PJX RESOURCES INC.

Financial Statements

Three months ended March 31, 2023 and 2022

(UNAUDITED)

The accompanying unaudited condensed interim financial statements of PJX Resources Inc. (the "Company") are the responsibility of the Board of Directors.

These unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the end of the reporting period. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed)
John Keating
President and Chief Executive Officer

(signed)
Linda Brennan
Chief Financial Officer

Toronto, Canada
May 12, 2023

Notice of Disclosure of Non-auditor Review of Condensed Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the unaudited condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company for the interim periods ended March 31, 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") accounting principles and are the responsibility of the Company's management.

The Company's independent auditors, McGovern Hurley LLP, have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

PJX Resources Inc.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

(Unaudited) **Period ended,**	**Note**	**March 31, 2023**	December 31, 2022
ASSETS			
Current assets			
Cash		**$ 697,456**	$ 963,443
Amounts receivable	**6**	**43,117**	25,405
Prepayments	**7(a)**	**21,692**	26,934
BC refundable tax credits	**12(a)**	**295,000**	295,000
Total current assets		**1,057,265**	1,310,782
Non-current assets			
Deposits	**7(b)**	**163,340**	163,791
Property and equipment	**8(a)**	**48,156**	53,341
Right-of-use asset	**8(a)**	**1,471**	3,676
Total non-current assets		**212,967**	220,808
Total assets		**1,270,232**	1,531,590
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	**14**	**98,743**	88,871
Current lease liabilities	**8(b)**	**2,376**	4,721
Total current liabilities		**101,119**	93,592
Non-current liabilities			
Reclamation obligation	**7(c)**	**24,500**	24,500
Total non-current liabilities		**24,500**	24,500
Total liabilities		**125,619**	118,092
SHAREHOLDERS' EQUITY			
Share capital	**10(b)**	**13,943,868**	13,943,868
Warrants	**11**	**1,748,454**	1,748,454
Contributed surplus		**5,803,860**	5,803,860
Accumulated deficit		**(20,351,569)**	(20,082,684)
Total shareholders' equity		**1,144,613**	1,413,498
Total shareholders' equity and liabilities		**$ 1,270,232**	$ 1,531,590

Going concern (Note 1)
Commitments and contingencies (Note 9 and 13)

Approved by the Board of Directors:

(Signed) John Keating
John Keating, Director

(Signed) Linda Brennan
Linda Brennan, Director

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited)

Three months ended March 31,	Note		2023		2022
Expenses					
Exploration	12(a)	$	124,548	$	140,119
General and administration	12(b)		136,947		139,726
Share based compensation	10(b)(ii)		-		2,338
Depreciation	8(a)		7,390		7,390
Total operating expenses			268,885		289,573
Loss before income taxes			(268,885)		(289,573)
Flow-through premium recoveries			-		12,983
Net loss and comprehensive loss for the period		$	(268,885)	$	(276,590)
Basic and diluted loss per share			($0.00)		($0.00)
Weighted average number of shares outstanding (basic and diluted)			133,216,488		133,216,488

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)
(Unaudited)

March 31, 2022	**Note**	**2023**	2022
Share capital			
Balance, beginning of the period		**$ 13,943,868**	$ 13,943,868
Balance, end of the period		**13,943,868**	13,943,868
Warrants			
Balance, beginning of the period		**1,748,454**	1,796,164
Balance, end of the period		**1,748,454**	1,796,164
Contributed surplus			
Balance, beginning of the period		**5,803,860**	5,752,848
Share based compensation	**10(b)(ii)**	**-**	2,338
Balance, end of the period		**5,803,860**	5,755,186
Accumulated deficit			
Balance, beginning of the period		**(20,082,684)**	(18,601,562)
Net loss for the period		**(268,885)**	(276,590)
Balance, end of the period		**(20,351,569)**	(18,878,152)
Total shareholders' equity		**$ 1,144,613**	$ 2,617,066

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited)

Three months ended March 31,	Note	2023	2022
Cash flows from operating activities			
Net loss for the period		$ (268,885)	$ (276,590)
Items not involving cash:			
Depreciation		7,390	7,390
Flow-through premium recoveries	10(b)(i)	-	(12,983)
Share based compensation		-	2,338
Changes in non-cash working capital:			
Deposits		451	6,888
Amounts receivable and prepayments		(12,470)	2,378
Accounts payable and accrued liabilities		9,872	23,567
Net cash used in operating activities		(263,642)	(247,012)
Cash flow from financing activities			
Payment of lease liability		(2,345)	(2,224)
Net cash used in financing activities		(2,345)	(2,224)
Net change in cash		(265,987)	(249,236)
Cash, beginning of the period		963,443	2,637,608
Cash, end of the period		**$ 697,456**	**$ 2,388,372**

See accompanying notes to the unaudited condensed interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

PJX Resources Inc. (the "Company" or "PJX") is a Canadian corporation incorporated under the laws of Alberta on April 22, 2010, originally under the name of 1532063 Alberta Inc. On March 7, 2011, the Company obtained a Certificate of Continuance from the Registrar of Corporations for the Province of Alberta changing its jurisdiction to the Province of Ontario. On the same date the Company changed its name to PJX Resources Inc. The Company's corporate offices are located at 5600 One First Canadian Place, Toronto, Ontario, M5X 1C9.

The principal activities of the Company are the exploration of mineral projects located near Cranbrook, British Columbia. To date, the Company has not earned mining revenues. The Company is considered to be in the exploration stage.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, expropriation of properties, and political uncertainty.

These unaudited condensed interim financial statements have been prepared using generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due in the foreseeable future. For the three months ended March 31, 2023, the Company generated a net loss of $268,885 or $0.00 per share (March 31, 2022: net loss of $276,590 or $0.00 per share) and reported an accumulated deficit of $20,351,569 (December 31, 2022: $20,082,684). As of March 31, 2023, the working capital of the Company was $956,146 (December 31, 2022: $1,217,190). Management believes that the working capital is sufficient to support operations for the next twelve months. However, additional funding will be required to allow the Company to continue operating and to fund future exploration and development programs. These factors indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company will continue to explore financing alternatives to raise capital. Although PJX has been successful in these activities in the past, the Company has no assurance on the success or sufficiency of these initiatives or that such financing will be available on acceptable terms.

These unaudited condensed interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial positions classifications that might be necessary were the going concern assumption is inappropriate. These adjustments could be material.

These unaudited condensed interim financial statements were approved by the Board of Directors for issue on May 12, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

The principal accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied in the periods presented, unless otherwise stated. These unaudited condensed interim financial statements are expressed in Canadian dollars, which is the Company's presentation and functional currency.

Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of May 12, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2022. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2023, could result in restatement of these unaudited condensed interim financial statements.

Changes in accounting policies:

During the three months ended March 31, 2023, the Company adopted changes to IAS 1 – Presentation of Financial Statements ("IAS 1"), which was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

There was no impact on the Company's record following the implementation of the above-mentioned amendment.

3. CAPITAL MANAGEMENT

The Company considers its capital to be shareholders' equity, which is comprised of share capital, warrants, contributed surplus and accumulated deficit, which as at March 31, 2023 totaled $1,144,613 (December 31, 2022: $1,413,498). When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on further external financing to fund its working capital and exploration activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and attempt to raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the

Company's approach to capital management during the three months ended March 31, 2023. The Company is not subject to externally imposed capital requirements.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2023, the Company believes it is compliant with the policies of the TSXV.

4. FINANCIAL RISK FACTORS

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and deposits and tax credits receivables from the BC provincial government. Cash is held with reputable Canadian chartered banks, from which management believes the risk of loss to be minimal. Deposits are held with the British Columbia Ministry of Energy and Mines, from which management believes that the credit risk is minimal. Credit risk related to the BC refundable tax credit is also assessed to be minimal.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2023, the Company had a cash balance of $697,456 (December 31, 2022: $963,443) to settle current liabilities of $101,119 (December 31, 2022: $93,592). All of the Company's financial liabilities, other than lease liabilities, have contractual maturities of less than 30 days and are subject to normal trade terms. In addition, refer to Note 3 for the Company's approach to capital management.

Market risk

Interest rate risk
The Company's current policy is to invest excess cash in interest bearing accounts at major Canadian chartered banks. The Company periodically monitors its cash management policy. At March 31, 2023 and December 31, 2022, the Company did not have any amounts invested in interest bearing accounts.

Price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market affecting PJX's capacity to obtain future financings. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to the mineral commodities to determine the appropriate course of action to be taken by the Company.

Based on Management's knowledge and experience in the financial markets, the Company believes that it is "reasonably possible" that commodity price fluctuation could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of mineral commodities. As of March 31, 2023, the Company was not in the production phase. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

(Expressed in Canadian dollars)

5. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As at March 31, 2023 and December 31, 2022, the carrying values approximate the fair value amounts of the Company's financial instruments due to their short-term nature.

6. AMOUNTS RECEIVABLE

Amounts receivable corresponds to the sale taxes recoverable paid on taxable purchases of material and services.

7. PREPAYMENTS AND DEPOSITS

a) Prepayments totalling $21,692 (December 31, 2022: $26,934) represents advanced payments to suppliers.
b) At March 31, 2023, the Company has deposits with the British Columbia Ministry of Finance for $162,900 (December 31, 2022: $162,900) representing remediation cost bonds associated with its properties; and other advances totalling $440 (December 31, 2022: $891).
c) During the year ended December 31, 2018, the Company assumed obligations relating to an excavated trail located in the Zinger Property, in exchange for cash consideration of $25,000. The decommissioning liabilities are assessed based on the estimated costs to reclaim the excavation trails and the estimated timing of the costs to be incurred in future periods. Management of the Company has estimated that the total undiscounted cash flows required to settle the obligations will be approximately $27,000. These obligations have been discounted using a risk-free rate of 4.6% and an inflation rate of 4.3 per year. Most of this obligation is not expected to be paid until approximately 5 years in the future and have already been fully funded with a refundable deposit, held on account with the British Columbia Ministry of Finance. Included under deposits disclosed in Note 7(b) are $24,500 (December 31, 2022: $24,500) that the Company has made with the British Columbia Ministry of Natural Resources on this respect, funds that will be refunded to the Company once its obligation is discharged.

8. PROPERTY AND EQUIPMENT, RIGHT OF USE ASSET AND LEASE LIABILITY

a) Property, equipment and right of use asset

The following schedules describe the transactions for Vehicles and Right of Use Asset arising during the three months ended March 31, 2023, and the year ended December 31, 2022:

Property & equipment:	**Vehicles**	**Right of Use Asset**	**Total**
Book Value - opening	**$ 82,964**	**$ 35,282**	**$ 118,246**
	$ 82,964	**$ 35,282**	**$ 118,246**
Accumulated depreciation			
Balance, December 31, 2022	**$ 29,623**	**$ 31,606**	**$ 61,229**
Depreciation	**5,185**	**2,205**	**7,390**
Accumulated depreciation - March 31, 2023	**34,808**	**33,811**	**68,619**
Net book value - March 31, 2023	**$ 48,156**	**$ 1,471**	**$ 49,627**

(Expressed in Canadian dollars)

Property & equipment:	**Vehicles**	**Right of Use Asset**	**Total**
Book Value - opening	**$ 82,964**	**$ 35,282**	**$ 118,246**
	$ 82,964	**$ 35,282**	**$ 118,246**
Accumulated depreciation			
Balance, December 31, 2021	**$ 8,882**	**$ 22,785**	**$ 31,667**
Depreciation	**20,741**	**8,821**	**29,562**
Accumulated depreciation - December 31, 2022	**29,623**	**31,606**	**61,229**
Net book value - December 31, 2022	**$ 53,341**	**$ 3,676**	**$ 57,017**

b) Lease liability:

The Company has one lease agreement for a vehicle lease entered during September 2019. The Company did not incur any variable lease payments and there were no leases with residual value guarantees or not yet commenced to which the Company is committed.

Period ended	**March 31, 2023**	December 31, 2022
Lease liability	**$ 2,376**	$ 4,721
Less: Current portion	**(2,376)**	(4,721)
Long-term portion	**$ -**	$ -

Period ended	**March 31, 2022**	December 31, 2022
Undiscounted lease liability	**$ 2,397**	$ 4,795
No later than one year	**(2,397)**	(4,795)
	$ -	$ -

9. MINERAL EXPLORATION PROPERTIES

The Company has 100% ownership in eight properties: the Dewdney Trail Property, the Eddy Property, the Zinger Property, the Vine Property, the West Basin Property, the Gold Shear Property, the Parker Copper Property and the DD Property. The Company is also earning a 100% interest in the Estella Mine crown grants, which are part of the Company's Dewdney Trail Property. All properties are located in the Cranbrook area of British Columbia, Canada.

In 2021, Osisko Gold Royalties Ltd. ("Osisko") acquired a 0.5% net smelter return royalty on the Company's Gold Shear, Eddy, Zinger and Dewdney Trail properties. See Note 13.

a) DD Property Agreement:

Under the DD Property Agreement (the "DD Agreement"), entered during July 2015, PJX was required to issue to the Optionors on or before each anniversary day of the DD Agreement, 50,000 PJX common shares over a 5-year period to a maximum of 250,000 shares. As of June 2, 2020, the Company had fully earned its interest in this property.

Upon the deemed exercise of the option, the Optionors have been granted an aggregate Net Smelter Royalty ("NSR") of 2% in respect of the DD Property and on certain claims owned by PJX, under certain predefined terms. The Company will have the right to purchase 50% of such NSR (being a 1% NSR - 0.5% from each individual comprising the Optionors) for $1,000,000, and the remaining 50% of such NSR (being a 1% NSR - 0.5% from each individual comprising the Optionors) for $1,000,000.

On July 13, 2020, the Company entered into an Option Agreement with DLP Resources Inc. ("DLP") where DLP could earn up to a 75% undivided interest in the DD property by paying a non-refundable deposit of $20,000 and executing an Option Agreement that contains the following terms:

In order to earn an undivided 50% interest in the DD Property DLP needed to incur work in the property for a cumulative amount of $4 million within a 48-month period and make cash payments of $250,000.

DLP also had the option to earn an additional undivided 25% interest in the DD property by completing a bankable commercial feasibility study on the DD property within 96 months of the effective date of the Option Agreement.

On August 17, 2020 the Company and DLP signed an addendum (the "Addendum") to the Option Agreement where three additional properties (Moby Dick, NZOU and LMC (NZOU)), where DLP has an option to earn a 100% interest from a third party (the "Third Party"), was added to the Option Agreement.

Under the terms of the Addendum, PJX will acquire:

- 50% of the Moby Dick property by paying 50% of staking costs of the Moby Dick property, representing approximately $461;
- 50% of the NZOU property by reimbursing DLP for 50% of DLP's option commitment on the NZOU properties (NZOU and LMC (NZOU)), by incurring $32,500 in exploration work commitments and reimbursing 50% of DLP's share option commitments with the Third Party, representing 200,000 shares of DLP.

On February 24, 2023, DLP returned the DD Property to PJX and will provide all related exploration data. PJX Resources retains a 100% interest in the DD Property. DLP has indicated that they will now focus on the Sullivan-type Zn-Pb-Ag targets on the Moby Dick and NZOU properties. PJX retains a 50% interest in Moby Dick Property with the right to earn a 50% interest in the NZOU Property which are both adjacent to the DD Property.

b) Gold Shear Property Agreement:

On January 17, 2018, the Company entered into an option agreement with Mr. Louis Davis (the "Optionor") to earn a 100% interest in the Gold Shear Property, located in the province of British Columbia, Canada.

To earn its interest in the Gold Shear Property, the Company paid $45,000 and issued 200,000 common shares of PJX over a period of 24 months.

As of September 2, 2020, the Company had fully earned its interest in this property.

Under the Agreement, the Optionor retains a 2% NSR. PJX will have the right to purchase 50% of such NSR (being a 1% NSR) for $1,000,000, and the remaining 50% of such NSR (being a 1% NSR) for $1,000,000.

On May 29, 2020, the Company entered into an agreement with Mr. David Morgan (the "Seller") where PJX acquired a 100% interest in the "David 6" Claim by paying $2,000 cash (paid) and issuing 20,000 shares of the Company (issued). Upon the closing of the transaction, the Seller was granted a NSR of 2% in respect of the David 6 claim. PJX will have the right to purchase 50% of such NSR for $1,000,000 and the remaining 50% of such NSR (being 1%) for $1,000,000.

(Expressed in Canadian dollars)

The Company has included the David 6 Claim as part of its Gold Shear Property.

c) Estella Mine Crown Grants:

On July 29, 2021, the Company announced the option of the historical Estella Mine crown grants (the "Estella") from Imperial Metals Corporation ("Imperial").

PJX can earn a 100% interest in Estella by making cash payments, or share equivalent payments, to Imperial totaling $250,000 over a 5-year period as follows:

- $15,000 on signing the agreement (paid); and
- $20,000 on or before July 26, 2022 (paid); and
- $25,000 on or before July 26, 2023; and
- $30,000 on or before July 26, 2024; and
- $35,000 on or before July 26, 2025; and
- $125,000 on or before July 26, 2026

Upon exercise of the option by PJX, Imperial will retain a NSR of 2% in respect of Estella. PJX will have the right to buy back 50% of the NSR (being a 1% NSR) for $1,000,000, and the remaining 50% of the NSR (being a 1% NSR) for an additional $1,000,000.

The Company has included Estella as part of its Dewdney Trail Property.

d) Other Properties:

The Company also has other exploration properties, all located in British Columbia, Canada, where it has earned a 100% interest. See Note 12(a) for a detail on exploration work conducted by PJX in these properties.

10. SHARE CAPITAL

(a) Authorized capital

The authorized share capital of the Company is an unlimited number of common shares with no par value.

(b) Issued capital

The following schedule describes the share transactions since December 31, 2020:

	# of Shares	Value
Balance at December 31, 2020	117,574,694	$ 11,947,758
Shares issued on private placement	15,641,794	2,486,685
Value allocated to warrants	-	(387,478)
Share premium on flow-through shares	-	(77,916)
Reallocation of issue cost to warrant	-	25,652
Share issue cost	-	(50,833)
Balance at December 31, 2021, 2022 and March 31, 2023	**133,216,488**	**$ 13,943,868**

(Expressed in Canadian dollars)

(i) Private placements

As the proceeds received by the Company on December 22, 2021, for a flow-through unit and non-flow though unit at the time of the transaction were different, a premium on flow-through shares of $77,916 was recorded. The premium has been deducted from capital and a flow-through premium liability for the same amount was recorded. The premium is subsequently amortized as the flow-through funds are utilized in qualified exploration programs. During the first quarter of fiscal 2023, the Company amortized $Nil under this concept (2022: $12,983).

(ii) Share based compensation

The Company has a stock option plan (the "Plan") to provide incentive for the directors, officers, employees, consultants, and service providers of the Company. The maximum number of shares which may be set aside for issuance under the Plan is 10% of the outstanding common shares.

The following schedules describe the options outstanding at March 31, 2023 and December 31, 2022

Expiry Date	Exercise price	Life remaining in years	Number outstanding	Number vested
August 19, 2023	$0.25	0.39	1,675,000	1,675,000
January 3, 2024	$0.25	0.76	2,610,000	2,610,000
August 11, 2025	$0.20	2.37	2,492,500	2,492,500
September 12, 2026	$0.20	3.45	2,685,000	2,685,000
Balance at March 31, 2023	**$0.22**	**1.88**	**9,462,500**	**9,462,500**

Expiry Date	Exercise price	Life remaining in years	Number outstanding	Number vested
August 19, 2023	$0.25	0.63	1,675,000	1,675,000
January 3, 2024	$0.25	1.01	2,610,000	2,610,000
August 11, 2025	$0.20	2.61	2,492,500	2,492,500
September 12, 2026	$0.20	3.70	2,685,000	2,685,000
Balance at December 31, 2022	**$0.22**	**2.13**	**9,462,500**	**9,462,500**

There were no stock options transactions during the three months ended March 31, 2023 or 2022.

11. WARRANTS

The following schedule describes the warrant transactions since December 31, 2021:

	Number of Warrants	Exercise price	Value
Balance at December 31, 2021	42,365,611	0.24	1,796,164
Warrants expired	(950,853)	0.23	(47,710)
Balance at December 31, 2022 and March 31, 2023	**41,414,758**	**0.24**	**$ 1,748,454**

The following schedules describe the warrants outstanding at March 31, 2023 and December 31, 2022:

(Expressed in Canadian dollars)

Expiry Date	Number of Warrants	Exercise price		Value
May 15, 2023	12,296,276	0.25	$	537,320
October 5, 2023	9,350,400	0.20		332,443
December 5, 2023	5,802,157	0.25		249,241
December 17, 2023	4,574,131	0.30		241,972
December 20, 2023	9,391,794	0.25		387,478
Balance at December 31, 2022 and March 31, 2023	**41,414,758**	**$ 0.24**	**$**	**1,748,454**

Warrants issued:

The grant date fair values of the outstanding warrants were calculated, when granted, using the Black-Scholes options pricing model, using the following assumptions:

Expiry date		Number of Warrants	Dividend yield	Volatility	Risk free interest rate	Expected average life (years)		Value
May 15, 2023		12,296,276	Nil	104%	2.06%	2	$	537,320
October 5, 2023		9,350,400	Nil	112%	0.23%	2		332,443
December 5, 2023		5,802,157	Nil	103%	1.63%	3		249,241
December 17, 2023	(1)	4,574,131	Nil	108%	2.02%	3		241,972
December 20, 2023		9,391,794	Nil	109%	0.96%	2		387,478
		41,414,758					$	1,748,454

* Volatility rates w ere determined based on historical share pricing volatility for the Company's common shares.

(1) Exercisable at $0.25 during years 1 and 2 and at $0.30 in year 3

Warrants extended:

On May 10, 2022, the Company extended the term of 12,296,276 warrants exercisable at $0.25 and expiring on May 15, 2022. The warrants were extended until May 15, 2023 All remaining terms remained unchanged.

On September 26, 2022, a total of 9,350,400 warrants expiring on October 5, 2022, and exercisable at $0.20 were extended by an additional year to October 5, 2023. All other terms remain unchanged.

On November 24, 2022, a total of 5,802,157 warrants expiring on December 5, 2022, and exercisable at $0.25 were extended by an additional year to December 5, 2023. All other terms remain unchanged.

On December 13, 2022, the Company extended the term of 4,574,131 share purchase warrants exercisable at $0.30 and expiring on December 17, 2022, for one additional year to December 17, 2023. All other terms remained unchanged.

Warrants expired:

There were no warrants expiring during the first quarter of fiscal 2023 or 2022.

(Expressed in Canadian dollars)

12. EXPLORATION AND GENERAL AND ADMINISTRATION EXPENSES

a) Exploration Expenses:

The following schedule describes exploration expenses incurred during the three months ended March 31, 2023 and 2022, and since inception, segregated by nature:

Three months ended March 31,	**2023**	2022	Balance since inception
Geology, geophysics and geochemistry	**$ 48,276**	$ 77,628	$ 3,985,688
Exploration-other accommodation	**264**	159	5,026
Permitting	**7,265**	7,274	89,579
Land rights, claims and environment	**13,971**	3,735	219,100
Drilling	**10,682**	6,663	6,378,451
Laboratory	**30,493**	24,240	542,817
Roads and surface preparation	**-**	-	70,944
Camp cost and exploration supplies	**367**	127	36,066
Exploration - travel and transportation	**3,815**	6,803	321,821
Exploration- meals	**417**	1,258	64,751
Rent - field office	**2,532**	2,481	79,698
Insurances	**-**	1,425	8,243
Surface sampling and mapping	**-**	-	50,505
Option payments	**-**	-	546,261
Reclamation provision	**-**	-	24,500
Legal expenses-exploration	**5,560**	8,326	41,710
Non-flow-through exploration expenses	**906**	-	32,822
	$ 124,548	$ 140,119	$12,497,982
BC refundable tax credits receivable			(567,274)
Total exploration expenses	**$ 124,548**	$ 140,119	$11,930,708

The following schedule describes exploration expenses incurred during the three months ended March 31, 2023 and 2022, and since inception, segregated by project:

Three months ended March 31,	**2023**	2022	Balance since inception
Dewdney Trail Property	**$ 104,100**	$ 25,832	$ 2,483,232
Eddy Property	**5,532**	9,743	966,288
Zinger Property	**2,250**	42,840	1,254,624
Vine Property	**1,929**	2,029	6,230,908
DD Property	**10,500**	8,250	84,705
Gold Shear Property	**168**	51,425	1,305,278
Parker Copper Property	**-**	-	62,328
Others	**69**	-	110,619
	$ 124,548	$ 140,119	$12,497,982
BC refundable tax credits receivable			(567,274)
Total exploration expenses	**$ 124,548**	$ 140,119	$11,930,708

(Expressed in Canadian dollars)

b) General and administration:

The following is a breakdown of the Company's general and administration expenses incurred during the years ended March 31, 2023 and 2022:

Three months ended March 31,		2023		2022
Insurance	$	**4,238**		$3,781
Interest, bank charges and penalties		**97**		214
Investor relations		**20,596**		21,131
Listing and regulatory fees		**10,242**		11,121
Office expenses		**4,869**		9,223
Professional fees		**7,500**		22,550
Rent		**3,249**		3,439
Salaries and benefits		**72,234**		64,441
Travel and transportation		**13,922**		3,826
	$	**136,947**	$	139,726

13. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments up to $960,000 to be made upon the occurrence of certain events such as change of control. As the triggering event has not occurred, the contingent payment has not been provided for in these unaudited condensed interim financial statements.

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Pursuant to the terms of the flow-through share agreements, the Company needs to comply with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) by incurring qualified exploration expenditures before December 31 of the year following the year in which the agreement is entered into. The Company indemnifies the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments. As at March 31, 2023, the Company has no commitments related to flow-through share agreements.

Pursuant to the option agreement entered on July 29, 2021, with Imperial, to earn 100% interest in the Estella Property, the Company is committed to disburse a total of $215,000, between July 26, 2023, and July 26, 2026 (see Note 9(c)).

14. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

a) Purchase of services:

During the years ended March 31, 2023, and 2022, the Company incurred professional fees with companies where directors of the Company are partners or controlling executives, as described below:

(Expressed in Canadian dollars)

Three months ended March 31,	2023	2022
Fee paid to a director of a company for geological services	**$ 3,499**	-
	$ 3,499	$ -

b) Key management compensation:

Key management includes directors (executive and non-executive), and senior officers (Chief Executive Officer and Chief Financial Officer). The compensation paid to key management for employee services is shown below:

Three months ended March 31,	2023	2022
Salaries *	**$ 80,000**	$ 80,000
	$ 80,000	$ 80,000

* For the three-month period ended March 31, 2023, there are $14,187 in salaries allocated to exploration (Q1F2022: $17,765).

c) Period-end balances arising from purchases of services and key management compensation:

As of March 31,	2023	2022
Payable to officers and directors	**$ 15,292**	$ 9,851
	$ 15,292	$ 9,851

Balances owing are unsecured, noninterest bearing and have no fixed terms of repayment.

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