2036	58,400
2037	146,400
2038	161,500
2039	153,400
2040	144,900
2041	105,100
2042	71,700
2043	271,400
2044	315,300
	1,768,500

9. FINANCIAL INSTRUMENTS

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 included within level 1 that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not observable for the asset or liability.

	Fair value hierarchy	March 31, 2024 $	March 31, 2023 $
Financial assets at FVTPL			
Cash and cash equivalents	Level 1	**95,524**	182,663
Securities	Level 1	**55,000**	45,000
		150,524	227,663

The carrying values of the Company's security deposit on exploration and evaluation assets and accounts payable and accrued liabilities approximate their fair values due to the market rates of interest attached and or due to their short-term nature.

Management of financial risks

The Company has exposure to the following risks from its financial instruments: credit risk, liquidity risk and market risk. Management and Board of Directors monitor risk management activities and review the adequacy of such activities.

Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk is limited to the carrying values of cash and cash equivalents, and security deposit on exploration and evaluation assets shown on its consolidated statement of financial position, which totaled $152,663 at March 31, 2024 (March 31, 2023 - $237,663). The cash and cash equivalents, and security deposit on exploration and evaluation assets are held with high credit quality financial institutions, management considers the risk of loss on these financial instruments to be minimal. The Company's management of credit risk has not changed materially from that of the prior year.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Management endeavors to maintain cash and cash equivalents in excess of financial liabilities, to enable payment of financial liabilities as they come due. As at March 31, 2024, the Company had cash and cash equivalents of $95,524 (March 31, 2023 - $182,663) and securities of $55,000 (March 31, 2023 - $45,000), to settle accounts payable and accrued liabilities of $66,233 (March 31, 2023 - $61,566) which are short-term in nature and subject to normal trade terms. The Company's management of liquidity risk has not changed materially from that of the prior year.

Market risk:

Market risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of foreign currency risk, interest rate risk and other price risk. Management has determined that the Company is not exposed to material interest rate risk. The Company's management of market risk has not changed materially from that of the prior year.

- *Foreign currency risk:*
  Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Company maintains its cash reserves in Canadian dollars and Mexican pesos. As at March 31, 2024 cash held in banks were mainly denominated in Canadian dollars.

  As at March 31, 2024, the Company had certain monetary items denominated in Mexican pesos. Based on these net exposures, a 10% appreciation or depreciation of the Canadian dollar against the Mexican pesos would result in an increase or a decrease of approximately $84 in the Company's profit or loss.

- *Other price risk:*
  Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk). The Company is exposed to other price risk with respect to fluctuations in the fair value of securities held. The Company's exposure to other price risk is limited to the fair value of securities, which totaled $55,000 at March 31, 2024 (March 31, 2023 - $45,000). Based on this exposure, a 10% change in price of the securities in comparison to the price as of March 31, 2024, would result in an impact of $5,500 on the Company's profit or loss.

10. RELATED PARTY TRANSACTIONS

Related parties are persons or entities that have control, joint control, or significant influence over the Company, or who are members of key management personnel of the Company.

(Expressed in Canadian dollars)

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers.

Key management personnel transactions were as follows:

a) The Company has a consulting agreement with its Chief Executive Officer ("CEO") for a fee of $5,000 per month, through Oro Grande Capital, a company controlled by the CEO. During the year ended March 31, 2024, the Company incurred $60,000 (2023 - $60,000) in fees to Oro Grande Capital. These fees are included in Management fees in profit or loss.

b) The Company has a consulting agreement with its Corporate Secretary for a fee of $2,000 per month, through AMS Law Corporation, a company controlled by the Corporate Secretary. During the year ended March 31, 2024, the Company incurred $24,000 (2023 - $24,000) in fees to the Corporate Secretary. These fees are included in Professional fees in profit or loss.

c) The Company has an arrangement with a director of the Company whereby the Director provides exploration related services to the Company. During the year ended March 31, 2024, the Company incurred $52,150 (2023 - $12,350) in fees to the Director. These fees are included in Exploration and Evaluation assets in the consolidated statements of financial position.

d) The Company has a consulting agreement with the Chief Financial Officer ("CFO") of the Company for a monthly fee of $2,500 through Avisar Everyday Solutions Ltd. ("Avisar"), a company where the CFO is a director and an officer, to provide accounting related services. During the year ended March 31, 2024, the Company incurred $30,000 (2023 - $30,000) in professional fees to Avisar. These fees are included in Professional fees in profit or loss.

The balance due to the Company's related parties included in accounts payables and accrued liabilities was $15,759 as at March 31, 2024 (March 31, 2023 – $10,056). These amounts are unsecured, non-interest bearing and payable on demand.

Key management personnel compensation included share-based compensation related to the fair value of the stock options granted (Note 7c). During the year ended March 31, 2024, share-based compensation for the key management personnel amounted to $91,260 (2023 - $Nil).

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada and Mexico. Non-current assets by country are as follows:

	March 31, 2024			**March 31, 2023**		
	Canada	Mexico	Total	Canada	Mexico	Total
	$	**$**	**$**	**$**	**$**	**$**
Exploration and evaluation assets	**766,376**	**328,272**	**1,094,648**	440,474	312,646	753,120
Equipment	**32,193**	**-**	**32,193**	-	-	-
Security deposit	**57,139**	**-**	**57,139**	55,000	-	55,000
Total	**855,708**	**328,272**	**1,183,980**	495,474	312,646	808,120

12. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity, which totaled $1,271,123 as at March 31, 2024 (March 31, 2023 - $1,000,850). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term.

The Company manages the capital structure and adjusts 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, issue debt, acquire or dispose of assets. Management believes the Company's working capital is presently sufficient for the Company to meet its near-term objectives. The Company's approach to the management of capital has not changed from that of the prior year.

The Company is not subject to any externally imposed capital requirements.

13. SUBSEQUENT EVENT

2024 Private Placement

Subsequently to year ended March 31, 2024, the Company completed a non-brokered private placement (the "2024 Private Placement") of 2,140,000 units at a price of $0.05 per Unit for gross proceeds of $107,000. Each Unit is comprised of one common share of the Company (a "Share") and one-half of one Share purchase warrant (each whole warrant, a "Warrant"). Each whole Warrant is exercisable to purchase a common share at a price of $0.10 per common share for a period of 24 months from the date of issuance thereof. The Company has the option to accelerate the expiry date of the Warrants.