CALLINEX MINES INC.

Condensed Interim Financial Statements
Three and Six months ended March 31, 2024, and 2023

(Unaudited - Expressed in Canadian dollars)

CALLINEX MINES INC.

Condensed Interim Statements of Financial Position
As of March 31, 2024 and September 30, 2023
(Unaudited - Expressed in Canadian dollars)

	Note	March 31, 2024	September 30, 2023
		$	$
Assets			
Current			
Cash and cash equivalents		**534,347**	2,150,673
Other receivables		**92,982**	85,559
Prepaid expenses and other assets		**60,937**	113,335
		688,266	2,349,567
Non-current			
Deposits		**28,192**	28,192
Property and equipment	**5**	**206,174**	219,424
Exploration and evaluation assets	**6**	**40,826,648**	39,500,792
		41,749,280	42,097,975
Liabilities			
Current			
Accounts payable and accrued liabilities	**7, 13**	**581,231**	418,548
Lease obligations	**8**	**-**	5,213
Loan payable	**9**	**-**	40,000
		581,231	463,761
Non-current			
Loan payable	**9**	**40,000**	-
Deferred income tax liability	**10**	**2,367,422**	2,293,822
Flow-Through premium liability	**11**	**-**	479,942
		2,988,653	3,237,525
Shareholders' Equity			
Capital stock	**12**	**80,926,658**	80,660,077
Equity reserve	**12(e)**	**9,850,112**	9,755,584
Accumulated other comprehensive loss		**(353,995)**	(353,995)
Deficit		**(51,662,148)**	(51,201,216)
		38,760,627	38,860,450
		41,749,280	42,097,975

Going Concern – Note 2
Commitments – Note 17
Subsequent event – Note 19

APPROVED BY THE BOARD OF DIRECTORS

Michael Louie ("signed") Director *Nico Civelli ("signed")* Director

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

CALLINEX MINES INC.

Condensed Interim Statements of Loss and Comprehensive Loss
Three and six months ended March 31, 2024, and 2023
(Unaudited - Expressed in Canadian dollars)

		Three months ended		Six months ended	
	Note	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
		$	$	**$**	$
Corporate development		**58,306**	204,068	**146,807**	351,439
Depreciation	**5**	**4,796**	16,088	**13,250**	32,463
General exploration		**-**	-	**-**	106
Listing and filing fees		**40,608**	18,103	**112,792**	49,749
Management and consulting fees	**13**	**70,413**	69,822	**130,813**	129,900
Office, administration and other		**70,089**	65,431	**125,520**	133,428
Professional fees	**13**	**76,309**	45,653	**153,072**	89,545
Share-based compensation	**12(c),13**	**85,848**	57,965	**183,170**	126,547
		(406,369)	(477,130)	**(865,424)**	(913,177)
Lease finance charges	**8**	**-**	(2,196)	**(87)**	(5,055)
Interest income		**421**	274	**846**	325
Foreign exchange loss		**(780)**	(12,865)	**(2,609)**	(14,234)
Gain on disposal of property and equipment		-	(1,659)	-	(1,659)
Flow-through premium recovery	**11**	**-**	339,411	**479,942**	339,411
Loss before income taxes		**(406,728)**	(154,165)	**(387,332)**	(594,389)
Income tax (expense)/recovery	**10**	**82,777**	104,083	**(73,600)**	192,857
Loss and total comprehensive loss for the period		**(323,951)**	(50,082)	**(460,932)**	(401,532)
Loss per share					
- Basic and diluted loss per share		**(0.02)**	-	**(0.03)**	(0.03)
Weighted average number of shares outstanding					
- Basic and diluted	**12f)**	**17,391,614**	15,627,795	**17,305,431**	15,295,224

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

CALLINEX MINES INC.

Condensed Interim Statements of Cash Flows
Six months ended March 31, 2024, and 2023
(Unaudited - Expressed in Canadian dollars)

	2024	2023
	$	$
Cash flows (used in) provided by		
Operating activities		
Income (Loss) for the period	**(460,932)**	(401,532)
Items not affecting cash		
Depreciation	**13,250**	32,463
Share-based compensation	**183,170**	126,547
Lease finance charges	**87**	5,055
Finance income	**(846)**	(325)
Flow-through premium recovery	**(479,942)**	(339,411)
Income tax expense/(recovery)	**73,600**	(192,857)
Loss on disposal of property and equipment	**-**	1,659
Net change in non-cash working capital items		
Accounts receivable	**(6,577)**	75,904
Prepaid expenses	**52,398**	(967,773)
Accounts payable and accrued liabilities	**239,469**	315,212
Net used in operating activities	**(386,323)**	(1,345,058)
Investing activities		
Investment in exploration and evaluation assets	**(1,624,703)**	(1,889,764)
Receipt of government assistance for exploration and evaluation assets	**250,000**	-
Acquisition of property and equipment	**-**	(2,997)
Net cash used in investing activities	**(1,374,703)**	(1,892,761)
Financing activities		
Proceeds from issuance of shares	**-**	9,408,376
Share issuance costs	**-**	(628,596)
Proceeds from exercise of options	**150,000**	205,681
Lease payments	**(5,300)**	(31,796)
Net cash provided by financing activities	**144,700**	8,953,665
(Decrease)/Increase in cash and cash equivalents	**(1,616,326)**	5,715,846
Cash and cash equivalents, beginning of period	**2,150,673**	994,543
Cash and cash equivalents, end of period	**534,347**	6,710,389
Cash and cash equivalents consist of:		
Cash	**501,347**	6,677,389
Cash equivalents	**33,000**	33,000

Supplemental Cash Flow Information – Note 16

CALLINEX MINES INC.

Condensed Interim Statements of Changes in Equity
Six months ended March 31, 2024, and 2023
(Unaudited - Expressed in Canadian dollars)

	Common shares	Capital Stock	Equity Reserve	AOCL[1]	Deficit	Total
	#	$	$	$	$	$
Balance, September 30, 2022	**14,932,252**	**74,254,851**	**9,131,173**	**(353,995)**	**(49,924,895)**	**33,107,134**
Shares issued in consideration for:						
Cash, pursuant to private placement	2,157,266	9,408,376	-	-	-	9,408,376
Less: Issue costs - cash	-	(669,098)	-	-	-	(669,098)
Less: Issue costs - non-cash	-	(108,472)	108,472	-	-	-
Allocation of private placement proceeds to flow-through premiums	-	(2,612,988)	-	-	-	(2,612,988)
Exercise of options	72,333	335,641	(129,960)	-	-	205,681
Share-based compensation - stock options	-	-	165,149	-	-	165,149
Comprehensive income for the period	-	-	-	-	(401,532)	(401,532)
Balance, March 31, 2023	**17,161,851**	**80,608,310**	**9,274,834**	**(353,995)**	**(50,326,427)**	**39,202,722**
Shares issued in consideration for:						
Exercise of options	58,334	51,767	(22,669)	-	-	29,098
Share-based compensation - stock options	-	-	503,419	-	-	503,419
Comprehensive loss for the period	-	-	-	-	(874,789)	(874,789)
Balance, September 30, 2023	**17,220,185**	**80,660,077**	**9,755,584**	**(353,995)**	**(51,201,216)**	**38,860,450**
Exercise of options	300,000	266,581	(116,581)	-	-	150,000
Share-based compensation - stock options	-	-	211,109	-	-	211,109
Comprehensive loss for the period	-	-	-	-	(460,932)	(460,932)
Balance, March 31, 2024	**17,520,185**	**80,926,658**	**9,850,112**	**(353,995)**	**(51,662,148)**	**38,760,627**

1 Accumulated Other Comprehensive Loss

1. Nature of operations

Callinex Mines Inc. ("Callinex" or the "Company") was incorporated on April 21, 2011, under the British Columbia Business Corporations Act for the purpose of receiving certain cash, equipment, common shares, and exploration and evaluation assets from Callinan Royalties Corporation (formerly Callinan Mines Limited) ("Callinan") in exchange for common shares of the Company by way of a plan of arrangement as approved by the shareholders of Callinan on June 7, 2011. The effective date of the transaction with Callinan was July 13, 2011. Since the plan of arrangement, the Company has been directly engaged in the exploration of mineral properties in Canada.

The Company's head office and registered and records office address is 1100 – 1199 West Hastings Street, Vancouver, British Columbia, Canada V6E 3T5.

2. Basis of presentation and going concern

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (as issued by the International Accounting Standards Board) applicable to the preparation of interim financial statements, under International Accounting Standard 34, *Interim Financial Reporting*. Therefore, these condensed interim financial statements do not include all the information and note disclosures required by IFRS Accounting Standards for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2023, which have been prepared in accordance with IFRS Accounting Standards.

The financial statements of the Company are presented in Canadian dollars, which is also the functional currency of the Company.

These financial statements were approved by the board of directors for use on May 28, 2024.

Going Concern

The Company has primarily incurred losses since inception and expects to incur further losses in the development of its business. As of March 31, 2024, the Company had a working capital surplus of $107,035 (September 30, 2023 - $1,885,806) and at that date, the Company also had an accumulated deficit of $51,662,148 (September 30, 2023 - $51,201,216) which has been funded primarily by the issuance of equity. For the six months ended March 31, 2024, cash used by operating activities totalled $386,323 (2023 - $1,345,058).

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These factors give rise to material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The economic uncertainties around persistent inflation pressure and geopolitical events have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown.

3. New and future accounting standards and pronouncements

New standards or amendments to existing standards issued but which have not yet been applied by the Company based on the effective date are not currently expected to have a material impact on the Company's financial statements.

4. Accounting policy judgements and estimation uncertainty

a) Accounting policy judgments

The preparation of these condensed interim financial statements requires making judgments that affect the amounts reported. Accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Going concern

The Company's management has assessed the Company's ability to continue as a going concern. The factors considered by management include, among other things, the Company's cash position on March 31, 2024; its projected exploration and general operating costs; its ability to raise financing and its intention to continue operating the Company.

Impairment assessment of exploration and evaluation assets

At the end of each reporting period, management applies judgement in assessing whether there are any impairment indicators relating to exploration and evaluation assets When assessing whether there are impairment indicators management considers whether (i) the period for which the Company has the right to explore in the specific area has expired during the period 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) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and (iv) whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. In considering these factors, management did not identify any impairment indicators for the six months ended March 31, 2024.

b) Significant estimates

There were no key assumptions made concerning the future or other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next fiscal year.

5. Property and equipment

	Equipment	Office Furniture	Computer Equipment	Buildings, Furniture & Fittings	Right of Use Asset	Total
	$	$	$	$	$	$
Cost						
Balance, September 30, 2022	142,506	12,898	97,433	236,672	179,212	668,721
Additions	-	-	4,495	-	-	4,495
Disposals	(10,800)	-	-	-	-	(10,800)
Balance, September 30, 2023	131,706	12,898	101,928	236,672	179,212	662,416
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(179,212)	(179,212)
Balance, March 31, 2024	**131,706**	**12,898**	**101,928**	**236,672**	**-**	**483,204**
Accumulated depreciation						
Balance, September 30, 2022	121,193	8,309	81,612	43,147	133,584	387,845
Depreciation	5,458	862	4,804	11,002	42,162	64,288
Disposals	(9,141)	-	-	-	-	(9,141)
Balance, September 30, 2023	117,510	9,171	86,416	54,149	175,746	442,992
Depreciation	2,049	363	2,043	5,328	3,466	13,250
Disposals	-	-	-	-	(179,212)	(179,212)
Balance, March 31, 2024	**119,559**	**9,534**	**88,459**	**59,477**	**-**	**277,030**
Net book value						
September 30, 2023	14,196	3,727	15,512	182,523	3,466	219,424
March 31, 2024	**12,147**	**3,364**	**13,469**	**177,195**	**-**	**206,174**

6. Exploration and evaluation assets

Exploration expenditures incurred during the year ended September 30, 2023 and the six months ended March 31, 2024 are as follows:

	Flin Flon	Point Leamington	Nash Creek	Superjack	Other	Total
	$	$	$	$	$	$
September 30, 2022	**27,003,339**	**1,059,896**	**4,692,669**	**1,122,341**	**118,242**	**33,996,487**
Acquisition	-	-	-	-	-	-
Assaying	281,418	-	-	-	-	281,418
Camp costs	90,670	-	2,132	913	-	93,715
Consulting	125,467	-	-	-	-	125,467
Drilling	3,746,887	-	-	-	-	3,746,887
Geologists	340,717	15,623	30,646	-	-	386,986
Geophysical	48,575	-	-	-	-	48,575
Other	463,494	-	-	-	-	463,494
Permitting	47,002	47,815	17,410	-	1,150	113,377
Recovery	-	-	-	-	-	-
Surveying	382,792	-	-	-	-	382,792
Share-based compensation	110,483	-	1,111	-	-	111,594
	5,637,505	63,438	51,299	913	1,150	5,754,305
Government assistance	(250,000)	-	-	-	-	(250,000)
	5,387,505	63,438	51,299	913	1,150	5,504,305
September 30, 2023	**32,390,844**	**1,123,334**	**4,743,968**	**1,123,254**	**119,392**	**39,500,792**
Assaying	131,870	-	-	-	-	131,870
Camp costs	31,349	-	1,844	551	-	33,744
Consulting	(3,315)	-	-	-	-	(3,315)
Drilling	901,309	-	-	-	-	901,309
Geologists	137,125	7,500	15,000	-	-	159,625
Geophysical	133,641	-	-	-	-	133,641
Other	101,729	-	-	-	-	101,729
Permitting	9,965	31,515	12,210	-	3,200	56,890
Surveying	32,424	-	-	-	-	32,424
Share-based compensation	27,939	-	-	-	-	27,939
	1,504,036	39,015	29,054	551	3,200	1,575,856
Government assistance	(250,000)	-	-	-	-	(250,000)
	1,254,036	39,015	29,054	551	3,200	1,325,856
March 31, 2024	**33,644,880**	**1,162,349**	**4,773,022**	**1,123,805**	**122,592**	**40,826,648**

Flin Flon Area

Pine Bay project

The Company owns a 100% interest, with certain mineral leases and claims within the Pine Bay Project being subject to a Net Smelter Return ("NSR") royalty ranging from 0%-1% (of which 0.5% NSR can be repurchased for $500,000) and a Net Profit Interest.

On August 23, 2023, the Company entered into a Grant Agreement with the Manitoba Mineral Development Fund (the "MMDF") for a grant of $500,000 to support exploration on the Company's 100% owned Pine Bay Project in Flin Flon, MB. The remaining $250,000 was received by the Company during the period ended March 31, 2024.

Flin Flon project

The Company owns a 100% interest in the project, subject to a 2% NSR royalty of which 1% may be purchased for $1,000,000.

Gossan Gold project

The Company owns a 100% interest in the project, subject to a 2% NSR royalty.

Nash Creek and Superjack projects

The Company owns a 100% interest in the projects.

Pt. Leamington project

The Company owns a 100% interest in the project, subject to a 1% NSR royalty which may be purchased for $1,000,000.

Other

The Company has an interest in other properties. The other properties are in good standing and do not require any further commitments. These include the Sneath Lake property, Moak Lake property, Herblet Lake property, Headway property, Headway North claim, and the Island Lake properties.

Headway Project

The Company owns a 100% interest in the project located in the Bathurst Mining District of New Brunswick, subject to a 1% NSR royalty, of which half can be purchased at any time for $500,000.

Headway North claim

The Company owns a 100% interest in the project, which expands the Headway Project, subject to a 1% NSR royalty, of which half can be purchased at any time for $500,000.

7. Accounts payable and accrued liabilities

	March 31 2024	September 30, 2023
	$	$
Accounts payable	**408,615**	372,184
Accrued liabilities	**172,616**	46,364
	581,231	418,548

8. Lease obligations

On October 1, 2019, the Company recognized lease obligations with respect to the lease of office space, with the corresponding right-of-use asset for office space being presented within property and equipment (Note 6). Upon adoption of IFRS 16 the initial carrying value of the lease obligations and right of use asset were each recorded at $179,212.

The term of the lease expired on October 31, 2023. The outstanding balances as of March 31, 2024, and September 30, 2023, calculated using an implied rate of 20% p.a., were as follows:

	March 31, 2024	September 30, 2023
	$	$
Office lease obligation	-	5,213
Current portion	-	(5,213)
Non-current portion	-	-

9. Loan payable

During May 2020, the Company received $40,000 in the form of a Canada Emergency Business Account ("CEBA") loan. CEBA is part of the economic assistance program launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and can only be used to pay non-deferrable operating expenses. During the period from receipt of the CEBA loan to December 31, 2023 (previously December 31, 2022), the "Initial Term", no interest was charged on the amount outstanding. An extension to the interest free period was announced by the Government of Canada to extend the Initial Term from December 31, 2022, to January 18, 2024 (the "Government Announcement"). The Company did not repay the CEBA loan as of January 18, 2024, accordingly, from January 19, 2024, to December 31, 2026 (the "Extended Term"), interest is payable monthly at a rate of 5% per annum on the outstanding balance. The balance of the CEBA loan is fully repayable on or before the end of the Extended Term, if not repaid on or before the end of the Initial Term.

Interest has been accrued and is presented within accounts payable and accrued liabilities.

As at March 31, 2024, management determined that the loan would not be repaid until the end of the Extended Term and, accordingly, presented the outstanding balance as non-current.

10. Deferred Income Tax Liability

A reconciliation between the Company's income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2024	2023
Statutory tax rate	**27%**	27%
	$	$
Loss for the period before taxes	**(387,332)**	(594,389)
Expected income tax recovery at statutory rate	**(104,580)**	(160,485)
Add (deduct) reconciling items:		-
Non-temporary differences and other	**(162,468)**	(144,887)
Impact of flow through shares	**292,953**	206,192
Non-recognition / (recognition) of net tax assets	**47,695**	(93,677)
Income tax expense (recovery)	**73,600**	(192,857)

The significant components of the Company's net deferred tax liability as of March 31, 2024, and September 30, 2023, is as follows:

	March 31, 2024	September 30, 2023
	$	$
Deferred tax assets:		
Equipment	58,747	56,107
Issuance Costs	227,786	247,148
Capital losses and other	143,000	143,000
Non-refundable mining ITC	47,721	47,721
Non-capital losses	**5,430,898**	5,187,279
Deferred tax assets	**5,908,152**	5,681,255
Unrecognized deferred tax assets	(143,000)	(143,000)
Net deferred tax assets	**5,765,152**	5,538,255
Deferred tax liabilities:		
Resource property	(8,132,574)	(7,832,077)
Deferred tax liabilities	(8,132,574)	(7,832,077)
Net deferred tax liabilities	**(2,367,422)**	(2,293,822)

The potential benefit of deferred tax assets arising from the carry forward of capital losses are not recognized in these financial statements when it is not considered probable that sufficient future taxable capital gains will allow the deferred tax asset to be recovered.

As of March 31, 2024, the Company has approximately $1,059,000 of capital losses without any expiry that are available to be carried forward to reduce any future taxable capital gains.

In addition, as of March 31, 2024, the Company has approximately $20,113,000 (September 30, 2023 - $19,211,000) of non-capital losses for Canadian income tax purposes that may be carried forward to reduce taxable income derived in future years. Their expiry dates range from 2031 – 2044 (September 30, 2023 (2031 – 2043)).

11. Flow-through premium liability

With respect to a flow-through share financing completed during March 2023, the Company was committed to incurring, on or before December 31, 2024, qualifying Canadian exploration expenses as defined under the *Income Tax Act (Canada)* (the "Qualifying Expenditures") in the amount of $5,879,223. None of the qualifying CEE will be available to the Company for future deduction from taxable income.

As of March 31, 2024, the Company had completed this commitment to incur Qualifying Expenditures.

12. Share capital

a) Authorized

Unlimited common shares with no par value

b) Financings

Six months ended March 31, 2024

The Company did not complete any financings.

Six months ended March 31, 2023

On March 6, 2023, the Company closed a brokered private placement and issued 1,120,366 Units at a price of $3.15 per Unit for gross proceeds of $3,529,153. Each Unit consisted of one common share and one-half of one common share purchase warrant, wherein each Warrant entitles the holder to purchase one common share at an exercise price of $4.05 per common share for a period of two years from the issue date until March 6, 2025. The Company also issued 1,036,900 flow-through units ("FT Unit") at a price of $5.67 per FT Unit consisting of one flow-through common share and one-half of one non-flow-through warrant for gross proceeds of $5,879,223. Each FT Unit consisted of one common share and one-half of one common share purchase warrant, wherein each Warrant entitles the holder to purchase one common share at an exercise price of $4.05 per common share for a period of two years until March 6, 2025.

In connection with the private placement, Agents were granted a total of 110,348 non-transferable compensation warrants and advisory broker warrants ("Agent warrants"), wherein each Warrant entitles the Agents to purchase one common share at an exercise price of $4.05 per common share for a period of two years until March 6, 2025. In addition, the Company incurred cash finders' fees of $567,670 and other cash issue costs of $101,428 in association with financing. The weighted average fair value of Agent warrants issued was $0.98 per Agent warrant, for an aggregate fair value of $108,472 recognized as a non-cash issuance cost. Fair values were estimated using the Black-Scholes option pricing model with the following weighted average assumptions: (i) risk free rate - 4.25%; (ii) expected life - 2 years; (iii) expected volatility (based on historical volatility) – 66.23%; and (iv) expected forfeiture and dividends - nil.

c) Stock options

On December 13, 2023, the Company's shareholders approved an amendment to the Company's stock option plan (the "Plan") to amend the Plan from a fixed plan to a "rolling" stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant (the "Rolling Plan"). Under the Rolling Plan, if an Option is surrendered, terminated, or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under the Rolling Plan.

The number of Common Shares reserved for issuance in any 12 month period under the Rolling Plan and any other share compensation arrangement to (a) any one Person, shall not exceed 5% of the outstanding Common Shares at the time of the grant (unless the Company has obtained disinterested shareholder approval to exceed such limit); (b) any one Consultant or Person employed to provide Investor Relations Activities, shall not exceed 2% of the outstanding Common Shares at the time of the grant; and (c) to Insiders, shall not exceed 10% of the outstanding Common Shares at any point in time.

The balance of options outstanding and related information for the six months ended March 31, 2024, are as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance September 30, 2023	1,469,667	$2.87	2.57
Exercised	(300,000)	$0.50	
Balance March 31, 2024	1,169,667	$3.48	2.48
Unvested	(99,000)	$3.14	4.00
Exercisable, March 31, 2024	**1,070,667**	**$3.52**	**2.34**

The balance of options outstanding as of March 31, 2024, was as follows:

Expiry date	Exercise price	Remaining life (years)	Options Outstanding	Unvested	Exercisable
September 9, 2024	$0.50	0.44	30,000	-	30,000
October 14, 2024	$0.50	0.54	10,000	-	10,000
September 14, 2025	$3.50	1.46	357,500	-	357,500
March 4, 2026	$5.00	1.93	160,000	-	160,000
August 8, 2026	$3.80	2.36	130,000	-	130,000
April 27, 2027	$3.11	3.07	195,167	-	195,167
March 27, 2028	$3.15	3.99	277,000	92,333	184,667
May 29, 2028	$3.00	4.16	10,000	6,667	3,333
			1,169,667	**99,000**	**1,070,667**

The weighted average share price of stock options exercised was $1.34 (2023 - $2.32).

For the period three months and six months ended March 31, 2024, the Company recorded aggregate share-based compensation expense, arising from options, of $98,632 and $211,109, respectively, (2023

– $74,910 and $165,149, respectively,) of which $12,784 and $27,939, respectively, (2023 – $16,945 and $38,602, respectively,) was capitalized to exploration and evaluation assets.

d) Share purchase warrants

The balance of warrants outstanding and related information for the six months ended March 31, 2024, are as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance September 30, 2023	2,718,929	$4.82	0.89
Expired	(820,226)	$6.00	-
Balance March 31, 2024	**1,898,703**	**$4.31**	**0.60**

The balance of warrants outstanding as of March 31, 2024, was as follows:

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding
April 21, 2024*	$4.75	0.06	709,723
March 6, 2025	$4.05	0.93	1,188,980
			1,898,703

* Subsequent to March 31, 2024, 709,723 warrants with an exercise price of $4.75 per common share expired unexercised.

e) Equity reserve

	Funding by Callinan	Options and warrants	Total
Balance, September 30, 2023	2,660,523	7,095,061	9,755,584
Transfer of value on the exercise of options	-	(116,581)	(116,581)
Share-based compensation – stock options	-	211,109	211,109
Balance, March 31, 2024	**2,660,523**	**7,189,589**	**9,850,112**

f) Diluted earnings per share

1,169,667 options and 1,898,703 warrants (2023 – 1,521,001 and 2,718,979, respectively), that could potentially dilute basic earnings per share in the future were not included in the calculation of diluted earnings per share because they are antidilutive for each of the three and six months ended March 31, 2024 and 2023.

13. Related party transactions

Compensation paid or payable to the Company's key management, being the Company's Board of Directors, corporate officers, and Exploration Manager, for services provided during the three and six months ended March 31, 2024, and 2023 was as follows:

	Three months ended		**Six months ended**	
	Mar 31, 2024	Mar 31, 2023	**Mar 31, 2024**	Mar 31, 2023
	$	$	**$**	$
Professional fees	**9,881**	8,348	**25,569**	17,735
Management fees	**99,900**	97,664	**197,800**	195,328
Share-based compensation	**50,098**	45,465	**106,978**	101,413
	159,879	151,477	**330,347**	314,476

Professional fees represent fees charged by a company controlled by the Chief Financial Officer ("CFO") of the Company for the provision of CFO services.

Management fees for the three and six months ended March 31, 2024, and 2023 include salary earned by (i) the Chief Executive Officer ("CEO"), and (ii) the Exploration Manager of the Company. Management fees of $37,500 and $75,000, respectively, (2023 - $37,586 and $75,172, respectively) have been capitalised to exploration and evaluation assets during the three and six months ended March 31, 2024.

During the three and six months ended March 31, 2024, the Company incurred professional fees of $14,342 and $26,994, respectively, (2023 - $12,643 and $27,608, respectively,) for the provision of non-CFO accounting and advisory support services charged by a company controlled by the CFO of the Company.

During the three and six months ended March 31, 2024, the Company incurred office rental expense of $9,000 and $18,000, respectively, (2023 - $nil) for the provision of office space sub-let to the Company by the CEO of the Company.

Included in accounts payable and accrued liabilities as of March 31, 2024, are amounts due to related parties of $16,756 (September 30, 2023 - $29,280) owing to the CEO and to a company controlled by the CFO for the provision of CFO, and non-CFO accounting and advisory support services. These amounts are non-interest bearing and due on normal commercial terms.

14. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, deposits, accounts payable and accrued liabilities and loan payable. The Company's cash and cash equivalents, and deposits are measured at amortized cost. The accounts payable and accrued liabilities and loan payable are designated as amortized cost. The carrying value of the Company's financial instruments approximates their fair value due to their short-term nature and no material impact of changes in credit risk since initial recognition. Accordingly, the fair value hierarchy of the financial instruments where carrying value approximates fair value has not been disclosed.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and deposits balances. The Company's cash and cash equivalents are held at a Schedule I Canadian bank in interest bearing accounts. As of March 31, 2024, the Company does not believe it is exposed to significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management as outlined in Note 16 to these financial statements. Accounts payable relating to exploration and evaluation assets and other accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The CEBA loan is required to be repaid on December 31, 2026. As of March 31, 2024, the Company had a cash balance of $534,347 (September 30, 2023 - $2,150,673) to settle current liabilities of $581,231 (September 30, 2023 - $463,761) (see Note 2).

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and the price of publicly traded marketable securities.

a) Interest rate risk

The Company has cash balances and no debt liabilities which are currently interest-bearing, other than the CEBA loan which carries interest at a fixed rate of 5% per annum. The Company's current policy is to invest excess cash in short-term deposit certificates issued by its banking institutions. The Company does not believe it is exposed to significant interest rate risk.

b) Foreign currency risk

The Company conducts all its business in Canada and is therefore not exposed to significant foreign currency risk.

15. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to pursue the exploration and evaluation of its exploration and evaluation assets, to acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, warrants, options, equity reserve and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditure program. The Company is not subject to externally imposed capital requirements.

The Company's mineral property interests are in the exploration stage. As such, the Company is dependent on external financing to develop its properties and fund its activities. To carry out its planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed and if available, may even dispose of some or all of its mineral property interests.

Management reviews its capital management policies on an ongoing basis. There were no changes in the Company's approach to capital management during the six months ended March 31, 2024.

16. Supplemental cash flow information

	2024	2023
	$	$
Non-cash investing and financing transactions		
Share-based compensation included in exploration and evaluation assets	27,939	38,602
Change in exploration and evaluation assets included in accounts payable and accrued liabilities	(76,786)	(313,116)
Reclassification of option fair value from equity reserve to share capital on exercise of options	(116,581)	129,960
Issue costs - warrants	-	108,472
Issue costs included in accounts payable	-	40,502
Allocation of private placement proceeds to flow-through premiums	-	2,612,988

17. Commitments

Commitments are disclosed pursuant to office sub-lease payment obligations (Note 13).

18. Segmental information

The Company operates in one reportable segment, being the acquisition and exploration of exploration and evaluation assets in Canada. All the Company's assets and operations are in Canada.

19. Subsequent event

On May 7, 2024, the Company received conditional approval from the Manitoba Mineral Development Fund ("MMDF") of an additional $250,000 grant, separate from that disclosed in Note 6, (receipt of funding outstanding).

Other than disclosed elsewhere in these condensed interim financial statements, there were no significant events after March 31, 2024.