QUEBEC PRECIOUS METALS CORPORATION

(An exploration company)

Financial Statements

Years ended
January 31, 2024 and 2023

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(An exploration company)
Financial Statements
Years ended January 31, 2024 and 2023

KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Quebec Precious Metals Corporation

Opinion

We have audited the financial statements of Quebec Precious Metals Corporation (the "Entity"), which comprise:

- the statements of financial position as at January 31, 2024 and January 31, 2023;
- the statements of loss and comprehensive loss for the years then ended;
- the statements of changes in equity for the years then ended;
- the statements of cash flows for the years then ended;
- and notes to the financial statements, including a summary of material accounting policy information

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at January 31, 2024 and January 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 Financial Statements*"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and 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 1 in the financial statements, which indicates that the Entity is still in the exploration stage and, as such, no revenue has been yet generated and it has negative cash flows from its operating activities. Accordingly, the Entity depends on its ability to raise financing in order to discharge its commitments and liabilities in the normal course of operations.

As stated in Note 1 in the financial statements, these events or conditions, along with other matters as set forth in Note 1 in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Entity's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended January 31, 2024. These matters were addressed in the context of our audit of the 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 of the auditor’s report, we have determined that there are no other key audit matters to communicate in our auditor’s report.

Other Information

Management is responsible for the other information. Other information comprises the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the 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 risk 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the 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 auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this auditor's report is Marc-André Fontaine.

KPMG LLP*

Montréal, Canada

May 22, 2024

*CPA auditor, public accountancy permit No. A131804

QUEBEC PRECIOUS METALS CORPORATION

(An exploration company)

Statements of Financial Position

As at January 31, 2024 and 2023

(in Canadian dollars)

	Note	January 31 2024	January 31 2023
		$	$
Assets			
Current assets:			
Cash		22,883	262,706
Investments	5	250,000	-
Marketable securities	6	514,496	1,151,913
Other receivables		6,040	2,245
Taxes receivable		83,730	30,324
Prepaid expenses		48,643	61,563
Tax credits related to resources receivable		45,679	561,498
Mining tax credits receivable		6,428	221,342
Total current assets		977,899	2,291,591
Non-current assets:			
Property and equipment	7	1,835	1,127
Total non-current assets		1,835	1,127
Total assets		979,734	2,292,718
Liabilities and Equity			
Current liabilities:			
Trade accounts payable and other liabilities		188,101	72,037
Loan	8	-	40,000
Other liabilities related to flow-through financings		144,266	-
Total current liabilities		332,367	112,037
Equity:			
Share capital	10	51,469,729	50,543,316
Contributed surplus		5,251,809	5,055,487
Deficit		(56,074,171)	(53,418,122)
Total equity		647,367	2,180,681
Total liabilities and equity		979,734	2,292,718

Statute of incorporation, nature of activities and going concern (Note 1).

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorized for issue by the Board of Directors on May 22, 2024.

(S) Geneviève Ayotte	(S) James Shannon
Director	Director

QUEBEC PRECIOUS METALS CORPORATION

(An exploration company)

Statement of Loss and Comprehensive Loss

Years ended January 31, 2024 and 2023

(in Canadian dollars)

	Note	January 31 2024	January 31 2023
		$	$
Operating expenses:			
Salaries and employee benefit expense		305,137	374,431
Office and other expenses		145,277	232,532
Business development and investor relations		257,558	175,278
Registration, listing fees and shareholders information		76,820	85,306
Professional and consulting fees		305,801	406,820
Depreciation of property and equipment		1,661	1,483
Share-based compensation	11	196,322	47,574
Write-off of equipment		-	2,640
Part XII.6 tax		-	452
Exploration and evaluation expenses	12	1,074,794	877,048
Operating loss		2,363,370	2,203,564
Other expenses (income):			
Finance expense		-	212,606
Interest income		(12,812)	(20,805)
Change in fair value of marketable securities	6	637,417	(534,547)
Gain on disposal of mining projects	12	-	(580,000)
Transaction termination fee from disposal of mining project	12	-	(1,000,000)
Gain on settlement/adjustment of other liabilities		(11,938)	(15,223)
Exchange loss (gain)		616	(88)
Total net other expenses (income)		613,283	(1,938,057)
Loss before income tax		(2,976,653)	(265,507)
Income tax recovery	13	320,604	-
Net loss and comprehensive loss		(2,656,049)	(265,507)
Weighted average number of common shares outstanding		89,355,038	82,552,550
Basic and diluted loss per share:		(0.030)	(0.003)

The accompanying notes are an integral part of these financial statements.

QUEBEC PRECIOUS METALS CORPORATION

(An exploration company)

Statement of Changes in Equity

Years ended January 31, 2024 and 2023

(in Canadian dollars)

	Note	Number of shares outstanding	Share capital	Contributed surplus	Deficit	Total equity
			$	$	$	$
Balance as at January 31, 2023		82,994,787	50,543,316	5,055,487	(53,418,122)	2,180,681
Shares issued:						
Private placements	10	4,439,706	377,375			377,375
Flow-through private placements	10	6,427,167	536,330			536,330
Payment of director's fees	10	830,475	66,032			66,032
Share issuance costs	10		(53,324)			(53,324)
Share options granted	11			95,538		95,538
Deferred share units granted	11			100,784		100,784
		94,692,135	51,469,729	5,251,809	(53,418,122)	3,303,416
Net loss and comprehensive loss for the year					(2,656,049)	(2,656,049)
Balance as at January 31, 2024		94,692,135	51,469,729	5,251,809	(56,074,171)	647,367
Balance as at January 31, 2022		82,458,877	50,501,034	5,007,913	(53,152,615)	2,356,332
Shares issued:						
Payment of director's fees	11	535,910	42,282			42,282
Share options granted	11			32,306		32,306
Deferred share units granted	11			15,268		15,268
		82,994,787	50,543,316	5,055,487	(53,152,615)	2,446,188
Net loss and comprehensive loss for the year					(265,507)	(265,507)
Balance as at January 31, 2023		82,994,787	50,543,316	5,055,487	(53,418,122)	2,180,681

The accompanying notes are an integral part of these financial statements.

QUEBEC PRECIOUS METALS CORPORATION

(An exploration company)

Statement of Cash Flows

Years ended January 31, 2024 and 2023

(in Canadian dollars)

	January 31 2024	January 31 2023
	$	$
Operating activities:		
Net loss	(2,656,049)	(265,507)
Adjustments for:		
Income tax recovery	(320,604)	-
Director's fees paid through issuance of shares	66,032	42,282
Write-off of equipment	-	2,640
Gain on settlement/adjustment of other liabilities	(11,938)	(15,223)
Depreciation of property and equipment	1,661	1,483
Share-based compensation	196,322	47,574
Finance expense	-	4,801
Change in fair value of marketable securities	637,417	(534,547)
Gain on disposal of mining projects	-	(580,000)
Transaction termination fee from disposal of mining project	-	(1,000,000)
Operating activities before changes in working capital items	(2,087,159)	(2,296,497)
Change in other receivables	(3,795)	(2,245)
Change in taxes receivable	(53,406)	252,797
Change in prepaid expenses	12,920	89,251
Change in deposits related to exploration and evaluation activities	-	4,000
Change in tax credits related to resources receivable	515,819	627,319
Change in mining tax credits receivable	214,914	(59,847)
Change in trade accounts payable and accrued liabilities	128,002	(1,030,861)
Change in working capital items	814,454	(119,586)
Cash flows used for operating activities	(1,272,705)	(2,416,083)
Financing activities:		
Proceeds from private placement	377,375	-
Proceeds from flow-through placements	1,001,200	-
Repayment of the loan	(40,000)	-
Share issuance costs	(53,324)	-
Cash flows from financing activities	1,285,251	-
Investing activities:		
Acquisition of equipment	(2,369)	-
Acquisition of investments	(250,000)	-
Payment received on disposal of mining projects	-	100,000
Payment received from a transaction termination fee from disposal of mining project	-	1,000,000
Cash flows from investing activities	(252,369)	1,100,000
Net change in cash	(239,823)	(1,316,083)
Cash, beginning of year	262,706	1,578,789
Cash, end of year	22,883	262,706

Additional disclosures of cash flow information (Note 15).

The accompanying notes are an integral part of these financial statements.

1. Statute of incorporation, nature of activities and going concern:

Quebec Precious Metals Corporation (or “the Company”), incorporated under the Canada Business Corporations Act, is a mineral exploration company operating in Canada. Its shares are traded on the TSX.V Stock Exchange under the symbol QPM, on the American Stock Exchange OTCQB Market under the symbol CJCFF and on the Frankfurt exchange under the symbol YXEN. The address of the Company’s head office and registered office is 1080, Côte du Beaver Hall, Suite 2101, Montréal, Québec, H2Z 1S8 and its web site is www.qpmcorp.ca.

The Company has not yet determined whether its mining projects have mineral reserves. The exploration and development of mineral deposits involves significant financial risks. The success of the Company will be influenced by a number of factors, including exploration and extraction risks, regulatory issues, environmental regulations and other regulations.

Although management has taken steps to verify titles of the mining projects in which the Company holds an interest, in accordance with industry standards for the current stage of exploration of such projects, these procedures do not guarantee the Company’s project title. Project title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

The financial statements have been prepared by the Company on a going concern basis, assuming that the Company will be able to realize its assets and settle its liabilities in the normal course of business as they come due.

For the year ended January 31, 2024, the Company recorded a net loss of $2,656,049 ($265,507 for the year ended January 31, 2023) and had negative cash flows from operations of $1,272,705 ($2,416,083 for the year ended January 31, 2023). In addition, the Company had accumulated deficit of $56,074,171 as at January 31, 2024. Besides the usual needs for working capital, the Company must obtain funds to enable it to meet the timelines of its exploration programs and to pay its overhead and administrative costs. As at January 31, 2024, the Company had a working capital (total current assets less total current liabilities) of $645,532 (a working capital of $2,179,554 as at January 31, 2023) including cash of $22,883 ($262,706 in cash as at January 31, 2023). Management estimates that the working capital as at January 31, 2024 will not be sufficient to meet the Company's needs during the coming year. The Company is still in exploration stage and, as such, no revenue nor cash flow has been yet generated from its operating activities other than from the sales of non-core assets. Consequently, management periodically seeks financing through the issuance of shares, the exercise of warrants and share purchase options to continue its operations, and despite the fact that it has been able in the past, there is no guarantee of success for the future. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The accompanying financial statements do not reflect the adjustments or reclassification of assets and liabilities, that would be necessary if the going concern assumption is not appropriate. These adjustments could be material.

2. Basis of preparation:

2.1 Statement of compliance:

These annual financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The accounting policies applied in these financial statements are based on IFRS issued and in effect as at year end.

2.2 Basis of measurement:

The financial statements have been prepared on the historical cost basis except for:

- marketable securities which are measured at fair value; and
- share-based compensation transactions, which are measured at fair value at grant date pursuant to IFRS 2, Share-Based payment.

2.3 Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Company’s functional currency.

2. Basis of preparation (continued):

2.4 Use of estimates and judgements:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting year. Significant areas requiring the use of management estimates relate to the variables used in the determination of the fair value of share purchase options granted. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

The key areas of judgment applied in the preparation of the financial statements that could result in a material adjustment to the going concern.

- *Going concern*

  The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 1 for more information.

3. Changes in accounting policy:

3.1 Adoption of new accounting standard:

The following new standard has been applied in preparing the annual consolidated financial statements as at January 31, 2024.

(i) *IAS 1 Accounting Policies (Amendment):*

The company adopted Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement) from January 1, 2023. Although the amendment did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

- The amendments require the disclosure of "material" rather than "significant", accounting policies. The amendment also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities, to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.
- Management reviewed the accounting policies and made updates to the information disclosed in Note 4 Material accounting policies in certain instances in line with the amendments.

The amendments are effective for annual periods beginning on or after January 1, 2023 and are required to be applied prospectively. Earlier application is permitted. The adoption of this new amendments did not have significant impact on the Company's financial statements.

4. Material accounting policies:

The financial statements have been prepared using accounting policies set out by IFRS effective at the end of the year for submission of financial information. The material accounting policies used in preparing these financial statements are summarized below.

4.1 Share-based compensation:

The Company accounts for share-based compensation over the vesting period of the share options. Share purchase options granted to employees, directors and consultants, and the cost of services received are evaluated and recognized on fair value basis using the Black-Scholes option pricing model.

For transactions with parties other than employees, the Company measures the goods or services received and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received, it measures their fair value and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

4. Material accounting policies (continued):

4.1 Share-based compensation (continued):

Share-based payments (except brokers and intermediaries' options) are ultimately recognized as an expense in the statement of loss and comprehensive loss with a corresponding credit to contributed surplus, in equity. Share-based payments to brokers and intermediaries, in respect of an equity financing are recognized as issuance cost of the equity instruments with a corresponding credit to contributed surplus, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-Market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if the number of share options ultimately exercised is different from that estimated on vesting.

4.2 Share capital and warrants:

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. If shares are issued when options and warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus for the options and warrants for the warrants.

The Company uses the residual value method with respect to the measurement of common shares and share purchase warrants issued as placement units. The proceeds from the issue of units is allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value on the date of announcement of the placement and the balance, if any, is allocated to the attached warrants.

In addition, if the shares are issued in an acquisition of a project, shares are measured at fair value based on stock price on the day of the conclusion of the agreement.

4.3 Flow-through shares:

The Federal and Provincial tax legislation permits an entity to issue securities to investors whereby the deductions for tax purposes relating to resource expenses may be claimed by the investors and not by the entity. These securities are referred to as flow-through shares. The Company finances a portion of its exploration programs with flow-through shares.

At the time of the issuance of flow-through shares, the Company allocates the proceeds between share capital and an obligation to deliver the tax deductions, which is recorded as a liability related to flow-through shares. The Company estimates the fair value of the liabilities related to flow-through shares using the residual method, deducting the quoted price of the common shares from the price of the flow-through shares at the date of the financing.

The liability related to flow through shares recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

4.4 Deferred share unit:

The Deferred Share Unit Plan ("DSU Plan") provides for the payment of directors, officers, employees and consultants ("beneficiaries") compensation with deferred share units ("DSUs"). Each DSU is a right granted by the Company to an eligible beneficiary to receive an equivalent to the value of one common share on termination of service. DSU compensation are ultimately recognized as an expense in the consolidated statements of comprehensive income (loss) as deferred share unit expense. The DSUs can be settled either in cash or equity upon vesting at the discretion of the Company. The Company intends to settle all DSUs in equity. The number of DSUs to be granted under the DSU Plan is determined by dividing the beneficiaries' compensation by the volume-weighted average price of the Common Shares on the Exchange for the five trading days immediately preceding the last business day of the fiscal quarter. The Company recognizes compensation expenses related to the granting of DSU's at fair value.

4.5 Exploration and evaluation expenses:

Exploration and evaluation expenses are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation expenses and costs incurred before the legal right to undertake exploration and evaluation activities are recognized in the statement of loss and comprehensive loss when they are incurred.

4. Material accounting policies (continued):

4.6 Disposal of interest in connection with option agreement:

On the disposal of interest in connection with the option agreement, the Company does not recognize expenses related to the exploration and evaluation performed on the project by the acquirer. However, other non-refundable consideration received directly from the acquirer is recognized as proceeds relating to the grant of options on mining projects in the statement of loss and comprehensive loss when the ownership of the rights are transferred to the acquirer.

4.7 Basic and diluted loss per share:

The basic loss per share is calculated using the weighted average number of shares outstanding during the year. The diluted loss per share, which is calculated with the treasury method, is equal to the basic loss per share due to the antidilutive effect of share purchase options and warrants.

4.8 Tax credits receivable:

The Company is eligible for a refundable credit on mining duties under the Québec Mining Duties Act. This refundable credit on mining duties is equal to 16% applicable on 50% of the eligible expenses. The accounting treatment for refundable credits on mining duties depends on management's intention to either go into production in the future or to sell its mining properties to another mining producer once the technical feasibility and the economic viability of the properties have been demonstrated. This assessment is made at the level of each mining property.

In the first case, the credit on mining duties is recorded as an income tax recovery under IAS 12, *Income Taxes* , which generates a deferred tax liability and deferred tax expense since the exploration and evaluation assets have no tax basis following the Company's election to claim the refundable credit.

In the second case, it is expected that no mining duties will be paid in the future and, accordingly, the credit on mining duties is recorded against exploration and evaluation expenses.

Management's current intention is to sell the mining properties in the future, and, therefore, the credit on mining duties is recorded as a government grant against exploration and evaluation expenses.

The Company is also eligible for a refundable tax credit related to resources for mining industry companies in relation to eligible expenses incurred. The refundable tax credit related to resources can represent up to 38.75% for eligible expenses incurred thereafter, and is recorded as a government grant against exploration and evaluation expenses.

The credits related to resources and credits for mining duties recognized against exploration and evaluation expenses are recorded when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the applicable tax credits laws and regulations.

4.9 Financial instruments:

(a) Recognition and derecognition:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to cash flows from a financial asset expire, or when a financial asset and substantially all risks and rewards are transferred. A financial liability is derecognized in the event of termination, extinction, cancellation or expiration.

The classification of financial instruments under IFRS 9 is based on the entity's business model and the characteristics of the contractual cash flows of the financial asset or liability.

(b) Classification and initial valuation of financial assets:

Financial assets and financial liabilities are classified into one of the following categories:

Category	Financial instrument
Financial assets at amortized cost	• Cash • Investments • Other receivables

4. Material accounting policies (continued):

4.9 Financial instruments (continued):

(b) Classification and initial valuation of financial assets (continued):

Category	Financial instrument
Financial assets at fair value through profit or los	• Marketable securities
Financial liabilities at amortized cost	• Trade accounts payable and other liabilities • Loan

(c) Subsequent valuation of financial assets:

i) Financial assets at amortized cost:

Financial assets are measured at amortized cost if they meet the following conditions:

- They are held according to an economic model whose objective is to hold financial assets in order to collect the contractual cash flows;
- The contractual terms of the financial assets give rise to cash flows that correspond solely to repayments of principal and interest payments on the principal outstanding.

After initial recognition, they are measured at amortized cost using the effective interest rate method. The update is omitted if its effect is not significant. Cash, investments and other receivables fall into this category of financial instruments.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets that are held in a different economic model than “holding for the purpose of collection” or “holding for the purpose of collection and sale” are classified in the FVTPL category.

Assets in this category are measured at fair value and gains or losses are recognized in net income. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where financial assets and financial liabilities measured at fair value though profit or loss have a quoted price in an active market at the reporting date, the fair value is based on this price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a stock exchange and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

Securities traded on stock exchanges are stated at market price based on the closing price on the relevant valuation day.

The marketable securities fall into this category of financial assets.

4.10 Classification and measurement of financial liabilities:

The Company's financial liabilities include trade accounts payable and other liabilities and loan.

Financial liabilities are measured at amortized cost using the effective interest method.

Interest expense and, as the case may be, changes in the fair value of an instrument recognized in profit or loss are presented in financial expenses or interests income.

4.11 Income taxes:

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted at the date of the statement of financial position.

(in Canadian dollars)

4. Material accounting policies (continued):

4.11 Income taxes (continued):

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in the statement of loss and comprehensive loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

4.12 Segmented information:

The Company's operations consist of a single operating segment being the sector of exploration and evaluation of mineral resources and all operations are located in Canada.

4.13 New standards and interpretations that are not yet effective and have not been adopted:

At the date of authorization of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

5. Investments:

	January 31 2024	January 31 2023
	$	$
Guaranteed Investment Certificate ("GIC") expiring on March 19, 2024 at a rate of 5.12% (1)	250,000	-
	250,000	-

(1) This instrument is not cashable before the expiring date which is March 19, 2024.

(in Canadian dollars)

6. Marketable securities:

	Number of shares				Carrying value				
	January 31 2023	Acquisition	Disposition	January 31 2024	January 31 2023	Acquisition	Disposition	Change in fair value	January 31 2024
					$	$	$	$	$
Shares									
NICO (1)	146,089	-	-	146,089	21,913	-	-	(12,417)	9,496
FEX (2)	1,000,000	-	-	1,000,000	50,000	-	-	(25,000)	25,000
LTHM (3)	12,000,000	-	-	12,000,000	1,080,000	-	-	(600,000)	480,000
	13,146,089	-	-	13,146,089	1,151,913	-	-	(637,417)	514,496

	Number of shares				Carrying value				
	January 31 2022	Acquisition	Disposition	January 31 2023	January 31 2022	Acquisition	Disposition	Change in fair value	January 31 2023
					$	$	$	$	$
Shares									
NICO (1)	146,089	-	-	146,089	42,366	-	-	(20,453)	21,913
FEX (2)	1,000,000	-	-	1,000,000	95,000	-	-	(45,000)	50,000
LTHM (3)	-	12,000,000 (4)	-	12,000,000	-	480,000 (4)	-	600,000	1,080,000
	1,146,089	12,000,000	-	13,146,089	137,366	480,000	-	534,547	1,151,913

(1) Class 1 Nickel and Technologies Ltd. - Canadian Securities Exchange - Symbol "NICO"
(2) Fjordland Exploration Inc. - TSX Venture - Symbol "FEX"
(3) Champion Electric Metals Inc (formerly Idaho Champion Gold Mines Canada Inc.) - Canadian Securities Exchange - Symbol "LTHM" (formerly "ITKO").
(4) On November 10, 2022, the Company received 12,000,000 shares of Champion Electric Metals Inc. measured at its fair value of $480,000, of which 6,000,000 shares are subject to escrow for 18 months. (See Note 12 - Blanche-Charles project option agreement).

7. Property and equipment:

	Computer equipment	Office furniture	Total
	$	$	$
Cost			
As at January 31, 2022	7,684	4,482	12,166
Write-off	(5,059)	-	(5,059)
As at January 31, 2023	2,625	4,482	7,107
Acquisitions	2,369	-	2,369
As at January 31, 2024	4,994	4,482	9,476
Accumulated depreciation			
As at January 31, 2022	4,378	2,538	6,916
Write-off	(2,419)	-	(2,419)
Depreciation	580	903	1,483
As at January 31, 2023	2,539	3,441	5,980
Depreciation	758	903	1,661
As at January 31, 2024	3,297	4,344	7,641
Net book value			
As at January 31, 2023	86	1,041	1,127
As at January 31, 2024	1,697	138	1,835

(in Canadian dollars)

8. Loan:

On July 8, 2021, the Company received $60,000 from the Canada Emergency Business Account (“CEBA”). The Government of Canada has launched the new CEBA which has been implemented by eligible financial institutions in cooperation with Export Development Canada. The CEBA program has approved an interest-free loan of up to $60,000 to the Company to help cover operating costs due to the economic impacts of the COVID-19 virus. The outstanding balance of the CEBA must be repaid by December 31, 2023 (extended to January 18, 2024 on September 14, 2023). Repayment of the CEBA received on or before the due date will result in loan forgiveness of 33.3% (up to $20,000). The Company has fully repaid the loan on December 14, 2023.

9. Other liabilities related to flow-through shares:

	January 31 2024	January 31 2023
	$	$
Other liabilities related to flow-through shares:		
Increase of the year	464,870	-
Decrease related to eligible expenses incurred during the year	(320,604)	-
	144,266	-
Balance, beginning of year	-	-
Balance, end of year	144,266	-

Other liabilities related to flow-through shares represent the renunciation of tax deductions to investors following flow-through shares financing.

During the year ended January 31, 2024, the Company committed to incur, before December 31, 2024, $1,001,200 in eligible exploration and evaluation expenses, in accordance with the Income Tax Act of Canada and the Taxation Act of Quebec, and to transfer these tax deductions to the subscribers of a flow-through share financing completed in July 2023 (See Note 10). In connection with this commitment, the Company incurred cumulative eligible expenses of $729,641 as at January 31, 2024. As at January 31, 2024, the Company has a remaining obligation to incur an amount of $271,559 in exploration and evaluation expenditures until December 31, 2024.

The disallowance of certain expenses by tax authorities could have negative tax consequences for investors or the Company (See Note 17).

10. Share capital:

(a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and outstanding:

2024:

On February 21, 2023, the Company issued to directors 243,282 common shares valued at $18,246 for director's fees ($0.075 per share) in order to settle 90% of the director's fees payable for the three-month period ended January 31, 2023 (10% paid in cash).

On May 18, 2023, the Company issued to directors 162,188 common shares valued at $13,786 for director's fees ($0.085 per share) in order to settle 90% of the director's fees payable for the three-month period ended April 30, 2023 (10% paid in cash).

On July 12, 2023, the Company concluded a private placement by issuing 4,439,706 common shares at a price of $0.085 per share for net proceeds of $357,348 after deducting share issuance costs of $20,027 including a finder’s fee of $4,250. A director of the Company subscribed for 250,000 common shares of this financing.

10. Share capital (continued):

(b) Issued and outstanding (continued):

2024 (continued):

On July 12, 2023, the Company concluded a private placement by issuing 2,714,667 flow-through shares at a price of $0.15 per share for net proceeds of $396,044 after deducting share issuance costs of $11,156, including a finder’s fee of $2,025. An amount of $149,307 representing the premium paid by the investors was recorded in other liability related to flow-through shares based on the residual value method. The Company has the obligation to incur $407,200 in exploration and evaluation expenses in its Québec mining projects no later than December 31, 2024. As at January 31, 2024, the Company incurred $407,200 in exploration and evaluation expenses in its Québec mining projects (completed in the quarter ended January 31, 2024) and consequently has fulfilled its obligation before or on December 31, 2024. Directors and an officer of the Company subscribed for 228,000 flow-through shares of this financing.

On July 27, 2023, the Company concluded a private placement by issuing 3,712,500 charity flow-through shares at a price of $0.16 per share for net proceeds of $571,859 after deducting share issuance costs of $22,141. An amount of $315,563 representing the premium paid by the investors was recorded in other liability related to flow-through shares based on the residual value method. The Company has the obligation to incur $594,000 in exploration and evaluation expenses in its Québec mining projects no later than December 31, 2024. As at January 31, 2024, the Company incurred $322,441 in exploration and evaluation expenses in its Québec mining projects and consequently has to incur $271,559 in exploration and evaluation expenses no later than December 31, 2024.

On August 28, 2023, the Company issued to directors 230,380 common shares valued at $18,430 for director's fees ($0.08 per share) in order to settle 90% of the director's fees payable for the three-month period ended July 31, 2023 (10% paid in cash).

On December 12, 2023, the Company issued to directors 194,625 common shares valued at $15,570 for director's fees ($0.08 per share) in order to settle 90% of the director's fees payable for the three-month period ended October 31, 2023 (10% paid in cash).

2023:

On October 11, 2022, the Company issued to directors 208,930 common shares valued at $17,758 for director's fees ($0.085 per share) in order to settle 90% of the director's fees payable for the three-month period ended June 30, 2022 (10% paid in cash).

On December 29, 2022, the Company issued to directors 326,980 common shares valued at $24,524 for director's fees ($0.075 per share) in order to settle 90% of the director's fees payable for the three-month period ended October 31, 2022 (10% paid in cash).

11. Share options, deferred share units and brokers and intermediaries' options:

(a) Share purchase options:

In November 2018, the shareholders of the Company approved a stock option plan (the “Plan”) whereby the Board of Directors may grant to directors, officers, employees and consultants of the Company, share purchase options to acquire common shares of the Company. Terms of each share purchase option is determined by the Board of Directors. Share purchase options granted pursuant to the Plan can also be subject to the vesting requirements and period determined by the Board of Directors.

The Plan provides that the maximum number of common shares that may be reserved for issuance under the Plan shall be equal to 6,743,433 common shares of the Company. The maximum number of common shares which may be for issuance at the grant of the share purchase options to any optionee may not exceed 5% of the outstanding common shares at the date of grant and may not exceed 2% of the outstanding common shares for consultants and investor relations representatives. These share purchase options will expire no later than ten years after being granted.

The option exercise price is established by the Board of Directors and may not be lower than the market price of the common shares at the date of grant.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

(in Canadian dollars)

11. Share options, deferred share units and brokers and intermediaries' options:

(a) Share purchase options (continued):

The changes to the number of outstanding share options granted by the Company and their weighted average exercise price are as follows:

		January 31 2024		January 31 2023
	Number of outstanding share options	Weighted average exercise price	Number of outstanding share options	Weighted average exercise price
		$		$
Outstanding at beginning	3,830,000	0.34	5,005,385	0.37
Granted	3,400,000	0.10	835,000	0.17
Forfeited	(1,340,000)	0.33	(1,695,000)	0.33
Expired	(570,000)	0.58	(315,385)	0.54
Outstanding at end	5,320,000	0.16	3,830,000	0.34
Exercisable at end	3,345,002	0.19	3,313,334	0.35

The following table provides outstanding share options information as at January 31, 2024:

				Outstanding share options
Expiry date	Number of granted share options	Number of exercisable share options	Exercise price	Remaining life
			$	(years)
March 15, 2024	60,000	60,000	0.17	0.1
July 11, 2024	475,000	475,000	0.35	0.4
February 17, 2025	225,000	225,000	0.28	1.0
July 24, 2025	50,000	50,000	0.27	1.5
October 26, 2025	235,000	235,000	0.23	1.7
February 19, 2026	500,001	500,001	0.29	2.1
March 22, 2026	1,000,000	750,000	0.10	2.1
March 15, 2027	374,999	250,001	0.17	3.1
August 8, 2028	2,400,000	800,000	0.10	4.5
	5,320,000	3,345,002	0.16	3.0

The options outstanding as at January 31, 2023 had an exercise price in the range of $0.17 to $0.61 and a weighted-average contractual life of 2.2 years.

The weighted average vesting period for the share options granted during the year ended January 31, 2024 is 1.71 years (1.86 years for the year ended January 31, 2023).

The following table provides the weighted average fair value of options granted:

	January 31 2024	January 31 2023
	$	$
Weighted average fair value of options granted	$0.04	$0.09

(in Canadian dollars)

11. Share options, deferred share units and brokers and intermediaries' options:

(a) Share options (continued):

The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	January 31 2024	January 31 2023
Weighted average expected dividend yield	0%	0%
Weighted average share price at grant date	$0.072	$0.165
Weighted average expected volatility	70.92%	64.66%
Weighted average risk-free interest rate	3.66%	1.96%
Weighted average exercise price at grant date	$0.10	$0.17
Weighted average expected life	4.41 years	4.78 years

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the options. No special features inherent to the options granted were incorporated into measurement of fair value.

An amount of $95,538 of share-based compensation ($97,100 from granted and non vested share options offset by a reversal of $1,562 from forfeited share options non vested) was accounted in the statement of loss and comprehensive loss for the year ended January 31, 2024 ($32,306 for the year ended January 31, 2023 ($85,304 from granted and non vested share options offset by a reversal of $52,998 from forfeited share options non vested) and credited to contributed surplus. As at January 31, 2024, an amount of $36,244 ($11,590 for the year ended January 31, 2023) remains to be amortized until August 8, 2025 related to the grant of stock options not vested.

(b) Deferred share units ("DSUs"):

The changes to the number of outstanding DSUs granted by the Company are as follows:

	January 31 2024	January 31 2023
	Number of outstanding DSU	Number of outstanding DSU
Outstanding at beginning	528,014	333,490
Granted	1,439,682	194,524
Outstanding at end	1,967,696	528,014

The DSUs are payable in common shares of the Company and/or cash upon the holder ceasing to be a director, an officer, an employee or a consultant of the Company, as the case may be. During the year ended January 31, 2024, the Company issued 1,439,682 DSUs with a fair value of $100,784 accounting for in the share-based compensation for the year ended January 31, 2024 (194,524 DSUs were issued with a fair value of $15,268 during the year ended January 31, 2023).

(c) Brokers and intermediaries' options:

The changes to the number of outstanding brokers and intermediaries' options granted by the Company and their weighted average exercise price are as follows:

		January 31 2024		January 31 2023
	Number of outstanding brokers and interme-diaries' options	Weighted average exercise price	Number of outstanding brokers and interme-diaries' options	Weighted average exercise price
		$		$
Outstanding at beginning	655,164	0.30	655,164	0.30
Expired	(655,164)	0.30	-	-
Outstanding at end	-	-	655,164	0.30

(in Canadian dollars)

11. Share options, deferred share units and brokers and intermediaries' options:

(c) Brokers and intermediaries' options (continued):

The brokers and intermediaries' options at January 31, 2023 had an exercise price of $0.30 and a contractual life of 0.3 years.

12. Exploration and evaluation activities:

Exploration and evaluation expenses by nature are detailed as follows:

	January 31 2024	January 31 2023
	$	$
Exploration and evaluation activities:		
Assays	37,672	128,831
Drilling	445,680	1,181,190
Reporting	-	16,804
Resource estimate	32,185	50,096
Geology	231,808	26,855
Metallurgy	-	2,591
Prospecting	73,155	-
General field expenses	306,401	103,193
Tax credit related to resources and mining tax credits	(52,107)	(632,512)
	1,074,794	877,048

Exploration and evaluation expenses per project can be detailed as follows:

	January 31 2024	January 31 2023
	$	$
Projects:		
Blanche-Charles	-	275
Cheechoo-Éléonore trend	40,868	127
Elmer East	151,954	10,683
Sakami	850,842	858,768
Kipawa-Zeus	31,130	7,195
	1,074,794	877,048

Gain on disposal of mining projects can be detailed as follows:

			January 31 2024			January 31 2023
	Cash payments	Issuance of shares	Total	Cash payments	Issuance of shares	Total
	$	$	$	$	$	$
Projects:						
Blanche-Charles	-	-	-	100,000	480,000	580,000
	-	-	-	100,000	480,000	580,000

Upfront exclusivity fee earned from mining transaction can be detailed as follows:

			January 31 2024			January 31 2023
	Cash payments	Issuance of shares	Total	Cash payments	Issuance of shares	Total
	$	$	$	$	$	$
Projects:						
Kipawa-Zeus	-	-	-	1,000,000	-	1,000,000
	-	-	-	1,000,000	-	1,000,000

12. Exploration and evaluation activities (continued):

Sakami:

The Sakami project is wholly-owned by the Company, consists of one large contiguous block of 281 mineral claims (142.50 km^2) and includes the contiguous claims that were part of the project previously known as the project Apple (currently the Apple area). The project is located 90 km northwest of the Eleonore mine (operated by Newmont Corporation), 570 km north of Val-d'Or and 900 km northwest of Montreal. The project is subject to a NSR of 1% on certain claims and a NSR of 2% on 81 claims, half of which can be bought back for $1,000,000.

Cheechoo-Éléonore Trend:

The Cheechoo-Éléonore Trend project is wholly-owned by the Company and consists of 128 claims (66.26 km^2). The southeastern end of the project lies about 24 km northwest of the Éléonore mine, with a road access 14 km away.

Elmer East:

The Elmer East project is wholly-owned by the Company and consists of 929 claims (488 km^2). The project is located along trend from the recent Patwon Prospect gold discovery made by Azimut Exploration Inc. (“Azimut”) on its Elmer project located in the Eeyou Istchee James Bay territory, Quebec. The Elmer East project was acquired, by map designation, and includes the adjacent Annabelle block and the Opinaca Gold West block (505 claims, 266 km^2). The western part of the Elmer East project is contiguous to Azimut’s project. During the year ended January 31, 2024, 40 claims have been abandoned and 40 new claims have been acquired.

Kipawa-Zeus:

The Company has a 68% interest in the Kipawa project, through the Kipawa rare earth joint arrangement, with Investissement Québec holding the remaining 32% interest. The Kipawa project is part of a group of 73 claims (43.03 km2) that form the Kipawa-Zeus project. The Zeus claims are outside of the Kipawa project, are wholly-owned by the Company. The project is located in the Témiscamingue region of Quebec, 140 km south of Rouyn-Noranda and 90 km northeast of North Bay, Ontario.

On August 9, 2021 and amended on February 4,2022, the Company entered into a Binding Term Sheet with Vital Metals Limited ("Vital") for the acquisition by Vital of the Company's 68% interest in the Kipawa rare earth project and 100% of the Zeus Rare Earth project in Quebec, Canada, for $8 million, subject to certain closing conditions.

In October 2022, Vital informed the Company that it will not proceed with the acquisition. Accordingly, the Company received a payment of $1,013,124 ($1,000,000 and interest of $13,124) under the terms of the Binding Term Sheet as transaction termination fee.

Non-core assets:

Matheson:

The Company holds a 50% interest in four non-contiguous blocks totalling 23 unpatented cell mining claims, three leases (110005-mining rights only; 108148 and 110007-surface and mining rights), and four patented claims (mining rights only) totalling 14.22 km^2 from the Matheson Joint Venture project, located 24 km from downtown Timmins, Ontario.

Blanche-Charles (no longer held):

On November 10, 2022, the Company sold its 100% interest in the Blanche-Charles property to Champion Electric Metals Inc (formerly Idaho Champion Mines Canada Inc.) in exchange for a cash consideration of $100,000 and 12,000,000 common shares having a fair value of $480,000. The consideration received amounting to $580,000 was recorded as a gain on disposal of mining projects in the statement of loss and comprehensive loss in the year ended January 31, 2023.

As a result, the Company retains a 2% NSR of which Champion Electric Metals Inc. may repurchase 1% of the NSR for consideration of $1,000,000 payable in cash or by issuance of shares or a combination of cash and shares at any time.

(in Canadian dollars)

13. Income taxes:

(a) Relationship between expected tax expense and accounting profit or loss:

The effective income tax rate of the Company differs from the combined federal and provincial income tax rate in Canada. This difference results from the following items:

	January 31 2024	January 31 2023
	$	$
Loss before income taxes	(2,976,653)	(265,507)
Expected tax expense calculated using the combined federal and provincial income tax rate in Cana	26.50%	26.50%
Expected income tax recovery	(788,813)	(70,359)
Variation of non-taxable fair value	84,458	(70,827)
Changes in unrecorded temporary differences	459,056	144,686
Tax effect on flow-through shares	193,355	-
Reversal of other liability related to flow-through shares	(320,604)	-
Share-based compensation	52,025	12,607
Other non-deductible expenses	(81)	(16,107)
Income tax recovery	(320,604)	-

(b) Movement in deferred tax balances during the year:

	January 31 2023	Recognized in profit or loss	Recognized in equity	Recognized in OCL	January 31 2024
	$	$	$	$	$
Marketable securities	(63,800)	63,800	-	-	-
Capital tax losses	63,800	(63,800)	-	-	-
	-	-	-	-	-

	January 31 2022	Recognized in profit or loss	Recognized in equity	Recognized in OCL	January 31 2023
	$	$	$	$	$
Marketable securities	-	(63,800)	-	-	(63,800)
Capital tax losses	-	63,800	-	-	63,800
	-	-	-	-	-

The Company has the following temporary differences for which no deferred tax asset has been recognized:

		January 31 2024		January 31 2023
	Federal	Québec	Federal	Québec
				$
Exploration and evaluation expenses	16,543,418	16,592,250	16,107,188	16,156,020
Property, plant and equipment	19,947	19,947	18,286	18,286
Share issuance costs	163,736	163,736	335,001	335,001
Non-capital losses carry forwards	19,277,314	18,920,560	18,074,640	17,723,319
Capital tax losses	2,276,873	2,276,873	1,800,801	1,800,801
Marketable securities	161,345	161,345	-	-
Intangible and others	56,700	52,731	56,700	52,731
	38,499,333	38,187,442	36,392,616	36,086,158

(in Canadian dollars)

(c) Non-capital losses:

As at January 31, 2024, the non-capital losses expire as follows:

	Federal	Québec
	$	$
2026	393,267	393,267
2027	726,178	726,178
2028	2,188,973	2,188,973
2029	474,760	474,760
2030	241,509	241,509
2031	305,421	305,421
2032	884,872	884,872
2033	680,136	684,105
2034	682,338	682,338
2035	591,241	589,533
2036	1,179,455	847,147
2037	719,249	718,770
2038	894,646	894,647
2039	1,310,919	1,305,436
2040	1,415,065	1,409,666
2041	1,893,806	1,891,864
2042	2,702,070	2,697,890
2043	790,735	784,735
2044	1,202,674	1,199,449
	19,277,314	18,920,560

14. Earnings per share:

The warrants, share purchase options and DSUs were excluded from the diluted weighted average number of common shares calculation since the Company is operating at a loss and that their effect would have been antidilutive. Details of share purchase options, warrants and DSUs issued that could potentially dilute earnings per share in the future are given in Note 11.

Both the basic and diluted loss per share have been calculated using the net loss as the numerator, i.e. no adjustment to the net loss was necessary for the years ended January 31, 2024 and 2023.

15. Supplemental cash flow information:

The Company entered into the following transactions which had no impact on the cash flows:

	January 31 2024	January 31 2023
	$	$
Non-cash financing activities:		
Shares issued as payment of director's fees	66,032	42,282
Non-cash investing activities:		
Marketable securities received on optioning of mining projects	-	480,000

(in Canadian dollars)

16. Related party transactions:

Related parties include the Company's key management personnel and members of the Board of Directors. Unless otherwise stated, balances are usually settled in cash. Key management includes directors and senior executives. The remuneration of key management personnel and directors includes the following expenses:

	January 31 2024	January 31 2023
	$	$
Management and consulting fees	69,000	100,740
Salaries and director's fees [(1)]	249,587	314,105
Share-based compensation	137,464	60,743
	456,051	475,588

(1) As at January 31, 2024, an amount of $27,286 was due to directors and CEO ($30,519 as at January 31, 2023).

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

17. Contingent liabilities:

The Company’s operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are difficult to identify, in terms of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in compliance with the laws and regulations. Any additional payment to liability already recorded that results from restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at that time.

The Company is subject to tax requirements related to the use of funds obtained by flow-through share financing. These funds must be incurred for eligible exploration expenses. These tax rules also set deadlines for carrying out the exploration work, which must be performed no later than the earlier of the following dates:

- Two years following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. The disallowance of certain expenses by tax authorities may have negative tax consequences for investors. In the case the Company does not incur the required qualifying Canadian mineral exploration expenses as originally contemplated in its flow-through private placements, the Company has contractually agreed to indemnify the purchasers of such flow-through securities to compensate for adverse tax consequences they might incur.

18. Financial assets and liabilities:

The carrying amount and fair value of financial instruments presented in the statements of financial position related to the following classes of assets and liabilities:

		January 31 2024		January 31 2023
	Carrying amount	Fair value	Carrying amount	Fair value
	$	$	$	$
Financial assets				
Fair value through profit or loss (FVTPL)				
Marketable securities - Equities	514,496	514,496	1,151,913	1,151,913
	514,496	514,496	1,151,913	1,151,913

(in Canadian dollars)

18. Financial assets and liabilities (continued):

	Carrying amount January 31 2024	Fair value January 31 2024	Carrying amount January 31 2023	Fair value January 31 2023
	$	$	$	$
Financial assets				
Amortized cost				
Cash	22,883	22,883	262,706	262,706
Investments	250,000	250,000	-	-
Other receivables	6,040	6,040	2,245	2,245
	278,923	278,923	264,951	264,951

	Carrying amount January 31 2024	Fair value January 31 2024	Carrying amount January 31 2023	Fair value January 31 2023
	$	$	$	$
Financial liabilities				
Amortized cost				
Trade accounts payable and other liabilities	188,101	188,101	72,037	72,037
Loan	-	-	40,000	40,000
	188,101	188,101	112,037	112,037

The fair values of the marketable securities totalize $514,496 as at January 31, 2024 ($1,151,913 as at January 31, 2023) and are determined by using the closing price at each reporting date.

The fair value of cash, investments, other receivables, trade accounts payable and other liabilities and loan is comparable to its carrying amount given the short period to maturity, i.e. the time value of money is not significant.

The following hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities at the reporting date;
- 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 (that is, derived from prices); and
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. Marketable securities are classified as Level 1 in the fair value hierarchy.

19. Capital management policies and procedures:

The Company considers the items included in equity as capital components.

	January 31 2024	January 31 2023
	$	**$**
Equity	647,367	2,180,681
	647,367	2,180,681

The Company's capital management objective is to have sufficient capital to be able to meet its exploration and mining development plan in order to ensure the growth of its activities. It also has the objective of having sufficient cash to finance its exploration and evaluation expenses, investing activities and working capital requirements. No changes were made in the objectives, policies and processes for managing capital during the reporting periods. The Company has no dividend policy.

(in Canadian dollars)

20. Financial instrument risks:

The Company is exposed to various risks in relation to financial instruments. The main types of risks the Company is exposed to are credit risk, liquidity risk, price risk and interest risk.

The Company manages risks in close cooperation with the board of directors. The Company focuses on actively securing short-term to medium-term cash flows by minimizing the exposure to financial markets.

(a) Credit risk:

Credit risk is the risk that another party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation.

The Company is exposed to credit risk with respect to its cash, investments and other receivables for an amount of $278,923 as at January 31, 2024 ($264,951 as at January 31, 2023). The credit risk associated with cash and investments is minimal, as cash and investments are placed with major Canadian financial institutions with strong investment-grade ratings by a primary ratings agency.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has sufficient financing sources. The Company establishes budgets to ensure it has the necessary funds to fulfill its obligations.

In previous years, the Company financed its acquisitions of mining rights, exploration and evaluation expenses and working capital needs through private financings consisting of issuance of common shares and flow-through shares, and by optioning some of its mining projects. Management estimates that the cash as at January 31, 2024 will not be sufficient to meet the Company's needs during the coming year (see Note 1).

Contractual maturities of financial liabilities are as follows:

				January 31 2024
	Less than 1 year	**1-5 years**	**More than 5 years**	**$ Total**
	$	$	$	$
Trade accounts payable and other liabilities	188,101	-	-	188,101

				January 31 2023
	Less than 1 year	**1-5 years**	**More than 5 years**	**$ Total**
	$	$	$	$
Trade accounts payable and other liabilities	72,037	-	-	72,037
Loan	40,000	-	-	40,000

(c) Price risk:

The Company is exposed to fluctuations in the market prices of its marketable securities in quoted mining exploration companies. The fair value of the marketable securities represents the maximum exposure to price risk. For the marketable securities in quoted mining exploration companies, a weighted average volatility of 102.41% has been observed during the year ended January 31, 2024 (86.40% for the year ended January 31, 2023).

This volatility figure is considered to be a suitable basis for estimating how profit or loss and equity would have been affected by changes in market risk that were reasonably possible at the reporting date. If quoted stock price for these securities had increased as per the volatility, profit and loss would have changed by a weighted average markup of $526,909 as at January 31, 2024 (weighted average markup of $995,260 as at January 31, 2023) or if quoted stock price for these securities had decreased as per the volatility, profit and loss would have changed by a weighted average markdown of $514,496 as at January 31, 2024 ($981,597 as at January 31, 2023).

20. Financial instrument risks (continued):

(d) Interest risk:

Interest rate risk represents the risk that the fair value or future cash flows of financial instruments fluctuates because of changes in market interest rates. The Company’s exposure to cash flow risk related to the interest rate of its investment is limited due to its short term maturity.