Consolidated Financial Statements of

MCFARLANE LAKE MINING LIMITED

For the years ended August 31, 2024 and 2023

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of McFarlane Lake Mining Limited

Opinion

We have audited the consolidated financial statements of McFarlane Lake Mining Limited and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at August 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended August 31, 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

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Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

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

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

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor’s report is Nimesh Ratnarajah.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
November 27, 2024

MCFARLANE LAKE MINING LIMITED
Consolidated Statements of Financial Position
As at August 31, 2024 and 2023

As at August 31,	Note	2024	2023
		$	$
ASSETS			
Current assets			
Cash		**1,142,851**	249,411
Restricted investment		**32,500**	25,000
Sales tax recoverable		**48,679**	82,291
Prepaid expenses		**35,830**	37,908
Total assets		**1,259,860**	394,610
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)			
Current liabilities			
Accounts payable and accrued liabilities	10, 12	**614,425**	1,059,267
Notes payable	6	**60,000**	195,000
Flow-through share premium liability	7	**174,229**	60,470
Total liabilities		**848,654**	1,314,737
Shareholders' equity (deficit)			
Share capital	8(a)	**15,125,560**	10,225,366
Warrants reserve	8(d)	**2,939,916**	1,887,777
Contributed surplus	8(b)(c)	**1,779,677**	2,037,849
Deficit		**(19,433,947)**	(15,071,119)
Total shareholders' equity (deficit)		**411,206**	(920,127)
Total liabilities and shareholders' equity (deficit)		**1,259,860**	394,610

Nature of operations	1
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See accompanying notes to consolidated financial statements.

On behalf of the Board:

(Signed) *Mark Trevisiol* Director (Signed) *Charles Lilly* Director

MCFARLANE LAKE MINING LIMITED
Consolidated Statements of Loss and Comprehensive Loss
For the years ended August 31, 2024 and 2023

For the years ended August 31,	Note	2024	2023
		$	$
Operating expenses			
Professional fees	8(c), 10	**1,324,475**	369,595
Advertising and promotion		**77,463**	-
Consulting fees	10	**418,000**	508,695
Director fees	10	**24,651**	40,002
Office and general		**137,603**	203,561
Interest and bank charges	6	**35,313**	24,499
Exploration and evaluation expenditures	5	**2,689,364**	2,379,248
Investor relations and business development		**98,273**	597,940
Regulatory and transfer agent fees		**84,677**	103,488
Share-based compensation	8(b)(c), 10	**476,828**	1,105,000
Total operating expenses		**5,366,647**	5,332,028
Loss before non-operating items		**(5,366,647)**	(5,332,028)
Other income			
Flow-through share premium recovery	7	**1,003,819**	648,232
Total other items		**1,003,819**	648,232
Net loss and comprehensive loss for the year		**(4,362,828)**	(4,683,796)
Basic and diluted net loss and comprehensive loss per common share	9	**(0.023)**	(0.045)
Weighted average number of common shares outstanding - Basic and diluted	9	**190,968,318**	105,189,745

See accompanying notes to consolidated financial statements.

MCFARLANE LAKE MINING LIMITED

Consolidated Statements of Changes in Shareholders' Equity (Deficit)
For the years ended August 31, 2024 and 2023

	Note	Common Shares	Share Capital	Warrants	Contributed surplus	Accumulated Deficit	Total Shareholders' Equity (Deficit)
		#	$	$	$	$	$
Balance, August 31, 2022		**87,647,813**	**8,481,873**	**1,234,175**	**932,849**	**(10,387,323)**	**261,574**
Shares and warrants issued in private placements	8(a)(ii)	12,924,000	904,680	387,720	-	-	1,292,400
Shares and warrants issued in private placements	8(a)(iii)	2,200,032	231,004	99,001	-	-	330,005
Shares and warrants issued in private placements	8(a)(iv)	7,285,000	509,950	218,550	-	-	728,500
Flow through shares issued in private placements	8(a)(iv)	3,100,000	372,000	-	-	-	372,000
Premium on flow-through shares	8(a)(iv)	-	(142,242)	-	-	-	(142,242)
Share issuance costs	8(a)(ii),(iii),(iv)	-	(133,789)	(52,479)	-	-	(186,268)
Shares and warrants issued for services (finder's fee)	8(a)(ii)	27,000	1,890	810	-	-	2,700
Share based compensation	8(b)	-	-	-	370,000	-	370,000
RSUs issued	8(c)	-	-	-	735,000	-	735,000
Net loss		-	-	-	-	(4,683,796)	(4,683,796)
Balance, August 31, 2023		**113,183,845**	**10,225,366**	**1,887,777**	**2,037,849**	**(15,071,119)**	**(920,127)**
Shares and warrants issued in private placements	8(a)(v)	52,100,000	1,684,995	920,005	-	-	2,605,000
Flow through shares issued in private placements	8(a)(v)	33,335,006	2,000,100	-	-	-	2,000,100
Premium on flow-through shares	8(a)(v)	-	(921,230)	-	-	-	(921,230)
Share issuance costs	8(a)(v)	-	(88,909)	(26,001)	-	-	(114,910)
Shares and warrants issued in private placements	8(a)(vi)	18,823,110	679,027	168,013	-	-	847,040
Flow through shares issued in private placements	8(a)(vi)	14,100,000	705,000	-	-	-	705,000
Premium on flow-through shares	8(a)(vi)	-	(196,348)	-	-	-	(196,348)
Share issuance costs	8(a)(vi)	-	(78,575)	(10,845)	-	-	(89,420)
Shares and warrants issued for services (finder's fee)	8(a)(vi)	96,693	3,384	967	-	-	4,351
Share based compensation	8(b)	-	-	-	476,828	-	476,828
RSUs issued for services	8(c)	-	-	-	377,750	-	377,750
Shares issued for RSUs exercised	8(c)	13,100,000	1,112,750	-	(1,112,750)	-	-
Net loss		-	-	-	-	(4,362,828)	(4,362,828)
Balance, August 31, 2024		**244,738,654**	**15,125,560**	**2,939,916**	**1,779,677**	**(19,433,947)**	**411,206**

See accompanying notes to consolidated financial statements.

MCFARLANE LAKE MINING LIMITED
Consolidated Statements of Cash Flows
For the years ended August 31, 2024 and 2023

For the years ended August 31,	Note	2024	2023
		$	$
Operating activities			
Net loss		**(4,362,828)**	(4,683,796)
Items not affecting cash:			
RSUs issued for services	8(c)	**377,750**	-
Share-based compensation	8(b), 8(c)	**476,828**	1,105,000
Flow-through share premium recovery	7	**(1,003,819)**	(648,232)
Change in non-cash working capital items:			
Prepaid expenses		**2,078**	(18,777)
Other receivable		**33,612**	214,910
Accounts payable and accrued liabilities		**(444,842)**	145,932
Net cash used in operating activities		**(4,921,221)**	(3,884,963)
Investing activities			
Purchase of restricted investment		**(32,500)**	(25,000)
Redemption of restricted investment		**25,000**	25,000
Net cash used in investing activities		**(7,500)**	-
Financing activities			
Proceeds of private placement - units	8(a)	**3,452,040**	2,350,905
Proceeds of private placement - flow-through shares	8(a)	**2,705,100**	372,000
Payment of share issuance costs related to private placement	8(a)	**(199,979)**	(183,568)
Repayment of notes payable	10	**(135,000)**	-
Net cash provided by financing activities		**5,822,161**	2,539,337
Increase (decrease) in cash		**893,440**	(1,345,626)
Balance, beginning of the year		**249,411**	1,595,037
Balance, end of the year		**1,142,851**	249,411
Supplemental cash flow information			
Non-cash shares and warrants issued		4,351	2,700

See accompanying notes to consolidated financial statements.

1. Nature of Operations

McFarlane Lake Mining Limited (the "Company"), formerly 1287401 B.C. Ltd ("1287401"), was incorporated under the Business Corporations Act (British Columbia) on February 3, 2021 and was continued into the Province of Ontario on January 26, 2022. The Company is engaged in the acquisition and exploration of mineral resource properties in Canada.

On January 14, 2022, 1287401 completed a reverse takeover transaction (the "RTO" or "Transaction") with McFarlane Lake Mining Incorporated ("McFarlane"), a privately held mineral exploration company incorporated under the laws of Province of Ontario on August 21, 2020, by way of "three-cornered" amalgamation. The issuer resulting from the Transaction (the "Resulting Issuer") carries on the business of McFarlane under the name "McFarlane Lake Mining Limited".

The Transaction constituted a reverse acquisition in accordance with International Reporting Standards ("IFRS") as the shareholders of McFarlane took control of 1287401. As McFarlane was deemed to be the acquirer for accounting purposes, the resulting consolidated statements of financial position were presented as a continuance of McFarlane's operations at their historical carrying values, and the comparative figures presented are those of McFarlane.

The Company's shares are listed on the Cboe Canada Exchange (formerly the NEO Exchange) under the symbol "MLM". The Company's shares are also listed on the US OTC Exchange under the symbol "MLMLF". The Company's corporate office is at 15 Kincora Court, Sudbury, Ontario P3E 2B9, Canada.

2. Going Concern

These consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they become due. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the planned exploration programs will ultimately result in profitable mining operations.

Although the Company has taken steps to verify title to the properties on which it will conduct exploration and in which it has an interest in accordance with industry standards to 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, unregistered prior agreements, unregistered claims, first nations' claims and non-compliance with regulatory requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contacts and political uncertainties.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its obligations and commitments in other than the normal course of business. The Company has incurred losses of $4,362,828 (2023 - $4,683,796) for the year ended August 31, 2024 and as of August 31, 2024 has a deficit of $19,433,947 (2023 - $15,071,119). These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing as necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

2. Going Concern (continued)

The Company has raised capital for working capital and the planned exploration and development of its mineral properties. The Company's continuation as a going concern is dependent upon successful results from its planned exploration and evaluation activities, its ability to attain profitable operations to generate funds and its ability to raise equity capital or borrowings sufficient to meet its current and future obligations for the next 12 months. Although the Company has been successful in raising funds to date there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

3. Basis of Preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies applied in these consolidated financial statements are based on the IFRS issued and outstanding as of November 27, 2024, being the date the Board of Directors approved these consolidated financial statements.

(b) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets which are carried at fair value. In addition, these consolidated financials have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Principles of consolidation:

These consolidated financial statements incorporate the financial statements of the Company and the entity it controls.

Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities, are exposed to, or have rights to, variable returns from the Company's involvement with the entity and have the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Profit or loss of subsidiaries acquired during the year are recognized from the date of acquisition or effective date of disposal as applicable. All intercompany transactions and balances have been eliminated.

The Company has one wholly owned subsidiary: McFarlane Lake Mining Incorporated.

(d) Functional and presentation currency:

These consolidated financial statements are presented in Canadian dollars ("CAD"), which is also the functional currency of the Company and its subsidiary.

4. Summary of Significant Accounting Policies

Significant accounting estimates and judgements

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in these consolidated financial statements are discussed below:

a) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company titles. Such properties may be subject to prior agreement or transfers and titles may be affected by undetected defects.

b) Valuation of share-based payments

The Company values share-based payments granted using market-based generally accepted valuation techniques at the date of grant. Assumptions made for the valuation include volatility of the share price, risk free interest rate and the life of the stock options granted. Such assumptions are highly subjective and changes in these assumptions materially affect the calculated fair value. Assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8. The expected volatility assumptions for option grants are based on comparable companies.

c) Valuation of deferred income tax assets

Each year, the Company evaluates the likelihood of whether some portion of deferred tax assets, if any, will be realized. This evaluation is based on historic and future expected levels of taxable income, the timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, tax planning initiative, and deferred tax rates.

4. Summary of Significant Accounting Policies (continued)

d) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

e) Existence of decommissioning and restoration costs and timing of expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration, or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations with regulatory authorities.

f) Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Judgment is used in determining provisions for taxes as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations, which may not coincide with the interpretation of the tax authorities. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. All tax related filings are subject to government audit and potential reassessment subsequent to the consolidated financial statement reporting period. In case the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

g) Provisions and contingencies

Provisions and contingencies arising in the course of operations, including provisions for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments to the Company's assets when the amounts are determined or additional information is required.

h) Flow-through shares

The Company may, from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the date of issuance of the flow-through shares, the premium relating to the proceeds received in excess of the fair value of the Company's common shares is allocated to premium on flow-through shares liability. The reduction to the premium liability in the period of renunciation is recognized through operations.

4. Summary of Significant Accounting Policies (continued)

Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the consolidated statement of financial position when it becomes party to the contractual provisions of the financial instrument.

Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

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

Classification and measurement

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

- ♦ those to be measured subsequently at fair value, either through profit or loss (“FVTPL”) or through other comprehensive income (“FVTOCI”); and
- ♦ those to be measured subsequently at amortized cost.

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

After initial recognition at fair value, financial liabilities are classified and measured at either:

- ♦ amortized cost;
- ♦ FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,
- ♦ FVTOCI, when the change in fair value is attributable to changes in the Company’s credit risk.

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

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

4. Summary of Significant Accounting Policies (continued)

After initial recognition, financial assets and liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the Effective Interest Rate (“EIR”). EIR amortization is included in finance income in the consolidated statements of income (loss) and comprehensive income (loss). The Company’s financial instruments consist of the following:

Financial Instrument	Classification
Cash	Amortized cost
Restricted investment	Amortized cost
Sales tax recoverable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Notes payable	Amortized cost

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership of the asset. Where substantially all the risks and rewards of ownership of the financial asset are neither retained nor transferred, the Company derecognizes the transferred asset only if it no longer controls the asset. Control is represented by the practical ability to sell the transferred asset without the need to impose additional restrictions. If the Company retains control over the asset, it will continue to recognize the asset to the extent of its continuing involvement. When a financial asset is derecognized in full, a gain or loss is recognized in net income for an amount equal to the difference between the carrying amount of the asset and the value of the consideration received, including any new assets and/or liabilities recognized.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires with any associated gain or loss recognized in other income or expense in the consolidated statement of loss.

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied is the simplified approach which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, amounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial instruments recorded at fair value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

4. Summary of Significant Accounting Policies (continued)

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 –inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The classification of a financial instrument in the fair value hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures are charged to profit or loss in the period incurred until such time as it has been determined that a mineral property has economically recoverable resources, in which case subsequent costs incurred to develop a mineral property are capitalized. Exploration and evaluation expenditures include acquisition costs of mineral exploration properties, property option payments and exploration and evaluation activity. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at the time of payment.

Provisions and contingencies

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the year incurred. Discount rates using a pre-tax risk-free rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other exploration and evaluation assets.

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

Decommissioning liabilities

A legal or constructive obligation to incur decommissioning liabilities may arise when environmental disturbance is caused by the exploration, development or mining of a mineral property interest. Such costs arising from the decommissioning of plant and other site work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount

4. Summary of Significant Accounting Policies (continued)

and for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses. The Company had no material decommissioning liabilities as at August 31, 2024 and 2023.

Income taxes

Current income tax

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statements of loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits, and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at end of reporting year. Deferred tax relating to items recognized directly in equity is also recognized in equity and not in the statements of loss.

The carrying amount of deferred tax assets is reviewed at the end of the reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Related party transactions

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

4. Summary of Significant Accounting Policies (continued)

Earnings (loss) per common share

Basic earnings (loss) per share are computed by dividing the net earnings (loss) applicable by the weighted average number of common shares outstanding during the reporting year. Diluted earnings (loss) per share is computed by dividing the net earnings (loss) by the sum of the weighted average number of common shares issued and outstanding during the reporting year and all additional common shares for the assumed exercise of options outstanding for the reporting year, if dilutive.

The diluted earnings (loss) per share is determined by adjusting the earnings (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options outstanding that may add to the total number of common shares. Diluted loss per share does not include the effect of stock options as they are antidilutive.

Equity-based payments

Where equity-settled share options are awarded to employees and consultants, the fair value of the options at the date of grant is charged to the statements of loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period based on the Company's estimate of options that will eventually vest. The number of forfeitures likely to occur is estimated on the grant date.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statements of loss and comprehensive loss. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the transaction is measured at the fair value of the equity instrument granted.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital for any consideration paid. If options expire, the grant date value is reclassified to deficit.

Restricted investment

The restricted investment consists of a guaranteed investment certificate ("GIC") with a maturity term of one year and is collateral for company credit cards.

4. Summary of Significant Accounting Policies (continued)

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the current exchange rate. Non-monetary assets and liabilities are translated at historical rates of exchange at the time of the acquisition of assets or obligations incurred. Revenues and expenses are translated at the rate of exchange in effect at the date of the transactions. Foreign exchange translation gains and losses are recorded in operations in the period in which they occur.

New standards adopted in the year

During the year ended August 31, 2024, the Company adopted the following amendment. This change did not have any material impact on the Company's financial statements.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

New standards not yet adopted and interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after September 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

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 non-current 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.The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

4. Summary of Significant Accounting Policies (continued)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) - In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to asses the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

Presentation and Disclosure in Financial Statements (IFRS 18) - In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

5. Exploration and Evaluation Properties

West Hawk Lake, High Lake and McMillan Properties

The West Hawk Lake, High Lake and McMillan properties consist of certain mining claims located in Ontario.

The property is subject to a 2% net smelter return royalty (“NSR”) for the McMillian mine claims and a 2% NSR with the right to purchase 1% for a purchase price of $1,250,000 for the High Lake claims. The Company is also required to pay $10,000 every June 15 until such time as commercial production has commenced on the mining claims or the optionee offers to return the mining claims.

Mongowin Property

The Mongowin property consist of certain mining claims and patented claims located in Northeastern Ontario in Mongowin Township.

The property is subject to a 2% net smelter return royalty (“NSR”) of which 0.5% can be purchased for $600,000.

5. Exploration and Evaluation Properties (continued)

Beginning on the fifth anniversary of the Purchase Agreement, the Company will pay the Mongowin Optionor advanced royalty payments of $25,000 per year (in cash or common shares) to a maximum total of $250,000 (in cash or shares). Any exploration expenditures incurred on the Mongowin Property will offset this payment on a dollar for dollar basis. If the Company does not pay the advanced royalty payments or spend the required exploration expenditure, the Mongowin Optionor may choose to purchase the property for $1.

The Mongowin Optionor is entitled to a one-time milestone payment of $2,500,000 upon the commercial exploitation of mineral products on the Mongowin Property. As this payment is contingent on future commercial production, which cannot be determined, no provision as been recorded in these consolidated financial statements.

Michaud/Munro Properties

The Michaud/Munro properties consist of certain mining leases located in Northeastern Ontario in the townships of Michaud and Munro in the Larder Lake Mining District near the town of Matheson, Ontario.

The property is subject to a 1.5% net smelter return royalty (“NSR”) of which 1% can be purchased for $1.5 million.

6. Notes payable

During fiscal 2021, McFarlane was advanced funds totalling $195,000 from companies controlled by certain directors of the Company. These promissory notes payable are unsecured, bear interest at 12% compounded monthly and are due on demand. During the year ended August 31, 2024, $135,000 of the loan was repaid (2023 - $nil). During the year ended August 31, 2024, the Company incurred interest expense of $34,654 (2023 - $23,400). Included in accounts payable and accrued liabilities as of August 31, 2024 is accrued interest owed on these notes payable in the amount of $41,945 (August 31, 2023 - $57,291).

7. Flow-through Share Premium Liability

The flow-through share premium liability balance as at August 31, 2024 is $174,229 (2023 - $60,470).

(a) Private Placement Offering – December 2021

In December 2021, the Company completed a FT Placement for $3,182,000, thus committing to spend this amount by December 31, 2022 on “Canadian exploration expenses” which qualify as “flow-through mining expenditures”, as these terms are defined in the Income Tax Act (Canada) (“Resource Expenditures”). Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium liability of $964,687. During the year ended August 31, 2023, the Company incurred $1,907,673 of resource expenditures, recorded a flow-through share premium recovery of $566,460 in the consolidated statement of loss and comprehensive loss and completed the flow-through commitment obligation.

7. Flow-through Share Premium Liability (continued)

(b) Private Placement Offering - April 2023

In April 2023, the Company issued 3,100,000 flow-through shares, ("FT Shares") for gross proceeds equal to $372,000, thus committing to spend this amount by December 31, 2024 Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $142,242. During the year ended August 31, 2024, the Company incurred $158,145 (2023 –$213,855) of Resource Expenditures towards this commitment, recorded flow-through share premium recovery of $60,470 (2023 - $81,772) respectively in the consolidated statement of loss and comprehensive loss and completed the flow-through commitment obligation.

(c) Private Placement Offering – November 2023

In November 2023, the Company issued 33,335,006 FT Shares for gross proceeds equal to $2,000,100, thus committing to spend this amount by December 31, 2024 on Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $921,230. During the year ended August 31, 2024, the Company incurred $2,000,100 of Resource Expenditures towards this commitment, recorded flow-through share premium recovery of $921,230 respectively in the consolidated statement of loss and comprehensive loss and completed the flow-through commitment obligation.

(d) Private Placement Offering – June 2024

In June 2024, the Company issued 14,100,000 FT Shares for gross proceeds equal to $705,000, thus committing to spend this amount by December 31, 2025 on Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $196,348. During the year ended August 31, 2024, the Company incurred $79,418 of Resource Expenditures towards this commitment and recorded flow-through share premium recovery of $22,119 respectively in the consolidated statement of loss and comprehensive loss.

8. Share capital

(a) Share capital

Authorized:

i. The Company is authorized to issue an unlimited number of common shares with no par value.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

	Note	# Shares		Amount
Balance, August 31, 2022		**87,647,813**	**$**	**8,481,873**
Shares and warrants issued in private placements	(ii)	12,924,000		904,680
Shares and warrants issued in private placements	(iii)	2,200,032		231,004
Shares and warrants issued in private placements	(iv)	7,285,000		509,950
Flow through shares issued in private placements	(iv)	3,100,000		372,000
Premium on flow-through shares	(iv)	-		(142,242)
Shares issued for services (finder's fee)	(ii)	27,000		1,890
Share issuance costs	(ii),(iii),(iv)	-		(133,789)
Balance, August 31, 2023		**113,183,845**	**$**	**10,225,366**
Shares and warrants issued in private placements	(v)	43,500,000		1,404,959
Shares and warrants issued in private placements	(v)	8,600,000		280,036
Flow through shares issued in private placements	(v)	24,943,681		1,496,621
Flow through shares issued in private placements	(v)	8,391,325		503,479
Premium on flow-through shares	(v)	-		(921,230)
Share issuance costs	(v)	-		(88,909)
Shares and warrants issued in private placements	(vi)	10,556,443		380,820
Shares and warrants issued in private placements	(vi)	8,266,667		298,207
Flow through shares issued in private placements	(vi)	13,900,000		695,000
Flow through shares issued in private placements	(vi)	200,000		10,000
Shares issued for services (finder's fee)	(vi)	96,693		3,384
Premium on flow-through shares	(vi)	-		(196,348)
Share issuance costs	(vi)	-		(78,575)
Shares isssued for RSUs exercised	8(c)	13,100,000		1,112,750
Balance, August 31, 2024		**244,738,654**	**$**	**15,125,560**

Issued:

ii. On September 16, 2022, the Company closed a non-brokered private placement offering of units of the Company for aggregate gross proceeds of $1,292,400. Under the private placement, the Company issued 12,924,000 units at a price of $0.10 per Unit.

Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share at a price of $0.20 per common share until September 16, 2025.

The allocation of the Units between share capital and warrants was done based on the relative fair value of each of the components. The fair value of the warrants was determined using the Black-Scholes Model using the following assumptions:

Share price	$0.07	Risk free interest rate	3.71%
Expected life	3.0 years	Volatility	210.47%
Dividend yield	0.00%		

The relative fair value of the shares was determined to be $904,680 and the relative fair value of the warrant was determined to be $387,720.

As part of the private placement, the Company incurred share issuance costs of $88,241 made up of the following:

(Expressed in Canadian Dollars)

8. Share Capital (continued)

a) In connection with the offering, the Company paid finders' fees of $9,600 in cash and issued 27,000 Units to certain finders. The fair value of the units issued was determined to be $2,700 based on the fair value of $0.10 per unit. The fair value of the warrants was determined to be $810 using the Black-Scholes Model based on the following assumptions:

Share price	$0.07	Risk free interest rate	3.71%
Expected life	3.0 years	Volatility	210.47%
Dividend yield	0.00%		

b) In connection with the offering, the Company incurred $75,941 in legal and accounting expenses.

Certain directors and officers of the Company subscribed to a total of 3,000,000 units for gross proceeds of $300,000 in the private placement.

iii. On February 17, 2023, the Company closed a non-brokered private placement offering of units of the Company for aggregate gross proceeds of $330,005. Under the private placement, the Company issued 2,200,032 units at a price of $0.15 per unit.

Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share of the Company at a price of $0.25 per common share until February 17, 2026.

The allocation of the Units between share capital and warrants was done based on the relative fair value of each of the components. The fair value of the warrants was determined using the Black-Scholes Model using the following assumptions:

Share price	$0.105	Risk free interest rate	3.87%
Expected life	3.0 years	Volatility	202.54%
Dividend yield	0.00%		

The relative fair value of the shares was determined to be $231,004 and the relative fair value of the warrant was determined to be $99,001.

In connection with the private placement, the Company incurred $64,495 in legal and accounting expenses.

iv. On April 13, 2023, the Company closed a non-brokered private placement offering for aggregate gross proceeds of $1,100,500. In connection with the offering, the Company issued 7,285,000 units at a price of $0.10 per unit and 3,100,000 flow-through shares at a price of $0.12 per FT share.

Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share of the Company at a price of $0.20 per common share until April 13, 2026.

The allocation of the Units between share capital and warrants was done based on the relative fair value of each of the components. The fair value of the warrants was determined using the Black-Scholes Model using the following assumptions:

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Share price	$0.07	Risk free interest rate	3.59%
Expected life	3.0 years	Volatility	229.01%
Dividend yield	0.00%		

The relative fair value of the shares was determined to be $509,950 and the relative fair value of the warrant was determined to be $218,500.

In connection with the offering, the Company paid finders' fees of $19,410 in cash and incurred $14,122 in legal and accounting expenses.

The gross proceeds from FT Share portion of the offering were allocated to common shares and FT Share premium using the residual method, with proceeds being allocated to the common shares first based on the market value of the shares at the time of the issuance. The fair value of the shares was determined to be $229,758 and $142,242 was allocated as the value of the Flow-through share premium.

Certain directors and officers of the Company subscribed to a total of 2,100,000 units for gross proceeds of approximately $210,000 in the private placement.

v. On November 1, 2023, the Company closed the first tranche of a non-brokered private placement offering (the "Offering") for aggregate gross proceeds of $3,671,620. In connection with the first tranche, the Company issued 43,500,000 units at a price of $0.05 per unit and 24,943,681 FT shares at a price of $0.06 per FT share.

On November 27, 2023, the Company closed the second tranche of a non-brokered private placement offering for aggregate gross proceeds of $933,480. In connection with the second tranche, the Company issued 8,600,000 units at a price of $0.05 per unit and 8,391,325 flow-through shares at a price of $0.06 per FT share.

The total gross proceeds to the Company from the first and second tranches of the Offering were $4,605,100.

Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share of the Company at a price of $0.07 per common share until May 1, 2025 (Tranche 1) and May 27, 2025 (Tranche 2).

The allocation of the Units between share capital and warrants was done based on the relative fair value of each of the components. The fair value of the warrants was determined using the Black-Scholes Model using the following assumptions:

Share price	$0.03	Risk free interest rate	4.40% - 4.53%
Expected life	1.5 years	Volatility	156.22% - 159.59%
Dividend yield	0.00%		

The relative fair value of the shares was determined to be $1,684,995 and the relative fair value of the warrant was determined to be $920,005.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

In connection with the offering, the Company paid $114,910 in legal expenses, of which $88,909 was allocated to common shares.

The gross proceeds from FT Share portion of the offering were allocated to common shares and FT Share premium using the residual method, with proceeds being allocated to the common shares first based on the market value of the shares at the time of the issuance. The fair value of the shares was determined to be $1,078,870 and $921,230 was allocated as the value of the Flow-through share premium.

Certain directors and officers of the Company subscribed to a total of 3,700,000 units and 1,200,000 FT Shares for gross proceeds of approximately $257,000 in the Offering.

vi. On June 7, 2024, the Company closed the first tranche of a non brokered private placement offering for aggregate gross proceeds of $1,170,040. In connection with the first tranche, the Company issued 10,566,443 units at a price of $0.045 per unit and 13,900,000 flow-through shares at a price of $0.05 per FT share.

On June 27, 2024, the Company closed the second tranche of a non-brokered private placement offering for aggregate gross proceeds of $382,000. In connection with the second tranche, the Company issued 8,266,667 units at a price of $0.045 per unit and 200,000 flow-through shares at a price of $0.05 per FT share.

The total gross proceeds to the Company from the first and second tranches of the offering were $1,552,040.

Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share of the Company at a price of $0.07 per common share until December 7, 2025 (tranche 1) and December 27, 2025 (tranche 2).

The allocation of the units between share capital and warrants was done based on the relative fair value of each of the components. The fair value of the warrants was determined using the Black-Scholes Model using the following assumptions:

Share price	$0.0358	Risk free interest rate	3.99% - 4.02%
Expected life	1.5 years	Volatility	141.99%
Dividend yield	0.00%		

The relative fair value of the shares was determined to be $679,027 and the relative fair value of the warrant was determined to be $168,013.

As part of the private placement, the Company incurred share issuance costs of $89,420 made up of the following:

a) In connection with the offering, the Company issued 96,693 Units to certain finders. The fair value of the units issued was determined to be $4,351 based on the fair value of $0.045 per unit. The fair value of the warrants was determined to be $967 using the Black-Scholes Model based on the following assumptions:

Share price	$0.0358	Risk free interest rate	4.02%
Expected life	1.5 years	Volatility	141.99%
Dividend yield	0.00%		

(Expressed in Canadian Dollars)

8. Share Capital (continued)

b) In connection with the offering, the Company incurred $85,069 in legal expenses, of which $78,575 was allocated to common shares.

The gross proceeds from FT Share portion of the offering were allocated to common shares and FT Share premium using the residual method, with proceeds being allocated to the common shares first based on the market value of the shares at the time of the issuance. The fair value of the shares was determined to be $508,652 and $196,348 was allocated as the value of the Flow-through share premium.

Certain directors and officers of the Company subscribed to a total of 10,555,554 units and 200,000 FT shares for gross proceeds of approximately $485,000 in the offering.

(b) Stock options

The Company has a stock option plan (the “Plan”) for its directors, officers, consultants, and key employees under which the Company may grant options to acquire a maximum number of 15% of the total issued and outstanding common shares of the company. These options are non-transferable and are valid for a maximum of 5 years from the issue date. Vesting terms and conditions are determined by the Board of Directors at the time of the grant. The exercise price of the options is fixed by the Board of Directors at the time of the grant at a minimum of the market price of the common shares, subject to regulatory requirements. Expected volatility has been determined using the share price of comparable companies for the period equivalent to the life of the options prior to grant date.

		Number of options	Weighted average exercise price
Options outstanding at August 31, 2022		7,000,000	$ 0.16
Granted	(i)	2,325,000	0.12
Granted	(ii)	325,000	0.16
Granted	(iii)	325,000	0.12
Options outstanding at August 31, 2023		9,975,000	$ 0.15
Granted	(iv)	5,650,000	0.09
Options outstanding at August 31, 2024		15,625,000	$ 0.13

(i) On October 14, 2022, the Company granted a total of 2,325,000 stock options to directors, executive officers, management and consultants, exercisable at $0.12 per share and expiring on October 14, 2027. All of these options were issued to related parties. The options have a five-year term and vested immediately. The stock options fair value of $279,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 195.23%, expected dividend yield of 0% and a risk-free interest rate of 3.64%.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

(ii) On January 13, 2023, the Company granted a total of 325,000 stock options to a new director, exercisable at $0.16 per share and expiring on January 13, 2028. All of these options were issued to a related party. The options have a five-year term and vested immediately. The stock options fair value of $52,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 193.77%, expected dividend yield of 0% and a risk-free interest rate of 3.00%.

(iii) On May 8, 2023, the Company granted a total of 325,000 stock options to a director, exercisable at $0.12 per share and expiring on May 8, 2028. All of these options were issued to a related party. The options have a five-year term and vested immediately. The stock options fair value of $39,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 216.80%, expected dividend yield of 0% and a risk-free interest rate of 3.08%.

(iv) On December 27, 2023, the Company granted a total of 5,650,000 stock options to certain directors, officers and consultants, exercisable at $0.09 per share and expiring on December 27, 2028. All of these options were issued to a related party. The options have a five-year term and vested immediately. The stock options fair value of $452,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 164.65%, expected dividend yield of 0% and a risk-free interest rate of 3.18%.

(v) On July 19, 2024, the Company approved of 6,900,000 stock options to be granted to certain directors, officers and consultants, exercisable at $0.025 per share and expiring on July 19, 2029. All of these options were issued to a related party. The options shall vest upon approval of amendments to the option plan by the shareholders of the Company expected to take place at the annual general meeting to be held on or about March 2025. The stock options fair value of $138,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 159.35%, expected dividend yield of 0% and a risk-free interest rate of 3.35%. For the year ended August 31, 2024, $24,828 was recorded as share-based compensation in the consolidated statement of loss and comprehensive loss using graded vesting over the period the services are received.

At August 31, 2024, the following options were outstanding and available to be exercised:

Grant Date	Expiration	Number of Stock Options Outsanding	Number of Stock Options Vested	Exercise Price	Remaining Life (in years)
May 31, 2021	May 31, 2026	5,500,000	5,500,000	$ 0.10	1.75
January 25, 2022	January 25, 2027	1,500,000	1,500,000	0.40	2.40
October 14, 2022	October 14, 2027	2,325,000	2,325,000	0.12	3.12
January 13, 2023	January 13, 2028	325,000	325,000	0.16	3.37
May 8, 2023	May 8, 2028	325,000	325,000	0.12	3.69
December 27, 2023	December 27, 2028	5,650,000	5,650,000	0.09	4.33
		15,625,000	15,625,000	$ 0.13	3.02

(Expressed in Canadian Dollars)

8. Share Capital (continued)

(c) Restricted share units

The Company adopted a restricted share unit plan (the "RSU Plan") on December 7, 2021, under which the Company may grant restricted share units ("RSUs") to directors, officers, consultants, and key employees of the Company.

	Number of RSUs		Grant date fair value
RSUs outstanding at August 31, 2022	-	$	-
Granted	7,000,000		0.105
RSUs outstanding at August 31, 2023	7,000,000	$	0.105
Granted	3,600,000		0.090
Granted	2,500,000		0.025
Exercised	(7,000,000)		0.105
Exercised	(3,600,000)		0.090
Exercised	(2,500,000)		0.025
RSUs outstanding at August 31, 2024	-	$	-

On March 27, 2023, the Company granted of an aggregate of 7,000,000 RSUs to two directors of the Company which vest immediately. Each vested RSU entitles the holder to receive one Common Share. The fair value of the RSUs were determined to be $735,000 based on the market value of the shares on the date of the grant. On August 8, 2024, those RSUs were settled for common shares of the Company.

On December 27, 2023, the Company granted of an aggregate of 3,600,000 RSUs to certain consultants of the Company which will vest in accordance with the terms and conditions set forth in the applicable award agreements. Once vested, each vested RSU will entitle the holder to receive one Common Share. 1,600,000 of those RSUs were granted to a company which a director of the Company is associated with. The fair value of the RSUs were determined to be $324,000 based on the market value of the shares on the date of the grant.

On July 19, 2024, the Company granted of an aggregate of 500,000 RSUs to certain consultant of the Company which will vest in accordance with the terms and conditions set forth in the applicable award agreements. Once vested, each vested RSU will entitle the holder to receive one Common Share. The fair value of the RSUs were determined to be $10,750 based on the market value f the shares on the date of the grant.

On August 8, 2024, the Company granted of an aggregate of 2,000,000 RSUs to certain consultants of the Company which will vest in accordance with the terms and conditions set forth in the applicable award agreements. Once vested, each vested RSU will entitle the holder to receive one Common Share. The fair value of the RSUs were determined to be $43,000 based on the market value of the shares on the date of the grant.

On August 8, 2024, a total of 6,100,000 RSUs granted to certain consultants were vested and settled for common shares of the Company.

As at August 31, 2024, there were no RSU outstanding and exercisable.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

(d) Warrants

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

Grant Date	Expiry Date	Number of warrants Outstanding	Exercise Price		Remaining Life (in years)
December 9, 2021	December 9, 2024	4,206,156	$	0.60	0.27
December 9, 2021	December 9, 2024	1,097,075		0.40	0.27
September 16, 2022	September 16, 2025	6,475,500		0.20	1.04
February 17, 2023	February 17, 2026	1,100,016		0.25	1.47
April 13, 2023	April 13, 2026	3,642,500		0.20	1.62
November 1, 2023	May 1, 2025	43,500,000		0.07	0.67
November 27, 2023	May 27, 2025	8,600,000		0.07	0.74
June 7, 2024	December 7, 2025	5,326,568		0.07	1.27
June 27, 2024	December 27, 2025	4,133,333		0.07	1.32
		78,081,148	$	0.12	0.81

9. Loss per Share

For the year ended August 31, 2024, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of $4,362,828 (2023 – $4,683,796) and the weighted average number of common shares outstanding of 190,968,318 (2023 –105,189,745).

10. Related Party Transactions and Balances

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing, and controlling the activities of the Company including any directors and officers of the Company.

The remuneration of directors and key management of the Company for the years ended August 31, 2024 and 2023 was as follows:

	2024	2023
	$	$
Consulting fees	562,000	574,000
Director fees	24,651	40,002
Share based payments	476,828	1,105,000

Included in accounts payable and accrued liabilities as at August 31, 2024 is $63,153 owing to officers, directors and management of the Company (August 31, 2023 - $76,425). The amounts are unsecured, non-interest bearing and due on demand.

Also included in accounts payable and accrued liabilities as at August 31, 2024 is accrued interest owing on the notes payable due to directors of the Company in the amount of $41,945 (August 31, 2023 - $57,291).

10. Related Party Transactions and Balances (continued)

During the year ended August 31, 2024, the Company incurred professional fees to a law firm and its associated companies for legal, accounting and capital advisory services totalling $531,615 (2023 - $439,527). One of the directors of the Company is a partner in this law firm. Included in accounts payable and accrued liabilities as at August 31, 2024 is $335,986 owing to this law firm and its associated companies (August 31, 2023 - $454,431). The amounts are unsecured, non-interest bearing and due on demand.

See also Notes 6, and 8.

11. Capital Management

The Company defines capital as consisting of common share capital, options reserve and deficit.

The Company's objective in managing capital is to maintain adequate levels of funding to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its mineral property interests and to maintain a flexible capital structure which will optimize the costs of capital at an acceptable risk.

The Company endeavours to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this form of financing due to the current difficult conditions. The Company makes adjustments to its management of capital in the light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its costs of capital while maintaining an acceptable level of risk.

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

12. Financial Risks and Concentration of Risk

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.

The carrying value of the Company's financial instruments approximates fair value due to the short-term or demand nature of these financial instruments.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company mitigates its exposure by monitoring the counterparty's ability to repay.

(Expressed in Canadian Dollars)

12. Financial Risks and Concentration of Risk (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company prepares annual capital expenditure budgets, which are monitored and updated as required. In addition, the Company requires authorization from the Board of Directors for expenditures on projects to assist with the management of capital.

The following are the contractual maturities of financial liabilities as at August 31, 2024:

At August 31, 2024	Carrying amount	within 1 year	1-3 years	4+ years
Accounts payable and accrued liabilities	$ 614,425	$ 614,425	$ -	$ -
Notes payable	60,000	60,000	-	-
	$ 674,425	$ 674,425	$ -	$ -

The following are the contractual maturities of financial liabilities as at August 31, 2023:

At August 31, 2023	Carrying amount	within 1 year	1-3 years	4+ years
Accounts payable and accrued liabilities	$ 1,059,267	$ 1,059,267	$ -	$ -
Notes payable	195,000	195,000	-	-
	$ 1,254,267	$ 1,254,267	$ -	$ -

Interest rate risk

The Company does not currently have any outstanding variable interest-bearing loans and, therefore, the Company is not exposed to interest rate risk through fluctuation in the prime interest rate.

13. Commitments and Contingencies

Consulting Agreements

The Company entered into consulting agreements with its key management personnel (the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer) at combined consulting fees of $27,000 per month. These contracts require payment of approximately $1 million upon the occurrence of a change of control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately $420,000 pursuant to the terms of these contracts. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

(Expressed in Canadian Dollars)

13. Commitments and Contingencies (continued)

Environmental Contingencies

The Company's exploration activities are subject to various federal, state, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. See also Note 5 (exploration and evaluation properties).

Flow-through Financings

The Company has entered into flow-through private placements ("FT Placements") to fund exploration activities. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the Income Tax Act (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

In June 2024, the Company completed a FT Placement for $705,000, thus committing to spend this amount by December 31, 2025. As at August 31, 2024, the Company intends to incur the remaining $625,582 of resource expenditures to complete its commitment.

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities 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.

14. Income Taxes

a) Provision for Income Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2023 – 26.5%) to the effective tax rate is as follows:

	2024 $	2023 $
(Loss) before income taxes	(4,362,828)	(4,683,796)
Expected income tax recovery based on statutory rate	(1,156,000)	(1,241,000)
Adjustment to expected income tax recovery:		
Share based compensation	126,000	293,000
Flow-through renunciation	327,000	365,000
Expenses not deductible for tax purposes	19,000	6,000
Other	(19,000)	205,000
Change in unrecorded deferred tax asset	703,000	372,000
Deferred income tax provision (recovery)	-	-

(Expressed in Canadian Dollars)

14. Income Taxes (continued)

b) Deferred Income Tax

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities.

	2024 **$**	**2023** **$**
Unrecognized deferred tax assets		
Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:		
Non-capital loss carry-forwards	5,884,000	3,585,000
Share issue costs	901,000	952,000
Mineral property costs	8,369,000	7,758,000
Total	15,154,000	12,295,000

The tax losses expire in 2041 to 2044. The other temporary differences do not expire under current legislation.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

15. Subsequent Events

On October 31, 2024, the Company approved 1,000,000 stock options to be granted to certain consultants, exercisable at $0.03 per share and expiring on October 31, 2027, subject to obtaining the requisite approval from the shareholders of the Company expected to occur on or about March 2025.

McFarlane Lake Mining Limited
Management Discussion and Analysis

For the year ended August 31, 2024 and 2023

November 27, 2024

1. Introduction

The following Management Discussion and Analysis ("**MD&A**") of McFarlane Lake Mining Limited (the "**Company**") dated November 27, 2024 and should be read together with the Company's audited consolidated financial statements and related notes for the year ended August 31, 2024 and 2023 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

All dollar figures in this MD&A are stated in Canadian dollars unless otherwise indicated. All references to the Company include its subsidiary unless the context requires otherwise.

2. Caution Regarding Forward-Looking Information and Statements

This MD&A contains forward-looking statements intended to provide readers with a reasonable basis for assessing the Company's performance. Forward-looking statements can be identified by such words as "plans", "expects", "budgets", "estimates", "intends", "anticipates", "believes", "continues", "may", "could", "would", "should", "might" or "will", or equivalents or variations thereof. Forward-looking statements include those with respect to the Company's future strategy, plans, transactions, objectives and adequacy of working capital, including statements relating to acquiring, exploring, and monetizing current and future mineral exploration properties. Forward-looking statements rely on underlying assumptions, including management's expectations as to transaction opportunities, exploration potential, and precious metals prices, that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, those described under "Risks and Uncertainties" below and among others, the exploration or monetization potential of the Company's mineral properties, transaction execution risk, volatility in financial markets, economic conditions, precious metals prices and unanticipated increases in expenses. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under caption "Risk Factors" in the Company's annual information form ("AIF"), which is available for review on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actions, events or results not to be as predicted, there can be no assurance that forward-looking statements will prove to be accurate. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Other than as required by applicable Canadian securities laws, the Company does not undertake to update any such forward-looking statements to reflect events or circumstances after the date hereof. Accordingly, readers should not place undue reliance on any forward-looking statements herein.

3. Qualified Person

Roger Emdin, is a Qualified Person as defined under National Instrument 43-101 – Standards for Disclosure for Mineral Projects ("**NI 43-101**") and has reviewed and approved the scientific and technical information contained in this MD&A. Mr. Emdin is not independent of the Company by virtue of his position as Chief Operating Officer.

4. General Overview

The Company (formerly 1287401 B.C. Ltd.) was incorporated under the laws of the Province of British Columbia on February 3, 2021 and was continued into the Province of Ontario on January 26, 2022. The Company is currently listed on the Cboe Canada Exchange (the "**Exchange**") and the US OTCQB Venture Market ("**OTCQB**") in the United States. During the fiscal year ended August 31, 2022 the Company acquired a number of mineral resource properties in Canada and in the fiscal year ended August 31, 2023 completed a drilling program drilling on its West Hawk Lake mineral resource property located in Manitoba (the "**West Hawk Lake Property**"). In the fiscal year ended August 31, 2023, the company completed a drilling program on its High Lake mineral resource property (the "**High Lake Property**"). In the fiscal quarter ended May 31, 2024, the Company completed a second drilling program on its High Lake mineral resource property. An early exploration permit for the McMillan property was issued on September 13, 2024 and an exploration program is scheduled for the fall / winter of 2024 / 2025. The head office and registered office of the Company is located at 15 Kincora Court, Sudbury, Ontario P3E 2B9.

The Company's consolidated financial statements are presented on a consolidated basis and include its wholly owned subsidiary McFarlane Lake Mining Incorporated ("**McFarlane Subco**").

5. Highlights and Key Developments (to the date of this MD&A)

Mineral Properties Exploration and Development Activities During the Year

(1) Exploration Permits on McMillan Mine and Mongowin Properties

On June 25, 2024 the Company announced that it had applied for an early exploration permit on its McMillan / Mongowin property located 70 kilometers west of Sudbury, Ontario. The permit was issued by the Mineral Development Branch of the Ministry of Mines on September 13, 2024. An exploration program is planned to start in November which will include a down the hole Induced Polarization and magnetic survey east of the McMillan Mine in existing holes and 3,000m of diamond drilling in the area of the McMillan Mine to confirm historical high grade gold intersections and to potentially expand gold mineralization to the east, west and at depth. The drilling contract was awarded on October 14, 2024.

(2) Completion of the Exploration and Drilling Program on the High Lake Property

The Company was granted an additional exploration permit (the "Permit") from the Ontario Ministry of Mines, for its High Lake Property on October 18, 2023. The Company commenced a 10,000-metre exploration diamond drilling program at the High Lake Property in Ontario targeted to expand its existing mineral resource estimate in the Purdex Zone and follow up on other priority targets developed through geophysics and prospecting. Mobilization of the drill contractors started on December 8, 2023 with the first hole being collared on December 10th. The campaign completed drilling on March 31, 2024 with 33 holes completed for a total of 9,967m drilled. The bulk of the program, 8,576m, was focused on the Purdex Zone with the remaining 1,391m in 7 holes split between the R Zone, A_D Zones and the Porphyry Zone.

On April 9, 2024 the Company announced it had extended gold mineralization to the east of the Purdex zone and at depth. See this link for further details - MLM High Lake Drilling results April 9 2024 vf.docx

(3) Completion of a Geophysical Survey at the Past Producing McMillan Gold Mine

On April 23, 2024 the Company announced that it had contracted Dan Patrie Exploration Ltd. to provide geophysical services to conduct an Induced Polarized ("IP") geophysical survey on the McMillan exploration property. An IP survey is typically used where gold is found within iron sulphide bearing minerals, this is the case for the McMillan deposit. The survey covered 1.4 square kilometers on surface around the McMillan Mine. A 10 km east west trending fault system called the "House Lake Fault" traces through the property. The McMillan mine occurs near this fault system as well as a number of historical gold showings. Results of the geophysical survey are pending.

(4) Initiate Environmental Baseline Work on its High Lake Property

The company began environmental studies with a surface water sampling program on November 12, 2023. A desktop species-at-risk study was completed in April 2024.

(5) Geological Data Compilation and Artificial Intelligence Prospectivity Analysis

On October 3, 2023, the company announced that it commissioned a full geological compilation of all available historical and current information on its High Lake property to generate a digital dataset to help generate and prioritize exploration targets through the use of artificial intelligence. The Geological data compilation was completed as of October 18, 2023.

The data has been processed through artificial intelligence in a prospectivity analysis announced on March 5, 2024. The Prospectivity Analysis used a combination of Knowledge-driven and Supervised Machine Learning algorithms to generate surface and subsurface exploration targets. These targets are generated using inputs such as geological structure, lithology, mineralization, and geochemistry within the High Lake property. This is then related to the local geology, which is classed as a greenstone-hosted lode gold deposit. These generated target areas that will help guide future exploration of the property.

Company Financings During the Period

(1) Company Non-Brokered Private Placement dated May 16, 2024 and the Subsequent Closing of the First and Second Tranches on June 7, 2024 and June 27, 2024 Respectively

The Company announced on May 16, 2024 its intent to offer for sale, on a non-brokered private placement basis of up to 22,222,222 units of the Company consisting of one common share and one-half of one common share purchase warrant at a price of C$0.045 per Unit; and up to 20,000,000 flow-through shares of the Company at a price of C$0.05 per FT Share, in any combination, to raise collective aggregate gross proceeds of up to C$1,000,000. Each Warrant will be exercisable by the holder to acquire one Common Share at a price of C$0.07 per Common Share for a period of 18 months from the closing of the Offering.

The private placement was upsized and closed in two tranches. On June 7, 2024, the Company announced it had closed the first tranche which consisted of 10,556,443 Units at a price of $0.045 per Unit and 13,900,000 FT Shares at a price of $0.05 per FT Share. On June 27, 2024,the second and final tranche consisted of 8,266,667 Units at a price of $0.045 per Unit and 200,000 FT Shares at a price of $0.05 per FT Share. The two tranches provided combined aggregate gross proceeds to the Company of approximately $1,552,040.

Additionally, the Company issued a total of 96,693 Units to certain finders in consideration for introducing certain purchasers to the Company.

Certain insiders of the Company subscribed for approximately $485,000 worth of a combination of Units and FT Shares in the Offering.

(2) Non-brokered Private Placement dated November 1, 2023

On November 1, 2023, the Company closed the first tranche of a private placement offering of units of the Company ("Units") and flow-through shares ("FT Shares") of the Company (the "Offering"). The first tranche consisted of 43,500,000 Units at a price of $0.05 per Unit and 24,943,681 FT Shares at a price of $0.06 per FT Share for combined aggregate gross proceeds to the Company of $3,671,620. On November 27, 2023 the Company closed the second tranche, which consisted of 8,600,000 Units at a price of $0.05 per Unit and 8,391,325 FT Shares at a price of $0.06 per FT Share for combined aggregate gross proceeds to the Company of $933,479. The total gross proceeds to the Company from the first and second tranches of the Offering were $4,605,100.

Each Unit consists of one common share of the Company (each, a "Common Share") and one common share purchase warrant (each, a "Warrant"). Each Warrant is exercisable by the holder to acquire one Common Share of the Company at a price of $0.07 per common share until May 1, 2025 (Tranche 1) and May 27, 2025 (Tranche 2).

Certain directors and officers of the Company subscribed for a total of 3,700,000 Units and 1,200,000 FT Shares for gross proceeds of $257,000 in the Offering.

Other Company Activities During the Period

(1) Issuance of Stock Options and Restricted Share Units

On December 27, 2023, the Company's board of directors approved (i) the grant of 5,650,000 stock options (collectively, the "Options") to certain directors, officers and consultants of the Company; and (ii) the grant of 3,600,000 restricted share units (collectively, the RSUs") to certain consultants of the Company, each in accordance with the rules of CBOE Canada and the applicable plan.

The Options are exercisable into the equivalent amount of common shares of the Company at a price of $0.09 per share until December 27, 2028.

The RSUs granted to the consultants will vest in accordance with the terms and conditions set forth in the applicable award agreements and once vested, each vested RSU will entitle the holder thereof to receive a common share in the capital of the Company.

On July 19, 2024, the Company's board of directors approved (i) 6,900,000 stock options to be granted to certain directors, officers and consultants, exercisable at $0.025 per share and expiring on July 19, 2029. All of these options were issued to a related party. (ii) the grant of 500,000 restricted share units (collectively, the RSUs") to certain consultants of the Company, each in accordance with the rules of CBOE Canada and the applicable plan. The issuance of these stock options is subject to the ratification of a proposed amendment to the Company stock option plan that will be presented at the Company's annual shareholder meeting in March 2025.

On August 8, 2024, the Company granted of an aggregate of 2,000,000 RSUs to certain consultants of the Company which will vest in accordance with the terms and conditions set forth in the applicable award agreements. Once vested, each vested RSU will entitle the holder to receive one Common Share. The fair value of the RSUs were determined to be $43,000 based on the market value of the shares on the date of the grant.

On August 8, 2024, a total of 6,100,000 RSUs granted to certain consultants were vested and settled for common shares of the Company.

On August 8, 2024 all of the issued and outstanding RSUs were converted into common shares.

Mineral Exploration Properties Acquired During the Current Year

(1) <u>Strategic Acquisition of New Claims for its High Lake Property</u>

The Company also added 3 claims to its High Lake Property on January 17, 2024. These claims increased McFarlane's land position at High Lake from 585.61 to 626.00 hectares. The claims are strategically important as they fill in a gap on the western part of McFarlane's property, which hosts the extension of both the D and R zones and provides access and expansion opportunities for the A, B and C Zones (see section 8 for more details).

Mineral Exploration Properties Acquired During the Previous Year

(1) <u>Strategic Acquisition of New Claims for its High Lake Property</u>

The Company acquired 14 claims surrounding its High Lake Property in August of 2022, (see section 8 for more details). The acquisition by the Company includes 7 claims acquired by purchase and 7 claims acquired by staking. The acquisition of the New Claims significantly expands the exploration property at the High Lake Property from 341.49 hectares to 584.43 hectares. This acquisition of the New Claims gives the Company significant potential to discover new gold mineralization adjacent to the Company's existing property. The New Claims lie on the same geological trends as the Company's existing claims which have historically known gold mineralization. In particular, the Company is encouraged by the exploration drilling opportunity that exists around our Purdex Zone with the mineralization in this area trending towards the New Claims in the northeast.

Two additional partial claims were subsequently acquired by the Company, one north of the Purdex Zone on September 29, 2022 and one adjacent to the A-D Zone area on November 30, 2023, (see section 8 for more details).

(2) <u>Strategic Acquisition of New Claims on Other Properties</u>

The Company acquired 16 new claims for its McMillan property located near Espanola, Ontario approximately 80 kilometres southwest of Sudbury, Ontario on September 14, 2022. All 16 claims were staked through the Ontario Mining Lands Administration System by the Company. These new claims substantially increase the Company's land holdings on the McMillan and Mongowin properties by 352.5 hectares to 3,247.5 hectares.

The Company also acquired an additional 6 claims adjacent to the Michaud and Munro Properties in October 2022 (see Section 8.2 for more details).

The company was notified in April 2023 that a number of the original claims on the Mongowin property were inadvertently registered by the Ministry of Mines on a full patent where mineral and surface rights are held privately and the lands were not open for claim registration. This led to six claims being cancelled on the property. The Company's land holdings on the McMillan and Mongowin properties currently is comprised of 145 mining claims and 3 patented claims covering a total of 3,026 hectares.

Mineral Property Exploration and Development Activities in the Current Fiscal Year

(1) <u>Completion of Exploration and Drilling on the High Lake Property</u>

The Company applied for the exploration permit on June 24, 2022, and the permit was issued on August 18, 2022. The High Lake Property exploration program was initiated on November 7, 2022 and included line cutting, an induced polarization survey and diamond drilling. As of February 12, 2023, the drilling contractor, Platinum Diamond Drilling, had completed 10,437m of diamond drilling on the Purdex Zone and drilling was paused.

The drilling resulted in a maiden mineral resource estimate (MRE) containing 152k tonnes indicated at 9.38 g/t and 287k tonnes of inferred at 10.43 g/t (See section 9.1.1 for details).

A second exploration drilling permit that covered additional targets identified by the IP survey and prospecting was issued to the Company on October 31, 2023. This exploration program was carried out from December of 2023 through to early April 2024 with almost 10,000m of diamond drilling completed. The mineralised envelop on the Purdex Zone was increased marginally.

Mineral Property Exploration and Development Activities in the Prior Fiscal Year

(1) <u>Mineral Resource Estimate</u>

On May 23, 2023, the Company announced an Initial Mineral Resource Estimate ("**MRE**") of the Purdex Zone (as defined herein) of the High Lake Property. The MRE was independently prepared by P&E Mining Consultants Inc in accordance with NI-43-101, with an effective date of April 14, 2023. On June 4, 2023, the Company filed a completed technical report and initial mineral resource estimate titled "Technical Report and Initial Mineral Resource Estimate of the High Lake-West Hawk Lake Gold Project, Kenora Mining Division, Ontario and Falcon Lake Area, Manitoba (the "**Technical Report**"). The Technical Report was prepared by P&E Mining Consultants Inc. and has an effective date of April 14, 2023.

Classification	Tonnes (k)	Au (g/t)	Au (k Oz)
Indicated	152	9.38	45.8
Inferred	287	10.43	96.2

(2) Induced Polarization Survey

The Induced Polarization ("**IP**") survey covering 18.7 line kilometres was completed during January and early February 2023. Surveying was completed on two grids, the eastern grid covering the Purdex Zone and a western grid covering the P, R, W and Porphyry zones. Five priority targets, Purdex East, Conglomerate, A-D Extension, Porphyry and Gap, were defined from the survey data. The Purdex East Target is the highest priority target, and the Porphyry Zone is a potential copper-gold target.

(3) High Lake Property Drilling and Exploration

The Company was granted an exploration permit (the "**Permit**") from the Ontario Ministry of Mines, for its High Lake Property and in November 2022 the Company commenced an exploration program involving ground geophysics and diamond drilling at the High Lake Property in Ontario, three kilometres from the Trans-Canada Highway near the Ontario-Manitoba border. The program consists of ground geophysical data collection and its interpretation including 10,437 metres of diamond drilling. Field work was paused in mid-February 2023. The Company released early drilling results in news releases dated December 12, 2022, January 9, 2023, January 25, 2023, February 7, 2023, February 28, 2023 and March 6, 2023 which returned some significant gold intercepts, including an intersection of 24.96 g/t gold over 14.90 metres in hole MLHL-22-06, (see Section 9.2 for further details).

6. Selected Financial Information

6.1. Capital Resources

Common Shares issued as of August 31, 2024, are as follows:

	Number of Common Shares	Gross Share Proceeds	
August 21, 2020	32,000,000	$	320
April 30, 2021	5,000,000	$	5,000
May 20, 2021	22,075,000	$	2,207,500
December 9, 2021	20,322,813	$	6,417,025
February 4, 2022	1,250,000	$	387,500
July 25, 2022	1,375,000	$	130,625
August 4, 2022	5,625,000	$	1,406,250
September 16, 2022	12,951,000	$	1,292,400
February 17, 2023	2,200,032	$	330,005
April 14, 2023	10,385,000	$	1,100,500
November 1, 2023	68,443,681	$	3,671,620
November 27, 2023	16,991,325	$	933,480
June 7, 2024	24,553,136	$	1,170,040
June 27, 2024	8,466,667	$	382,000
August 8, 2024	13,100,000		nil
Total	**244,738,654**	**$**	**19,434,275**

6.2. Stock Options

The Company has a stock option plan (the "**Plan**") for its directors, officers, consultants and key employees under which the Company may grant options to acquire a maximum number of 15% of the total issued and outstanding common shares of the company.

These options are non-transferable and are valid for a maximum term of up to 5 years from the issue date, unless sooner terminated. Vesting terms and conditions are determined by the Board of Directors at the time of the grant.

The exercise price of the options is fixed by the Board of Directors at the time of the grant at a minimum of the market price of the common shares at said time, subject to regulatory requirements. Expected volatility has been determined using the share price of comparable companies for the period equivalent to the life of the options prior to grant date.

On January 13, 2023, the Company granted 325,000 incentive stock options to Ms. Battiston, exercisable at $0.16 per share for a period of 5 years. The grant date exercise price was based on the closing price of the Company's common shares on the Exchange on the date of the award, in accordance with the Plan. The options vested immediately.

On May 8, 2023, the Company granted 325,000 incentive stock options to Mr. Zulich exercisable at a price of $0.12 per share for a period of 5 years. The grant date exercise price was based on the closing price of the Company's common shares on the Exchange on the date of the award, in accordance with the Plan. The options vested immediately.

On December 27, 2023, the Company granted 5,650,000 incentive stock options to certain directors and officers of the Company, exercisable at $0.09 per share for a period of 5 years. The grant date fair value of $0.08 per option was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 5 years, expected volatility of 164.5%, expected dividend yield of 0% and a risk-free interest rate of 3.18%. The options vested immediately.

On July 19, 2024, the Company approved of 6,900,000 stock options to be granted to certain directors, officers and consultants, exercisable at $0.025 per share and expiring on July 19, 2029. All of these options were issued to a related party. The options shall vest upon approval of amendments to the option plan by the shareholders of the Company expected to take place at the annual general meeting to be held on or about March 2025. The stock options fair value of $138,000 was determined using a Black-Scholes model based on the following assumptions: expected life of 5 years, expected volatility of 159.35%, expected dividend yield of 0% and a risk-free interest rate of 3.35%. For the year ended August 31, 2024, $24,828 was recorded as share-based compensation in the consolidated statement of loss and comprehensive loss using graded vesting over the period the services are received.

As of August 31, 2024, the following options were outstanding and available to be exercised:

Grant Date	Expiration	Number of Stock Options	Exercise Price	Remaining Years
May 31, 2021	May 31, 2026	5,500,000	$0.10	1.75 years
Jan 25, 2022	Jan 25, 2027	1,500,000	$0.40	2.40 years
Oct 14, 2022	Oct 14, 2027	2,325,000	$0.12	3.12 years
Jan 13, 2023	Jan 13, 2028	325,000	$0.16	3.37 years
May 8, 2023	May 8, 2028	325,000	$0.12	3.69 years
Dec 28, 2023	Dec 27, 2028	5,650,000	$0.09	4.33 years
Total		**15,625,000**		

6.3. Warrants

As at August 31, 2024, the following warrants were outstanding and exercisable into Common Shares:

Grant Date	Expiration	Number of Stock Options	Exercise Price	Remaining Years
Dec 9, 2021	Dec 9, 2024	4,206,156	$0.60	0.27 years
Dec 9, 2021	Dec 9, 2024	1,097,075	$0.40	0.27 years
Sep 16, 2022	Sep 16, 2025	6,475,500	$0.20	1.04 years
Feb 17, 2023	Feb 17, 2026	1,100,016	$0.25	1.47 years
Apr 14, 2023	Apr 13, 2026	3,642,500	$0.20	1.62 years
November 1, 2023	May 1, 2025	43,500,000	$0.07	0.67 years
November 27, 2023	May 27, 2025	8,600,000	$0.07	0.74 years
June 7, 2024	Dec 27, 2024	5,326,568	$0.07	1.27 years
June 27, 2024	Dec 27, 2024	4,133,333	$0.07	1.32 years
Total		**78,081,148**		

6.4. Restricted Share Units (RSU's)

As at August 31, 2024, the Company has no RSU's outstanding (August 31, 2023 - 7,000,000). During the current three-month period ended August 31, 2024, 2,500,000 RSU's were granted to certain directors and consultants of the Company and on August 8, 2024 all of the outstanding 13,100,000 RSU's were exercised into common shares.

The RSU's are subject to the Company's Restricted Share Unit Plan as outlined in the Company's Management Information Circular dated January 23, 2023, which is available under the Company's profile at www.sedar.com.

The grants of the RSUs constituted "related party transactions" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). For these grants, the Company relied on applicable exemptions from the formal valuation and minority approval requirements in Sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101. No new insiders were created as a result of these grants, nor has there been any change of control.

6.5. Notes Payable

During the fiscal year ended August 31, 2021, the Company was advanced funds in the amount of $195,000 from companies controlled by two directors evidenced by unsecured, demand promissory notes issued by the Company which bear interest at 12% compounded monthly. During the year ended August 31, 2024 $135,000 of these notes payable were repaid with $60,000 outstanding at August 31, 2024 (August 31, 2023 – $195,000). Accrued interest owed on these notes payable in the amount of $ 41,945 (August 31, 2023 – $57,291) is included in the accounts payable and accrued liabilities of the Company as of August 31, 2024.

6.6. Other Annual Financial Information

The table below sets out certain selected annual financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

Item	Aug 31, 2024	Aug 31, 2023	Aug 31, 2022	Aug 31, 2021
Total assets	$1,259,860	$394,610	$1,936,369	$1,851,055
Total non-current liabilities	nil	nil	nil	nil
Shareholder's equity (deficit)	$411,206	($920,127)	$261,574	$1,438,045
Total revenue	nil	nil	nil	nil
Net and comprehensive loss	($4,362,828)	($4,683,796)	($10,906,890)	($1,230,433)
Basic and diluted loss	($0.023)	($0.045)	($0.145)	($0.031)

For the year ended August 31, 2023, the Company recorded a net and comprehensive loss of $4,683,796 which consisted primarily of exploration property acquisition and exploration costs of $2.5 million, professional, consulting and director fees of $1.0 million and other net costs of $1.1 million. For the year ended August 31, 2024, the Company recorded a net and comprehensive loss of $4,362,828 which consisted primarily of exploration and evaluation costs of $2.7 million (see table below), professional, consulting and director fees of $1.8 million and other net costs of $0.9 million less flow-through share premium recovery of $1.0 million.

Total Exploration and Evaluation Expenditures for the year ended August 31, 2024 were as follows:

Acquisition and Evaluation Costs by Property Item	Year ended August 31, 2024
Acquisition and Maintenance Costs	
Royalty payments	$10,000
Claims staking costs	$12,021
Total Acquisition and Maintenance	**$22,021**
Exploration Costs by Property	
Michaud and Munro	
Munro field expense	$15,796
Total Michaud and Munro	**$15,796**
High Lake Property	
Field expenses	$511
Drilling	1,872,711
Sampling	48,536
Assaying	39,153
Supplies and equipment	28,751
Core shed	24,016
Core racks	6,100
Exploration personnel	412,665
Environmental and permitting	21,526
Studies and reports	130,237
Total High Lake	**$2,584,206**
McMillan and Mongowin Properties	
Field expenses and line cutting	$6,946
Ground geophysics and consultants	60,395
Total McMillan and Mongowin Properties	**$67,341**
Grand Total	**$2,689,364**

7. Summary of Quarterly Results

A summary of the results of the last 8 fiscal quarters are as follows:

Quarter ended	Total revenue	Net income (loss) for the period	Earnings (loss) per share – basic and diluted
November 30, 2022	Nil	($1,252,408)	($0.013)
February 28, 2023	Nil	($1,652,694)	($0.016)
May 31, 2023	Nil	($1,298,900)	($0.012)
August 31, 2023	Nil	($479,794)	($0.01)
November 30, 2023	Nil	($877,243)	($0.005)
February 29, 2024	Nil	($1,652,802)	($0.008)
May 31, 2024	Nil	($1,061,039)	($0.005)
Aug 31, 2024	Nil	($771,744)	($0.004)

7.1. Results of Operations

7.1.1 Three months ended August 31, 2024

The Company did not record any revenues in the three months ended August 31, 2024 (August 31, 2023 – nil) and incurred a net loss of $771,744 as compared to a $479,794 loss for the three months ended August 31, 2023. The overall increase in the comparable loss can be mainly attributable to the fact that the Company incurred more exploration and evaluation expenditures during the August 31, 2024 quarter and higher professional fees.

The current three-month period loss is comprised mainly of the following amounts:

a) professional fees of $ 467,331- these fees incurred in the period relate to legal costs incurred for general corporate business matters and finance advisory fees and on-going accounting costs:
b) exploration and evaluation expenditure of $105,455 - the Company incurred exploration and evaluation costs on the McMillan exploration mineral property. Minor exploration costs were incurred on the other Mineral Properties during the period as well, (see below for further details);
c) consulting and director fees of $61,000 – these fees were paid during the period to Company management, directors and other mining consultants;
d) regulatory, transfer agent fees, investor relations and business development costs and advertising and promotion of $15,596 - these fees were paid to the Cboe and OTCQB and included listing fees along with fees paid to investor relations and marketing firms as part of the listing requirements of the Cboe;
e) other costs of $40,833 - these costs are comprised of digital marketing, interest costs owed on the notes payable (as described in section 6.5) and general and office costs;
f) share-based compensation of $24,828 – these costs relate to the stock options granted in the period to directors and consultants.
g) other income flow through share premium expense of $56,701 - during the period the Company corrected previously recorded Canadian exploration expenditures which qualify as flow through mining expenditures.

Details of the Exploration and Evaluation Expenditures for the period:

Exploration and Evaluation Expense	Three months ended Aug 31, 2024
Acquisition costs	
Royalty payments and claims staking costs	$ 19,857
High Lake	
Drilling costs	$ 15,234
McMillan and Mongowin Properties	
Geological personnel	$ 4,881
Michaud and Munro Properties	
Field expenses	$ 15,796
Data compliation and modeling	$ 49,687
Total exploration and evaluation expenditures	**$105,455**

7.1.2. Twelve months ended August 31, 2024

The Company did not record any revenues in the twelve months ended Aug 31, 2024 (Aug 31, 2023 – nil) and incurred a net loss of $4,362,828 as compared to a $4,683,796 loss for the twelve months ended August 31, 2023. The overall small decrease in the comparable loss can be mainly attributable to the fact that the Company incurred less share-based compensation and investor relations, and business development costs offset by higher professional fees during the August 31, 2024 twelve month period. The current twelve-month period loss is comprised of the following amounts:

a) Professional fees of $1,324,475 - these fees were incurred with the Company's legal counsel for the November 2023 and June 2024 private placements, general corporate business matters, finance advisory fees and on-going accounting and finance related costs;
b) Exploration and evaluation expenditures of $2,689,364 – the Company incurred exploration costs on the High Lake property during the period. Exploration costs were incurred on the other Mineral Properties during the period as well, (see above section 6.6 for further details);
c) Consulting and director fees of $442,651 – these fees were paid in the twelve-month period to Company directors, management and other mining consultants;
d) Regulatory, transfer agent fees, investor relations, business development costs and advertising and promotion of $260,413 - these fees were paid to the Cboe and OTCQB exchanges and included listing fees along with fees paid to investor relations, promotion costs related to the November private placement and marketing firms as part of the listing requirements of the Cboe;
e) Other costs of $172,916 - these are comprised of digital marketing costs, interest costs owed on the notes payable (as described in section 6.5) and general and office costs;
f) Share based compensation costs of $476,828 - these costs relate to the stock options granted in the year to directors and consultants and the costs related to the restricted share units issued in the period;

g) Flow through share premium recovery of $1,003,819 - during the period the Company incurred Canadian exploration expenditures which qualify as flow through mining expenditures.

7.2. Liquidity and Capital Resources

The Company's cash position as of Aug 31, 2024 was $1,142,851 (August 31, 2023 - $249,411) with a net working capital (deficit) as of August 31, 2024 of $411,206, (August 31, 2023 - ($920,127)). As at August 31, 2024, the Company had total assets of $1,259,860, (August 31, 2023 - $394,610).

The Company believes that the current capital resources are not sufficient to pay overhead expenses or fund its proposed mineral property acquisitions and exploration programs for the next twelve months. Although the Company has been successful in raising funds to date there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

The Company is currently evaluating its alternatives with regards to another proposed equity financing sometime in the fourth quarter of 2024 or first quarter of 2025. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash flow from its operations for the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue securities on acceptable terms or at all.

The Company manages its capital structure to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity and working capital as capital. The Company manages the capital structure and adjusts it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient capital resources to fund the operation of the Company. To secure additional capital necessary to pursue these objectives, the Company intends to raise additional funds through equity or debt financing.

As of the August 31, 2024, the Company's contractual obligations are as follows:

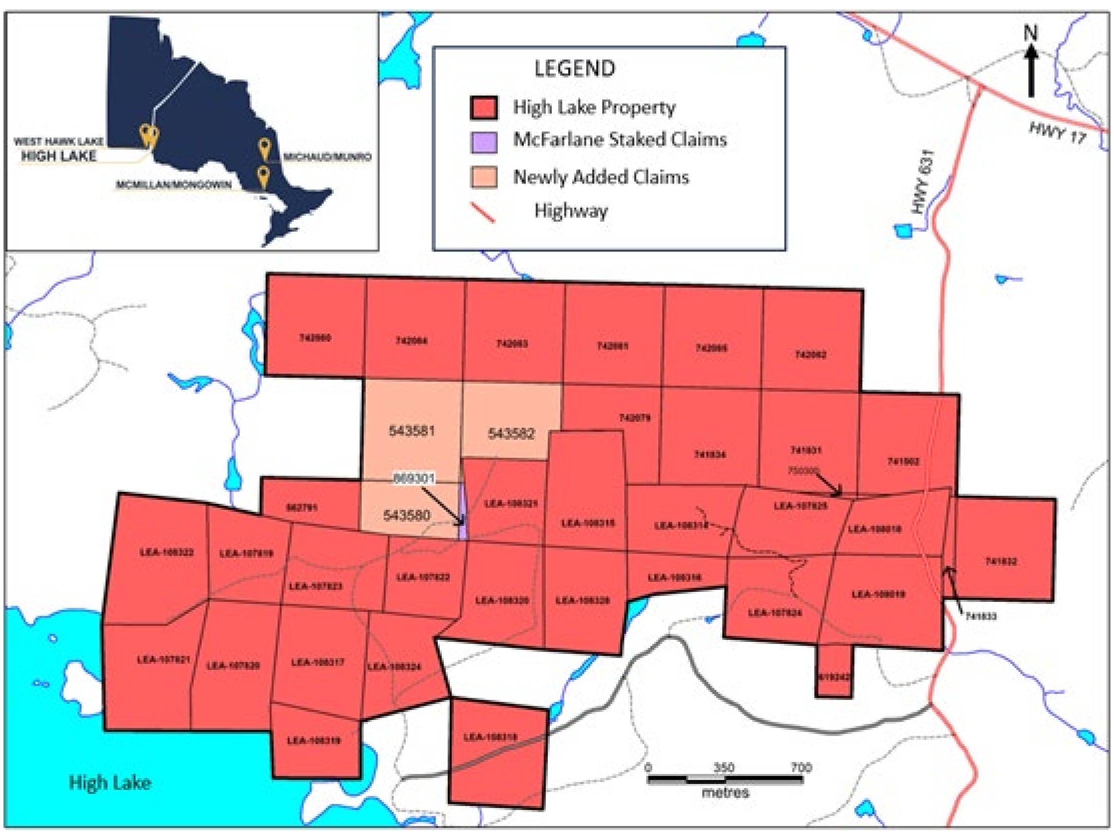
Contractual Obligations	Total	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Notes Payable	$ 60,000	$ 60,000	Nil	Nil	Nil
Accounts payable and accrued liabilities	$614,425	$614,425	Nil	Nil	Nil
Purchase Obligations	Nil	Nil	Nil	Nil	Nil
Other Obligations	Nil	Nil	Nil	Nil	Nil
Total Contractual Obligations	$674,425	$674,425	Nil	Nil	Nil

8. Property Acquisitions Acquired During the Previous Two Years

8.1 Strategic Acquisition of New Claims on High Lake Property

Two additional partial claims were staked by the company. Claim 750300 was staked on September 29, 2022, a wedge fraction created between the High Lake property and the purchased claims. Claim 869301 was acquired through the MLAS system by the Company adjacent to the A-D Zone area on November 30, 2023 (see Figure below). The addition of the two fraction increases the property size by 1.18 hectares to 585.61 hectares.

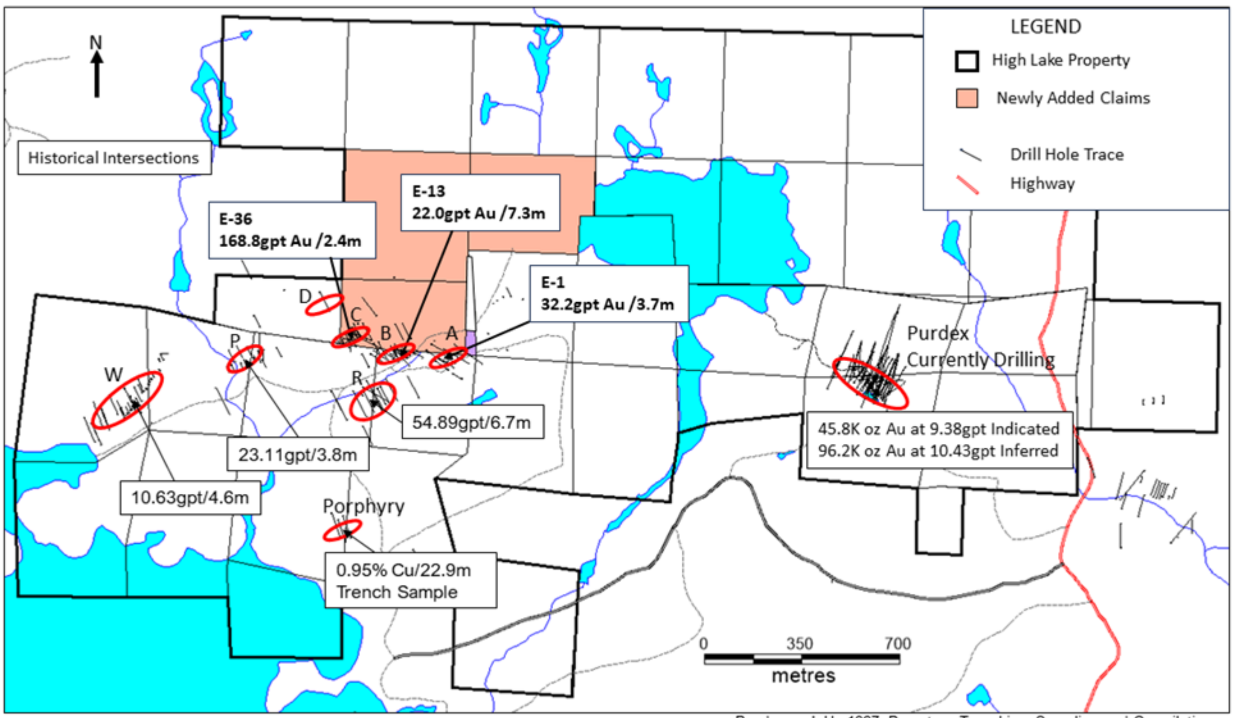
Figure 1 - Newly added claims at High Lake



The Company newly added 3 claims to its High Lake Property on January 17, 2024, as shown on Figure 1. These claims increase McFarlane's land position at High Lake from 585.61 to 626.00 hectares. The claims are strategically important (See Figures 1 and 2) as they fill in a gap on the western part of McFarlane's property, which hosts the extension of both the D and R zones and provides access and expansion opportunities for the A, B and C Zones.

Historical drilling (non-NI 43-101 compliant) has outlined three zones straddling the boundary between the High Lake property and the newly added claims. Highlights from this drilling, as shown in the Figure below, include 32.2gpt Au over 3.7m in hole E-1, 22.0gpt Au over 7.3m in hole E-13 and 168.8gpt Au over 2.4m in hole E-36, respectively from Zones A, B and C. All of the above intercepts are considered historical.

Figure 2 - Extension of zones onto new claims



Reedman, J. H., 1987: Report on Trenching, Sampling and Compilation of Drill Data at High Lake, Northwest, Ontario on behalf of Laramide Services Corporation on Mining Claims held by Calnor Resources, 230p.

8.2. Strategic Acquisition of New Claims on McMillan Property

The Company acquired 16 new claims for the McMillan property located near Espanola, Ontario approximately 80 kilometres southwest of Sudbury, Ontario on September 14, 2022. All 16 claims were staked through the Ontario Mining Lands Administration System by McFarlane Lake on September 14, 2022. These new claims substantially increase the Company's land holdings in the area by 352.5 hectares to 3,247.5 hectares (Figure below).

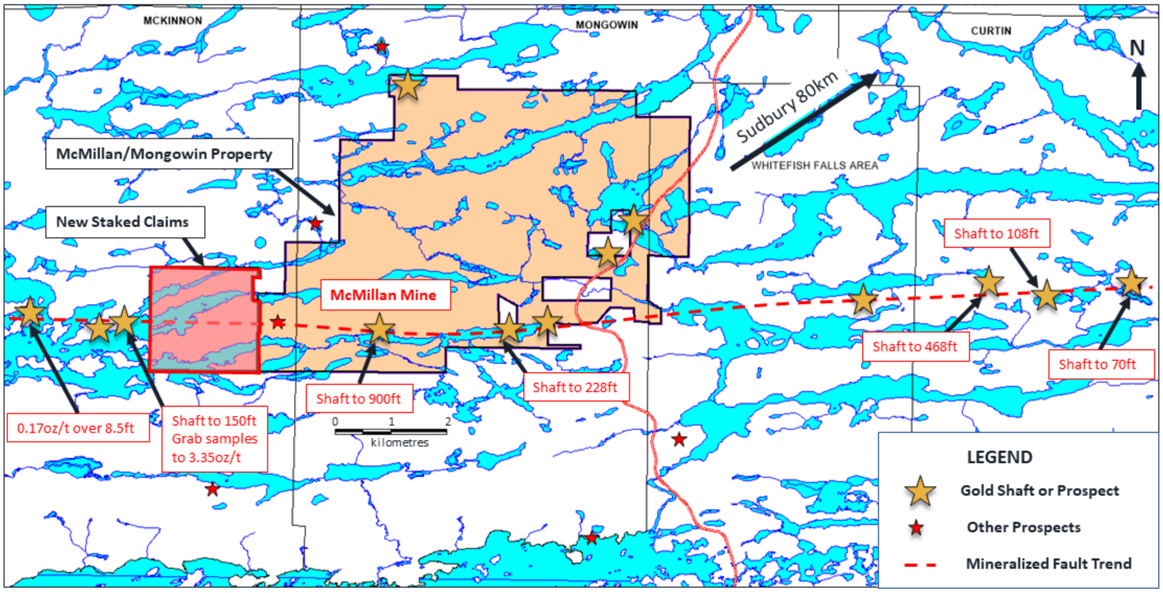


Figure 3 - Location of new claims along favourable mineralized fault trend

These claims are situated on strike of the McMillan Mine, which between 1934 and 1937 reported production of 60,139 tons of ore for a recovered grade of 0.176 ounces per ton (6.03 grams per tonne) NI 43-101 Report, Butler 2006. A number of historical shafts and exploration properties are situated along the favourable mineralized fault trend.

The company was notified in April 2023 that a number of the original claims on the Mongowin property were inadvertently registered by the Ministry of Mines on a full patent where mineral and surface rights are held privately and the lands were not open for claim registration. This led to six claims being cancelled on the property. The Company's land holdings on the McMillan and Mongowin properties is now 3,026 hectares.

Figure 4 - Cancelled claims

8.3. Strategic Acquisition of New Claims on Munro Property

The Company completed the strategic acquisition of an additional 6 claims adjoining the Munro property on October 24, 2022, increasing the property by 111.5 hectares as shown in the Figure below. The current Munro Property is comprised of 6 mining claims and 12 mining leases covering an area of 404.4 hectares.

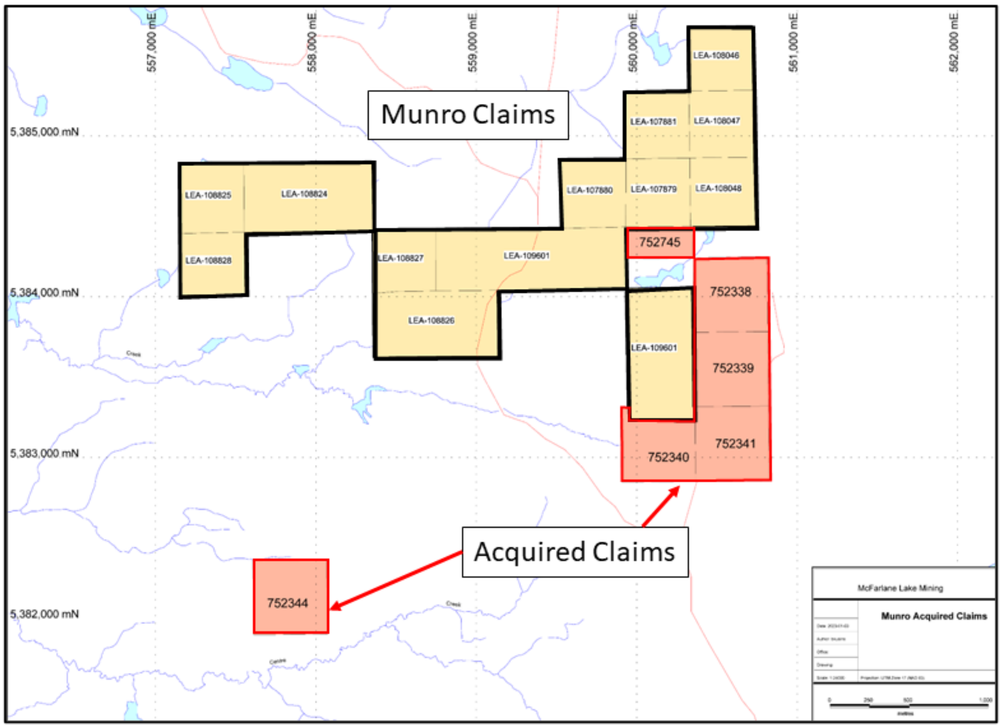


Figure 5 - Location of newly acquired claims Munro Property

9. Exploration Activities During the Previous Two Years

9.1. High Lake Property

The Company applied for an exploration permit on June 24, 2022 and the permit was issued on August 18, 2022. Subsequently, the Shoal Lake 40 representatives have contended that the Ministry of Mines did not properly consult the First Nation group and they have been working with the Ministry to resolve the issue.

A second exploration drilling permit that covers all the IP survey targets was issued on October 31, 2023.

9.1.1. 2022 /2023 High Lake Exploration Program

The Company's first High Lake Property exploration program was initiated on November 7, 2022 and included line cutting, an induced polarization survey and diamond drilling. As of February 12, 2023, the drilling contractor, Platinum Diamond Drilling, had completed 10,437m of diamond drilling on the

Purdex Zone and drilling was paused. The Company has issued five press releases on the results available from the lab (see the news releases dated December 12, 2022, January 9, 2023, January 25, 2023, February 7, 2023, February 28, 2023, March 6, 2023 and April 11, 2023), confirming the expected high grade based on the existing historical resources.

The drilling included a number of significant intersections with distinct visible gold occurrences in the diamond drill core, from near surface to 357m below surface, included in the table below;

Hole ID	From Metres	To metres	Length metres	Gold grams/tonne	Elevation metres
MLHL-22-02	*65.00*	*66.00*	*1.00*	***10.70***	*-61.5*
MLHL-22-04	*187.00*	*188.45*	*1.45*	***32.58***	*-158.7*
MLHL-22-05	*242.51*	*250.00*	*7.49*	*4.95*	*-226.4*
MLHL-22-05	*267.45*	*273.83*	*6.38*	*4.49*	*-248.7*
MLHL-22-06	*325.56*	*340.46*	*14.90*	***24.96***	*-320.4*
including	*332.47*	*334.76*	*7.99*	***43.22***	
including	*337.31*	*340.46*	*3.15*	***53.87***	
MLHL-23-08A	*430.60*	*433.45*	*2.85*	*7.84*	*-357.4*
MLHL-22-12	*229.00*	*235.50*	*6.50*	***14.73***	*-178.0*
MLHL-22-17	*113.20*	*114.50*	*1.30*	***148.37***	*-55.0*
MLHL-22-21	*356.95*	*358.75*	*1.80*	***47.28***	*-350.7*
MLHL-22-25	*202.10*	*205.07*	*2.97*	*6.85*	*-182.3*
MLHL-22-28	*25.25*	*35.00*	*9.75*	*9.82*	*-20.3*
including	*29.62*	*35.00*	*5.38*	***15.35***	
including	*29.62*	*30.17*	*0.55*	***117.00***	
MLHL-22-30	*85.00*	*86.00*	*1.00*	***20.20***	*-80.6*
MLHL-22-31	*56.00*	*56.75*	*0.75*	***16.70***	*-40.1*
MLHL-23-40	*14.61*	*41.80*	*27.19*	*6.14*	*-19.9*
including	*14.61*	*19.94*	*5.33*	***24.55***	*-12.2*
MLHL-23-41	*14.75*	*15.32*	*0.57*	*6.84*	*-19.9*
MLHL-23-43	*248.67*	*249.00*	*0.33*	***21.10***	*-197.8*
MLHL-23-45	*292.10*	*296.70*	*26.40*	*9.20*	*-285.3*

Drilling on section 700, as shown in the Figure below, has outlined a steeply dipping vein system occurring within a structural zone at or about the contact between quartz-feldspar porphyry and mafic volcanics. The porphyry and mafics are often highly sheared and may display silicification or sericitization. Gold occurs within quartz tourmaline veins and in the adjacent sheared and altered host lithologies which may be either quartz-feldspar porphyry or mafic volcanics. These veins are often mineralized with pyrite, pyrrhotite and chalcopyrite, with occasional lesser sphalerite and arsenopyrite.

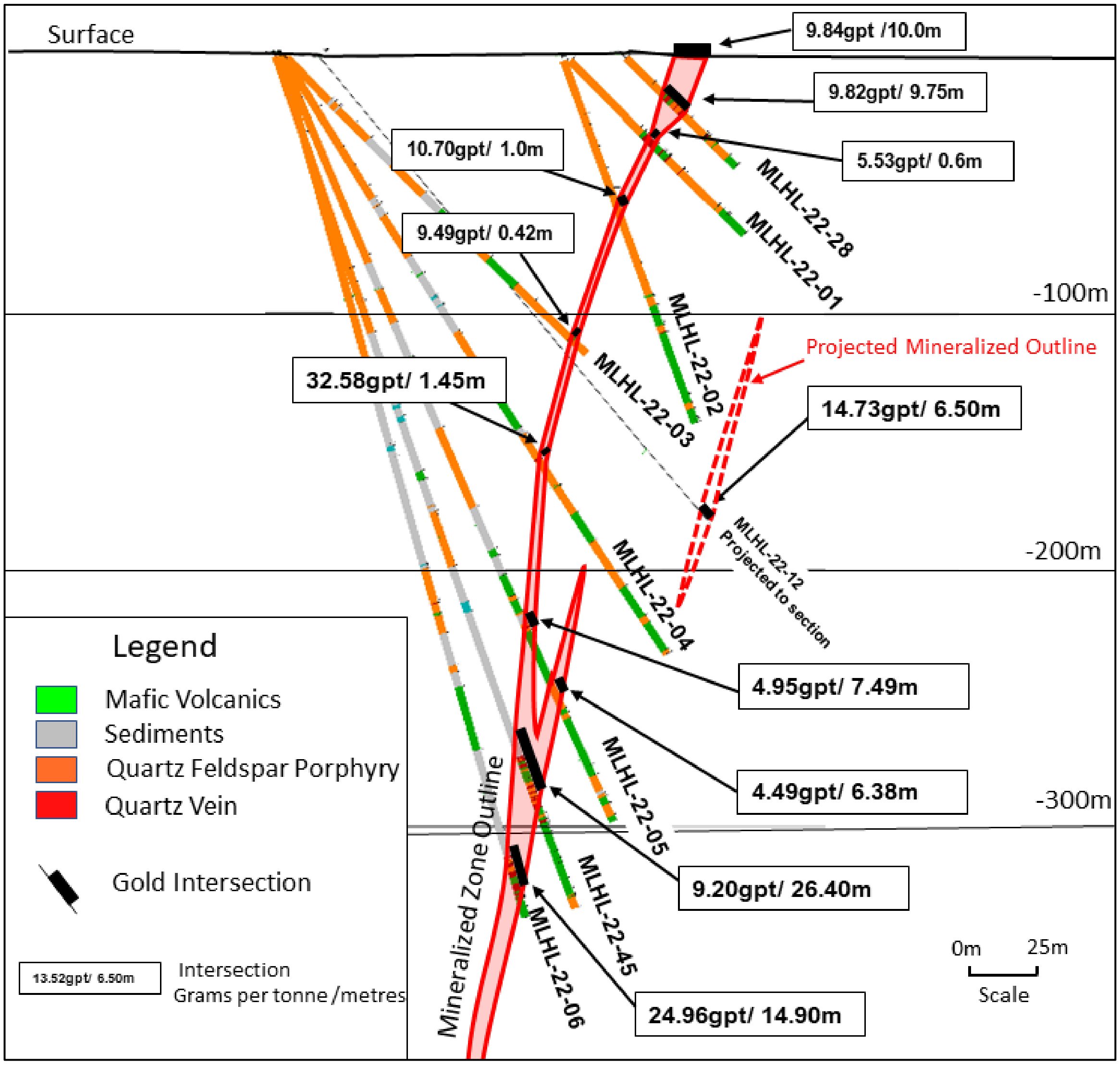


Figure 6 - Cross Section of Diamond Drill Holes

Mineral Resource Estimate

The Company's maiden mineral resource estimate on its 100% owned High Lake Property, was released on May 24, 2023. The Technical Report was independently prepared by P&E Mining Consultants Inc (QP) in accordance with NI-43-101, with an effective date of April 14, 2023. The full Technical Report is available on SEDAR (www.sedar.com).

This MRE has been classified in accordance with CIM Definition Standards on Mineral Resources and Mineral Reserves (CIM, 2014) and follows the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (CIM, 2019). It is based on our recently completed drilling program and mineralization modelling.

Most of the estimated Mineral Resource tonnage related to the High Lake deposit is contained in three stacked zones (Zone A, B and C in Figure below) within a 75-metre-wide corridor starting at surface and covering an area of 420 metres vertical by 220 metres along strike. The true thickness of the High Lake zones varies from 1.2 to 9.0 metres.

The mineralized zone and our current drill results to date is shown in the Figure below.

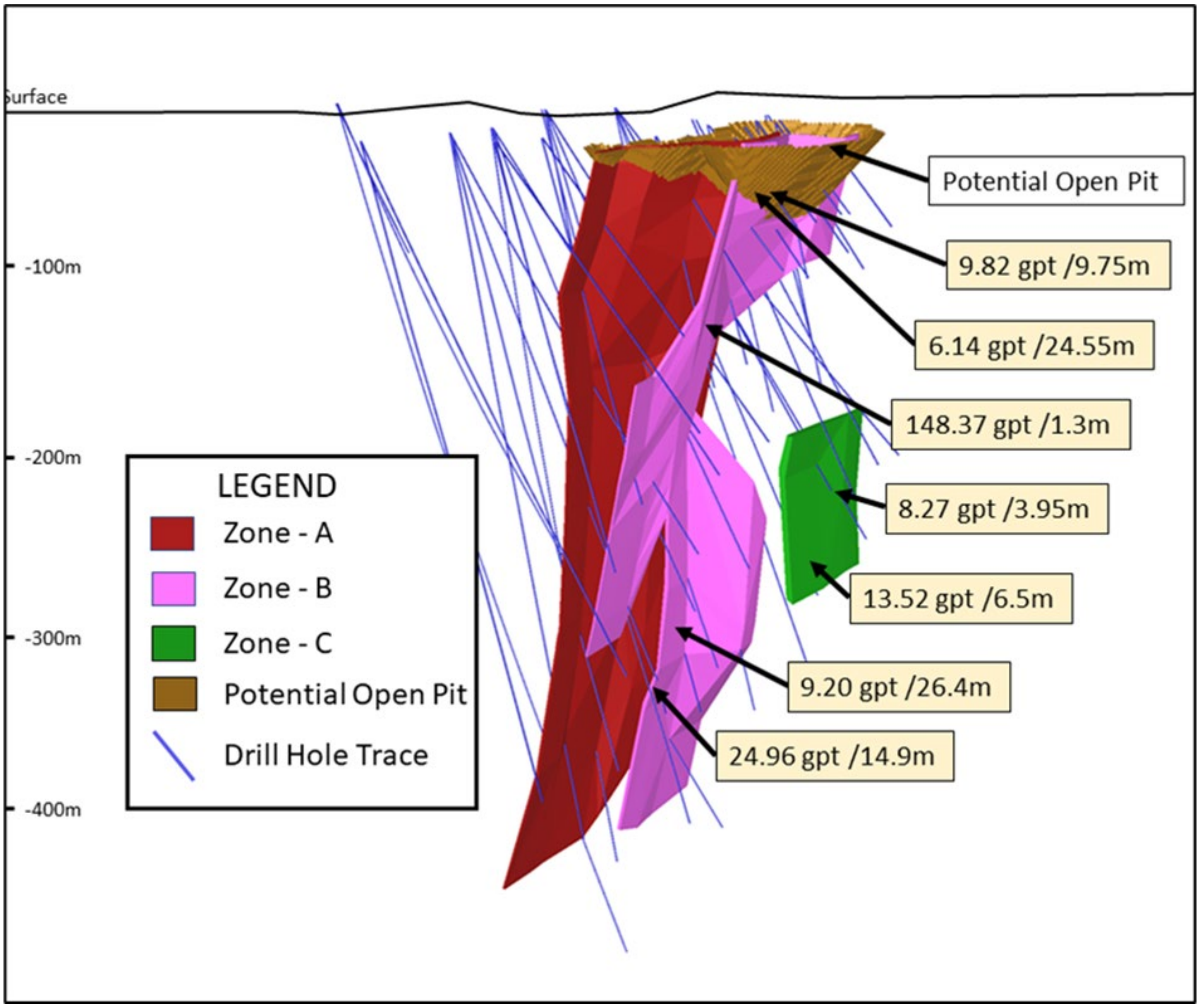


Figure 7 - 3D of the Mineral Resource Model

Purdex Zone Mineral Resource at 2.6 g/t Au cut-off

Classification	Tonnes (k)	Au (g/t)	Au (k Oz)
Indicated	152	9.38	45.8
Inferred	287	10.43	96.2

Mineral Resource Sensitivity to cut-off grade

A sensitivity analysis was performed on the MRE to assess the impact of various lower cut-off gold grades. The sensitivity is low indicating a well constrained model.

	Indicated			Inferred		
Au Cut-Off (g/t)	**Tonnes (t)**	**Au Grade (g/t)**	**Au (Oz)**	**Tonnes (t)**	**Au Grade (g/t)**	**Au (Oz)**
3.0	139,747	9.95	44,705	260,540	10.98	91,975
2.9	142,155	9.83	44,927	265,418	10.84	92,502
2.8	145,051	9.69	45,189	270,031	10.7	92,894
2.7	148,441	9.53	45,482	274,556	10.57	93,303
2.6	151,851	9.38	45,794	287,373	10.43	96,165
2.5	155,726	9.21	46,112	285,116	10.27	94,142
2.4	159,140	9.06	46,355	289,847	10.15	94,586
2.3	162,621	8.92	46,637	295,015	10.01	94,944
2.2	166,374	8.77	46,911	300,930	9.86	95,397
2.1	170,427	8.61	47,177	307,287	9.7	95,831
2.0	174,316	8.47	47,469	313,324	9.55	96,203

Notes

1. *The mineral resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by CIM (2019)*
2. *Underground Mineral Resources have been reported using a 2.6 g/t lower cut-off based on US$1,800/oz Au, 0.77 US$ FX, 95% process recovery and costs of C$130/t mining, C$40/t processing and $15/t G&A.*
3. *The High Lake deposit has been classified as Inferred and Indicated Mineral Resources according to drill spacing and two grade estimation passes. Underground Mineral Resources have been classified manually within a constraining volume to remove isolated areas not satisfying reasonable prospects for eventual economic extraction ("**RPEEE"**) and have been reported using an approximate 2 m minimum thickness.*
4. *There are no known underground workings at the High Lake Deposit*
5. *The bulk density of 2.7 t/m^{3}has been applied based on measurements taken on the drill core and assigned in the block model.*
6. *The MRE is based on a block model with a block size of 0.5 m x 0.5 m x 0.5 m.*
7. *Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.*
8. *The tonnages have been rounded to the nearest 100 tonnes and the metal content has been rounded to the nearest 100 ounces. Gold grades have been reported to two decimal places.*

These Mineral Resources are not Mineral Reserves as they have not demonstrated economic viability. The quantity and grade of reported Inferred Mineral Resources disclosed herein are uncertain in nature and there has been insufficient exploration to define these Mineral Resources as Indicated or Measured;

however, the Company reasonably expects that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The qualified person of the Company is not aware of any factors or issues that materially affect the MRE other than normal risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors, and additional risk factors regarding Inferred Mineral Resources.

The mineralized zone on the Purdex Zone extends to surface and there may be an opportunity to mine these Mineral Resources early in a development project through an open pit (Figure 11). P&E has reviewed two potential pit options and subsets of the Mineral Resource that could feasibly be exploited through these options, which are outlined in Table 3 below.

Potential Pits (Subsets of MRE above) at 1.0 g/t Au cut-off

		Tonnes (k)	**Au Grade (g/t)**	**Au (k Oz)**
Pit 1	**Indicated**	22	6.36	4.5
	Inferred	3	5.25	0.5
Pit 2	**Indicated**	45	4.47	6.5
	Inferred	7	3.65	0.8

Induced Polarization Survey

Line cutting and an IP survey were also completed over two grids, the Eastern Grid, containing the Purdex Zone and the Western Grid overlaying a number of previously identified gold zones as well as a potential copper zone. DPE Limited completed both the line-cutting and the IP survey in the field from early December 2022 to early February 2023. The line cutting on the eastern grid was 5,875m and 15,225m on the Western grid. The IP survey was conducted over 5,175m and 13,325m of line on the eastern and western grid respectively.

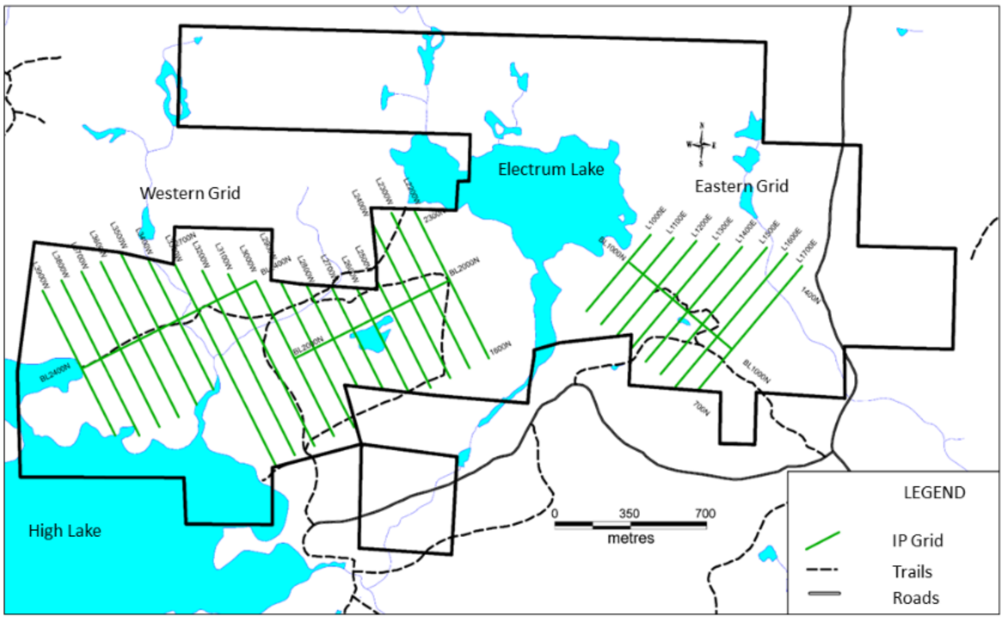


Figure 8 - IP Grid

A program of IP surveying covering 18.7-line kilometers was completed during January and early February 2023. Surveying was completed on two grids, the eastern grid covering the Purdex Zone and a western grid covering the P, R and W zones. This grid was extended to cover the Porphyry zone which contained a trench that grades 0.95% Cu over 22.9 metres. A final report dated March 31, 2023 was received by the Company. The report identifies five priority targets, Purdex East, Conglomerate, A-D extension, Porphyry and Gap as shown on the Figure below.

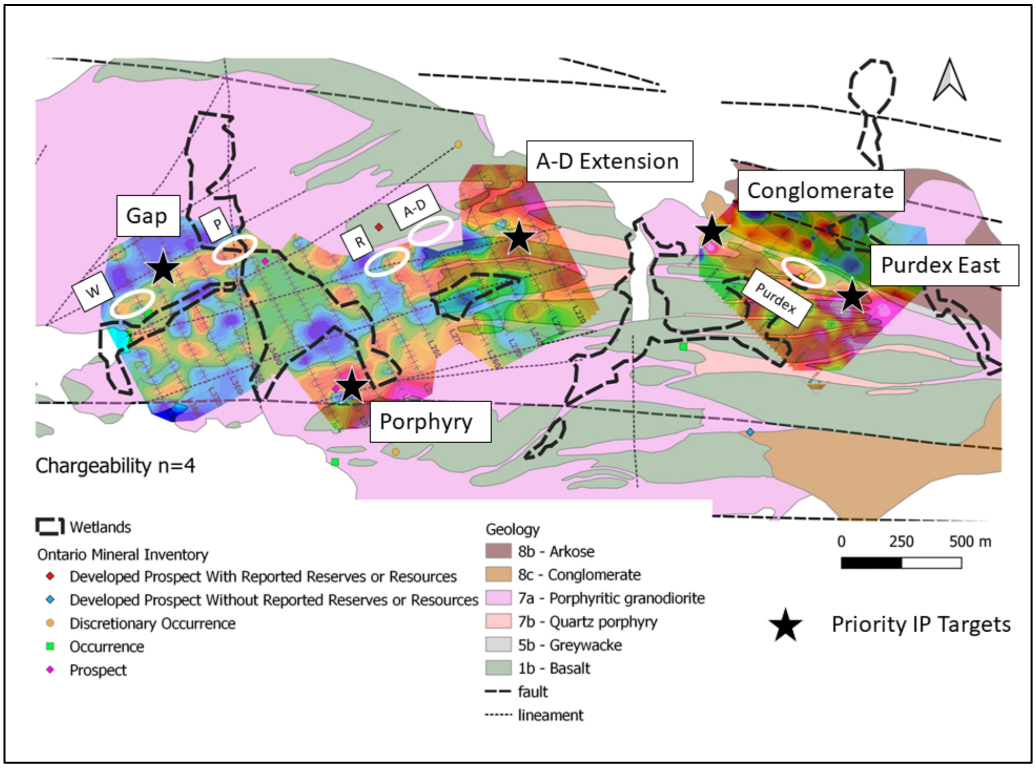


Figure 9 - IP Chargeability Plan

Purdex East is the continuation of the chargeability 300m to the southeast of the anomaly that occurs over the Purdex Zone and the anomaly is stronger, this is our highest priority for continued exploration. The Conglomerate zone displays increasing chargeability as it approaches a potential fold nose area which may bode well for gold mineralization. To the west along strike the Purdex zone transgresses into conglomerate units with elevated chargeability possibly providing a favourable host to gold mineralization. Details of these two targets are shown in the Figure below.

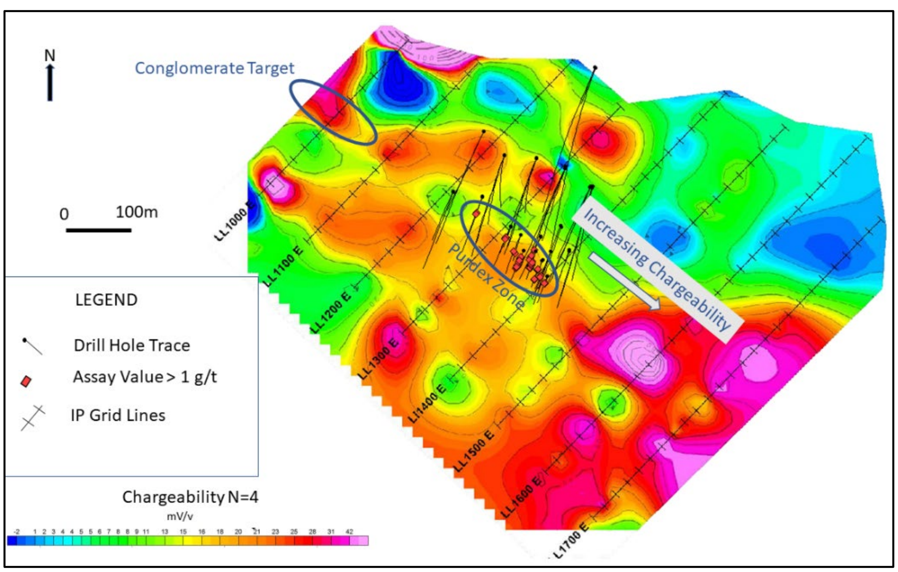


Figure 10 - IP Chargeability Plan – Purdex Area

Two gold targets are defined on the western grid with favourable chargeability anomalies associated with extensions to known gold mineralization at the A-D Extension and the Gap as shown on Figure 8. The A-D extension represents the eastward extension of four known gold zones onto McFarlane Lake ground. A potential fold nose as defined by the IP may provide a favourable site for gold mineralization. The Gap area is situated between two historical zones, the W and P zones. A chargeability trend between the two zones has not previously been drilled.

The Porphyry target covers historical trenches in the High Lake Porphyry which have returned copper values of 0.95% and up to 1 g/t of gold over 22.9m (ODM Geological Report No. 41, 1965). This large chargeability target remains largely untested with significant potential.

Prospecting

The Company followed up the IP Survey with a prospecting program on the High Lake Property. The program was successful in outlining numerous anomalous areas with 12 samples returning values containing gold. Gold samples were returned in 4 target areas identified in the recent geophysical survey (company announcement of April 11, 2023). The highest-grade gold samples collected in the recent field work were obtained west of the recently drilled Purdex Zone (15.9 grams per tonne gold) and east of the Purdex Zone (9.35 grams per tonne gold). The Eastern and Western area of Purdex is a top target area as identified from the Geophysical survey. The gold samples from these areas were in elevated areas of conductivity supporting geophysical data as having the potential to contain gold mineralization. Of key interest are samples which returned up to 1.55 grams per tonne gold with associated copper values up to 0.87% in the Porphyry Zone. This is described in more detail below. A map outlining the sample locations with gold values is shown on the Figure below.

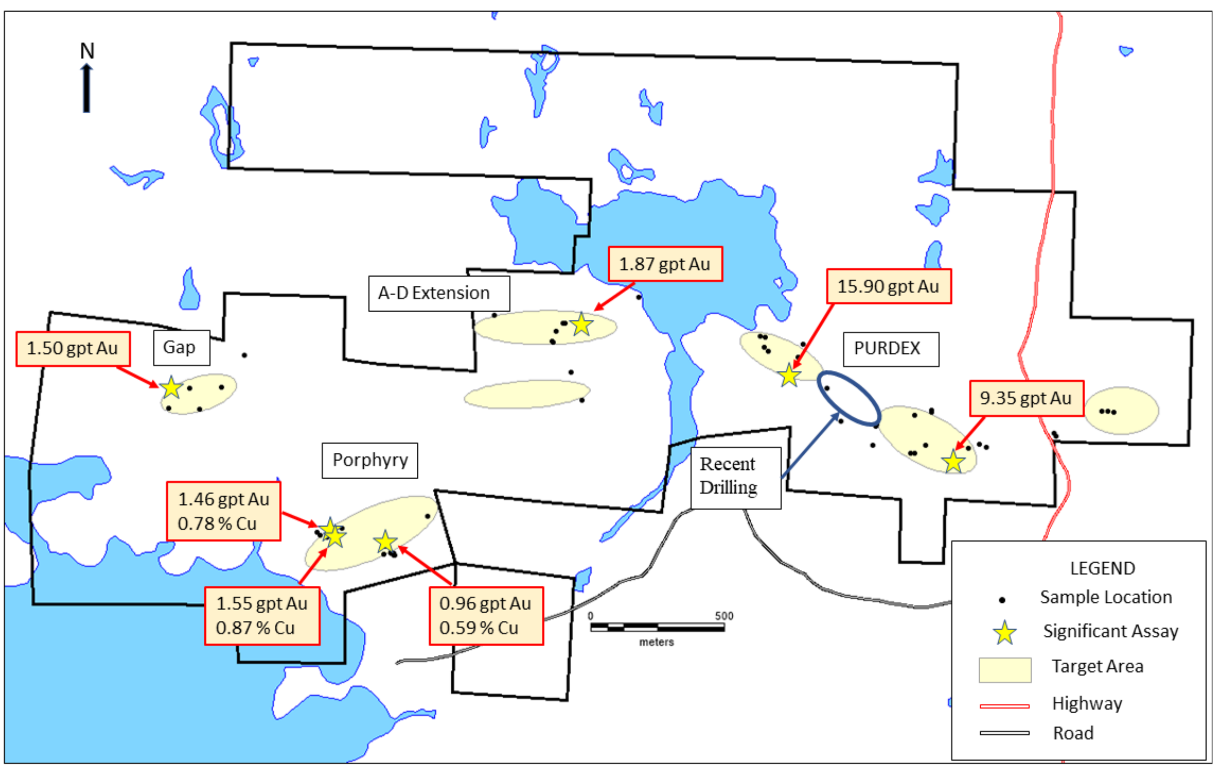


Figure 11 – Prospecting and Sampling Gold and Copper Results

Anomalous samples were returned from the Purdex Zone, A-D extension, Gap and Porphyry Zone. The most significant samples were obtained from 350m east and 120m west of the Purdex Zone along the trend of elevated chargeability as shown on the Figure below. A trend of increasing chargeability is noted to the east of the Purdex Zone.

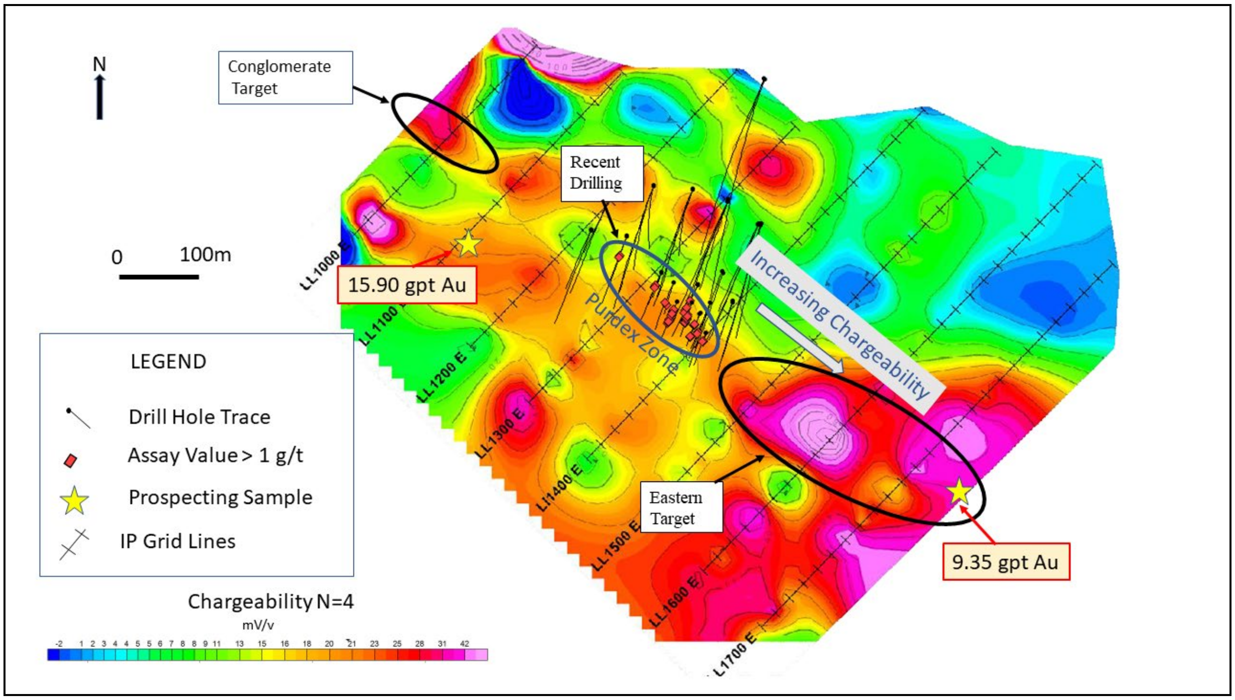


Figure 12 - Purdex Sampling Gold Results with IP Chargeability

Sampling on the western portion of the property returned elevated gold and locally copper values, as shown on the Figure below. Elevated gold values were returned from the A-D Extension, Gap and Porphyry Zones, which respectively returned grades of 1.87, 1.50 and 1.55 gpt Au. The A-D extension represents the potential on-strike continuation of the historical A, B, C and D Zones drilled by Electrum Lake Gold Mines and Calnor Resources in 1960 and 1986, respectively. Elevated chargeability east of these zones on the High Lake property suggests their continuation in conjunction with the sampling in the area.

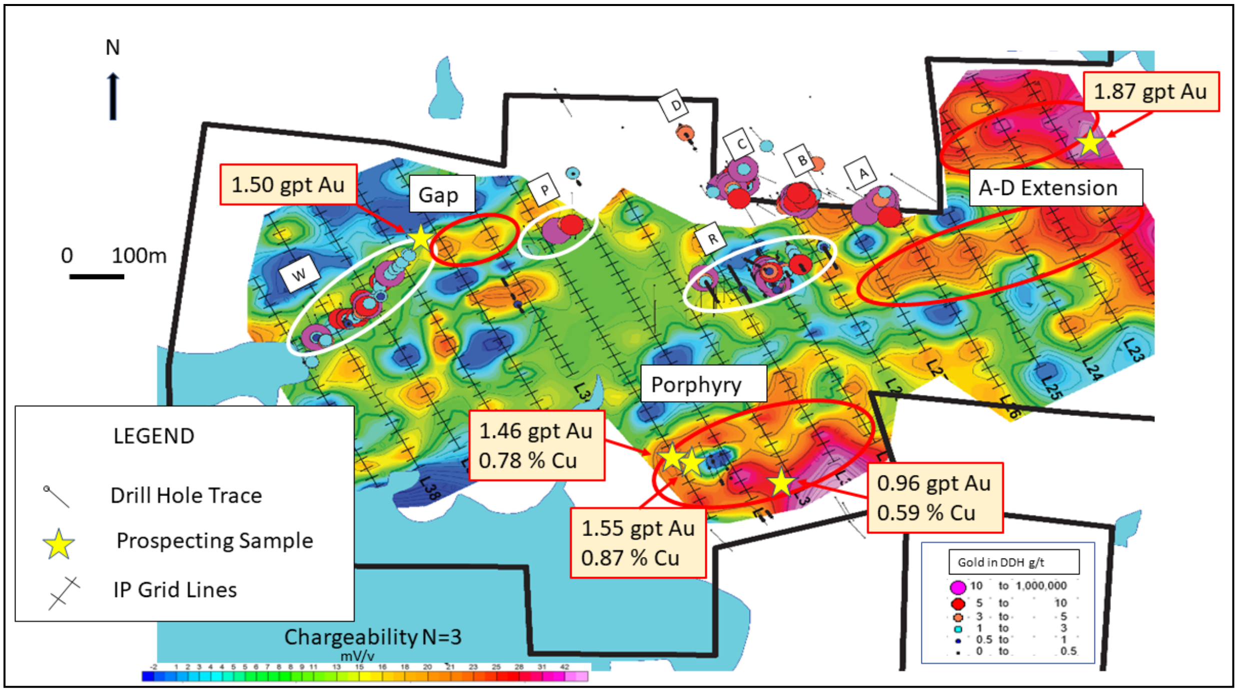


Figure 13 - Western Sampling Gold Results with IP Chargeability

The Gap is a 200 metre in length break in drilling between the W and P zones, which remains untested. Elevated chargeability and adjacent recent sampling further enhance this target.

Of key interest is the copper-gold showing (the "**Porphyry Zone**") on the southwest of the property. The Porphyry Zone prospecting and sampling program produced a number of elevated gold and copper values, including 1.55, 1.46 and 0.96 grams per tonne gold associated with 0.87, 0.78 and 0.59% Copper, respectively. This represents another opportunity for McFarlane as this wide vein system has been tracked for over 600 metres along surface. This also supports the geological theory that the gold mineralization found elsewhere on the property may have been as a result of a porphyry system within the area.

Geological Data Compilation and Artificial Intelligence Prospectivity Analysis

On October 3, 2023 the company announced that it commissioned a full geological compilation of all available historical and current information on its High Lake property to generate a digital dataset to help generate and prioritize exploration targets through the use of artificial intelligence. The Geological data compilation was completed as of October 18, 2023.

The data was used to complete an artificial intelligence in a prospectivity analysis announced on March 5, 2024. The primary purpose of this prospectivity analysis was to use a combination of Knowledge Driven and supervised machine learning algorithms to generate both a surface and subsurface prospectivity maps (targets for exploration). Prospectivity maps highlight areas of favourable geological structure, lithology, mineralization, and geochemistry for gold deposits with a focus to identify target areas and help guide further exploration on the property.

The 3D (subsurface) Prospective analysis made use of all available data for historic drilling and recent drilling which were compiled and formatted into tables imported into geological software for analysis. Exploration drill hole data was used in combination with advanced mathematical modelling to interpolate and predict prospectivity score. The generated Random Forest model was able to predict the probability of prospective intervals on the downhole data that correlate well with gold assay results. The 3D meshes produced by the RBF interpolant on the downhole prospectivity scores were projected to surface and are presented in the Figure below.

The results of the Random Forest model on the downhole data identified key features that are associated with the mineralization present within the Purdex Zone, as well as identified areas of drilling that show similarities to the Purdex Zone. The areas most similar to the Purdex Zone are the R Zone and the W Zones.

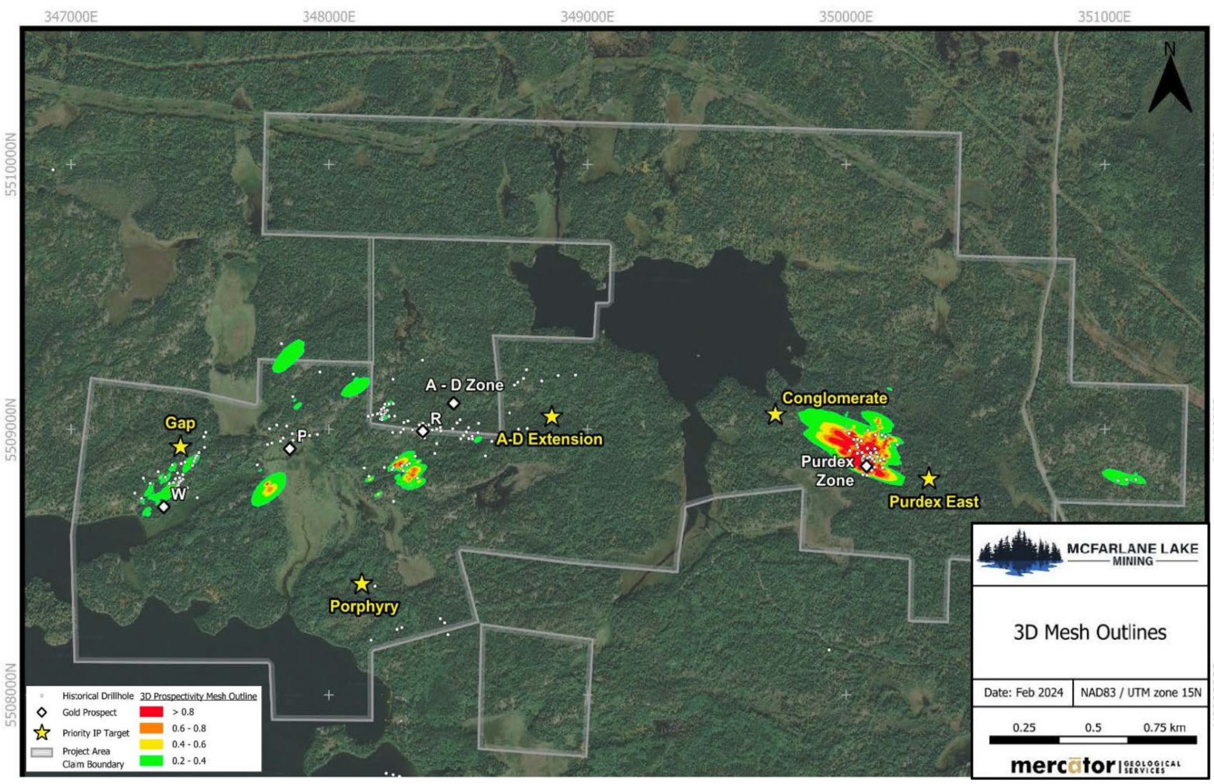


Figure 14 – Surface Projections of Downhole Prospectivity Solids

The 2D (surface) prospectivity analysis utilized both Knowledge Driven and Random Forrest methods. Figure 2 compares targets generated from the Knowledge Driven and Random Forest prospectivity models with the surface projection of the 3D RBF interpolants generated from the downhole Random Forest prospectivity model. The surface prospectivity analysis defined areas that are aligned with the results of the downhole model and known target areas for both the Random Forest and Knowledge Driven. It also indicated additional areas of interest to the north of the property.

While the results produced by machine learning models are not absolute, and should be interpreted with some degree of caution, the results confirm our previous information (historical, prospecting, geophysics and diamond drilling) and serve as computer generated predictions that can help guide future exploration of the property.

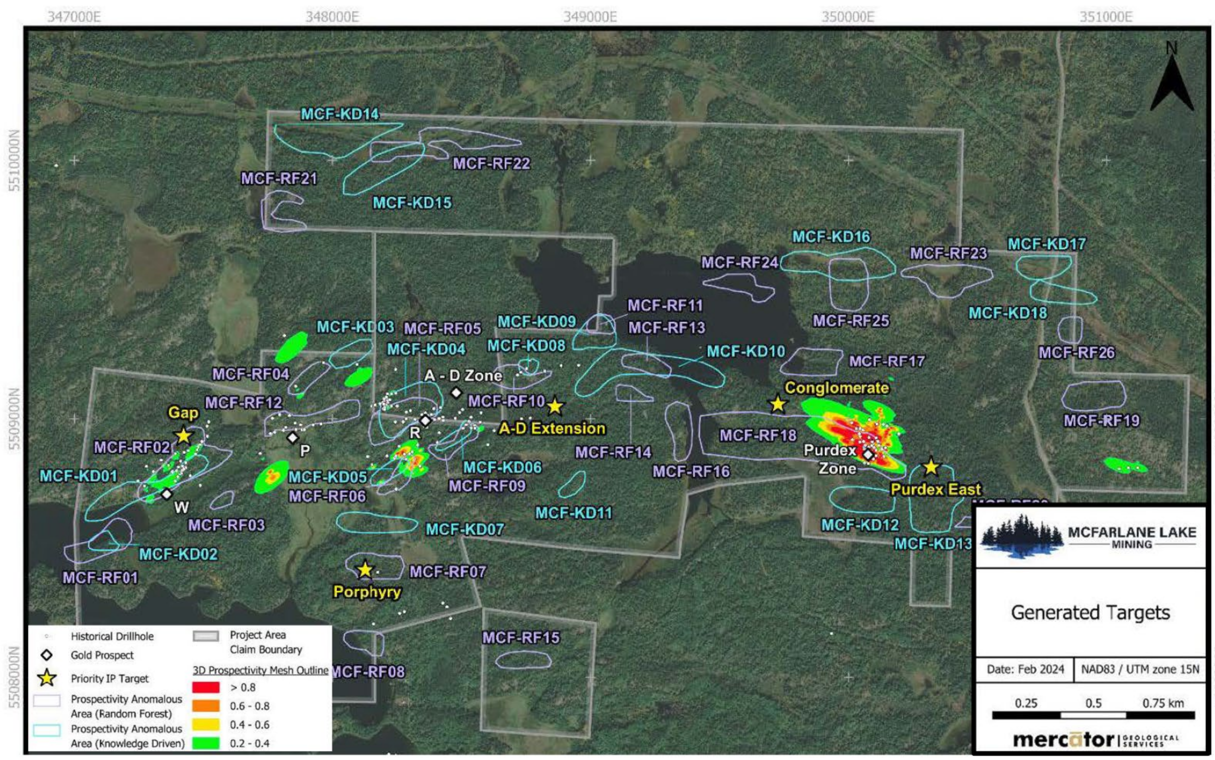
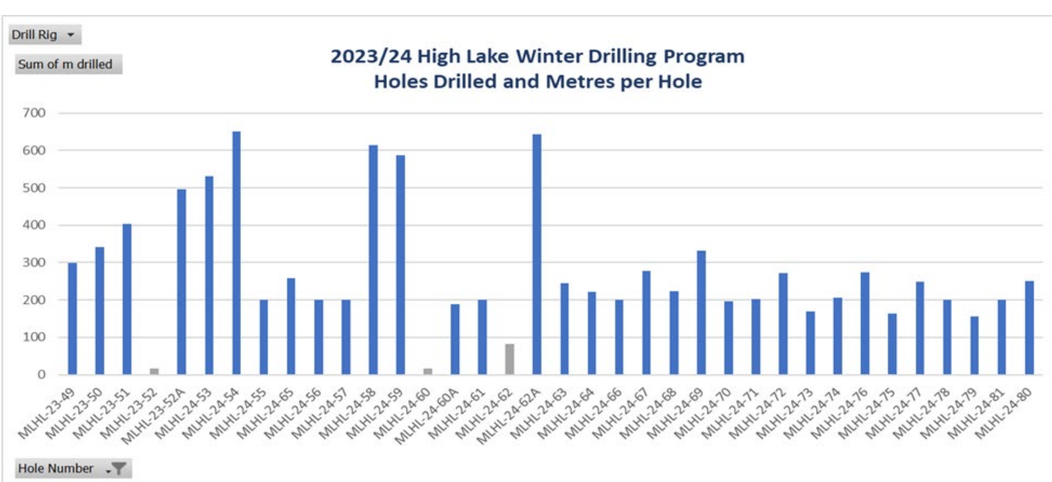


Figure 15 – Target areas identified in the Knowledge Driven and Random Forest surface analysis overlaying Surface Projections of Downhole Prospectivity Solids.

9.1.2. 2023 /2024 High Lake Exploration Program

The Company was granted an additional exploration permit (the "Permit") from the Ontario Ministry of Mines, for its High Lake Property on October 18, 2023. The Company commenced a 10,000-metre exploration diamond drilling program at the High Lake Property in Ontario targeted to expand its existing mineral resource estimate in the Purdex Zone and follow up on other priority targets developed through geophysics and prospecting. Mobilization of the drill contractors started on December 8, 2023 with the first hole being collared on December 10th. The campaign completed drilling on March 31, 2024 with 33 holes completed for a total of 9,967m drilled.



Twenty-six holes were completed on the Purdex Zone for a total of 8,460m drilled. Three holes had to be recollared for various reasons with 115m drilled. With the deeper drilling accuracy was an issue and we brought in a directional drilling company to drill hole MLHL-24-62A to ensure we intersected the zone of interest.

The Company intersected gold extending the gold mineralization from its NI-43-101 compliant gold resource in the Purdex Zone in hole MLHL-23-50 and in hole MLHL-24-53, the Figure below highlights the area of new gold mineralization. Drill hole MLHL-23-50 intersected 13.96 grams per tonne of gold over 1.17 meters while hole MLHL-24-53 intersected 4.04 grams per tonne of gold over 2.25 meters. Hole MLHL-23-50 has extended the gold mineralization to the east of the Purdex zone while hole MLHL-25-53 has extended the gold mineralization at depth.

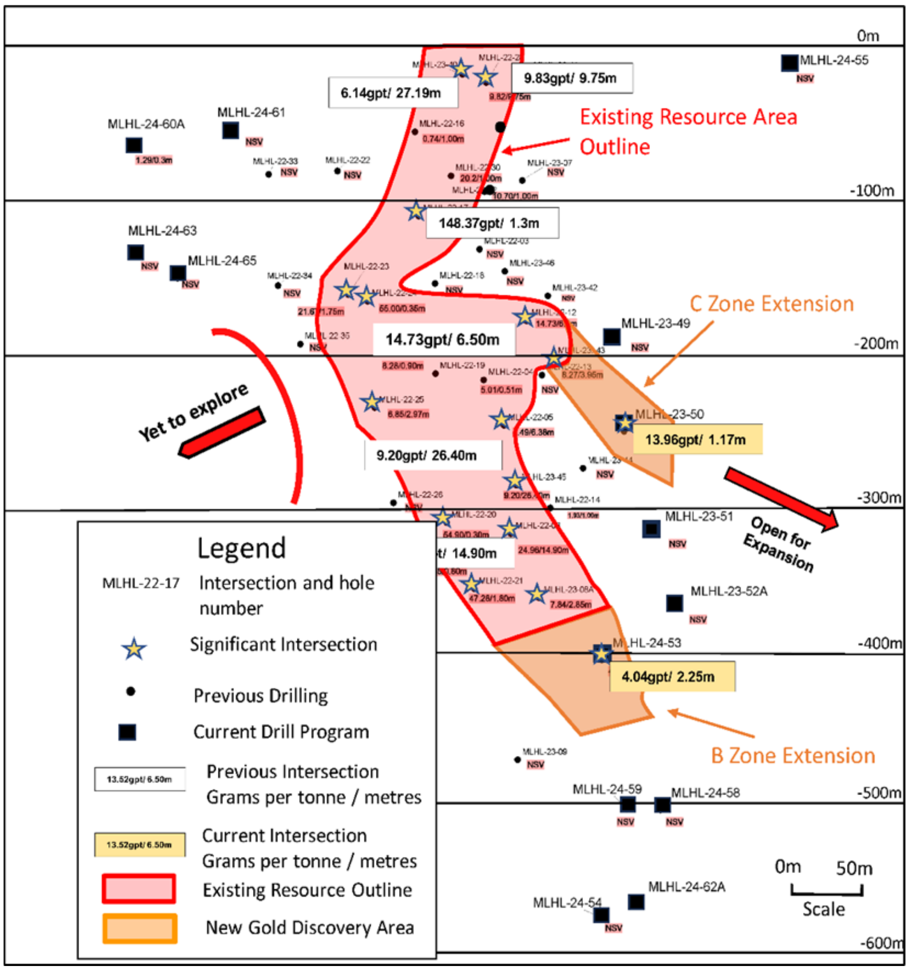


Figure 16 – Purdex Zone Resource Area - Longitudinal Section

Seven holes were completed on western area with 1,391m drilled. Three holes were drilling in the Porphyry Zone and 1 each in in the R-Zone, the B Zone the C Zone and the A_D Extension

Due to warm weather conditions and difficult terrain 2 of the holes (79 and 80) required the use of a helicopter to set up the pads and fly in the drill and other materials.

Within this winter's drilling program, McFarlane has also explored parts of the western area of the High Lake property. Drilling in the western area of the property is shown on Figure 17 below. Specifically, McFarlane explored historical prospective areas of the R Zone, B Zone, C Zone, A-D extension and the Porphyry Zones.

Gold and copper assay results have been received for all holes in the western area (currently has not been press released) with some additional rhodium assays outstanding. The best results from the western drilling were from the historic B Zone area and Porphyry Zone. Drill hole MLHL-24-80 intersected 15.50 grams per tonne of gold over 0.3 meters, while hole MLHL-24-81 intersected 1.23 grams per tonne of gold over 6.12 meters in the B Zone. Drilling on the Porphyry Zone returned a grade of 0.37% copper and 0.23 gpt gold over 6.5m from drill hole MLHL-24-71 and 0.41% copper and 0.17 gpt gold over 9.0m from drill hole MLHL-24-75.

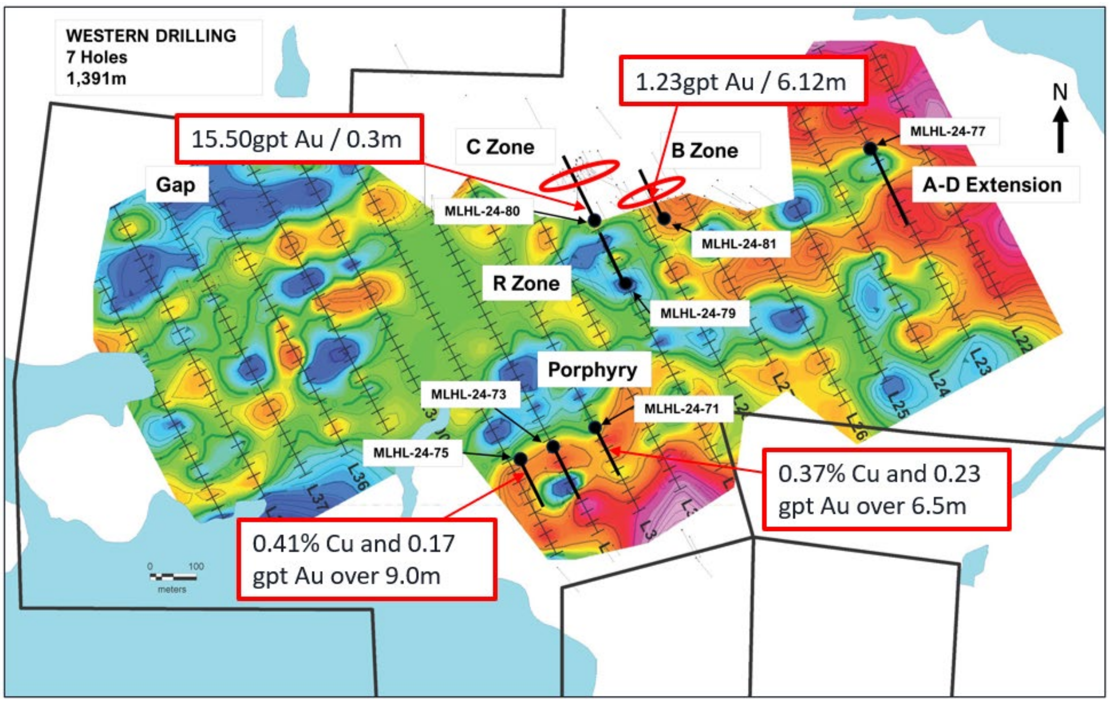


Figure 17 - High Lake Western Drilling

A summary of the significant intersections from the drill program are tabulated below.

Hole Number	From	To	Length (m)	Au gpt	Cu %	Elevation (m)
MLHL-23-50	296.70	297.87	**1.17**	**13.96**		-238.80
Including	297.00	297.30	**0.30**	**41.70**		
MLHL-23-53	416.50	418.75	**2.25**	**4.04**		-389.68
including	418.00	418.30	**0.30**	**9.24**		
	431.00	431.30	**0.30**	**3.96**		-402.15
	457.40	458.10	**0.70**	**6.78**		-426.63
MLHL-24-57	152.65	1453.00	**0.35**	**2.72**		-104.97
MLHL-24-62A	571.00	572.30	**1.30**	**1.39**		-550.85

	591.35	591.90	**0.55**	**1.99**		-569.73
MLHL-24-71	131.28	137.78	**6.50**	**0.23**	**0.37**	-99.04
MLHL-24-75	49.70	58.70	**9.00**	**0.17**	**0.41**	-40.31
MLHL-24-79	67.00	68.00	**1.00**	**2.75**		-47.12
MLHL-24-80	12.85	13.15	**0.30**	**15.50**		-9.22
MLHL-24-81	40.85	41.50	**0.65**	**1.47**		-28.68
	71.00	71.30	**0.30**	**2.99**		-49.49
	119.00	125.12	**6.12**	**1.23**		-84.62
	129.00	132.00	**3.00**	**1.83**		-90.43

9.2. McMillan Property

The McMillan Property (including the Mongowin Property) is not scheduled for any significant exploration programs in 2024, but some assessment work was required to keep the claims in good standing. To that end the Company submitted an exploration plan PL-23-000093 to the Ministry on October 5, 2023 for line cutting and IP surveying on the property which was approved on November 11, 2023. The field work which included 20,000 metres of line cutting was completed in February 2024. The company has received the interpretation and final report.

The company submitted a work permit that would include another approximately 12km of line cutting, 11km of IP geophysics surveying and diamond drilling. The permit was issued September 13, 2024. An initial campaign will complete down the hole geophysics on existing holes and focus a 3,000m drill program in the fall / winter of 2024 / 2025 in the McMillan Mine area (East, West and at depth) where potential exists for establishment of compliant resources. The company is actively consulting the First Nation and Metis communities on the consultation list from the Ministry of Mines.

Previous work by the Company has included reprocessing of historical VLF data using modern software and techniques to determine high priority targets and completion of two prospecting programs on the property.

Reprocessing of the VLF data outlined a number of anomalous trends as shown in the Figure below. Anomaly C, a continuation of the McMillan Mine trend, represents a highly prospective anomaly which should be followed up by additional prospecting and drilling. The anomaly remains largely untested. The VLF report was submitted on September 1, 2022 with approval granted on November 23, 2022 for the submission.

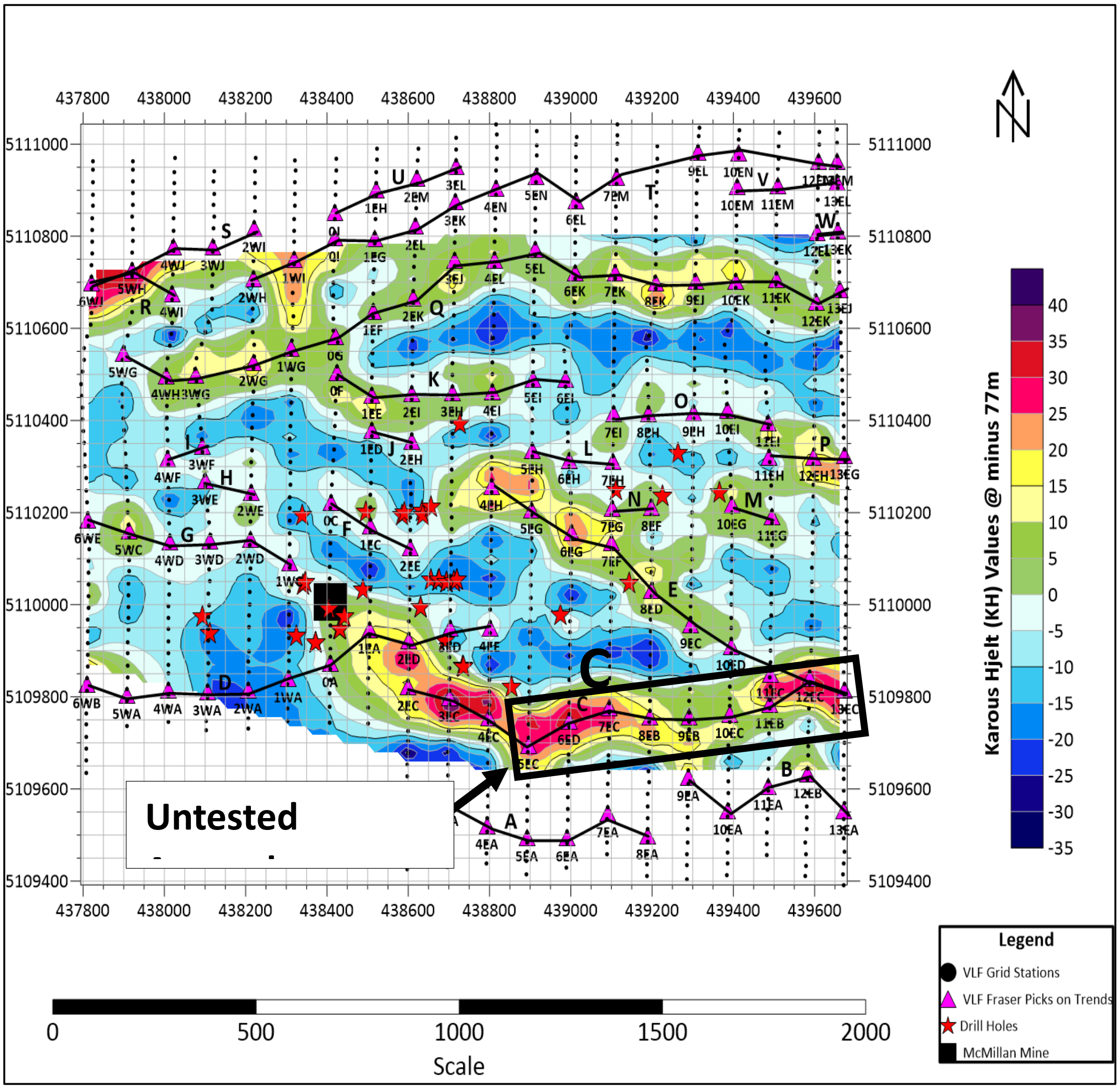


Figure 18 - Reprocessed VLF Survey

An initial prospecting program was undertaken on the McMillan Property between October 20 thru to November 10, 2022 followed by a subsequent program from November 20 to 27, 2022. Prospecting was focussed on prospective trend developed from the VLF survey and areas of historical significance. A total of 64 grab samples were collected for analysis. The highest assay values of 5.61 and 10.9 gpt Au were obtained from a 20cm wide quartz vein with arsenopyrite mineralization located along the edge of House Lake and in close proximity to Anomaly C from the VLF survey.

The anomaly remains untested to the east. Additional anomalous samples assayed include 1.02 gpt Au from a smoky grey quartz vein located north of the mine trend.

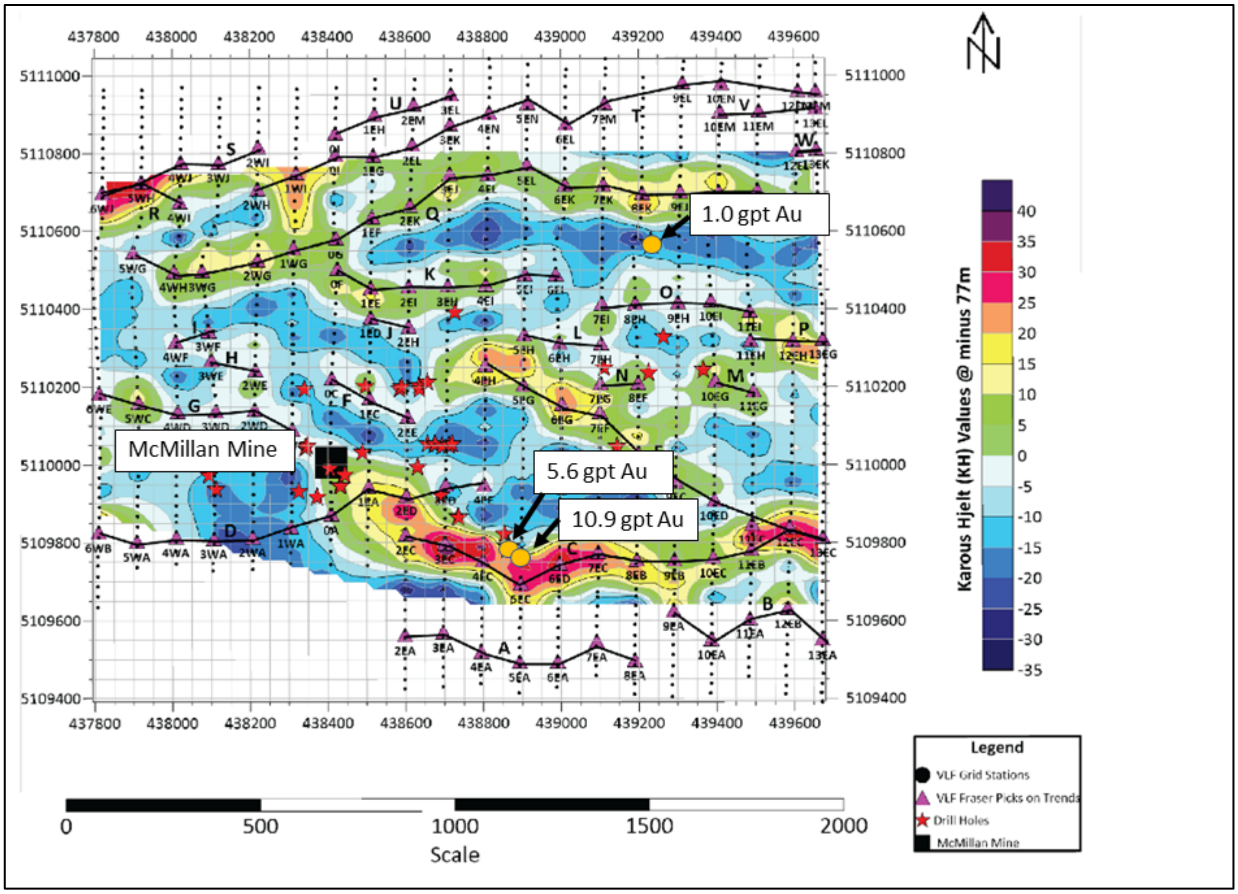


Figure 19 - Location of anomalous samples from prospecting program

Following the 2022 prospecting program, two days of follow-up prospecting were completed on the property on July 18th and 21st 2023. Two areas were targeted for further prospecting. An eastern area adjacent Fox Lake, where previous work had determined an area of ankerite alteration and a western area north of House Lake where sampling in 2022 had returned 1.02 gpt gold within a quartz vein. Four samples were collected for gold analysis which returned negligible gold values. The area covered by the prospecting are outlined by the prospecting tracks on the Figure below.

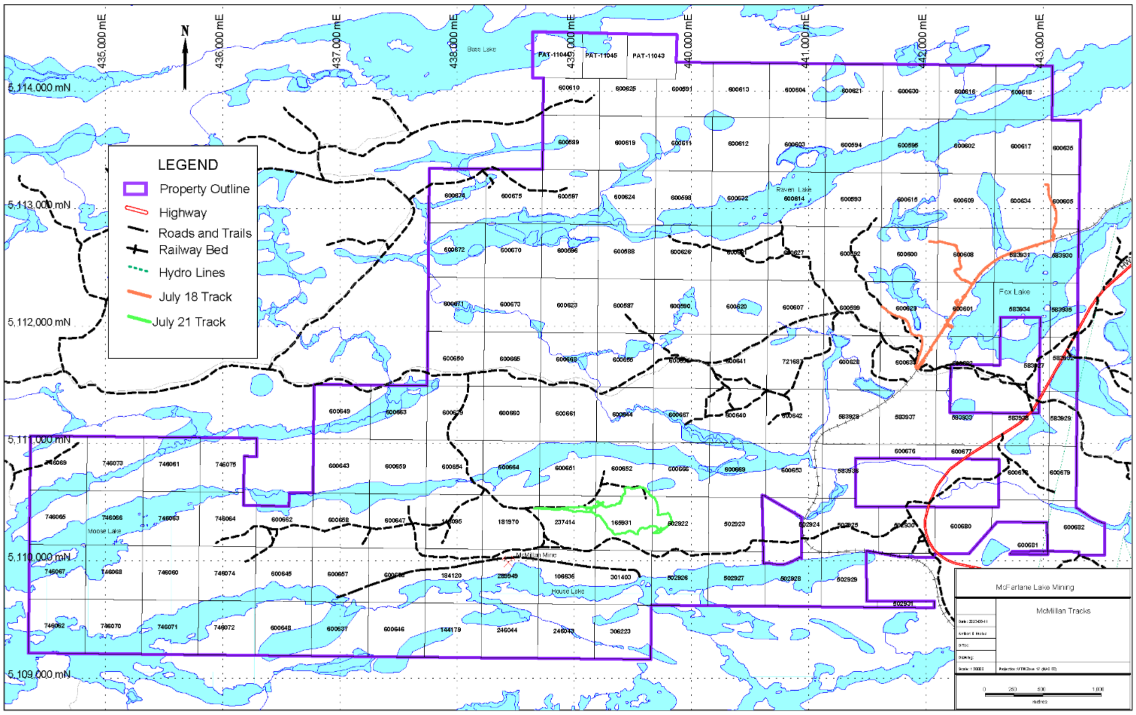


Figure 20 - Prospecting Tracks

In January / February 2024 the Company completed the field work for a geophysical survey on its past producing McMillan mine property located 70 kilometers west of Sudbury, Ontario. The area covered by the line cutting and surveying are shown in Figure 21.

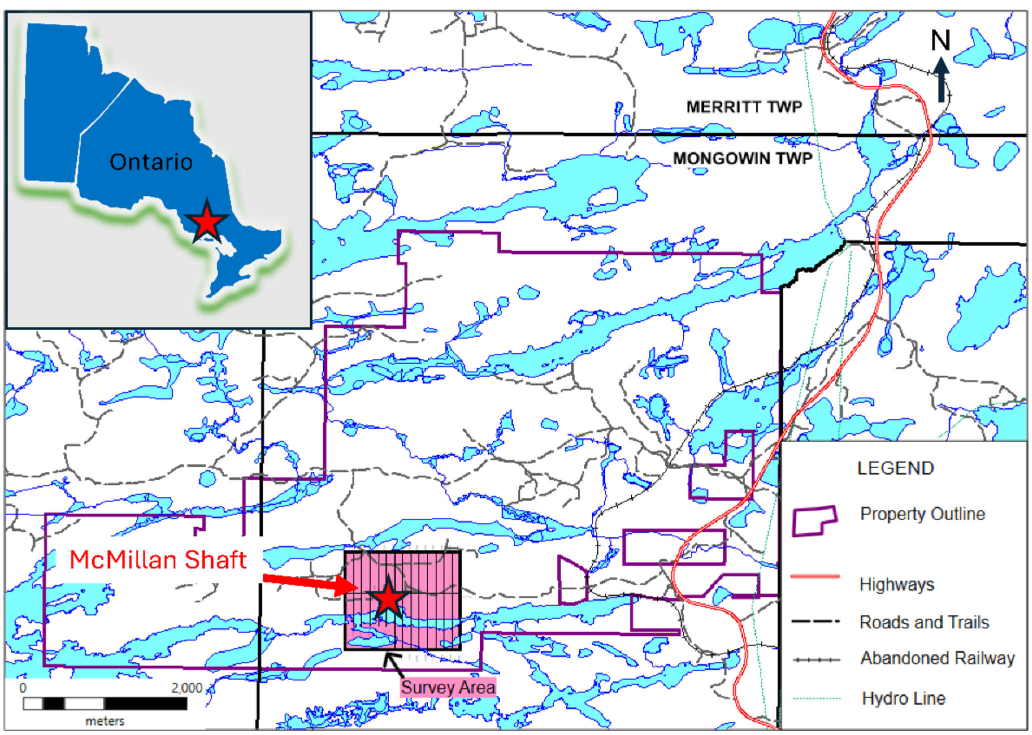


Figure 21 - McMillan Geophysical Survey Area

The early exploration program planned for this fall / winter will include the cleaning of 6 historical drill holes drilled in 2005 and 2006 followed by down the hole geophysics utilising both magnetic and induced polarization surveys. The company then plans to drill a minimum of 3,000 meters to test and expand on historic high-grade gold intercepts at the McMillan Gold Mine (**Figure 22**) and to better understand the geology of the deposit.

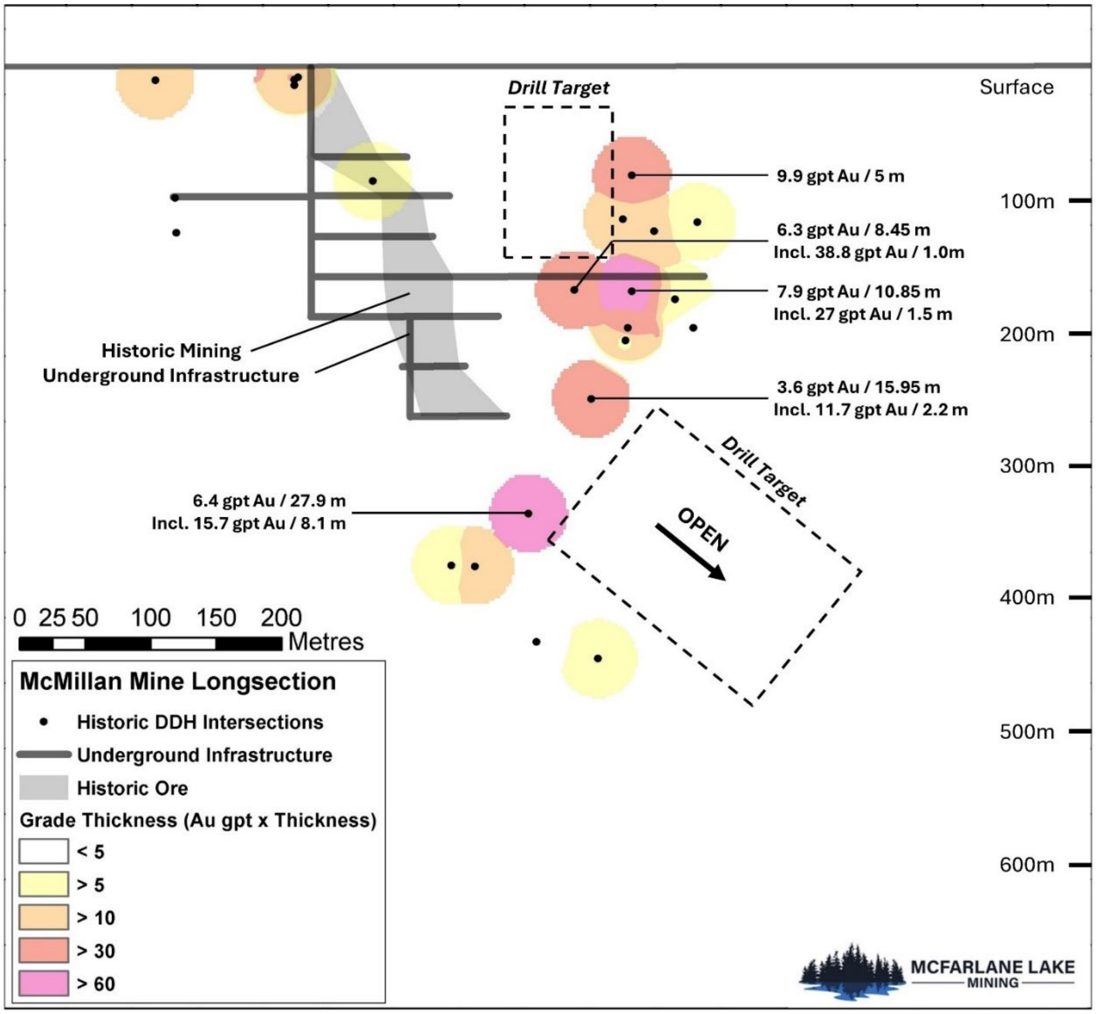


Figure 22 – McMillan Mine Longitudinal Section – Historic Gold Intercepts and Mine Workings

10. Other

10.1. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements requiring disclosure.

10.2. Transactions Between Related Parties

Related party transactions are comprised of services rendered by directors or officers of the Company or by a company with a director or officer in common. Related party transactions are in the normal course of business and are measured at the exchange amount.

During the three and twelve months ended August 31, 2024, the Company incurred the following expenses with directors and key management personnel of the Company:

	Three months ended August 31 2024	Twelve months ended August 31, 2024
Consulting fees	$55,000	$418,000
Stock based compensation	24,828	476,828
Director fees	6,000	24,651

Included in accounts payable and accrued liabilities as at August 31, 2024 is $63,153 owing to the officers, directors and management of the Company (August 31, 2023 - $76,425). The amounts are unsecured, non-interest bearing and due on demand.

During fiscal 2021, the Company was advanced funds totalling $195,000 from companies controlled by Perry Dellelce and Mark Trevisiol, respectively. These promissory notes payable are unsecured, bear interest at 12% compounded monthly and are due on demand. During the year $135,000 of these notes were repaid. Included in accounts payable and accrued liabilities as of August 31, 2024, is accrued interest owed on these notes payable in the amount of $41,945 (August 31, 2023 - $57,291), see also section 10.3 below.

During the 12-month period ending August 31, 2024, the Company incurred professional fees to a law firm and its associated companies for legal, accounting and capital advisory services totalling $531,615 (August 31, 2023 - $439,527). One of the directors is a partner in this law firm and a shareholder in the other two associated companies. Included in accounts payable and accrued liabilities as at August 31, 2024 is $335,986 owing to this law firm and its associated companies (August 31, 2023 - $454,431). The amounts are unsecured, non-interest bearing and due on demand.

11. Commitments and Contingencies

(1) Consulting Agreements

The Company entered into consulting agreements with its key management personnel (the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer) at combined consulting fees of $27,000 per month. These contracts require payment of approximately $1 million upon the occurrence of a change of control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately $420,000 pursuant to the terms of these contracts. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

The Company entered into a one-year consulting agreement with its Vice President of Geology (the "Consultant") on June 14, 2021. The terms of the agreement included a grant of 500,000 stock options to the Consultant issued on May 31, 2021 and consulting fees of $15,000 per month. The Company and the Consultant mutually agreed to continue the agreement on a month-by-month basis. As of May 31, 2024 the Consultant retired and the consulting agreement was terminated.

The Company entered into an eighteen-month consulting agreement with a mining consultant on December 30, 2021. The terms of the agreement initially included consulting fees of $10,000 per month. As of June 1, 2022 the mining consultant agreed to reduce the monthly consulting fee to $5,000 per month thereby extending the term of the consulting agreement.

(2) Environmental Contingencies

The Company's exploration activities are subject to various federal, state, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. See also Note 6 (exploration and evaluation properties).

(3) Flow-Through Financings

The Company has conducted flow-through private placements ("FT Placements") to fund exploration activities. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the *Income Tax Act* (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

In December 2021, the Company completed a FT Placement for $3,087,000, thus committing to spend this amount by December 31, 2022, on "Canadian exploration expenses" which qualify as "flow-through mining expenditures", as these terms are defined in the *Income Tax Act* (Canada) ("Resource Expenditures"). Upon issuance of the flow-through shares, the Company recorded an aggregate flow-through share premium liability of $964,687. As of December 31, 2022 the Company had spent the required amount on qualifying expenses thereby fulfilling its liability obligation under the terms of the FT agreement.

In April 2023, the Company issued 3,100,000 FT Shares for gross proceeds equal to $372,000, thus committing to spend this amount by December 31, 2024 on Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $142,242. As of August 31, 2024 the Company had spent the required amount on qualifying expenses, thereby fulfilling its liability obligation under the terms of the FT agreement.

In November 2023, the Company issued 33,335,006 FT Shares for gross proceeds equal to $2,000,100, thus committing to spend this amount by December 31, 2025 on Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $921,230. During the year ended August 31, 2024, the Company incurred $2,000,100 of Resource Expenditures towards this commitment and recorded flow-through share premium recovery of $921,230 respectively in the consolidated statement of loss and comprehensive loss.

In June 2024, the Company issued 14,100,000 FT Shares for gross proceeds equal to $705,000, thus committing to spend this amount by December 31, 2025 on Resource Expenditures. Upon the issuance of the FT Shares, the Company recorded an aggregate flow-through share premium of $196,348. During the year ended August 31, 2024, the Company incurred $79,418 of Resource Expenditures towards this commitment and recorded flow-through share premium recovery of $22,119 respectively in the consolidated statement of loss and comprehensive loss.

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities 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.

12. Subsequent Events to August 31, 2024

On October 31, 2024, the Company approved of 1,000,000 stock options to be granted to certain consultants, exercisable at $0.03 per share and expiring on October 31, 2027, subject to obtaining the requisite approval from the shareholders of the Company expected to occur on or about March 2025.

13. Changes in Accounting Policies including Initial Adoption

There have been no changes in the existing accounting policies of the Company in the period or have any new accounting policies been adopted during this period.

14. Critical accounting estimates

The preparation of the condensed consolidated annual financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

a) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company titles. Such properties may be subject to prior agreement or transfers and titles may be affected by undetected defects.

b) Valuation of share-based payments

The Company values share-based payments granted using market-based generally accepted valuation techniques at the date of grant or issuance. Assumptions made for the valuation include volatility of the share price, risk free interest rate and the life of the stock options granted. Such assumptions are highly subjective and changes in these assumptions materially affect the calculated fair value. Assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the Company's consolidated financial statements for the year ended August 31, 2024. The expected volatility assumptions for the Company's option grants are based on comparable companies.

c) Valuation of deferred income tax assets

Each year, the Company evaluates the likelihood of whether some portion of deferred tax assets, if any, will not be realized. This evaluation is based on historic and future expected levels of taxable income, the timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, tax planning initiative, and deferred tax rates.

d) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

e) Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Judgment is used in determining provisions for taxes as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations, which may not coincide with the interpretation of the tax authorities. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. In case the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

f) Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant estimates include the valuation of options using the Black-Scholes pricing model.

15. Internal Control Over Financial Reporting

(1) Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing and evaluating disclosure controls and procedures, or causing them to be designed and evaluated under their supervision to provide reasonable assurance that information required to be disclosed in reports filed with or submitted to, securities regulatory authorities is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws and that material information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosure. The Chief Executive Officer and the Chief Financial Officer conclude that the design and operation of the Company's disclosure controls and procedures were effective as at August 31, 2024.

(2) Internal Control over Financial Reporting

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing and evaluating internal controls over financial reporting or causing them to be designed and evaluated under their supervision to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. The control framework that has been used is the (COSO) Internal Control – Integrated Framework, 2013.

The Chief Executive Officer and Chief Financial Officer conclude that internal control over financial reporting is designed and operating effectively as at August 31, 2024, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes. The result of the inherent limitations in all control systems specifically with regards to the lack of segregation of duties between the Company management duties means that the evaluation of controls cannot provide absolute assurance that all control issues and instances of fraud, if any, can be detected. Management under the supervision of the CEO and CFO, has evaluated the effectiveness of the internal control over financial reporting using the framework designed and based on this evaluation, the CEO and CFO have concluded that internal controls over financial reporting was effective as of August 31, 2024.

16. Financial Instruments and Other Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.

The Company does not have any outstanding hedging or derivative contracts as of the year end date.

The carrying value of the Company's financial instruments approximate fair value due to the short-term or demand nature of these financial instruments.

17. Outstanding Share Data

As of the date of this MD&A, the Company had the following equity securities outstanding:

Security Description	Nov 27, 2024	Aug 31, 2024	Aug 31, 2023
Common shares	244,738,654	244,738,654	113,183,845
Stock options to acquire common shares	15,625,000	15,625,000	9,975,000
Share purchase warrants and other instruments	78,081,148	78,081,148	16,521,247
Common Shares Fully Diluted	**338,444,802**	**338,444,802**	**139,680,092**

18. Company Forecast 12-month Operating Expenditures

Assuming the Company acquires financing and completes a similar exploration program it is forecasted to incur the following expenditures in the next year:

Use of Funds	Amount of Funds
Property Acquisition	$ nil
Technical Work	
Exploration Programs	$ 760,000
Consulting and studies	$ 50,000
Corporate Development	
Management and Director fees	$ 244,000
Legal and Professional Fees	$ 774,000
Regulatory and Transfer Agent Fees	$ 34,000
Office and Admin including Digital Marketing and investor relations	$ 178,000
Total	$ 2,040,000

19. Risks and Uncertainties

The business and operations of the Company are subject to a number of risks. The Company considers the risks set out below to be the most significant to existing and potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. Accordingly, investors should also refer to the risks and uncertainties set forth in the Company's Annual Information Form which is available for review under the Company's SEDAR profile at www.SEDAR.com. Investors should carefully consider the risks and uncertainties described below as well as the other information contained in this MD&A and in the Annual Information Form. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

(1) Going Concern

The consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they become due. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the planned exploration programs will ultimately result in profitable mining operations.

Although the Company has taken steps to verify title to the properties on which it will conduct exploration and in which it has an interest in accordance with industry standards to 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, unregistered prior agreements, unregistered claims, first nations' claims and non-compliance with regulatory requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contacts and political uncertainties.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its obligations and commitments in other than the normal course of business. The Company has incurred losses for the years ended August 31, 2024 and August 31, 2023 and as of August 31, 2024, has a deficit of $19,433,947 (August 31, 2023 – $15,071,119) and expects to incur further losses in the development of its business.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing as necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

The Company has raised capital for working capital and the planned exploration and development of its mineral properties. The Company's continuation as a going concern is dependent upon successful results from its planned exploration and evaluation activities, its ability to attain profitable operations to generate funds and its ability to raise equity capital or borrowings sufficient to meet its current and future obligations for the next 12 months. Although the Company has been successful in raising funds to date there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

(2) No Operating History

The Company was incorporated on February 3, 2021 and has not commenced commercial operations. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

(3) Speculative Nature of Investment Risk

An investment in securities of the Company involves a high degree of risk and must be considered highly speculative due to the nature of the Company's business and the present stage of development of its mineral properties. In addition to information set out or incorporated by reference in this MD&A, prospective investors should carefully consider the risk factors set out below. Any one risk factor could materially affect the Company's financial condition and future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company.

(4) Exploration and Mining Risks

Resource exploration and development and mining operations are highly speculative and characterized by a few significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to be mined profitability. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

(5) Factors beyond the Company's Control

The mining exploration business is subject to several factors beyond the Company's control including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and in rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost-effective manner or successfully developing mining activities on a profitable basis.

(6) Additional Funding Required

Exploration and development of the Company's mineral properties will require significant additional financing. Accordingly, the continuing development of the Company's mineral properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite postponement of exploration, development, or production on any or all of the Company's mineral properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its mineral properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If the Company was required to arrange for debt financing it could be exposed to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow until its mineral properties commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

(7) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's credit risk relates to the amounts due from related parties and demand note balances. The Company mitigates its exposure by monitoring the counterparty's ability to repay.

(8) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company prepares annual capital expenditure budgets, which are monitored and updated as required. In addition, the Company requires authorization from the Board of Directors for expenditures on projects to assist with the management of capital. As of August 31, 2024, the Company has a net working capital (deficit) of $411,206, as of August 31, 2023 - ($920,127).

(9) Reliance on Independent Contractors

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has or will be contracting the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

(10) Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, partially due to the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

(11) Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

(12) Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the common shares by any investor of the Company would be diminished.

(13) Mineral Properties May be Subject to Rights of and Consultation with Indigenous Peoples

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of Indigenous peoples. The Company will hold exploration interests in respect of operations located in some areas presently or previously inhabited or used by Indigenous peoples. Many of these impose obligations on government to respect the rights of Indigenous peoples. Some mandate consultation with Indigenous peoples regarding actions which may affect Indigenous peoples, including actions to approve or grant mining rights or permits. The initial exploration program at the High Lake Property will require consultation with First Nations. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous peoples continue to evolve and be defined. The High Lake Property and the West Hawk Lake Property in respect of which the Company will hold an interest are subject to the risk that one or more groups of Indigenous peoples may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by Indigenous peoples to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with Indigenous peoples. Claims and protests of Indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Company holds an exploration interest which may result in a material adverse effect on the Company profitability, results of operations and financial condition and the trading price of its securities.

(14) Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

20. Additional Information

Additional information relating to the Company, including the Company's Annual Information Form, may be found under the Company's SEDAR profile at www.sedarplus.com.