PJX RESOURCES INC.

Financial Statements

For the six months ended June 30, 2024 and 2023

(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
August 1, 2024

Notice of Disclosure of Non-auditor Review of Condensed Interim Unaudited 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 June 30, 2024 and 2023 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)

Periods ended	Note	June 30, 2024 (Unaudited)	December 31, 2023
ASSETS			
Current assets			
Cash		$ 5,398,094	$ 2,703,606
Amounts receivable	6	50,086	23,200
Prepayments	7(a)	36,347	31,323
BC refundable tax credits	12(a)	26,089	-
Total current assets		5,510,616	2,758,129
Non-current assets			
Deposits	7(b)	280,900	162,900
Property and equipment	8(a)	38,039	48,662
Total non-current assets		318,939	211,562
Total assets		5,829,555	2,969,691
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	14(c)	93,200	120,893
Flow-through premium liability	10(b)(i)	171,290	201,487
Total current liabilities		264,490	322,380
Non-current liabilities			
Reclamation obligation	7(c)	24,500	24,500
Total non-current liabilities		24,500	24,500
Total liabilities		288,990	346,880
SHAREHOLDERS' EQUITY			
Share capital	10(b)	18,832,650	15,770,554
Warrants	11	2,125,529	1,539,975
Contributed surplus		9,374,086	6,583,152
Accumulated deficit		(24,791,700)	(21,270,870)
Total shareholders' equity		5,540,565	2,622,811
Total shareholders' equity and liabilities		$ 5,829,555	$ 2,969,691

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		Six months	
Six months ended June 30,	**Note**	**2024**	2023	**2024**	2023
Expenses					
Exploration	**12(a)**	**$ 121,912**	$ 128,967	**$ 296,606**	$ 253,515
General and administration	**12(b)**	**307,705**	129,532	**452,864**	266,479
Share based compensation	**10(b)(ii)**	**2,790,934**	-	**2,790,934**	-
Depreciation	**8(a)**	**5,312**	6,930	**10,623**	14,320
Total operating expenses		**3,225,863**	265,429	**3,551,027**	534,314
Loss before income taxes		**(3,225,863)**	(265,429)	**(3,551,027)**	(534,314)
Flow-through premium recoveries		**13,990**	-	**30,197**	-
Net loss and comprehensive loss for the period		**$ (3,211,873)**	$ (265,429)	**$ (3,520,830)**	$ (534,314)
Basic and diluted loss per share		**($0.02)**	($0.00)	**($0.02)**	$0.00
Weighted average number of shares outstanding (basic and diluted)		**160,076,526**	133,216,488	**166,167,063**	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)

		Three months		Six months	
Six months ended June 30,	**Note**	**2024**	2023	**2024**	2023
Share capital					
Balance, beginning of the period		**$ 15,794,109**	$ 13,943,868	**$ 15,770,554**	$ 13,943,868
Shares issued on private placement	**10(b)**	**3,600,000**	-	**3,600,000**	-
Value allocated to warrants	**11**	**(614,738)**	-	**(614,738)**	-
Warrants exercised	**11**	**170,629**	-	**194,184**	-
Share issue cost	**10(b)**	**(117,350)**	-	**(117,350)**	-
Balance, end of the period		**18,832,650**	13,943,868	**18,832,650**	13,943,868
Warrants					
Balance, beginning of the period		**1,536,420**	1,748,454	**1,539,975**	1,748,454
Issued on private placement	**11**	**614,738**	-	**614,738**	-
Fair value of warrants exercised	**11**	**(25,629)**	-	**(29,184)**	-
Warrants expired	**11**	**-**	(537,320)	**-**	(537,320)
Balance, end of the period		**2,125,529**	1,211,134	**2,125,529**	1,211,134
Contributed surplus					
Balance, beginning of the period		**6,583,152**	5,803,860	**6,583,152**	5,803,860
Warrants expired	**11**	**-**	537,320	**-**	537,320
Share based compensation	**10(b)(ii)**	**2,790,934**	-	**2,790,934**	-
Balance, end of the period		**9,374,086**	**6,341,180**	**9,374,086**	6,341,180
Accumulated deficit					
Balance, beginning of the period		**(21,579,827)**	(20,351,569)	**(21,270,870)**	(20,082,684)
Net loss for the period		**(3,211,873)**	(265,429)	**(3,520,830)**	(534,314)
Balance, end of the period		**(24,791,700)**	(20,616,998)	**(24,791,700)**	(20,616,998)
Total shareholders' equity		**$ 5,540,565**	$ 879,184	**$ 5,540,565**	$ 879,184

See accompanying notes to the unaudited condensed interim financial statements.

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

Six months ended June 30,	Note	2024	2023
Cash flows from operating activities			
Net loss for the period		**$ (3,520,830)**	$ (534,314)
Items not involving cash:			
Depreciation	**8(a)**	**10,623**	(2,269)
Flow-through premium recoveries	**10(b)(i)**	**(30,197)**	-
Share based compensation		**2,790,934**	-
Changes in non-cash working capital:			
Deposits		**(118,000)**	(6,604)
Amounts receivable and prepayments		**(31,910)**	3,741
BC refundable tax credits	**12(a)**	**(26,089)**	-
Accounts payable and accrued liabilities		**(27,693)**	4,028
Net cash used in operating activities		**(953,162)**	(535,418)
Cash flow from financing activities			
Payment of lease liability		**-**	(4,721)
BC refundable tax credits		**-**	204,914
Proceeds on issuance of shares and warrants	**10(b)(i)**	**3,765,000**	-
Cash portion of issue costs	**10(b)**	**(117,350)**	-
Net cash from financing activities		**3,647,650**	200,193
Net change in cash		**2,694,488**	(335,225)
Cash, beginning of the period		**2,703,606**	963,443
Cash, end of the period		**$ 5,398,094**	$ 628,218

See accompanying notes to the unaudited condensed interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

PJX is a Canadian corporation with corporate offices located at 5600 One First Canadian Place, Toronto, Ontario. The Company is listed on the TSX Venture Exchange.

The principal activities of the Company are mineral exploration properties located near Cranbrook, British Columbia. The Company is in the exploration stage, has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Company's activities to date has been obtained primarily from equity issues.

The 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 six months ended June 30, 2024, the Company generated a loss of $3,520,830 or ($0.02) per share, (June 30, 2023: $534,314 or $0.00 per share) and reported an accumulated deficit of $24,791,700 (December 31, 2023: $21,270,870). As at June 30, 2024, the working capital of the Company was $5,246,126 (December 31, 2023: $2,435,749).

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.

The Company's unaudited condensed interim 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 if the going concern assumption were inappropriate, and these adjustments could be material.

These unaudited condensed interim financial statements were approved by the Board of Directors for issue on August 1, 2024.

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 August 1, 2024, 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, 2023. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2024, could result in restatement of these unaudited condensed interim financial statements.

Changes in accounting policies:

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1") 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, 2024.

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 June 30, 2024 totaled $5,540,565 (December 31, 2023: $2,622,811). 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 six months ended June 30, 2024. 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 June 30, 2024, 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 receivable from the British Columbia 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 tax credits 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. As of June 30, 2024, the Company had a cash balance of $5,398,094 (December 31, 2023: $2,703,606) to settle current liabilities of $264,490 which includes a non-cash flow through premium liability of $171,290 (December 31, 2023: $322,380). All of the Company's financial 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 June 30, 2024 and December 31, 2023, 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 June 30, 2024, 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.

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 June 30, 2024 and December 31, 2023, the carrying values approximate the fair value amounts of the Company's financial instruments due to their short-term nature.

(Expressed in Canadian dollars)

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 $36,347 (December 31, 2023: $31,323) represents advanced payments to suppliers.

b) As of June 30, 2024, the Company has deposits totalling $280,900 of which $180,900 corresponds to deposits with the British Columbia Ministry of Finance representing remediation cost bonds associated with its properties, and $100,000 representing deposits with suppliers (December 31, 2023: $162,900 and $Nil, respectively).

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, 2023: $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 six months ended June 30, 2024, and the year ended December 31, 2023:

Property & equipment:	Vehicles	Right of Use Asset	Total
Balance, December 31, 2023	$ 99,552	$ 35,282	$ 134,834
Cost, June 30, 2024	$ 99,552	$ 35,282	$ 134,834
Accumulated depreciation			
Balance, December 31, 2023	$ 50,890	$ 35,282	$ 86,172
Depreciation	10,623	-	10,623
Accumulated depreciation - June 30, 2024	61,513	35,282	96,795
Net book value - June 30, 2024	$ 38,039	$ -	$ 38,039

(Expressed in Canadian dollars)

Property & equipment:	Vehicles	Right of Use Asset	Total
Book Value - opening	82,964	35,282	118,246
Acquisitions	16,588	-	16,588
Dispositions	-	-	-
Right of use asset	-	-	-
	99,552	35,282	134,834
Accumulated depreciation			
Balance, December 31, 2022	29,623	31,606	61,229
Dispositions	-	-	-
Depreciation	21,267	3,676	24,943
Accumulated depreciation - December 31, 2023	50,890	35,282	86,172
Net book value - December 31, 2023	48,662	-	48,662

9. MINERAL EXPLORATION PROPERTIES

PJX continues to explore and advance targets to the drilling stage to discover deposits of gold and/or base metals including critical metals such as copper, zinc, and cobalt. Given the large stable of PJX properties with a pipeline of targets, the company is at a stage to form strategic alliances to advance some of the targets.

In February 2021, PJX and Osisko Gold Royalties Ltd (“OR”) signed an Investment Agreement whereby OR purchased a 0.5% NSR royalty interest in PJX’s 4 gold properties (Gold Shear, Eddy, Zinger and Dewdney Trail) for $1 million, and made an equity investment in PJX of $1 million as a way to have an interest in all PJX properties.

A summary of the Company’s properties appears below. Please visit www.pjxresources.com for additional information.

a) DD Property Agreement:

The Company holds the DD Property, subject to 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.

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”), were added to the Option Agreement.

In February 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. On June 6, 2023, PJX terminated the option to participate in earning and interest in the NZOU Property. PJX retains a 50% interest in Moby Dick Property.

b) Gold Shear Property Agreement:

Historical and recent exploration support the potential for shear zone hosted, orogenic type, high-grade gold mineralization.

The high-grade David Gold Zone of the Gold Shear Property was first discovered in 1990 by prospecting.

Eight of 12 rock grab samples taken by PJX from the David Gold Zone in 2019 have over 68 g/t gold; the highest is 193.90 g/t gold.

PJX's surface mapping, and compilation of historical 1990 drilling by Dragoon Resources Ltd, suggest that high-grade gold mineralization may occur as elongated zones that plunge to the north within the north trending David Shear.

PJX drilling to date confirms the high-grade nature of gold mineralization in the David Gold Zone.

Drilling in late 2021, tested along strike and down the interpreted plunge of the David Gold Zone. Drill results received in April 2022 extend the David Gold Zone to the north. The results also identified possible structural controls that influence high-grade gold mineralization. These results will be used to assess and develop targets to test on strike of the David Gold zone on the Gold Shear Property and PJX's adjacent Eddy property.

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

c) Dewdney Trail Property - Estella Mine Crown Grants:

On July 29, 2021, the Company announced the option of the historical Estella Mine crown grants from Imperial Metals Corporation under the Estella Property Option Agreement.

PJX can earn a 100% interest in the Estella by making cash payments, or, at the option of PJX, share equivalent payments, to Imperial totaling $250,000 over a 5-year period as follows:
$15,000 on signing the agreement (cash paid); and
$20,000 on or before July 26, 2022 (cash paid); and
$25,000 on or before July 26, 2023 (cash paid); 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 Net Smelter Return Royalty ("NSR") of 2% in respect of the 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 14 Estella crown grants are encompassed by and, for reporting purposes, included in PJX's large Dewdney Trail Property. The Dewdney Trail Property and the Estella claims have potential to host intrusive related gold and copper deposits as well as sedimentary hosted massive silver-lead-zinc mineralization similar to the historical Kootenay King Mine located approximately 5 km to the south, and the Sullivan Mine located 25 km to the west. The Estella crown grants have had no significant work or exploration since the late 1960's. Optioning the Estella Mine crown grants allows PJX to fully explore the Dewdney Trail Property.

d) Vine Property:

The Vine Property occurs within a sedimentary basin called the Vine Basin that is geologically similar to the Sullivan Basin hosting the Sullivan Mine located about 35 km to the north.

In the 1980s, Cominco believed that massive sulphide mineralization (zinc, lead, copper, silver, and gold) found at surface in the vertical dipping Vine vein may represent remobilized mineralization from a horizontal Sullivan type deposit at depth. Cominco drilled to test for a Sullivan deposit at the Lower-Middle Aldridge Contact (LMC) depth but did not encounter massive sulphide mineralization.

In 2019, PJX discovered a New Massive Sulphide ("NMS") zone that was intersected 300 m below the LMC, Cominco's depth of drilling.

A hole drilled by Kokanee Exploration in 1990 intersected a 3.4 m wide massive sulphide zone, with bedded and Durchbewegt textures, approximately 700 m south of PJX's 2019 drill hole. PJX's management and consulting geologist believe that the Kokanee and PJX holes both intersected the same geologic horizon.

PJX's NMS zone also has Durchbewegt texture which is a style of massive sulphide mineralization that occurs within 1000 m of the economic part of the Sullivan Mine.
Drilling during 2021 suggests the NMS zone occurs in a restricted basin that trends northwest toward the west gravity anomaly and needs to be tested at depth and on-strike.

Down hole geophysics during 2022 explored for the extension of the NMS zone intersected at a depth of 800 m. Down hole survey results combined with surface geophysics also suggest that the NMS zone may extend to the northwest with a possible target depth of 1500 m. Additional surface geophysics to the northwest will be planned prior to the next phase of drilling.

e) 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 during 2024 and 2023:

(Expressed in Canadian dollars)

	# of Shares		Value
Balance at December 31, 2021 and 2022	133,216,488	$	13,943,868
Shares issued on private placement (Note 10(b)(i))	26,860,038		2,703,400
Value allocated to warrants			(553,907)
Share premium on flow-through shares (Note 10(b)(i))			(207,247)
Compensation warrants			(16,906)
Share issue cost (Note 10(b)(i))			(98,654)
Balance at December 31, 2023	160,076,526	$	15,770,554
Shares issued on private placement (Note 10(b)(i))	13,611,111		3,600,000
Value allocated to warrants	-		(614,738)
Warrants exercised (Note 11)	800,000		165,000
Fair value of warrants exercised	-		29,184
Share issue cost (Note 10(b)(i))	-		(117,350)
Balance at June 30, 2024	**174,487,637**	**$**	**18,832,650**

(i) Private placements

On November 24, 2023, the Company completed a private placement where 13,816,422 flow-through units at a price of $0.105 per flow-through unit, and 7,793,616 units at a price of $0.09 per unit, were issued for gross proceeds of $2,152,150. Under this transaction, each flow-through unit consisted of one flow-through common share of the Company and one non-transferable common share purchase warrant. Each unit consists of one common share and one non-transferable common share purchase warrant. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of $0.20 per share thereafter until the second anniversary of the issuance of the warrants.

On December 8, 2023, the Company completed a private placement where 5,250,000 flow-through units at a price of $0.105 per flow-through unit, were issued for gross proceeds of $551,250. Under this transaction, each flow-through unit consisted of one flow-through common share of the Company and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.20 per share thereafter until the second anniversary of the issuance of the warrants.

As the proceeds received by the Company on November 24, and December 8, 2023, 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 $207,247 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 six months ended June 30, 2024, the Company amortized $30,197 under this concept (2023: $Nil) and the unamortized balance at June 30, 2024 is $171,290.

On April 12, 2024, the Company completed the first tranche of a private placement where 4,444,444 flow-through units at a price of $0.36 per flow-through unit and 6,666,667 non-flow through unites at a price of $0.225 were issued for total gross proceeds of $3.1 million. Under this transaction, each flow-through unit consisted of one flow-through common share of the Company and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.45 per share thereafter until the second anniversary of the issuance of the warrants.

On April 17, 2024, the Company completed the final tranche of a private placement where 2,500,000 non-flow-through units at a price of $0.20 per non-flow through unit were issued for total gross proceeds of $0.5 million. Under this transaction, each non-flow-through unit consisted of one flow-through common share of the Company and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.45 per share thereafter until the second anniversary of the issuance of the warrants.

(Expressed in Canadian dollars)

The Company recorded share issue costs related to these two above mentioned financings $117,347 in share issue cost.

(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.

On May 3, 2024, the Company granted an aggregate of 12,200,000 incentive stock options to employees, officers, directors, and consultants of the Company, pursuant to the Company's Plan, at an exercise price of $0.30 per share. Out of the options granted, 12,100,000 were fully vested on granting and 100,000 vest every quarter over a period of 1 year, with the first quarter vesting on granting. All options granted are exercisable until May 2, 2029. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: share price of $0.29, expected dividend yield of 0%, expected volatility of 109%; risk-free interest rate of 3.73%; and an expected average life of 5 years. The fair value of all these options was estimated at $2,808,199 of which $2,790,934 has been vested as of June 30, 2024.

The following schedule describes the stock option transactions since December 31, 2022:

	Number of stock options	Weighted average exercise price
Balance at December 31, 2022	9,462,500	$ 0.22
Options expired	(1,675,000)	0.25
Balance at December 31, 2023	7,787,500	$ 0.22
Options expired	(2,610,000)	0.25
Options grantes	12,200,000	0.30
Balance June 30, 2024	**17,377,500**	**$ 0.27**

The following schedule describes the options outstanding at June 30, 2024:

Expiry Date	Exercise price	Life remaining in years	Number outstanding	Number vested
August 11, 2025	$0.20	1.12	2,492,500	2,492,500
September 12, 2026	$0.20	2.20	2,685,000	2,685,000
May 3, 2029	$0.30	4.84	12,200,000	12,125,000
Balance at June 30, 2024	**$0.27**	**3.90**	**17,377,500**	**17,302,500**

(Expressed in Canadian dollars)

11. WARRANTS

The following schedule describes the warrant transactions since December 31, 2022:

	Number of Warrants	Exercise price		Value
Balance at December 31, 2022	41,414,758	0.24	*	1,748,454
Warrants ssued on private placement	26,860,038	0.20		553,907
Compensation w arrants issued on private placement	766,668	0.20		16,906
Warrants expired	(16,870,407)	0.26		(779,292)
Balance at December 31, 2023	52,171,057	$ 0.21	*	1,539,975
Warrants exercised	(800,000)	0.21	*	(29,184)
Warrants issued on private placement	6,805,555	0.44	*	614,738
Balance at June 30, 2024	***58,176,612***	***$ 0.24***	***	***2,125,529***

* Weighted average exercise prices

The following schedule describes the warrants outstanding at June 30, 2024 and December 31, 2023:

Expiry Date	Number of Warrants	Exercise price	Value
October 5, 2024	8,650,400	$ 0.20	$ 307,553
December 5, 2024	5,702,157	0.25	244,945
December 20, 2024	9,391,794	0.25	387,478
November 23, 2025	21,610,038	0.20	425,092
November 23, 2025	385,308	0.20	7,560
December 7, 2025	5,250,000	0.20	128,815
December 7, 2025	381,360	0.20	9,346
April 12, 2026	3,333,334	0.45	233,370
April 12, 2026	2,222,221	0.45	302,620
April 17, 2026	1,250,000	0.40	78,750
Balance at June 30, 2024	**58,176,612**	**$ 0.24**	**$ 2,125,529**

Warrants issued:

As part of the financing closed on November 24, 2023, the Company issued 21,610,038 warrants with an estimated value of $425,092. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of $0.20 per share thereafter until the second anniversary of the issuance of the warrants.

As part of the financing, the Company issued 385,308 compensation warrants with an estimated value of $7,560. The compensation warrants are exercisable at $0.20 per share thereafter until the second anniversary of the issuance of the warrants.

As part of the financing closed on December 8, 2023, the Company issued 5,250,000 warrants with an estimated value of $128,815. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of $0.20 per share thereafter until the second anniversary of the issuance of the warrants.
As part of the financing, the Company issued 381,360 compensation warrants with an estimated value of $9,346. The compensation warrants are exercisable at $0.20 per share thereafter until the second

(Expressed in Canadian dollars)

anniversary of the issuance of the warrants.

As part of the financing closed on April 12, 2024, the Company issued 5,555,555 warrants with an estimated value of $535,990. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of $0.45 per share thereafter until the second anniversary of the issuance of the warrants.

As part of the financing closed on April 17, 2024, the Company issued 1,250,000 warrants with an estimated value of $78,750. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of $0.40 per share thereafter until the second anniversary of the issuance of the warrants.

The grant date fair values of the outstanding warrants were estimated, 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
October 5, 2024	8,650,400	Nil	112%	0.23%	2	$ 307,553
December 5, 2024	5,702,157	Nil	103%	1.63%	3	244,945
December 20, 2024	9,391,794	Nil	109%	0.96%	2	387,478
November 23, 2025	21,610,038	Nil	97%	4.45%	2	425,092
November 23, 2025	385,308	Nil	97%	4.45%	2	7,560
December 7, 2025	5,250,000	Nil	97%	4.15%	2	128,815
December 7, 2025	381,360	Nil	97%	4.15%	2	9,346
April 12, 2026	3,333,334	Nil	106%	4.29%	2	233,370
April 12, 2026	2,222,221	Nil	106%	4.29%	2	302,620
April 17, 2026	1,250,000	Nil	107%	4.30%	2	78,750
	58,176,612					$ 2,125,529

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

Warrants exercised:

On January 26, 2024, 100,000 warrants exercisable at $0.20 each and expiring on October 5, 2024, were exercised.

On April 25, 2024, 100,000 warrants exercisable at $0.25 each and expiring on December 5, 2024, were exercised.

On May 2, 2024, 200,000 warrants exercisable at $0.20 each and expiring on October 5, 2024, were exercised.

On June 13, 2024, 400,000 warrants exercisable at $0.20 each and expiring on October 5, 2024, were exercised.

Warrants extended:

On September 22, 2023, a total of 9,350,400 warrants expiring on October 5, 2023, and exercisable at $0.20 were extended to October 5, 2024. All other terms remain unchanged.

On November 16, 2023, a total of 5,802,157 warrants expiring on December 5, 2023, and exercisable at

(Expressed in Canadian dollars)

$0.25 were extended to December 5, 2024. All other terms remain unchanged.

On December 13, 2023, a total of 9,391,794 warrants expiring on December 20, 2023, and exercisable at $0.25 were extended to December 20, 2024. All other terms remain unchanged.

Warrants expired:

There were no warrants expired during the six months ended June 30, 2024 or 2023.

12. EXPLORATION AND GENERAL AND ADMINISTRATION EXPENSES

a) Exploration Expenses:

The following schedule describes exploration expenses incurred during the six months ended June 30, 2024, and 2023, and since inception, segregated by nature:

	Three months		Six Months		Balance since
Six months ended June 30,	**2024**	2023	**2024**	2023	inception
Geology, geophysics and geochemistry	**$ 72,627**	$105,987	**$ 138,885**	$ 154,263	$ 4,314,609
Exploration-other accommodation	**2,908**	152	**3,313**	416	6,061
Permitting	**11,468**	3,414	**18,488**	10,679	110,069
Land rights, claims and environment	**-**	3,714	**20,469**	17,685	244,406
Drilling	**29,582**	5,010	**34,023**	15,692	6,388,761
Laboratory	**19,895**	325	**77,487**	30,818	549,948
Camp cost and exploration supplies	**1,373**	118	**2,119**	485	36,450
Exploration - travel and transportation	**8,032**	6,606	**11,784**	10,421	336,997
Exploration- meals	**727**	997	**996**	1,414	67,671
Rent - field office	**-**	2,532	**2,621**	5,064	87,294
Legal expenses-exploration	**-**	112	**-**	5,671	41,877
Non-flow-through exploration expenses	**1,389**	-	**12,510**	907	37,531
	$ 148,001	$128,967	**$ 322,695**	$ 253,515	$12,947,127
BC refundable tax credits receivable	**(26,089)**	-	**(26,089)**	-	(567,274)
Total exploration expenses	**$ 121,912**	$128,967	**$ 296,606**	$ 253,515	$12,379,853

The following schedule describes exploration expenses incurred in each property during the six months ended June 30, 2024, and 2023, and since inception:

	Three months		Six Months		Balance since
Six months ended June 30,	**2024**	2023	**2024**	2023	inception
Dewdney Trail Property	**$ 142,951**	$123,053	**$ 315,024**	$ 227,153	$ 2,895,217
Eddy Property	**625**	2,532	**3,246**	8,064	973,921
Zinger Property	**-**	-	**-**	2,250	1,254,624
Vine Property	**-**	3,270	**-**	5,199	6,234,178
DD Property	**-**	-	**-**	10,500	84,705
Gold Shear Property	**650**	112	**650**	280	1,305,445
Others	**3,775**	-	**3,775**	69	199,037
	$ 148,001	$128,967	**$ 322,695**	$ 253,515	$12,947,127
BC refundable tax credits receivable	**(26,089)**	-	**(26,089)**	-	(567,274)
Total exploration expenses	**$ 121,912**	$128,967	**$ 296,606**	$ 253,515	$12,379,853

(Expressed in Canadian dollars)

b) General and administration:

The following is a breakdown of the Company's general and administration expenses incurred during the six months ended June 30, 2024, and 2023:

	Three months		Six months	
Six months ended June 30,	**2024**	2023	**2024**	2023
Insurance	**$ 5,369**	$ 3,747	**$ 11,080**	$7,985
Interest, bank charges and penalties	**221**	372	**286**	469
Investor relations	**19,248**	19,473	**66,156**	40,069
Listing and regulatory fees	**51,776**	10,000	**64,416**	20,242
Office expenses	**3,548**	1,279	**8,801**	6,148
Professional fees	**44,740**	23,187	**52,240**	30,687
Rent	**6,575**	4,245	**9,822**	7,494
Salaries and benefits	**173,958**	63,840	**236,367**	136,074
Travel and transportation	**2,270**	3,389	**3,696**	17,311
	$ 307,705	$ 129,532	**$ 452,864**	$ 266,479

13. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments up to $1,230,000 to be made upon the occurrence of certain events such as change of control and a minimum payment on termination of $36,900. 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 June 30,2024, the Company has commitments related to flow-through share agreements totalling $1,670,456.

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 $190,000, between July 26, 2022, and July 26, 2026 (see Note 9(c)).

The Company's property interest is subject to certain royalty interests. See Note 9.

14. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

(Expressed in Canadian dollars)

a) Purchase of services:

During the six months ended June 30, 2024, and 2023, the Company incurred professional fees with companies where directors of the Company are partners or controlling executives, as described below:

	Three months		Six months	
Periods ended June 30,	**2024**	2023	**2024**	2023
Fee paid to a director of a company for geological services	**$ -**	$ -	**$ 656**	$ 2,400
Fees paid to a director of the company for legal services rendered	**146,542**	-	**146,542**	-
	$ 146,542	$ -	**$ 147,198**	$ 2,400

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		Six months	
Periods ended June 30,	**2024**	2023	**2024**	2023
Salaries	**$ 195,776**	$ 80,000	**$ 275,776**	$160,000
Stock-based compensation	**1,127,883**	-	**1,127,883**	-
	$ 1,323,659	$ 80,000	**$ 1,403,659**	$160,000

* During the six months ended June 30, 2024, there was $49,864 in salaries allocated to exploration (F2023: $33,278).

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

As of June 30,	**2024**	2023
Payable to officers and directors	**$ 31,683**	$ 10,897
	$ 31,683	$ 10,897

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