THESIS GOLD INC.

(formerly Benchmark Metals Inc.)

Consolidated Condensed Interim Financial Statements

For the three months ended May 31, 2024 and 2023

Expressed in Canadian Dollars

(Unaudited)

To the shareholders of Thesis Gold Inc.:

The consolidated condensed interim financial statements of Thesis Gold Inc. (the "Company") for the three months ended May 31, 2024 and 2023 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

Expressed in Canadian Dollars (unaudited)

	May 31, 2024	February 29, 2024
ASSETS		
Current		
Cash	**$ 1,696,321**	$ 7,265,418
Short-term investment	**10,538**	10,538
Goods and services tax credit receivable	**112,733**	219,308
Mineral exploration tax credit receivable	**4,853,928**	4,338,417
Other receivable	**19,196**	58,476
Prepaid expenses and deposits	**1,186,234**	1,365,666
	7,878,950	13,257,823
Equipment (note 7)	**800,431**	809,132
Exploration and evaluation assets (note 3,4)	**169,745,745**	167,840,582
Reclamation bonds (note 11)	**1,879,473**	1,879,473
Right-of-use asset (note 9)	**20,473**	40,945
	$ 180,325,072	$ 183,827,955
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 6)	**$ 1,771,966**	$ 4,498,089
Current portion of lease liability (note 9)	**6,743**	29,535
	1,778,709	4,527,624
Asset retirement obligation (note 11)	**2,502,246**	2,502,246
Deferred taxes	**14,337,864**	14,537,418
	18,618,819	21,567,288
EQUITY		
Share capital (note 5)	**175,250,081**	175,250,081
Option and warrant reserves (note 5)	**17,755,000**	16,660,000
Deficit	**(31,298,828)**	(29,649,414)
	161,706,253	162,260,667
	$ 180,325,072	$ 183,827,955

Subsequent events (note 13)

Authorized for issuance on behalf of the Board on July 30, 2024:

Director (signed by) *"Lisa Peterson"*

Director (signed by) *"Ewan Webster"*

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

Expressed in Canadian Dollars (unaudited)

For the three months ended	**May 31, 2024**	**May 31, 2023**
Expenses		
Exploration expenses	**$ 28,685**	$ 1,163
Marketing and investor relations expenses	**281,152**	278,870
Management and consulting fees (note 8)	**279,210**	257,000
Office and administration	**72,619**	74,461
Professional fees	**124,918**	209,912
Regulatory and filing fees	**2,303**	33,453
Share-based compensation (note 5)	**1,095,000**	-
	(1,904,359)	(854,859)
Other		
Interest income	**55,391**	196,180
Settlement of flow-through liability (note 10)	**-**	142,267
Loss before taxes	**(1,848,968)**	(516,412)
Deferred income tax recovery	**199,554**	207,258
Net loss and comprehensive loss	**$ (1,649,414)**	$ (309,154)
Basic and diluted loss per common share	**$ (0.00)**	$ (0.00)
Basic and diluted weighted average number of common shares outstanding	**174,051,511**	86,946,808

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

THESIS GOLD INC. *(formerly Benchmark Metals Inc.)*
Consolidated Statements of Changes in Equity
For the three months ended May 31, 2024 and 2023
Expressed in Canadian Dollars *(unaudited)*

	Number of shares	Share capital	Option and Warrant reserve	Deficit	Total equity
Balance at February 28, 2023	**97,713,632**	**$ 128,723,496**	**$ 15,538,515**	**$ (30,537,966)**	**$ 113,724,045**
Share issuance costs	-	(65)	-	-	(65)
Comprehensive loss	-	-	-	(309,154)	(309,154)
Balance at May 31, 2023	**97,713,632**	**$ 128,723,431**	**$ 15,538,515**	**$ (30,847,120)**	**$ 113,414,826**
Shares issued for cash	11,277,808	11,315,415	(72,500)	-	11,242,915
Shares issued for exploration and evaluation assets	65,060,071	40,597,484	1,064,528	-	41,662,012
Deferred flow-through liability	-	(4,443,430)	-	-	(4,443,430)
Share issuance costs	-	(909,562)	-	-	(909,562)
Finders warrants issued	-	(33,257)	33,257	-	-
Share-based payments	-	-	96,200	-	96,200
Comprehensive income	-	-	-	1,197,706	1,197,706
Balance at February 29, 2024	**174,051,511**	**$ 175,250,081**	**$ 16,660,000**	**$ (29,649,414)**	**$ 162,260,667**
Share-based payments	-	-	1,095,000	-	1,095,000
Comprehensive loss	-	-	-	(1,649,414)	(1,649,414)
Balance at May 31, 2024	**174,051,511**	**$ 175,250,081**	**$ 17,755,000**	**$ (31,298,828)**	**$ 161,706,253**

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

Expressed in Canadian Dollars (unaudited)

For the three months ended	**May 31, 2024**	May 31, 2023
Cash provided by (used in):		
Operating activities		
Net loss for the period	**$ (1,649,414)**	$ (309,154)
Items not effecting cash:		
Deferred taxes	**(199,554)**	(207,258)
Share-based payments (note 5)	**1,095,000**	-
Settlement of deferred flow-through liability	**-**	(142,267)
	(753,968)	(658,679)
Changes in non-cash working capital:		
METC and other receivable	**2,212**	16,057
Goods and services tax receivable	**106,575**	(18,364)
Prepaid expenses and deposits	**179,432**	21,676
Accounts payable and accrued liabilities	**(3,802,386)**	(220,702)
Cash used in operating activities	**(4,268,135)**	(860,012)
Investing activities		
Exploration and evaluation assets expenditures	**(1,300,962)**	(1,095,134)
Cash used in investing activities	**(1,300,962)**	(1,095,134)
Financing activities		
Share issuance costs	**-**	(65)
Cash used in financing activities	**-**	(65)
Net decrease in cash	**(5,569,097)**	(1,955,211)
Cash – beginning of period	**7,265,418**	17,198,551
Cash – end of period	**$ 1,696,321**	$ 15,243,340

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

1. Nature of operations

Thesis Gold Inc. (“Thesis” or the “Company”) was incorporated under the British Columbia Business Corporations Act on November 9, 2010 and has its shares listed for trading on the TSX Venture Exchange under the symbol “TAU”. The Company’s head office is located at 10545 – 45 Avenue NW, 250 Southridge NW, Suite 300, Edmonton, AB, Canada T6H 4M9. The principal business of the Company is the identification, acquisition, exploration and evaluation of mineral properties.

On February 29, 2024, the Company completed a vertical short-form amalgamation pursuant to the Business Corporations Act with its wholly owned subsidiary PPM Phoenix Precious Metals Corp. Pursuant to the Amalgamation, the resulting amalgamated company has adopted the name "Thesis Gold Inc.", maintained the same Articles and management as the Company, issued no securities, the symbol "TAU" and the CUSIP remains the same.

2. Basis of presentation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements were authorized for issue by the Board of Directors of the Company on July 30, 2024. The accounting policies applied in preparation of these consolidated condensed interim financial statements are consistent with those applied and disclosed in the Company’s financial statements for the year ended February 29, 2024, unless otherwise stated.

These consolidated financial statements include the accounts of the Company, and its wholly owned subsidiary Thesis Gold (Holdings) Inc. (“Thesis Holdings”). All intercompany transactions and balances have been eliminated from the date of acquisition of control.

Name of Subsidiary	Proportion of Ownership Interest	Principal Activity
Thesis Gold (Holdings) Inc.	100%	Holds mineral interest in BC

These consolidated financial statements are presented in Canadian Dollars, and the use of the symbol “$” herein is in reference to Canadian Dollars. Disclosures for amounts denominated in currencies other than Canadian Dollars use the International Standards Organization 3-letter symbol for such foreign currency.

Effective August 24, 2023, the Company consolidated its issued and outstanding common shares on a basis of one (1) post-consolidation common share for every two and six-tenths (2.6) pre-consolidation shares (the “Share Consolidation”). As a result of the Share Consolidation, the number of shares, warrants and options presented in these financial statements and the calculated weighted average number of common shares issued and outstanding for the purpose of earning per share calculation reflect post-consolidation shares for all periods presented.

3. Acquisition of Thesis Holdings

On August 23, 2023, the Company completed the acquisition of Thesis Holdings pursuant to a court-approved plan of arrangement under the Business Corporations Act (British Columbia) (the “Transaction”). Under the terms of the Transaction, the Company acquired all of the outstanding shares of Thesis Holdings (the "Thesis Shares"). Thesis Holdings shareholders received 2.5584 of a common share for each share held in the acquired company (each whole share, a "Company Share") (the "Exchange Ratio"). As a result of this transaction, Thesis Holdings became a wholly owned subsidiary and the Company acquired a 100% interest in the Ranch Property.

Thesis Holdings’ Ranch Property is in the exploration stage, and there are no significant operations, no processes or outputs, and no demonstrated technical feasibility or commercial viability of the project. Consequently, the Company has accounted for its acquisition of Thesis Holdings as an asset acquisition.

Expressed in Canadian Dollars

3. Acquisition of Thesis Holdings (continued)

The amounts shown below represent fair value of the consideration given and fair value of assets and liabilities acquired on the effective date of the Transaction, which was August 23, 2023.

Purchase consideration:	
Shares issued in exchange for Thesis Holdings Shares (i)	$ 40,597,484
Options and warrants issued in exchange for Thesis Holdings options and warrants (ii)	1,064,528
Other transaction costs (iii)	1,982,244
	$ 43,644,256
Assets acquired:	
Cash	$ 8,255,729
Other current assets	2,348,523
Reclamation bonds	310,000
Exploration and evaluation assets (note 5)	37,756,504
	48,670,756
Less: liabilities assumed:	
Accounts payable and accrued liabilities	(4,716,500)
Asset retirement obligation	(310,000)
Net assets acquired	**$ 43,644,256**

(i) For accounting purposes, 65,060,071 common shares issued were measured at $0.624 per common share, representing the Company's share price on the date of issuance.

(ii) 548,147 warrants were issued, and the Company estimated the fair value to be $nil due to the short period remaining until expiry and the high exercise price of the warrants. 5,471,040 options were issued, with a fair value of $0.01 to $0.29 per option, the value per option was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.624; expected life, 0.71 – 3.59 years; expected volatility, 61.23% - 72.65%; risk-free rate 4.25% - 5.34%; expected dividends, 0%.

(iii) In addition to the common shares issued in consideration for the acquisition of Thesis Holdings, the Company incurred transaction costs totaling $1,982,244. These costs were incurred in the process of the acquisition and include fees relating to accounting, consulting and legal fees.

4. Exploration and evaluation assets

Lawyers Property in British Columbia, Canada

On September 18, 2019, the Company acquired 100% of the Lawyers' Property through the acquisition of PPM Phoenix Precious Metals Corp. ("PPM"). The Lawyers Property is situated 45 km northwest of the former Kemess South open pit copper-gold mine in the Toodoggone region of the Omineca Mining Division of British Columbia and consists of 46 contiguous mineral claims. The claims cover approximately 14,392 hectares of land that encompass the Lawyers group of prospects, including the former Cheni underground gold-silver mine, Cliff Creek, Dukes Ridge, and Phoenix, and the Silver Pond group of prospects that cover six gold-silver mineral occurrences. Nine of these mineral claims, covering approximately 4,532 hectares, are not subject to royalties.

Expressed in Canadian Dollars

4. Exploration and evaluation assets (continued)

Total costs incurred on the Lawyers Property are summarized as follows:

	Acquisition	Exploration	Total
Balance, February 29, 2024	**$ 5,553,226**	**$ 112,929,767**	**$ 118,482,993**
Fieldwork	-	119,554	119,554
Geology	-	171,041	171,041
Drilling	-	35,299	35,299
Engineering	-	253,568	253,568
Environmental	-	230,470	230,470
Assay	-	28,392	28,392
Amortization	-	8,701	8,701
Permits	-	155	155
Travel and support	-	355	355
Community relations	-	74,748	74,748
Road maintenance	-	2,760	2,760
Mineral exploration tax credit	-	(298,637)	(298,637)
Balance, May 31, 2024	**$ 5,553,226**	**$ 113,675,003**	**$ 119,228,229**

Ranch Property in British Columbia, Canada

On August 23, 2023, the Company acquired the Ranch Gold property, a mineral exploration property comprised of 31 British Columbia mineral claims totaling 17,832 hectares in the Tooddogone Region of northern British Columbia.

Total costs incurred on the Ranch Property are summarized as follows:

	Acquisition	Exploration	Total
Balance, February 29, 2024	**$ 37,776,016**	**$ 11,581,573**	**$ 49,357,589**
Fieldwork	-	466,215	466,215
Geology	-	147,644	147,644
Drilling	-	89,638	89,638
Engineering	-	53,950	53,950
Environmental	-	444,035	444,035
Assay	-	48,322	48,322
Travel and support	-	311	311
Community relations	-	205,688	205,688
Road maintenance	-	2,760	2,760
Mineral exploration tax credit	-	(298,637)	(298,637)
Balance, May 31, 2024	**$ 37,776,016**	**$ 12,741,498**	**$ 50,517,514**

Expressed in Canadian Dollars

5. Share capital

a) Common shares

The Company's articles authorize an unlimited number of Class "A" common shares without par value.

A summary of changes in common share capital during the period ended is as follows:

On August 23, 2023, the Company issued 65,060,071 common shares for Thesis Holdings (note 3).

On October 5, 2023, the Company completed the first tranche of a private placement of 4,267,000 flow-through common shares at $1.13, for gross proceeds of $4,821,710. The Company paid a cash commission of $289,303 and issued non-transferable agent warrants of the Company exercisable to purchase up to 256,020 shares at $1.13 per share for a two-year period.

On October 10, 2023, the Company completed the final tranche of a private placement of 6,818,500 flow-through common shares at $0.93, for gross proceeds of $6,341,205. The Company paid a cash commission of $380,472 and issued non-transferable agent warrants of the Company exercisable to purchase up to 409,110 shares at $1.13 per share for a two-year period.

b) Warrants

A summary of share purchase warrant activity in the period is as follows:

	Number of warrants	Weighted average exercise price
Balance, February 29, 2024 and May 31, 2024	**10,748,362**	**$ 1.61**

A summary of the warrants outstanding and exercisable is as follows:

May 31, 2024			February 29, 2024		
Exercise Price	**Number of warrants**	**Remaining contractual life (years)**	**Exercise Price**	**Number of warrants**	**Remaining contractual life (years)**
$ 3.38	115,384	0.1	$ 3.38	115,384	0.4
1.69	8,098,596	0.3	1.69	8,098,596	0.6
1.09	971,831	0.3	1.09	971,831	0.6
1.69	801,269	0.4	1.69	801,269	0.6
1.09	96,152	0.4	1.09	96,152	0.6
1.13	256,020	1.4	1.13	256,020	1.6
1.13	409,110	1.4	1.13	409,110	1.6
$ 1.61	**10,748,362**	**0.4**	**$ 1.61**	**10,748,362**	**0.6**

Expressed in Canadian Dollars

5. Share capital (continued)

c) Stock options

Pursuant to the Company's stock option plan (the "Plan") for directors, officers, employees, and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares; the exercise price to be determined on the date of issuance of the options.

The options are non-transferable and will expire, if not exercised, 90 days following the date the optionee ceases to be a director, officer, consultant or employee of the Company for reasons other than death, one year after the death of an optionee or on the fifth anniversary of the date the option was granted. All options vest when granted unless otherwise specified by the Board of Directors.

A summary of stock option activity in the period is as follows:

	Number of options		Weighted average exercise price
Outstanding options, February 29, 2024	**13,329,467**	**$**	**1.79**
Issued	3,650,000		0.47
Expired	(98,400)		1.67
Outstanding options, May 31, 2024	**16,881,067**	**$**	**1.51**

On March 13, 2024, the Company granted incentive stock options, for the option to purchase up to 3,650,000 common shares. The options are exercisable at a price of $0.47 per common share, for a period of five years. The estimated fair value of these options of $1,095,000, or $0.30 per option, has been recorded as share-based payment expense in the period and as an increase to option and warrant reserve, and was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.47; expected life, 5 years; expected volatility, 77.66%; risk-free rate 3.50%; expected dividends, 0%.

On February 29, 2024, the Company granted incentive stock options, for the option to purchase up to 370,000 common shares. The options are exercisable at a price of $0.39 per common share, for a period of five years. The estimated fair value of these options of $96,200, or $0.26 per option, has been recorded as share-based payment expense in the period and as an increase to option and warrant reserve, and was calculated using the Black-Scholes Option Pricing Model using the following grant-date assumptions: grant date stock price $0.40; expected life, 5 years; expected volatility, 77.76%; risk-free rate 3.57%; expected dividends, 0%.

On August 23, 2023, the Company issued 5,471,040 stock options related to acquisition of Thesis Holdings (note 3).

Expressed in Canadian Dollars

5. Share capital (continued)

c) Stock options (continued)

A summary of the options outstanding is as follows:

May 31, 2024			February 29, 2024			
Exercise Price	Number of options	Remaining contractual life (years)	Exercise Price	Number of options	Remaining contractual life (years)	
$ 0.78	38,461	0.1	$ 0.78	38,461	0.4	
0.78	2,390,377	0.9	0.78	2,390,377	1.1	
3.38	461,535	1.7	3.38	461,535	1.9	
2.99	1,780,759	2.1	2.99	1,780,759	2.3	
2.86	2,432,681	2.7	2.86	2,432,681	2.9	
1.09	384,614	3.4	1.09	384,614	3.6	
-	-	-	1.67	98,400	0.2	i
0.50	1,869,600	1.5	0.50	1,869,600	1.7	
1.32	600,240	1.9	1.32	600,240	2.2	
1.37	1,279,200	2.4	1.37	1,279,200	2.6	
2.46	1,623,600	2.8	2.46	1,623,600	3.1	
0.39	370,000	4.8	0.39	370,000	5.0	
0.47	3,650,000	4.8	-	-	-	
$ 1.51	**16,881,067**	**2.7**	**$ 1.80**	**13,329,467**	**2.3**	

i) 98,400 options expired unexercised.

6. Financial instruments and risk management

The Company is exposed to the following financial risks:

i) Market risk
ii) Credit risk
iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

<u>General objectives, policies and processes</u>

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

6. Financial instruments and risk management (continued)

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, commodity price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian dollars. Management has assessed that the Company's current exposure to currency risk as low, but acknowledges this may change in the future.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. Interest rate risk is limited to potential decreases on the interest rate offered on cash and short-term investments held with chartered Canadian financial institutions. The Company considers this risk to be minimal.

Commodity price risk

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

Credit risk

Credit risk is the risk of potential loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum credit risk at May 31, 2024 is equal to the total of the carrying values of cash, short-term investment and other receivable. The Company has assessed its exposure to credit risk on its cash and short-term investment and has determined that such risk is minimal. All of the Company's cash and its short-term investment are held with a financial institution in Canada. The Company has assessed its exposure to credit risk on its other receivable and has determined that such risk is low.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. To achieve this objective, the Company prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board.

Expressed in Canadian Dollars

6. Financial instruments and risk management (continued)

As at May 31, 2024, all of the Company's account payable and accrued liabilities of $1,771,966 and $6,743 of lease liabilities are due within one year.

Determination of fair value

The statement of financial position carrying amounts for other receivable and accounts payable approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Financial assets and liabilities measured at fair value are grouped into three Levels or a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: unobservable inputs for the asset or liability.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at May 31, 2024:

Asset:	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 1,696,321	-	-	$ 1,696,321
Short-term investment	$ 10,538	-	-	$ 10,538

As at February 29, 2024:

Asset:	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 7,265,418	-	-	$ 7,265,418
Short-term investment	$ 10,538	-	-	$ 10,538

7. Equipment

	Camp equipment
Balance, February 29, 2024	**$ 809,132**
Depreciation	(8,701)
Balance, May 31, 2024	**$ 800,431**

During the three months ended May 31, 2024, the Company capitalized $8,701 (February 29, 2024 - $47,230) in depreciation to mineral properties.

Expressed in Canadian Dollars

8. Related party transactions and balances

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the three months ended	**May 31, 2024**	**May 31, 2023**
Management fees paid to companies controlled by officers and a director	**$ 180,000**	$ 50,000
Management fees paid to companies controlled by former officers and a director	**-**	105,000
Consulting fees paid to companies controlled by an officer - capitalized to exploration and evaluation assets	**33,355**	-
Director and committee fees	**66,625**	102,000
Share-based payments	**720,000**	-
	$ 999,980	$ 257,000

Key management compensation

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. The remuneration of key management personnel is summarized below:

For the three months ended	**May 31, 2024**	**May 31, 2023**
Short-term benefits	**$ 999,980**	$ 257,000
Share-based payments	**720,000**	-
	$ 1,719,980	$ 257,000

At May 31, 2024, accounts payable and accrued liabilities include $5,232 (February 29, 2024 - $91,919) due to key management, directors of the Company and companies controlled by management or directors for services provided. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

9. Right-of-use asset and lease liability

As at May 31, 2024 the Company was lessee to a premises lease. The incremental rate of borrowing for this lease was estimated by management to be 10% per annum.

(a) Right-of-Use Assets

The continuity of right-of-use assets is as follows:

Balance, February 28, 2023	$ 122,834
Depreciation	(81,889)
Balance, February 29, 2024	$ 40,945
Depreciation	(20,472)
Balance, May 31, 2024	$ 20,473

Expressed in Canadian Dollars

9. Right-of-use asset and lease liability (continued)

(b) Lease Liabilities

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	May 31, 2024	May 31, 2023
Undiscounted minimum lease payments:		
Less than one year	**$ 7,133**	$ 102,161
Two years	**-**	-
	7,133	102,161
Effect of discounting	**(390)**	(7,559)
Present value of minimum lease payments	**6,743**	94,602
Less current portion	**(6,743)**	(94,602)
Long-term portion	**$ -**	$ -

(c) Lease Liability Continuity

The lease liability continuity is as follows:

Balance, February 28, 2023	$ 115,234
Principal repayments	(85,699)
Balance, February 29, 2024	$ 29,535
Principal repayments	(22,792)
Balance, May 31, 2024	$ 6,743

10. Deferred flow-through liability

On the issuance of a flow-through shares, gross proceeds are allocated between the equity (share) and liability (Deferred flow-through liability) components on the issue date to the extent that a premium exists. The equity portion is measured at the estimated fair value and the residual is allocated as a liability. When expenditures are renounced, the Company reduces the deferred flow-through liability and records a recovery on settlement of flow-through liability as other income.

A summary of changes in deferred flow-through liability during the period ended is as follows:

Balance, February 28, 2023	$ 723,190
Settlement of flow-through liability	(142,267)
Balance, May 31, 2023	580,923
Flow-through shares issued at a premium	4,443,430
Settlement of flow-through liability	(5,024,353)
Balance, February 29 and May 31, 2024	$ -

During the year ended February 29, 2024, the Company issued 11,085,500 flow-through common shares at $0.93, for gross proceeds of $6,341,205. and recognized a deferred flow-through liability of $4,443,430, non-cash, which is the difference between the fair market value of the underlying common shares and the amount the investor paid for the flow-through units.

Expressed in Canadian Dollars

11. Reclamation bonds and asset retirement obligation

The Company's exploration and evaluation assets are governed by laws and regulations covering the protection of the environment. The Company carries out rehabilitation work during the exploration of its exploration and evaluation assets and makes allowance for eventual reclamation upon closing the project; consequently, the Company has accounted for its asset retirement obligations using best estimates of future costs, based on information available at the reporting date.

In addition, in order to obtain mineral exploration permits, the Company is required to place reclamation bonds with the Ministry of Energy, Mines and Low Carbon Innovation of the Province of British Columbia. As at May 31, 2024, the Company has total of $1,879,473 in reclamation bonds.

The continuity of asset retirement obligation is as follows:

	Lawyers Property	Ranch Property	Total
Balance, February 28, 2023	**$ 958,370**	**$ -**	**$ 958,370**
Additions	839,912	703,964	1,543,876
Balance, February 29, 2024 and May 31, 2024	**$ 1,798,282**	**$ 703,964**	**$ 2,502,246**

12. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and development of its exploration assets. The Company does not have any externally imposed capital requirements to which it is subject.

As at May 31, 2024, the Company considers the aggregate of its share capital, reserves and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash on hand.

13. Subsequent events

Subsequent to May 31, 2024, the Company completed a private placement of 8,849,500 flow-through common shares at $1.13; 6,702,500 flow-through common shares at $0.90 and 6,556,318 non-flow-through common shares at $0.75; for gross proceeds of $20,949,423. The Company paid a cash commission of $1,256,965 and issued non-transferable agent warrants of the Company exercisable to purchase up to 1,326,499 shares at $0.95 per share for an 18-month period.

Subsequent to May 31, 2024, 38,461 options and 115,384 warrants expired unexercised.