DESERT GOLD VENTURES INC.

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Unaudited - Expressed in US Dollars)

NOTICE TO READERS

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

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor.

DESERT GOLD VENTURES INC.

Consolidated condensed interim statements of financial position

(Unaudited - Expressed in US dollars)

	Note	September 30, 2024	December 31, 2023
		$	$
ASSETS			
Current assets			
Cash		539,268	279,575
GST recoverable		2,119	10,829
Prepaid		14,384	7,405
		555,771	297,809
Non-current assets			
Equipment		-	1,275
Total assets		555,771	299,084
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	3,7	423,737	124,114
		423,737	124,114
EQUITY (DEFICIENCY)			
Share capital	6,9	37,539,670	36,028,990
Share subscription received	6 (c),9	147,059	-
Accumulated other comprehensive income		270,376	282,862
Reserves		19,611,890	19,488,581
Deficit		(57,436,961)	(55,625,463)
		132,034	174,970
Total liabilities and shareholders' deficiency		555,771	299,084

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENTS (Note 9)

Approved for issuance by the board of directors on November 29, 2024

"Sonny Janda"

Director - Sonny Janda

"Jared Scarf"

Director - Jared Scarf

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

DESERT GOLD VENTURES INC.

Consolidated condensed interim statements of loss and comprehensive loss

(Unaudited - Expressed in US dollars)

		Three months ended September 30,		Nine months ended September 30,	
		2024	**2023**	**2024**	**2023**
	Note			$	$
Amortization		-	960	1,164	2,880
Investors and shareholders relationship		25,686	16,348	54,650	83,592
Office, occupancy, and administration		13,538	38,097	52,571	74,795
Professional and consulting fees		75,227	63,588	279,969	234,324
Prospecting rights and exploration	4	133,529	125,157	1,272,564	378,145
Share-based compensation	8	123,309	-	123,309	104,304
Transfer agent and listing fees		5,351	7,387	24,544	34,529
Loss before the following:		(376,640)	(251,537)	(1,808,771)	(912,569)
Foreign exchange		(835)	(1,231)	(2,727)	2,150
Gain from disposition of marketable securities	5	-	-	-	13,263
Other income		-	-	-	24,259
Recovery of receivable previously written off		-	-	-	14,212
Net loss		(377,475)	(252,768)	(1,811,498)	(858,685)
Other comprehensive loss:					
Foreign exchange translation loss		(4,681)	(11,028)	(12,486)	(13,459)
Total comprehensive loss		(382,156)	(263,796)	(1,823,984)	(872,144)
Weighted average number of outstanding shares, basic and diluted		224,915,529	195,466,386	213,792,729	195,917,100
Loss per share, basic and diluted		(0.00)	(0.00)	(0.01)	(0.00)

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

DESERT GOLD VENTURES INC.
Consolidated condensed interim statements of cash flows
(Unaudited - Expressed in US dollars)

Nine months ended September 30,	**2024**	**2023**
	$	$
OPERATING ACTIVITIES		
Loss of the period	(1,811,498)	(605,917)
Adjustments for non-cash items:		
Amortization	1,164	1,380
Foreign exchange loss (gain)	2,727	(3,381)
Gain on disposition of marketable securities	-	(13,263)
Recovery of receivable previously written off	-	(14,212)
Share-based compensation	123,309	104,304
Changes in non-cash working capital items:		
Other receivables	8,710	104,250
Prepaid	(6,979)	(16,518)
Accounts payable and accrued liabilities	289,576	(358,219)
Cash used in operating activities	(1,392,991)	(801,576)
INVESTING ACTIVITIES		
Proceeds from disposition of marketable securities	-	69,108
Cash provided by investing activities	-	69,108
FINANCING ACTIVITIES		
Net proceeds from issuance of security units	1,510,680	-
Receipt of subscription received	147,059	-
Receipt of share subscription receivable from 2022	-	212,977
Cash provided by financing activities	1,657,739	212,977
Effect of foreign exchange rate on cash	(5,055)	1,476
Increase (decrease) in cash	259,693	(518,015)
Cash, beginning of period	279,575	1,220,393
Cash, end of period	539,268	702,378

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

DESERT GOLD VENTURES INC.

Consolidated condensed interim statements of change in shareholders' equity (deficiency)

(Unaudited - Expressed in US dollars)

	Number	Amount	Subscription received	Reserves: Others	Reserves: Warrants	Reserves: Option	Accumulated other comprehensive income	Deficit	Total
		$	$	$	$	$	$	$	$
Balance, December 31, 2022	195,466,386	35,816,013	-	13,755,601	1,806,464	3,822,361	282,048	(54,640,534)	841,953
Receipt of subscription receivable from 2022	-	212,977	-	-	-	-	-	-	212,977
Share-based compensation	-	-	-	-	-	104,155	-	-	104,155
Foreign currency translation adjustment	-	-	-	-	-	-	814	-	814
Loss for the year	-	-	-	-	-	-	-	(984,929)	(984,929)
Balance, December 31, 2023	195,466,386	36,028,990	-	13,755,601	1,806,464	3,926,516	282,862	(55,625,463)	174,970
units issued for cash	29,449,143	1,510,680	-	-	-	-	-	-	1,510,680
Share subscription received (Note 6, 9)	-	-	147,059	-	-	-	-	-	147,059
Options granted	-	-	-	-	-	123,309	-	-	123,309
Foreign currency translation adjustment	-	-	-	-	-	-	(12,486)	-	(12,486)
Loss for the period	-	-	-	-	-	-	-	(1,811,498)	(1,811,498)
Balance, September 30, 2024	224,915,529	37,539,670	147,059	13,755,601	1,806,464	4,049,825	270,376	(57,436,961)	132,034

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Desert Gold Ventures Inc. (the "Company") is an exploration stage company and is engaged in the acquisition, exploration and development of mineral resource properties. The principal business of the Company is conducting mineral property exploration in Mali. The Company's shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol DAU.

The head office and principal address is located at 9648-128th Street, Suite 210, Surrey, BC, V3T 2X9.

These consolidated condensed interim financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from the carrying values shown and these consolidated interim financial statements do not include adjustments that would be necessary if the going concern assumption is not appropriate.

The Company had recurring losses and did not have revenue since inception. For and as at the nine months ended September 30, 2024, the Company had a comprehensive loss of $1,826,984 and an accumulated deficit of $57,436,961. These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuing operations and its ability to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing and/or to seek joint venture partners. Although the Company has been successful at raising capital in the past, there is no assurance that the Company will be able to raise adequate financing on terms that are acceptable to the Company, if at all. Based on its current plans, budgeted expenditures, and cash requirements, management believes the Company would need to raise additional capital to accomplish its business objectives thereafter.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards - 34 Interim Financial Reporting and should be read in conjunction with the annual financial statements for the most recent year ended December 31, 2023, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

The consolidated condensed interim financial statements of the Company for the three and nine months ended September 30, 2024 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 29, 2024.

Basis of consolidation and presentation

These consolidated condensed interim financial statements have been prepared on a historical cost basis, using the accrual basis of accounting except for cash flow information, are presented in US dollars, unless otherwise specified.

These consolidated condensed interim financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries of the Company are as follows:

(Unaudited - Expressed in US dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation and presentation (continued)

Name	Country of incorporation	Ownership percentage September 30, 2024	December 31, 2023
TransAfrika Belgique S.A. (dormant)	Belgium	100%	100%
Desert Gold Ltd.	Rwanda	100%	100%
TransAfrika Senegal S.A. (dormant)	Senegal	100%	100%
GoldBanks Nevada Ventures Inc. (dormant)	USA	100%	100%
Ashanti Gold Corp. (dormant)	Canada	100%	100%
Ashanti Gold Mali S.A.R.L.(dormant)	Mali	100%	100%
Desert Gold Mali S.A.R.L.	Mali	100%	100%
Legend Mali Holdings (BVI) Inc.(dormant)	BVI	100%	100%

The Company has various dormant subsidiaries that hold interests in resources properties.

Significant Judgements and Estimates

The most significant judgments in applying the Company's accounting policies in these consolidated financial statements are:

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's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

Other significant judgments in applying the Company's accounting policies relate to the assessment of the Company's ability to continue as a going concern (Note 1) and the classification of its financial instruments.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include:

Recoverability and measurement of deferred tax assets
In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax position taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Assumptions used to assess share-based compensation
In assessing the fair value of stock options granted and vested, the Company applies the Black-Scholes Option pricing model. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Adoption of New Accounting Standards

The Company has not adopted new accounting policies since its recent year ended December 31, 2023.

(Unaudited - Expressed in US dollars)

3. ACCOUNT PAYABLES AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consisted of the following:

	September 30, 2024	December 31, 2023
	$	$
Trade payable	58,537	39,642
Accrued liabilities *(i)*	365,200	84,472
	423,737	124,114

(i) Including in the Company's accrued liabilities is $321,000 to account for the Company's exploration work performed during the nine months ended September 30, 2024.

4. EXPLORATION AND EVALUATION PROPERTIES

The Company is an exploration stage Company which holds various mineral property interests.

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of resource properties. The Company will continue to conduct exploration on all mineral properties in Mail for maintaining compliance of these resources properties when renewal comes due. Management believes it will have fulfilled the terms of the permit expenditures by the end of the three-year term and that they will be renewed.

MALI – SMSZ Projects

In Mali, the Company is operating the Senegal Mali Shear Zone Project ("SMSZ").

The SMSZ Project consists of i) Farabantourou Project; ii) 100% interest of the Farikounda Project (acquired in 2019 through the acquisition of Ashanti Gold Corp.); iii) an option agreement with Mineral Management Consulting ("MMC") ("MMC Option") to acquire certain concessions; iv) two-concession block (the "Sebessounkoto Sud" Project and "Djelimangara" Project, collectively the "Altus Permits"); v) an option agreement ("SUD Option") for the acquisition of a 95% interest in Linguekoto Property; vi) an option agreement (the "Harmattan Option") for the acquisition of all the rights of a research permit in the Sola West area; vii) the Kolomba Exploration Permit that is contiguous to other permits of the SMSZ projects.

i) **Farabantourou Project** - The Company's Farabantourou project consists of a small-scale mining license ("Petite License") issued in October 2018 for four years and a Farabantourou exploration permit (the "Farabantourou Quest Permit") issued in November 2018 for an initial 3-year term renewal for two additional 2-year terms. The Company is required to incur minimum exploration expenditures of $138,000, $333,000, and $371,000 during the first, second, and third years respectively for the maintenance of the Farabantourou Quest Permit. On December 15, 2022, the Company received the renewed Petite License for another four years.

As at the nine months ended September 30, 2024, and the date of this report, the renewal of the Farabantourou Quest permit is in progress.

4. EXPLORATION AND EVALUATION PROPERTIES (Continued)

ii) **Farikounda Permit** – The Company acquired this property in 2019 through the acquisition of Ashanti Gold Corp. (“Ashanti”). The Farikounda Permit in Mali was renewed in November 2019 for three years with the option to renew for two additional 2-year terms. The Company is required to incur minimum exploration expenditures of $158,000, $419,000, and $347,000 during the first, second, and third years respectively.

When the Company acquired the Farikounda Permit through the acquisition of Ashanti, the Farikounda Permit was held by a Malian subsidiary Ashanti Gold Mali S.A.R.L ("Ashanti Mali") whereby a minority shareholder had a 5% interest. During the year ended December 31, 2020, the Company paid $80,000 to acquire this remaining 5% interest in Ashanti Mali from the minority shareholder.

As at the nine months ended September 30, 2024, and the date of this report, the renewal of the Farikounda Permit is in progress.

iii) **MMC Option** - During the year ended December 31, 2019, the Company entered into an option agreement with MMC to acquire a 100% interest in certain properties (the “Keniebandi-Est Permit” and “Kousilli West Permit”). The Company will earn a 100% interest in these two permits satisfying the following headline terms:

1. Payment of CAD $500,000, of which CAD $250,000 was paid in July 2019 to earn an initial 55% interest with the balance of CAD $250,000 to be paid over a three year period (fully paid during 2020 – 2022). The Company is also required to issue 1,000,000 common shares to MMC in four equal instalments between 2019 to 2023. The Company issued 250,000 common shares with a fair value of $35,974 to fulfil the first instalment.

    a. On May 5, 2020, the Company issued 250,000 common shares with fair value of $17,816 and paid $74,550 (CAD$100,000) to MMC to fulfil the annual obligation for fiscal 2020.
    b. The Company issued 250,000 common shares with fair value of $31,910 (CAD$40,000) and paid $61,319 (CAD$75,000) to MMC in May 2021 to fulfil the annual obligation for fiscal 2021.
    c. On May 4, 2022, the Company issued 250,000 common shares with fair value of $19,113 and paid $58,995 (CAD$75,000) to MMC to fulfil the annual obligation for fiscal 2022.

2. Incur exploration expenditures of CAD $350,000 over a three-year period.

The underlying exploration permit of this property was renewed in 2019 for three years with the option to renew for two additional 2-year terms. The permit holder is required to incur minimum exploration expenditures of $125,000, $416,000, and $423,000 during the first, second, and third years respectively. MMC shall retain a 2% NSR on all ore mined from the properties.

The Company is responsible for maintaining the permit in good standing and performing any and all obligations required.

As at the nine months ended September 30, 2024, and the date of this report, the Company is awaiting approval for renewal of the Keniebandi-Est Permit and Kousilli West Permit.

iv) **Altus Permits** - In August 2019 the Company entered into an agreement with Altus Strategies PLC (“Altus”) to acquire a 100% interest in Altus’ Sebessounkoto Sud and Djelimangara projects (collectively the Altus Permits”). Terms of the agreement are as follows:

4. EXPLORATION AND EVALUATION PROPERTIES (Continued)

iv) **Altus Permits** - In August 2019 the Company entered into an agreement with Altus Strategies PLC ("Altus") to acquire a 100% interest in Altus' Sebessounkoto Sud and Djelimangara projects (collectively the Altus Permits"). Terms of the agreement are as follows:

Part 1: Consideration
Upon signing of the agreement, the Company will:

- Within 5 business days make a cash payment of $50,000 to Altus (paid in October 2019); and
- Within 14 business days and subject to any regulatory approval as may be required, issue 3,000,000 common shares to Altus (issued in October 2019).

Part 2: Milestone payments
Upon the reception of a NI 43-101 compliant independent resource over the Project, which exceeds 500,000 ounces of gold, the Company will (in respect of the first 500,000 ounces only):

- Within 5 business days make a cash payment of $100,000 to Altus; and
- Within 14 business days and subject to any regulatory or shareholder approvals as may be required, issue 2,000,000 common shares to Altus.

Upon the reception of a NI 43-101 compliant independent resource over the Project which exceeds 1,000,000 ounces of gold, then the Company will (in respect of the second 500,000 ounces only):

- Within 5 business days make a cash payment of $100,000 to Altus; and
- Within 14 business days and subject to any regulatory or shareholder approvals as may be required, issue 3,000,000 shares to Altus.

Part 3: Project Royalties
Altus will retain a 2.5% NSR ("Altus NSR") royalty on the Project.

The Company will have the right to purchase up to 1.5% of the Altus NSR. The amount payable by the Company to Altus will be calculated by reference to the NI 43-101 gold reserve figure reported in an independent definitive feasibility study on the Project as follows:

- $6,000,000 if the reserve is greater than 1,000,000 ounces;
- $3,000,000 if the reserve is less than 1,000,000 ounces but greater than 500,000 ounces;
- $1,000,000 if the reserve is less than 500,000 ounces but greater than 250,000 ounces;
- Furthermore, the Company will have a 60-day right of first refusal to acquire such portion of the balance of the Altus NSR that Altus may, from time to time, wish to sell.

Altus will provide the Company a 10-day written notice of any intention to sell any of its shares of the Company. During that 10-day period, the Company will have the right to find a third party to acquire such shares of the Company directly from Altus.

The Sebessounkoto Sud project is comprised of an exploration permit renewed in July 2018 for three years with the option to renew for two additional 2-year terms. The Company is required to incur minimum exploration expenditures of $108,000, $383,000 and $607,000 during the first, second, and third years respectively. On October 11, 2022, the Company received a renewed Sebessounkoto Sud Permit which has a term of three years with the option to renew for one additional 3-year term. The Company is required to incur minimum exploration expenditures of $220,000, $220,000 and $307,100 during the first, second, and third years respectively.

The Djelimangara project is comprised of an exploration permit renewed in October 2019 for two years without a renewable option, which expired in 2021. A new permit (the "Kamana Permit") was granted on October 21, 2022 in approximately the same area. The Kamana Permit has a term of three years with the option to renew for two additional 3-year term. The Company is required to incur minimum exploration expenditures of $166,500, $370,600 and $531,800 during the first, second, and third years respectively.

4. EXPLORATION AND EVALUATION PROPERTIES (Continued)

v) **SUD Option** - In September 2019, the Company entered into an option agreement with SUD Mining SARL ("SUD") to secure the right to acquire a 95% interest in the Linguekoto property (the "Linguekoto Project").

Terms of this option agreement are as follow:

- The Company will pay SUD $150,000, of which $50,000 was paid upon closing of the transaction in October 2019 with the balance of $100,000 to be paid over a three-year period (completed);
    - During the year ended December 31, 2020, the Company paid $40,000 to fulfil the annual instalment obligation;
    - During the year ended December 31, 2021, the Company paid $30,000 to fulfil the obligation for 2021.
    - During the year ended December 31, 2022, the Company paid $30,000 to fulfil the obligation for 2022.
- Incur exploration expenditures of $120,000 over a three-year period.

During the three-year option period, the Company is responsible for maintaining the permit in good standing and performing any and all obligations required by law. In the event that, within 60 months from the transaction date, 100,000 oz gold, NI 43-101 compliant reserves are discovered at Linguekoto, the Company will issue 250,000 common shares to SUD. The Company will issue an additional 250,000 common shares for every additional 100,000 ounces of gold, NI compliant 43-101 reserves declared at Linguekoto, up to a maximum aggregate amount of 1,250,000 shares.

The underlying exploration permit of the SUD option was renewed in September 2019 for three years with the option to renew for two additional 2-year terms. The permit holder is required to incur minimum exploration expenditures of $112,000, $229,000 and $241,000 during the first, second, and third years respectively. SUD will retain a 5% carried interest, in the concession, before any interest retained by the government of Mali.

As at the nine months ended September 30, 2024, and the date of this report, the Company is awaiting final approval for renewal of the permit for the Linguekoto Project.

vi) **Harmattan Option** - During the year ended December 31, 2020, the Company entered into an option agreement with Harmattan Consulting SARL ("Harmattan") to acquire a 95% interest in the rights of a research permit (the "Sola West Permit") of the Sola West Concession.

Terms of the option agreement are as follows:

- Cash payment of $20,548 (12 million Mali CFA) to Harmattan for the option fees and taxes in connection with the mineral interests (paid);
- Issuance of 100,000 common shares of the Company to Harmattan (issued in March 2021 with a market value of $11,169).

At the completion of the above payments, the Company would have acquired:

- the rights to carry out operations on the Sola West Permit;
- the exclusive option to acquire a 95% interest in the Permit after payments of the following:

    - $33,183 (18 million Mali CFA) within 5 days at the publication of the Sola West Licensing Order (paid in February 2021);
    - $82,957 (45 million Mali CFA) that was paid in June 2021, and 100,000 common shares of the Company issued in March 2021 with a market value of $11,169;
    - $54,846 (33 million Mali CFA) that was paid on June 7, 2022, and 50,000 common shares were issued on June 1, 2022 with a market value of $4,326.

(Unaudited - Expressed in US dollars)

4. EXPLORATION AND EVALUATION PROPERTIES (Continued)

vi) **Harmattan Option** (continued)

The underlying exploration permit of the Harmattan Option was renewed in December 2020 for three years with the option to renew for two additional 2-year terms. The permit holder is required to incur minimum exploration expenditures of $126,000, $287,000 and $160,000 during the first, second, and third years respectively.

After the Sola West Permit is transferred to the Company, the Company will pay $56,507 (33 million Mali CFA) within ten days after the transfer and issue 50,000 common shares of the Company to Harmattan.

Within 10 days after the Company informs Harmattan of the production decision of the Sola West Permit, the Company will pay:

- $250,000 in the event of mining operation based on a feasibility study that indicates proven and probable reserves of a maximum 500,000 oz of gold;
- $1 per ounce for the exploitation of a deposit based on a feasibility study that indicates proven and probable reserves between 500,000 to 1,000,000 oz of gold.

In addition of the above, the Company will grant a 2% NSR in connection with the Sola West Permit. The Company has the right at any time to purchase 1% of the NSR for $1,000,000.

As at September 30, 2024, and the date of this report, the renewal of Sola West Permit is in the progress.

vii) **Kolomba Permit** - In September 2021, the Company was granted the Kolomba Exploration Permit with an initial three-year term from the date of issuance (November 1, 2021). The Company has the right to renew this permit for two additional two-year periods. The permit holder is required to incur minimum exploration expenditures of $158,000, $395,000 and $485,000 during the first, second, and third years respectively.

SUMMARY OF EXPLORATION EXPENDITURS

During the nine months ended September 30, 2024, and 2023, exploration expenditures incurred for the Company's SMSZ project are as follow:

Nine months ended September 30,	2024	2023
	$	$
Permit renewal and maintenance	65,000	33,743
Drilling	653,330	28,895
Geo-analysis	91,260	29,007
Camp supplies, exploration, office, and travel	261,321	46,554
Salaries	201,653	114,789
Total	1,272,564	252,988

5. MARKETABLE SECURITIES

As at December 31, 2022, the Company held 1,890,892 shares of Indigo with a fair value of $55,845. The Company recorded a loss for change in fair value of $36,323 and a foreign exchange loss of $4,773 included in other comprehensive loss.

During the nine months ended September 30, 2023, the Company disposed all of the 1,890,892 shares of Indigo for $69,108 and recorded a gain of $13,263. As at September 30, 2024, and December 31, 2023, the Company did not hold shares of Indigo.

(Unaudited - Expressed in US dollars)

6. SHARE CAPITAL

(a) Share capital

Authorized share capital

Unlimited number of common shares without par value; and 1,250,000 preferred shares issuable in series with rights and restrictions to be determined by the directors prior to any issuances.

Issued share capital

2024
On March 12, 2024, the Company issued 15,993,143 security units through a non-brokered private placement at a price of CAD $0.07 per unit. Each unit consists of one common share and one share purchase warrant that is exercisable into one common share at CAD $0.08 per share for a period of three (3) years from issuance. The Company received gross proceeds of $830,123 (CAD$1,119,520) and $5,930 (CAD$7,997) of issuance cost incurred.

On May 24, 2024, the Company issued 13,456,000 security units through a non-brokered private placement at a price of CAD $0.07 per unit. Each unit consists of one common share and one share purchase warrant that is exercisable into one common share at CAD $0.08 per share for a period of three (3) years from issuance. The Company received gross proceeds of $686,442 (CAD$941,920) and $Nil of issuance cost incurred

The Company adopted residual method and allocated $Nil for the issuance of warrants.

.2023
There were no shares issuance or cancellation during the year ended December 31, 2023.

(b) Stock options

2024

Stock option continuity is as follows:

	Number	Weighted average exercise price
Balance, December 31, 2022	9,445,000	CAD$ 0.15
Expired	(645,000)	0.25
Issuance	3,475,000	0.07
Balance, December 31, 2023	12,275,000	CAD$ 0.12
Expired	(1,125,000)	0.19
Issuance	3,225,000	0.08
Balance, September 30, 2024	14,375,000	CAD$ 0.11

On June 28, 2024, the Company granted 3,225,000 stock options to directors, officers, and consultants. Each stock option is exercisable into one common share of the Company at CAD$0.08 per share for a period of 5 years after issuance.

2023
During the year ended December 31, 2023 the Company granted 3,475,000 incentive stock options to consultants, directors, and officers at exercise prices of CAD$0.07 per share and have an expiry date five years from the date of grant. All options were fully vested at the grant date.

(Unaudited - Expressed in US dollars)

6. SHARE CAPITAL (Continued)

(b) Stock options (continued)

Stock options outstanding and exercisable as of September 30, 2024 are summarized as follows:

Exercise price (CAD$)	Number of outstanding	Expiry date	Number of options exercisable
0.16	2,925,000	04-Oct-24	2,925,000
0.10	2,900,000	13-May-25	2,900,000
0.20	250,000	29-May-25	250,000
0.15	1,600,000	22-Jan-26	1,600,000
0.07	2,875,000	20-Mar-28	2,875,000
0.07	600,000	15-Jun-28	600,000
0.08	3,225,000	28-Jun-29	3,225,000
	14,375,000		14,375,000

As at September 30, 2024, the Company's options have a weighted average exercise price of CAD$0.11 per share (2023 – CAD$0.12), and remaining life of 2.20 years (2023 – 2.02years).

During the nine months ended September 30, 2024, the Company incurred $123,309 in share-based compensation (2023- $104,304). The fair value of options has been estimated by using the Black-Scholes option pricing model with the application of the following assumptions:

	2024	2023
Risk-free interest rate	3.51%	2.97-3.76%
Expected life of options	5 years	5 years
Annualized volatility	130%	105-113%
Dividend rate	0.00%	0.00%

(c) Warrants

On September 30, 2024, the weighted average remaining life of the Company's outstanding warrants was 1.66 Years (2023 – 1.23 years).

Continuity is as follows:

	Number	Weighted average exercise price
Balance, December 31, 2022	76,093,689	CAD$ 0.17
Expired	(7,964,937)	0.15
Expired	(4,316,668)	0.20
Expired	(12,195,428)	0.40
Balance, December 31, 2023	51,616,656	CAD$ 0.12
Issuance (Note 6(a))	29,449,143	0.08
Expired	(11,742,334)	0.18
Balance, September 30, 2024	69,323,465	CAD$ 0.10

(Unaudited - Expressed in US dollars)

6. SHARE CAPITAL (Continued)

(c) Warrants (continued)

Warrants outstanding as at September 30, 2024 are summarized as follows:

Exercise price (CAD$)	Number of outstanding	Expiry date
0.25	5,995,348	16-Dec-24
0.25	195,790	16-Dec-24
0.08	441,000	21-Dec-25
0.08	33,242,184	28-Dec-25
0.08	15,993,143	15-Mar-27
0.08	13,456,000	24-May-27
	69,323,465	

As at September 30, 2024, the Company received $147,059 (CAD$200,000) to exercising 2,500,000 warrants at CAD$0.08 per share (Note 9),

7. RELATED PARTY TRANSACTIONS

a) Transactions with key management personnel and companies related to key management are as follows:

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers.

Nine months ended September 30.	**2024**	**2023**
	$	**$**
Consulting fees	186,329	194,779
Rent	13,235	13,356
Satellite data analysis (i)	-	27,069
Share-based compensation	135,250	104,304

(i) The satellite data analysis was performed by a company of which one director is the CEO.

In addition to the above, through the private placements completed during the nine months ended September 30, 2024, (Note 6(a), two entities which are related to a director of the Company subscribed totaling 2,857,142 units for CAD$200,000.

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The Company's accounts payable and accrued liabilities (Note 3) included the following balances owing to related parties.

Due to Related parties	**Nature**	**September 30, 2024**	**December 31, 2023**
		$	**$**
Chief executive officer	Consulting fees	10,000	-
Chief financial officer	Consulting fees	2,222	2,306
Directors	Consulting fees	10,315	1,015
		22,537	3,321

(Unaudited - Expressed in US dollars)

8. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial instruments included in the statements of financial position are as follows:

		September 30, 2024	December 31, 2023
		$	$
Cash	Amortized cost	539,268	279,575
Accounts payable and accrued liabilities	Amortized cost	(423,737)	(124,114)

Fair value

The fair value hierarchy established by IFRS 13 Fair Value Measurement has three levels to classify the inputs to valuation techniques used to measure fair value described as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

At the respective reporting dates, all of the Company's financial instruments had maturities less than one year. As a result, the carrying amount of accounts payable and accrued liabilities approximated their fair values due to their short-term maturities.

Risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure as far as possible that it will always have sufficient cash on demand to meet its liabilities when they fall due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company is subject to liquidity risk.

Interest rate risk
As at September 30, 2024, the Company did not have any significant exposure to the risk of changes in market interest rates as the Company did not have any financial instruments that are exposed to changes in interest rates.

Foreign currency risk
Foreign currency risk arises from holdings of financial assets and liabilities in currencies other than the function currency to which they relate. The Company and its subsidiaries have minimal such holdings, consequently foreign currency risk is considered low.

8. FINANCIAL INSTRUMENTS (Continued)

Risk management (Continued)

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 contractual obligations and arises principally from the Company's receivables from optionees and investment securities.

The potential concentration of credit risk consists mainly of cash and other receivables. The Company limits its counterparty exposures from its cash by only dealing with well-established financial institutions of a high-quality credit standing. Receivables comprise mainly subscription receivable, receivable from optionee, and GST receivable from the government. The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the statement of financial position.

At the reporting date most of the Company's cash resources were deposited with reputable established financial institutions. As a result, management believes the Company is not exposed to significant credit risk due to the creditworthiness of these counterparties.

9. SUBSEQUENT EVENTS

<u>Warrant exercise</u>
In November 2024, the Company closed a warrant exercise incentive program (the "Program") that was intended to encourage the exercise of up to 28,438,688 unlisted common share purchase warrants of the Company (the "Eligible Warrants") which were issued as part of the Company's private placement which closed on December 21, 2022. Each Eligible Warrant is exercisable for one common share of the Company (each a "Common Share") at a price of CAD$0.08 per Common Share.

Pursuant to the Program, the holders 15,728,571 Eligible Warrants were exercised into 15,728,571 common shares of the Company for proceeds of CAD $1,258,286. The Company will use the proceeds for general working capital purposes.

Participating holders were also issued 15,728,571 additional common share purchase warrant (an "Incentive Warrant"). Each Incentive Warrant entitles the holder to purchase one additional common share for a period of three (3) years from the date of issuance. Each Incentive Warrant is exercisable at $0.08, subject to the right of the Company to accelerate expiry upon 30 days' notice if the shares of the Corporation trade on the TSX Venture Exchange at or above CAD$0.20 for a period of ten (10) consecutive trading days.

The Incentive Warrants and any Common Shares issuable on the exercise thereof are subject to a four-month hold period from the date of issuance.

The Program is subject to final approval from the TSX Venture Exchange. The number of Eligible Warrants exercised in the Program by insiders of the Company was 5.02% of the total Eligible Warrants.

<u>Option expiry</u>
2,925,000 stock options with exercise price CAD$0.16 per share expired in October 2024.