



(A Development Stage Enterprise)

**Condensed Interim Financial Statements  
For the nine months ended September 30, 2023**

(Stated in Canadian Dollars)

**Responsibility for Financial Statements**

The accompanying financial statements for Metals Creek Resources Corp. have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) consistently applied. Only changes in accounting policies have been disclosed in these unaudited condensed interim financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2023.

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**METALS CREEK RESOURCES CORP.**  
(A Development Stage Enterprise)

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September 30, 2023 and 2022

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**METALS CREEK RESOURCES CORP.**

(A Development Stage Enterprise)

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION****(Prepared by Management)**

	September 30, 2023 \$ (Unaudited)	December 31, 2022 \$ (Audited)
<b>ASSETS</b>		
Current		
Cash	109,615	489,132
Short term investments (notes 3 and 5)	155,907	289,269
Short term investments – restricted (notes 3 and 5)	115,673	
H.S.T. and other receivables	11,041	6,625
Prepaid expenses	22,001	15,120
	<b>414,237</b>	<b>800,146</b>
Property and equipment (note 4)	49,878	69,145
Long term investments (note 6)	182,215	757,139
Exploration and evaluation assets (note 7)	8,084,216	7,841,923
	<b>8,730,546</b>	<b>9,468,353</b>
<b>LIABILITIES AND EQUITY</b>		
Current		
Accounts payable and accrued liabilities (note 10)	145,849	181,661
Current portion of lease liability (note 9)	13,856	13,335
	<b>159,705</b>	<b>194,996</b>
Lease liability (note 9)	-	9,065
	<b>159,705</b>	<b>204,061</b>
Equity		
Share Capital (note 8)	18,410,349	18,280,720
Reserves (note 8)	10,733,420	10,643,444
Deficit	(20,572,928)	(19,659,872)
	<b>8,570,841</b>	<b>9,264,292</b>
	<b>8,730,546</b>	<b>9,468,353</b>

*Nature and Continuation of Operations – Note 1*  
*Commitments – Notes 7 and 13*

*These financial statements are authorized for issue by the Board of Directors on November 7, 2023. They are signed on the Corporation's behalf by:*

“Alexander Stares”                      Director  
“Nick Tsimidis”                              Director

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

**METALS CREEK RESOURCES CORP.**

(A Development Stage Enterprise)

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS****(Prepared by Management – Unaudited)**

	<b>Three Months Ended Sept. 30, 2023 \$</b>	<b>Three Months Ended Sept. 30, 2022 \$</b>	<b>Nine Months Ended Sept. 30, 2023 \$</b>	<b>Nine Months Ended Sept. 30, 2022 \$</b>
<b>EXPENSES</b>				
Business development	3,455	32,273	21,141	111,354
Depreciation	6,953	8,885	20,633	24,985
Office and general	23,044	22,410	89,681	109,036
Professional fees	5,500	9,359	38,398	34,548
Consultants (note 10)	-	3,000	-	73,758
Salaries and benefits	83,733	92,508	242,481	246,968
Share-based payments (note 8(iii))	-	278,372	-	394,715
Write-down of exploration and evaluation assets	-	43,917	13,803	43,917
Pre-acquisition exploration and evaluation expenses	1,200	15,397	56,435	64,853
	<b>(123,885)</b>	<b>(506,121)</b>	<b>(482,572)</b>	<b>(1,104,134)</b>
Loss before the following:	(123,885)	(506,121)	(482,572)	(1,104,134)
Gain/(loss) on sale of investments (note 6)	1,450	-	(17,125)	5,005
Gain on sale or option of exploration and evaluation assets, net	-	22,500	1	70,750
Interest and investment income	3,059	1,211	9,690	4,262
Adjustment to fair value for fair value through profit and loss investments	(83,830)	(145,960)	(423,050)	(682,049)
Loss before deferred tax recovery	(203,206)	(628,370)	(913,056)	(1,706,166)
<b>Deferred tax recovery – flow-through</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>324,404</b>
<b>Loss and comprehensive income (loss) for the period</b>	<b>(203,206)</b>	<b>(628,370)</b>	<b>(913,056)</b>	<b>(1,381,762)</b>
<b>Loss per share – basic and diluted (note 12)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>(0.01)</b>
<b>Weighted Average Shares Outstanding – basic and diluted</b>	<b>154,766,690</b>	<b>149,612,266</b>	<b>151,641,413</b>	<b>145,601,832</b>

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

**METALS CREEK RESOURCES CORP.**

(A Development Stage Enterprise)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY****(Prepared by Management – Unaudited)****For the nine months ended September 30, 2023 and 2022**

	<u>Share Capital</u>		<u>Reserves</u>		<u>Deficit</u>	<u>Total</u>
	<u>Number of Shares</u> #	<u>Share Capital</u> \$	<u>Warrants</u> \$	<u>Equity Settled Benefits</u> \$		
<b>Balance, December 31, 2021</b>	<b>142,535,137</b>	<b>17,418,193</b>	<b>2,482,200</b>	<b>8,182,678</b>	<b>(13,729,567)</b>	<b>14,353,504</b>
Share-based payments	-	-	-	394,715	-	394,715
Issued for cash:						
Issued upon exercise of warrants	7,077,129	862,527	(150,007)	-	-	712,520
Expiration of warrants during the period	-	-	(172,047)	172,047	-	-
Loss and comprehensive loss for the period	-	-	-	-	(1,381,762)	(1,381,762)
<b>Balance, September 30, 2022</b>	<b>149,612,266</b>	<b>18,280,720</b>	<b>2,160,146</b>	<b>8,749,440</b>	<b>(15,111,329)</b>	<b>14,078,977</b>
<b>Balance, December 31, 2022</b>	<b>149,612,266</b>	<b>18,280,720</b>	<b>2,160,146</b>	<b>8,483,298</b>	<b>(19,659,872)</b>	<b>9,264,292</b>
Issued for cash:						
Private placement (note 8(vi))	7,381,200	131,460	89,976	-	-	221,436
Share issue costs	-	(32,081)	-	-	-	(32,081)
Issued in connection with property option and purchase agreements	850,000	30,250	-	-	-	30,250
Expiration of warrants during the period	-	-	(1,742,344)	1,742,344	-	-
Loss and comprehensive loss for the period	-	-	-	-	(913,056)	(913,056)
<b>Balance, September 30, 2023</b>	<b>157,843,466</b>	<b>18,410,349</b>	<b>507,778</b>	<b>10,225,642</b>	<b>(20,572,928)</b>	<b>8,570,841</b>

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

**METALS CREEK RESOURCES CORP.**

(A Development Stage Enterprise)

**CONDENSED INTERIM STATEMENTS CASH FLOWS****(Prepared by Management – Unaudited)**

	<b>Nine Months Ended Sept. 30, 2023 \$</b>	<b>Nine Months Ended Sept. 30, 2022 \$</b>
<b>CASH FLOWS FROM (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Income (loss) and comprehensive income (loss) for the period	(913,056)	(1,381,762)
Items not requiring an outlay of cash:		
Deferred tax recovery – flow-through	-	(324,404)
Depreciation	20,633	24,985
Share-based payments	-	394,715
Adjustment to fair value for fair value through profit and loss investments	423,050	682,049
Write-down of exploration and evaluation assets	13,803	43,917
Imputed interest on lease liability	1,450	2,495
(Gain)/loss on sale of long-term investments	17,125	(5,005)
Gain on sale of exploration and evaluation assets	(1)	(70,750)
Change in non-cash working capital items:		
Increase in H.S.T. and other receivables	(4,416)	193,809
Decrease/(increase) in prepaid expenses	(6,881)	58,873
Increase (decrease) in accounts payable and accrued liabilities	(35,812)	(339,150)
Cash flows used in operating activities	(484,105)	(720,228)
<b>FINANCING ACTIVITIES</b>		
Payments on lease liability	(11,360)	(11,295)
Redemption (purchase) of short-term investments	17,689	1,681,178
Issuance of capital stock for cash in private placements	221,436	-
Proceeds from exercise of warrants	-	712,520
Share issue costs – cash commission and expenses	(32,081)	-
Cash flows from (used in) financing activities	195,684	2,383,403
<b>INVESTING ACTIVITIES</b>		
Decrease in staking security deposits	-	23,900
Expenditures on exploration and evaluation assets	(225,846)	(2,241,410)
Proceeds on sale of exploration and evaluation assets	-	10,000
Net proceeds on sale of long-term investments	134,750	116,675
Purchase of property and equipment	-	(4,050)
Cash flows provided by (used in) investing activities	(91,096)	(2,094,885)
Decrease in cash	(379,517)	(471,710)
Cash – beginning of period	489,132	1,085,130
Cash – end of period	109,615	653,420
Supplemental cash flow information (note 11)		

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

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**METALS CREEK RESOURCES CORP.**

(A Development Stage Enterprise)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

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**1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS**

Metals Creek Resources Corp. (the “Company”) was incorporated on June 21, 2004 under the Business Corporations Act (Ontario). The Company’s head office is located at 945 Cobalt Crescent, Thunder Bay, Ontario, Canada, P7B 5Z4.

The Company is an exploration stage company and is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The accompanying financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company’s investment in exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop its properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has working capital in the amount of \$254,532 (December 31, 2022- \$605,150) and has a deficit in the amount of \$20,572,928 (December 31, 2022 - \$19,659,872). The Company has not earned any significant revenues to date and is considered to be in the exploration stage.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB (“International Accounting Standards Board”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 - Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company’s audited annual financial statements for the year ended December 31, 2022.

The policies applied in these financial statements are based on IFRS issued and outstanding as of November 7, 2023 the date the Board of Directors approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the year ended December 31, 2023.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with the Company’s audited annual financial statements and the notes thereto for the year ended December 31, 2022.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

### 3. SHORT TERM INVESTMENTS:

	September 30, 2023 \$	December 31, 2022 \$
Money Market Mutual Funds	271,580	289,269
Less: Restricted for flow-through purposes	(115,673)	-
	<u>155,907</u>	<u>288,269</u>

These funds are available for exploration and evaluation expenditures and operations upon the request of the Company.

The money market mutual funds consist of fully liquid, managed money market fund units that yield regular monthly dividends at market rates.

### 4. PROPERTY AND EQUIPMENT

	Cost	Acc. Depr.	Sept. 30, 2023 Net
Computer equipment	\$ 39,499	\$ 36,583	\$ 2,916
Furniture and fixtures	13,467	13,014	453
Computer software	63,020	63,020	-
General equipment	40,665	35,130	5,535
Automobile	121,968	93,392	28,576
Leasehold improvements	4,812	4,812	-
Right-of-use assets – office (i)	50,001	37,603	12,398
	<u>\$ 333,432</u>	<u>\$ 283,554</u>	<u>\$ 49,878</u>

	Cost	Acc. Depr.	Dec. 31, 2022 Net
Computer equipment	\$ 39,499	\$ 34,535	\$ 4,964
Furniture and fixtures	13,467	12,934	533
Computer software	63,020	63,020	-
General equipment	40,665	34,153	6,512
Automobile	121,968	85,096	36,872
Leasehold improvements	4,812	4,812	-
Right-of-use assets – office (i)	48,634	28,370	20,264
	<u>\$ 332,065</u>	<u>\$ 262,920</u>	<u>\$ 69,145</u>

(i) The Company's leased assets include its office premises. Amounts related to leased assets included in profit in loss include:

	September 30, 2023 \$	September 30, 2022 \$
Interest on lease liabilities	1,450	2,495
Depreciation charge – right-of-use assets	9,233	9,119



## 5. RESTRICTION ON THE USE OF CASH AND CASH EQUIVALENTS

During the period ended September 30, 2023, the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross proceeds for the exclusive purpose of paying for qualified Canadian exploration expenditures associated with its exploration and evaluation assets.

	September 30, 2023	December 31, 2022
Restriction on use of cash and cash equivalents, beginning of year	\$ -	\$ -
Gross proceeds received upon issuance of flow-through shares	185,436	-
Qualified exploration expenditures paid from these funds during period	(69,763)	-
Restriction on use of cash and cash equivalents, end of period	<u>\$ 115,673</u>	<u>\$ -</u>
Restriction on cash and cash equivalents consists of:		
Cash	-	-
Short term investments	115,673	-
	<u>115,673</u>	<u>-</u>

## 6. LONG TERM INVESTMENTS

	September 30, 2023			December 31, 2022		
	Number of Shares #	Market \$	Cost \$	Number of Shares #	Market \$	Cost \$
<b>Canadian Equities</b>						
Americas Silver Corporation (i)	-	-	-	953	734	21,249
Sokoman Minerals Corp. (ii)	398,000	29,850	89,316	900,000	261,000	204,133
Xmet Inc. (iii)	2,300,000	-	83,500	2,300,000	-	83,500
Thunder Gold Corp. (iv)	350,000	8,750	13,800	500,000	20,000	19,750
Benton Resources Inc. (v)	213,000	9,585	11,107	213,000	26,625	11,107
Signal Gold Inc. (vi)	-	-	-	20,000	6,500	5,133
Trifecta Gold Ltd. (vii)	800,000	20,000	208,000	1,000,000	50,000	260,000
Quadro Resources Ltd. (viii)	1,575,000	39,375	435,500	1,575,000	70,875	435,500
Manning Ventures Inc. (ix)	600,000	15,000	66,000	1,150,000	57,500	126,500
Magna Terra Minerals Inc. (vi)	350,000	5,250	115,500	350,000	14,000	115,500
General Copper Gold Corp. (x)	100,000	3,500	16,000	200,000	20,000	32,000
Class 1 Nickel and Tech. Ltd (xi)	962,000	19,240	461,760	1,089,000	157,905	522,720
Golden Sky Minerals Corp. (xii)	179,000	24,165	40,420	300,000	72,000	68,250
Thunderbird Minerals Corp (xii)	150,000	7,500	1	-	-	-
		<u>182,215</u>	<u>1,540,904</u>		<u>757,139</u>	<u>1,905,342</u>

(i) The shares of Americas Silver Corporation (TSX:USA) were received from Spruce Ridge originally as shares of RX Gold & Silver (which later merged with U.S. Gold & Silver Inc.) as a dividend-in-kind based on the Company's pro-rata ownership of Spruce Ridge and were disposed of during the period ended September 30, 2023 for gross proceeds of \$715 resulting in a \$105 gain recorded in the current period.

(ii) The shares of Sokoman Minerals Corp. (formerly Sokoman Iron Corp.) (TSX-V: SIC) are valued at the September 30, 2023 closing price of \$0.075 (December 31, 2022 - \$0.29). During the period ended the Company disposed of 502,000 shares of Sokoman for gross proceeds of \$58,595 and recorded a loss on disposition of \$13,825 in the current period. During the year ended December 31, 2022, the Company disposed of 100,000 shares of Sokoman for gross proceeds of \$37,750 and recorded a loss of \$250 in the previous year.

- (iii) The shares of Xmet Inc. (“Xmet”) held by the Company are valued at nil at September 30, 2023 (December 31, 2022 - nil) as the shares were downgraded to the NEX Exchange. The common shares of Xmet formerly traded on the TSX Venture Exchange under the symbol “XME”.
- (iv) The shares of Thunder Gold Corp. (formerly White Metal Resources Corp. (TSX-V: TGOL) are valued at the September 30, 2023 closing price of \$0.025 per share (December 31, 2022- \$0.04). During the period ended September 30, 2023, the Company disposed of 150,000 shares of Thunder Gold for gross proceeds of \$9,750 and recorded a loss on disposition of \$2,250 during the current period.
- (v) The shares of Benton (TSX-V: BEX) currently held by the Company are valued at the September 30, 2023 closing price of \$0.045 per share (December 31, 2022 - \$0.125). During the year ended December 31, 2022 the Company disposed of 37,000 shares of Benton for gross proceeds of \$8,015 and recorded a gain on disposition of \$245 during the previous year.
- (vi) The remaining 20,00 shares of Signal Gold Inc. (“Signal”) (TSX: SGNL) (formerly Anaconda Mining Inc.) were disposed of during the period ended September 30, 2023 for gross proceeds of \$6,800 and recorded a loss on disposition of \$100 in the current period. During the year ended December 31, 2022, the Company disposed of 20,000 shares of Signal for gross proceeds of \$14,200 and recorded a gain of \$400 in the previous year. In addition, the Company received 350,000 shares of Magna Terra Minerals Inc. (TSX-V: MTT) pursuant to the Jackson’s Arm option. These shares were valued at the September 30, 2023 closing price of \$0.0255 per share (December 31, 2022 - \$0.04).
- (vii) The shares of Trifecta Gold Ltd. (“Trifecta”) (TSX-V: TG) are valued at the September 30, 2023 closing price of \$0.025 per share (December 31, 2022- \$0.05). During the period ended September 30, 2023, the Company disposed of 200,000 shares of Trifecta for gross proceeds of \$9,250 and recorded a loss on disposition of \$250 in the current period.
- (viii) The 1,575,000 shares (post 1 for 3 share consolidation completed during the current year) of Quadro Resources Ltd. (“Quadro”) (TSX-V: QRO) are valued at the September 30, 2023 closing price of \$0.025 per share (December 31, 2022 - \$0.045 – pre-share consolidation). The shares were received pursuant to the Company’s disposition of its 50% interest in the Staghorn gold project in Newfoundland and a 33.3% interest in claims on the Great Northern Peninsula in Newfoundland. The Company received an additional 300,000 shares of Quadro (included within the 1,575,000 shares referenced above) during the year ended December 31, 2022, pursuant to a second anniversary option payment on the Careless Cove and Jackson’s Arm properties held by the Company.
- (ix) The shares of Manning Ventures Inc. (CSE: MANN) are valued at the September 30, 2023 closing price of \$0.025 per share (December 31, 2022 - \$0.05). The shares were received pursuant to the Company’s option agreements with Manning on the Yukon property and the Flint Lake JV. During the period ended September 30, 2023, the Company disposed of 550,000 shares of Manning for gross proceeds of \$19,500 and recorded a gain on disposition of \$5,500 in the current period. During the year ended December 31, 2022, the Company disposed of 250,000 shares of Manning for gross proceeds of \$17,250. The Company recorded a gain on disposition of \$6,000 during the previous year.
- (x) The shares of General Copper Gold Corp. (formerly General Gold Resources Inc.) (TSX-V – GGLD) are valued at the September 30, 2023 closing price of \$0.035 per share (December 31, 2022 - \$0.10). The shares were received pursuant to the Company’s option agreement on the Clark’s Brook property (see note 7(d)). During the period ended September 30, 2023, the Company disposed of 100,000 shares of General Copper Gold for gross proceeds of \$6,000 and recorded a gain on disposition of \$1,000 in the current period.
- (xi) The shares of Class 1 Nickel and Technologies Limited (“Class 1”) (CSE: NICO) are valued at the September 30, 2023 closing price of \$0.02 per share (December 31, 2022 - \$0.145). The shares were received pursuant to the Company’s sale of its 100% interest in claims located in the River Valley area of Ontario. During the period ended September 30, 2023, the Company disposed of 127,000 shares of Class 1 Nickel and Technologies for gross proceeds of \$10,620 and recorded a loss on disposition of \$5,255 in the current period. During the year ended December 31, 2022, the Company disposed of 161,000 shares of Class 1 for gross proceeds of \$44,910 and recorded a gain on disposition of \$4,660 during the previous year.

- (xii) The shares of Golden Sky Minerals Corp. (TSX-V – AUEN) (“Golden Sky”) are valued at the September 30, 2023 closing price of \$0.135 per share (December 31, 2022 - \$0.24). The shares were received pursuant to the Company’s option of its 100% interest in its Squid East claims located in the Yukon (see note 7(d)). During the period ended September 30, 2023, the Company disposed of 121,000 shares of Golden Sky for gross proceeds of \$18,520 and recorded a loss on disposition of \$2,050 in the current period. During the period ended September 30, 2023, Golden Sky completed a spin-out transaction with certain of its mineral properties into a new wholly-owned company, Thunderbird Minerals Corp. (“Thunderbird”) (TSX-V: BIRD). Pursuant to this transaction, the Company received 0.5 shares of Thunderbird for each share of Golden Sky held thereby receiving 150,000 shares of Thunderbird. The shares of Thunderbird are valued at the September 30, 2023 closing price of \$0.05 per share.

## **7. EXPLORATION AND EVALUATION ASSETS**

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. The deferred costs associated with each property for the period ended September 30, 2023 and year ended December 31, 2022 is summarized in the tables below:

**For the nine-month period ended September 30, 2023**

	<b>Flint Lake</b>	<b>Ogden</b>	<b>Dona Lake</b>	<b>Shabaqua</b>	<b>Other</b>	<b>Total</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
<b>Dec. 31, 2022 - Acquisition Costs</b>	\$ -	578,753	2,673	-	11,594	593,020
Additions	670	-	-	47,874	917	49,461
Writedowns/Recoveries	-	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 670</u>	<u>-</u>	<u>-</u>	<u>47,874</u>	<u>917</u>	<u>49,461</u>
<b>Sept. 30, 2023 - Acquisition Costs</b>	<u>\$ 670</u>	<u>578,753</u>	<u>2,673</u>	<u>47,874</u>	<u>12,511</u>	<u>642,481</u>
<b>Dec. 31, 2022 - Exploration and Evaluation Expenditures</b>	\$ 10,857	7,206,048	-	-	31,998	7,248,903
Assaying	3,306	-	-	7,655	154	11,115
Prospecting	21,821	-	740	60,110	3,737	86,408
Geological	8,763	5,040	1,122	26,389	5,751	47,065
Geophysical	-	(500)	-	-	-	(500)
Trenching	-	-	-	49,483	-	49,483
Diamond Drilling	-	498	11,942	-	527	12,967
Aboriginal Consultation	-	-	-	98	-	98
Writedowns/Recoveries	-	-	(13,804)	-	-	(13,804)
<i>Subtotal</i>	<u>\$ 33,890</u>	<u>5,038</u>	<u>-</u>	<u>143,735</u>	<u>10,169</u>	<u>192,832</u>
<b>Sept. 30, 2023 - Exploration and Evaluation Expenditures</b>	<u>\$ 44,747</u>	<u>7,211,086</u>	<u>-</u>	<u>143,735</u>	<u>42,167</u>	<u>7,441,735</u>
<b>Sept. 30, 2023 - Total</b>	<u>\$ 45,417</u>	<u>7,789,839</u>	<u>2,673</u>	<u>191,609</u>	<u>54,678</u>	<u>8,084,216</u>

**For the year ended December 31, 2022**

	<b>Flint Lake</b>	<b>Ogden</b>	<b>Dona Lake</b>	<b>Other</b>	<b>Total</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(e)</b>	
<b>Dec. 31, 2021 - Acquisition Costs</b>	\$ -	556,207	463,750	18,433	1,038,390
Additions	-	22,546	15,611	24,681	62,838
Writedowns/Recoveries	-	-	(476,688)	(31,520)	(508,208)
<i>Subtotal</i>	\$ -	22,546	(461,077)	(6,839)	(445,370)
<b>Dec. 31, 2022 - Acquisition Costs</b>	\$ -	<b>578,753</b>	<b>2,673</b>	<b>11,594</b>	<b>593,020</b>
<b>Dec. 31, 2021 - Exploration and Evaluation Expenditures</b>	\$ 10,857	6,183,727	3,007,197	28,878	9,230,659
Assaying	-	20,784	16,600	2,056	39,440
Prospecting	-	-	-	5,133	5,133
Geological	-	32,120	14,430	8,328	54,878
Geophysical	-	131,320	596	-	131,916
Diamond Drilling	-	838,097	1,145,915	-	1,984,012
Aboriginal Consultation	-	-	25,996	-	25,996
Writedowns/Recoveries	-	-	(4,210,734)	(12,397)	(4,223,131)
<i>Subtotal</i>	\$ -	1,022,321	(3,007,197)	3,120	(1,981,756)
<b>Dec. 31, 2022 - Exploration and Evaluation Expenditures</b>	\$ <b>10,857</b>	<b>7,206,048</b>	<b>-</b>	<b>31,998</b>	<b>7,248,903</b>
<b>Dec. 31, 2022 - Total</b>	\$ <b>10,857</b>	<b>7,784,801</b>	<b>2,673</b>	<b>43,592</b>	<b>7,841,923</b>

**a. Flint Lake Gold Property**

In 2007, the Company acquired an option on the Flint Lake Gold project which is located approximately 40 km east of Kenora, Ontario and consists of 14 claims totaling 160 units. The Company entered into an option agreement with Endurance Gold Corp. whereby under the initial option the Company could earn a 70% interest in the property by making share payments totaling 400,000 shares (completed in 2008) and completing work commitments of \$200,000 on the property (completed). The Company exercised a second option to earn a further 5% in the property by issuing a further 50,000 common shares (completed in 2008) and spent an additional \$250,000 on the property (completed). The Company has now earned a 81.3% interest and a joint venture has been formed on a 81.3% (the Company) and 18.7% (Endurance Gold Corp.) basis.

During the year ended December 31, 2020, the Company signed an option agreement with Manning Ventures Inc, ("Manning") whereby Manning has the right to earn a 100% interest of the Company's 81.3 % interest in the Flint Lake project by making cash payments to the Company totaling \$145,000 over three years (\$50,000 received); issue a total of 2,200,000 common shares of Manning to the Company over three years (700,000 received); and incur work expenditures of \$775,000 over three years. During the year ended December 31, 2022, Manning terminated the option and returned the project to the Company. The Company will continue to seek a partner to advance the project.

**b. Ogden**

The Company has entered into an agreement with Goldcorp Canada Ltd. ("Goldcorp") a wholly owned subsidiary of Newmont Goldcorp Corporation, to jointly explore Goldcorp's mining claims located in Ogden and Deloro Townships, located six kilometres south of Timmins, Ontario. The property consists of 84 patented and unpatented claims totaling approximately 1,184 hectares. The Company has earned a 50% interest in the property under the terms of the agreement.

The Company was the operator of the Property during the earn-in period has continued to operate the project afterwards, provided it continues to hold a 50% or greater interest in the property. During 2012, the Company received notice that Goldcorp did not intend to pursue its back-in right on the Ogden property and as a result, the Company and Goldcorp executed a 50/50 joint venture agreement. If either party becomes diluted to a 10% interest, that interest will be converted into a 2% Net Smelter Return Royalty.

**c. Dona Lake**

The Dona Lake property consists of 32 patented and leased mining claims totaling approximately 430.1 hectares and covers the past producing Dona Lake Mine.

During the year ended December 31, 2019, the Company entered into an option and joint venture agreement with Goldcorp Canada Ltd. ("Goldcorp"), a wholly owned subsidiary of Newmont Goldcorp Corporation ("Newmont Goldcorp"). The option agreement allows for the Company to earn 100% of Goldcorp's interest in the Dona Lake property by issuing to Goldcorp a total of 7,000,000 common shares of the Company and funding \$4,000,000 in exploration expenditures over 36 months as per the following schedule:

- Issuing 500,000 shares (issued) within 5 days of definitive agreement and TSX approval (the "Start Date") (received) and spending a minimum \$500,000 prior to 1st anniversary of the Start Date (completed)
- Issuing 1,500,000 shares on or before 1st anniversary (issued) of the Start Date and spending an additional \$1,000,000, to include a minimum 2,500 m drilling, prior to 2nd anniversary of the Start Date (optional)
- Issuing 2,000,000 shares on or before 2nd anniversary (issued) of the Start Date and spending an additional \$2,500,000, to include a minimum 10,000 m drilling, prior to 3rd anniversary of the Start Date (optional)
- Issuing 3,000,000 shares on or before 3rd anniversary of the Start Date (Year 3 – optional)

After vesting, Newmont Goldcorp will have a one-time option to elect to earn back 51% of the Dona Lake property by spending \$4,000,000 on exploration over the following 24 months. During the period ended September 30, 2022, the Company elected to return the Dona Lake property to Newmont Goldcorp due to economic conditions that would prohibit the Company from assuming the reclamation commitment held by Newmont Goldcorp with the Ontario Ministry of Northern Development and Mines. As a result, the Company

wrote off deferred exploration and evaluation expenditures totaling \$13,804 (December 31, 2022 - \$4,687,422) associated with the Dona Lake property in the current period.

**d. Shabaqua**

During the period ended September 30, 2023, the Company completed three separate agreements to acquire claim packages located within the Shebandowan Greenstone Belt, approximately 54km west of Thunder Bay, Ontario near Shabaqua Corners. The first purchase agreement was for 5 claim units (33.73 hectares). The Company issued 300,000 common shares for a 100% interest subject to a 2% NSR in favour of the vendor of which 1% may be purchased by the Company at any time for \$1 million.

The second purchase agreement was for 6 claim units. During the period ended September 30, 2023, the Company paid \$7,500 and issued 400,000 common shares for a 100% interest subject to a 2% NSR in favour of the vendor of which 1% may be purchased by the Company at any time for \$1 million.

The final agreement to acquire 8 claim units was through an option agreement pursuant to which the Company will issue 750,000 common shares (150,000 issued), pay \$65,000 (\$10,000 paid) and incur work expenditures of \$200,000 over three years. Upon fulfilling these requirements, the Company will have earned a 100% interest subject to a 2% NSR in favour of the vendor of which 1% may be purchased by the Company at any time for \$1 million.

**e. Other Properties**

Other Properties consists of several early-stage projects that the Company is evaluating for exploration potential. Included in Other Properties are certain projects that are subject to agreements that are more fully described below.

*Iron Horse*

The Company retains a 0.9% royalty from the Iron Horse Project located approximately 120 km Northeast of Labrador City, Labrador and held by Sokoman Minerals Corp.

*Yukon*

The Yukon property consists of 148 staked claims in two separate claim blocks in the Dawson Range gold district. The claim blocks are located in the Matson Creek area (Squid East and West properties). The Company owns a 100% interest in all claim blocks.

During the 2018 fiscal year, the Company optioned the property to Manning Ventures Inc. (“Manning”). Under the terms of the agreement, which was amended during the year ended December 31, 2020, Manning has the option to acquire a 75% interest in the property by making cash payments to the Company of \$55,000 (\$35,000 received with remaining \$20,000 due on or before December 31, 2021), issue to the Company a total of 800,000 Manning common shares (600,000 received with remaining 200,000 due on or before December 31, 2021) and incur work expenditures of \$1,050,000 (as amended) over four years (\$50,000 by December 31, 2021). Manning is the operator during the option period. Manning terminated the option agreement and returned the property to the Company in the 2021 fiscal year.

During the year ended December 31, 2022, the Company optioned the property to Golden Sky Minerals Corp. (“Golden Sky”). Under the terms of the agreement Golden Sky has the option to acquire a 100% interest in the property by making cash payments to the Company of \$100,000 (\$25,000 received), issue to the Company a total of 1,200,000 Golden Sky common shares (300,000 received) and incur work expenditures of \$850,000 over four years. Upon Golden Sky completing all cash and share payments and incurring all required work expenditures, the Company will retain a 2% NSR on any future mineral production. Golden Sky will have the right to acquire 50% of the NSR (1%) from the Company for \$1,000,000.

*Clarks Brook*

During the year ended December 31, 2020, the Company signed a letter of intent outlining terms whereby Deep Blue Trading Inc. (“DBT”) (a private company owned by an arm’s length third party) can earn a 100% interest in the Clarks Brook property by making cash payments of \$195,000 over three years (\$50,000 received) and issuing a total of 1,500,000 common shares over three years (200,000 shares of General Copper

Gold Corp. (“General Gold”), the resultant issuer, received). Metals Creek will retain a 2% NSR, one-half (1%) of which can be purchased by DBT for \$1,000,000. DBT must also complete a 43-101 report on the property by the first anniversary. During the year ended December 31, 2022, General Gold terminated its agreement to acquire Clark’s Brook and returned the property to the Company.

#### *Careless Cove/Yellow Fox*

During the year ended December 31, 2020, the Company signed a letter of intent (“LOI”) with Quadro Resources Ltd. (“Quadro”) pursuant to which Quadro has the right to earn a 100% interest in the Company’s Careless Cove/Yellow Fox claims in Central Newfoundland. Pursuant to the terms of the LOI, Quadro must issue to the Company a total of \$80,000 and 2,000,000 Quadro common shares as amended during the year ended December 31, 2022 according to the following schedule:

- i.) \$15,000 (received) and 300,000 Quadro common shares (pre 1 for 3 share consolidation) (received);
- ii.) \$20,000 (received) and 300,000 Quadro common shares (pre 1 for 3 share consolidation) on or before the first anniversary (received);
- iii.) 300,000 Quadro common shares (post 1 for 3 share consolidation) on or before the second anniversary (per amendment to agreement whereby the Company agreed to accept 500,000 (pre 1 for 3 share consolidation) additional common shares of Quadro in lieu of the original \$20,000 cash payment originally agreed to) (received); and
- iv.) \$45,000 and 166,667 Quadro common shares (post 1 for 3 share consolidation) on or before the third anniversary (agreement terminated)

Upon completion of the above payments, Quadro will have earned a 100% interest. The Company will retain a 2% net smelter royalty (“NSR”) on any future mineral production. Quadro will retain the right to buy back one-half the of the NSR (1% of the 2%) from the Company for \$1 million. During the period ended September 30, 2023, Quadro terminated the agreement on Careless Cove/Yellow Fox and returned the property to the Company.

## 8. CAPITAL AND RESERVES

### i. Share Capital

At September 30, 2023, the authorized share capital comprised an unlimited number of common shares and an unlimited number of preferred shares.

To date, no preferred shares have been issued.

### ii. Share Purchase Warrants

Details of share purchase warrant transactions for the period ended September 30, 2023 and year ended December 31, 2022 are as follows:

	# of Warrants	Amount \$	Wtd. Avg. Ex. Price
Balance, December 31, 2021	48,053,346	2,482,200	\$0.16
Exercised during the year	(7,077,129)	(150,007)	\$0.10
Expired during the year	(8,016,033)	(172,047)	\$0.10
Balance, December 31, 2022	32,960,184	2,160,146	\$0.19
Issued during the period	7,601,222	89,976	\$0.06
Expired during the period	(28,373,184)	(1,742,344)	\$0.165
Balance, September 30, 2023	12,188,222	507,778	\$0.15

For purposes of the warrants granted, the fair value of each warrant was estimated on the date of grant using an option pricing model.

Pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.



For the 5,347,888 warrants issued on July 25, 2023, the fair value of each warrant is \$0.012 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 156%, a risk-free interest rate of 4.66% and an expected life of 2 years.

For the 1,000,000 warrants issued on August 21, 2023, the fair value of each warrant is \$0.012 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 158%, a risk-free interest rate of 4.7% and an expected life of 2 years.

For the 1,253,334 warrants issued on September 21, 2023, the fair value of each warrant is \$0.012 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 162%, a risk-free interest rate of 4.83% and an expected life of 2 years.

The following table summarizes information about the warrants outstanding at September 30, 2023 and December 31, 2022:

Expiry Dates	Exercise Price	September 30,	December 31,
		2023 # of Warrants	2022 # of Warrants
December 23, 2024	\$0.30	4,587,000	4,587,000
July 25, 2025	\$0.06	5,047,888	-
July 25, 2025	\$0.05	300,000	-
August 21, 2025	\$0.06	1,000,000	-
September 21, 2025	\$0.06	353,334	-
September 21, 2025	\$0.05	900,000	-
		<u>12,188,222</u>	<u>4,587,000</u>

### iii. Stock Options

Details of stock option transactions for the period ended September 30, 2023 and year ended December 31, 2022 are as follows:

	# of Options	Wtd. Avg. Ex. Price
Balance, December 31, 2021	9,900,000	\$0.12
Expired during the year	(100,000)	\$0.10
Balance, December 31, 2022	9,800,000	\$0.12
Expired during the period	(1,275,000)	\$0.12
Balance, September 30, 2023	<u>8,525,000</u>	<u>\$0.13</u>

The following table summarizes information about the options outstanding at September 30, 2023 and December 31, 2022:

Expiry Dates	Exercise Price	September 30,	December 31,
		2023 # of Options	2022 # of Options
January 2023	\$0.10	-	925,000
January 2024	\$0.07	2,025,000	2,025,000
February 2026	\$0.13	2,600,000	2,600,000
June 2026	\$0.18	250,000	500,000
July 2026	\$0.15	3,650,000	3,750,000
		<u>8,525,000</u>	<u>9,800,000</u>

The Company applies the fair value method of accounting for share-based payments using an option pricing model.

The Company has calculated nil (September 30, 2022 - \$394,715) as share-based payments expense and under capital stock as reserves for the nil options vesting to directors, officers and employees and consultants during the period (September 30, 2022 – 1,101,813 options vesting)

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

#### **iv. Stock Option Plan**

The Company has a Stock Option Plan (the “Plan”) for directors, officers, employees and consultants. The Plan authorizes the granting of options to purchase up to a maximum of 15,046,226 common shares of which 8,525,000 are outstanding at September 30, 2023. The Plan provides that:

- any options granted pursuant to the Plan shall expire no later than five years after the date of grant;
- any options granted pursuant to the Plan shall be non-assignable and non-transferable;
- the number of common shares issuable pursuant to the Plan to any one person in any 12 month period shall not exceed 5% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to any one consultant in any 12 month period may not exceed 2% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to persons employed in technical consulting activities may not exceed 2% of the outstanding common shares in any 12 month period.
- the Plan provides that options shall expire and terminate 90 days following the date the optionee ceases to be an employee, director or officer of, or consultant to, the Company, provided that if such termination is as a result of death of the optionee, the optionee’s personal representative shall have one year to exercise such options.
- the maximum number of common shares which may be reserved and set aside for issue under Plan is equal to up to 10% of the issued and outstanding common shares, provided that the Board may, subject to Shareholder and regulatory approvals, increase such number.
- the Plan provides that options granted under the plan shall vest in the optionee, and may be exercisable by the optionee as follows: (1) 1/3 on the date of granting; (2) 1/3 six months from the date of granting; and (3) 1/3 twelve months from the date of granting.

#### **v. Shareholder Rights Plan**

The Company has adopted a shareholder rights plan (the “Rights Plan”) to ensure the fair treatment of all Company shareholders in connection with any take-over bid for the outstanding common shares of the Company. The Rights Plan will provide the Company’s shareholders with adequate time to properly evaluate and assess a take-over bid without facing undue pressure or coercion. The Rights Plan also provides the board of directors of the Company with additional time to consider any take-over bid and, if applicable, to explore alternative transactions in order to maximize shareholder value.

Pursuant to the Rights Plan, any bid that meets certain criteria intended to protect the interests of all shareholders are deemed to be “Permitted Bids”. A Permitted Bid must be made by way of a take-over bid circular prepared in compliance with applicable securities laws and, in addition to certain other conditions, must remain open for 60 days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights issued under the plan will entitle shareholders, other than any shareholder or shareholders involved in the take-over bid, to purchase additional common shares of the Company at a significant discount to the market price of the common shares at that time.

#### **vi. Private Placements**

During the period ended September 30, 2023, the Company completed the following private placement:

- Commencing in July 2023 and concluding on September 21, 2023, the Company completed a non-brokered private placement of both flow-through and non-flow through units in three (3) separate tranches. The Company issued a total 6,181,200 flow-through units a price of \$0.03 per unit. Each

flow-through unit consists of one flow-through common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for \$0.06 for a period of two years from the date of issuance. The Company also issued 1,200,000 non-flow through units at a price of \$0.03 per unit. Each non-flow through unit consists of one common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for \$0.05 for a period of two years from the date of issuance. Aggregate gross proceeds raised in the private placement were \$221,436.

In connection with the private placement, the Company paid cash finders' fees totalling \$8,221 as well as 200,022 finders' warrants exercisable at \$0.06 expiring two years from the date of issuance. See note 8(ii).

## 9. LEASE LIABILITY

The lease liability relates to a lease for the Company's office premises. The previous lease expired on September 30, 2022 and the Company executed a new lease on its existing office in September 2022 for a two-year period with renewal options. Using an estimated interest rate of 12% (the Company's estimated incremental borrowing rate) at September 30, 2023, the undiscounted lease obligation is as follows:

	September 30, 2023	December 31, 2022
	\$	\$
Lease liability	13,856	22,400
Less: Current portion	(13,856)	(13,335)
Long-term portion	-	9,065

## 10. RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to related parties during the periods ended September 30, 2023 and 2022:

Payee	Description of Relationship	Nature of Transaction	September 30, 2023 Amount (\$)	September 30, 2022 Amount (\$)
Eastrock Exploration/ Wayne Reid	Company controlled by Wayne Reid, Director and Officer	Payments for geological consulting services and reimbursement of expenses	8,400	10,800
Nick Tsimidis	Director and Officer	Payments for consulting fees	-	12,000
Stares Prospecting Ltd.	Company controlled by Alexander Stares, Director and Officer	Payments for field services capitalized in deferred development expenditures	-	425
Stares Contracting Corp.	Company controlled by Michael Stares, Director	Payments for equipment rentals capitalized in deferred development expenditures	300	-

The purchases from/fees charged by related parties are in the normal course of operation and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at September 30, 2023 is:

- nil in accounts payable to Eastrock Exploration Inc., (September 30, 2022: \$1,380).
- \$339 inclusive of HST in accounts payable to Stares Contracting Corp. (September 30, 2022 – nil)

Key management personnel remuneration during the period ended September 30, 2023 included \$255,863 (September 30, 2022 - \$254,564) in salaries and benefits and nil (September 30, 2022 - \$42,113) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the year.

## 11. SUPPLEMENTAL CASH FLOW INFORMATION

The following transactions did not result in cash flows and have been excluded from operating, financing and investing activities:

	<u>September 30,</u> <u>2023</u>	<u>September 30,</u> <u>2022</u>
	<u>\$</u>	<u>\$</u>
<i>Non-cash investing activities</i>		
Shares received for exploration and evaluation assets	-	60,750
Shares issued for mineral property option	30,250	-

## 12. INCOME (LOSS) PER SHARE

Basic income (loss) per common share has been calculated using the weighted average number of common shares outstanding in each respective period. As the issue of shares upon the exercise of stock options and warrants would be anti-dilutive, diluted loss per common share is equivalent to basic loss per common share.

## 13. COMMITMENTS

The Company executed a new lease agreement in September 2022 on its existing office premises. The term of the lease is for a period of two years with an option to renew for an additional two years. The agreement calls for monthly payments in the amount of \$1,255 plus HST until September 2023 and \$1,320 plus HST thereafter until September 2024. See note 9.