Financial Statements of

WALLBRIDGE MINING COMPANY LIMITED

Years ended December 31, 2023 and 2022
(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors of Wallbridge Mining Company Limited.

Opinion

We have audited the financial statements of Wallbridge Mining Company Limited ("the Entity"), which comprise:

- the statements of financial position as at December 31, 2023 and December 31, 2022
- the statements of net 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 significant accounting policies

(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 December 31, 2023 and December 31, 2022, 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

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 December 31, 2023. 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.

We have determined the matter described below to be the key audit matter to be communicated in our auditors' report.

Evaluation of indicators of impairment for exploration and evaluation assets

Description of the matter

We draw attention to Note 2(d), 2(l) and 10 of the financial statements. The Entity has exploration and evaluation assets of $277,920,517. The Entity assesses whether there is any indication of impairment. Indicators of impairment include, but are not limited to:

- The right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full of successful development or by sale.

In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount.

Why the matter is a key audit matter

We identified the evaluation of indicators of impairment for exploration and evaluation assets as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of exploration and evaluation assets. Significant auditor attention is required to evaluate the results of our audit procedures and assess the Entity's determination of whether the factors, individually and in the aggregate, resulted in indicators of impairment.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

We evaluated the Entity's analysis of factors within their impairment indicators memorandum by considering whether quantitative and qualitative information in the analysis was consistent with other evidence in other areas of the audit. This included:

- Information included in Entity's press releases and management's discussion and analysis
- Other evidence obtained in other areas of the audit, including mineral resources information and internal communications to management and the Board of Directors

We assessed the status of the Entity's rights to explore by inspecting government registries and discussing with management if any rights were not expected to be renewed.

We considered the activities to date in each area to which the Entity has a right to explore by comparing the actual expenditures to the budgeted expenditures. We compared the actual expenditures in 2023 of the Entity to the budgeted expenditures for 2023 to assess the Entity's ability to accurately budget.

We assessed if substantive expenditures on further exploration for and evaluation of mineral resources in each area of interest are planned or discontinued by inspecting 2024 budgeted expenditures.

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.
- the information, other than the financial statements and the auditor's report thereon, included in a document likely to be entitled "Glossy Annual Report".

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 Accounting Standards as issued by the International Accounting Standards Board 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditors' report is David Denis Kerrigan Brownridge.
Toronto, Canada
March 21, 2024

WALLBRIDGE MINING COMPANY LIMITED

Statements of Financial Position
(expressed in Canadian Dollars)

December 31, 2023 and December 31, 2022

	Note		2023	2022
Assets				
Current assets:				
Cash and cash equivalents		$	29,825,251	23,663,821
Marketable securities			-	52,500
Amounts receivable	*8*		9,171,217	15,547,216
Deposits and prepaid expenses			649,778	447,046
Broken Hammer closure plan indemnification asset	*9, 13, 15*		2,477,366	2,466,991
			42,123,612	42,177,574
Restricted cash	*15*		3,259,845	3,259,845
Long-term amounts receivable	*8*		-	2,620,989
Investment in associate	*9, 13*		978,506	5,011,996
Exploration and evaluation assets	*10*		277,920,517	258,767,041
Property and equipment	*11*		6,886,020	8,281,900
		$	331,168,500	320,119,345
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	*12*	$	5,233,793	5,278,791
Flow-through premium liability	*14*		1,557,539	-
Current portion of provision for closure plan	*15*		193,472	275,479
Current portion of lease liability			9,142	11,682
Broken Hammer closure plan for disposal	*9, 13, 15*		2,477,366	2,466,991
			9,471,312	8,032,943
Lease liability			17,205	28,854
Provision for closure plan	*15*		1,415,660	1,289,860
Deferred tax liability	*16*		24,282,000	21,535,000
			35,186,177	30,886,657
Equity:				
Share capital	*17*		406,572,216	390,689,896
Warrants			129,500	129,500
Contributed surplus			13,614,746	12,317,067
Deficit			(124,263,121)	(113,832,757)
Accumulated Other Comprehensive Income			(71,018)	(71,018)
Total Equity			295,982,323	289,232,688
Commitments and contingencies	*18*			
Subsequent events	*9, 13,15, 17(b)*			
		$	331,168,500	320,119,345

See accompanying notes to the financial statements.

Approved by the Board:

"Brian Penny"
_________________________________ Director

"Anthony Makuch"
_________________________________ Director

WALLBRIDGE MINING COMPANY LIMITED

Statements of Net Loss and Comprehensive Loss
(expressed in Canadian Dollars)

Years ended December 31, 2023 and December 31, 2022

	Note		2023	2022
Other expenses and (income):				
General and administrative expenses		$	5,306,147	5,146,807
Stock based compensation	*17*		911,992	928,318
Share of comprehensive loss in investment in associate	*9(b)*		587,618	301,855
Depreciation of property and equipment	*11*		47,858	129,196
Interest on lease liability			1,656	2,238
Other income relating to flow-through share premium	*14*		(1,804,161)	(8,621,698)
Interest income			(1,524,904)	(849,458)
Realized (gain) loss on disposition of marketable securities			(775,862)	1,366
Gain on disposition of assets			(59,852)	(8,554)
Impairment loss on investment in associate	*9(b)*		3,549,229	-
Other costs	*18(b)(c)*		1,276,000	-
Gain on dilution of investment in associate	*9(b)*		(103,357)	-
Loss on sale of Nickel Assets	*9(b)*		-	27,597,958
Provision for closure plan	*15*		-	1,020,849
Unrealized loss on marketable securities			-	108,750
Gain on sale of investment in associate	*9(a)*		-	(1,743,177)
Reversal of impairment of exploration and evaluation assets			-	(670,156)
Costs recovered on termination of contract			-	(275,667)
Other income			-	(167,338)
Loss before income taxes			7,412,364	22,901,289
Deferred tax expense	*16*		3,018,000	8,673,000
Net loss and comprehensive loss for the year		$	10,430,364	31,574,289
Weighted average number of common shares - basic and diluted			941,535,423	872,903,911
Net loss per share - basic and diluted		$	0.01	0.04

See accompanying notes to the financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Statements of Changes in Equity
(expressed in Canadian Dollars)

December 31, 2023 and December 31, 2022

	Number of Shares		Share Capital	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss		Total
Balance, December 31, 2021	**818,115,891**	**$**	**391,532,268**	**129,500**	**10,782,257**	**(82,258,468)**	**(71,018)**	**$**	**320,114,539**
Charity Flow-through shares issued on public offering, net of share issuance costs	27,300,000		14,073,402	-	-	-	-		14,073,402
Flow-through shares issued on public offering, net of share issuance costs	36,968,351		13,733,907	-	-	-	-		13,733,907
Flow-through share premium on public offering (note 14)	-		(8,621,698)	-	-	-	-		(8,621,698)
Exercise of stock options	130,000		20,017	-	(9,967)	-	-		10,050
Share based compensation	-		-	-	1,201,903	-	-		1,201,903
Deferred share units granted	-		-	-	342,874	-	-		342,874
Distribution of Archer shares to Wallbridge shareholders			(20,048,000)	-	-	-	-		(20,048,000)
Net loss	-		-	-	-	(31,574,289)	-		(31,574,289)
Balance, December 31, 2022	**882,514,242**	**$**	**390,689,896**	**129,500**	**12,317,067**	**(113,832,757)**	**(71,018)**	**$**	**289,232,688**
National Flow-through shares issued on private placements, net of share issuance costs	85,776,353		12,471,002	-	-	-	-		12,471,002
Quebec Flow-through shares issued on private placements, net of share issuance costs	33,632,666		4,850,009	-	-	-	-		4,850,009
Common shares issues on private placements, net of share issuance costs	13,926,277		1,875,296	-	-	-	-		1,875,296
Flow-through share premium on private placements (note 14)	-		(3,361,700)	-	-	-	-		(3,361,700)
Exercise of stock options	400,000		47,713	-	(17,713)	-	-		30,000
Share based compensation	-		-	-	997,870	-	-		997,870
Deferred share units granted	-		-	-	317,522	-	-		317,522
Net loss	-		-	-	-	(10,430,364)	-		(10,430,364)
Balance, December 31, 2023	**1,016,249,538**	**$**	**406,572,216**	**129,500**	**13,614,746**	**(124,263,121)**	**(71,018)**	**$**	**295,982,323**

See accompanying notes to the financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Statements of Cash Flows
(expressed in Canadian Dollars)

Years ended December 31, 2023 and December 31, 2022

		2023	2022
Cash flows from (used in) operating activities:			
Net loss for the year	$	(10,430,364)	(31,574,289)
Adjustments for:			
Deferred tax expense		3,018,000	8,673,000
Depreciation of property and equipment		47,858	129,196
Loss on sale of Nickel Assets		-	27,597,958
Gain on sale of investment in associate		-	(1,743,177)
Gain on dilution of investment in associate		(103,357)	-
Impairment reversal of exploration and evaluation assets		-	(670,156)
Impairment loss on investment in associate		3,549,229	-
Share of comprehensive loss in investment in associate		587,618	301,855
Unrealized loss on marketable securities		-	108,750
Realized loss (gain) on sale of marketable securities		(775,862)	1,366
Gain on disposal of assets		(59,852)	(8,554)
Other income relating to flow-through share premium		(1,804,161)	(8,621,698)
Share based compensation		911,992	928,318
Deferred stock units		235,554	257,156
Interest on lease liability		1,656	2,238
Provision for closure plan costs		125,800	1,020,849
Closure plan disbursements		(82,007)	(582,638)
Changes in non-cash working capital:			
Amounts receivable		307,133	643,311
Deposits and prepaid expenses		(202,732)	(13,906)
Accounts payable and accrued liabilities		904,898	(850,892)
		(3,768,597)	(4,401,313)
Cash flows from (used in) financing activities:			
Issuance of share capital		19,951,725	29,187,570
Share issuance costs		(1,026,418)	(1,876,261)
Exercise of stock options		30,000	10,050
Lease payments		(15,845)	(94,801)
		18,939,462	27,226,558
Cash flows from (used in) investing activities:			
Exploration and evaluation assets expenditures		(26,993,524)	(63,234,039)
Tax credits received		17,288,949	26,274,024
Proceeds from sale of investment in associate		-	2,652,997
Transfer of cash proceeds on sale of investment in associate to Archer		-	(2,652,997)
Proceeds on sale of marketable securities		865,861	31,451
Exploration and evaluation assets option payments and cost recoveries		-	44,912
Acquisition of equipment, net of proceeds		(170,721)	(1,217,621)
		(9,009,435)	(38,101,273)
Net increase in cash and cash equivalents		6,161,430	(15,276,028)
Cash and cash equivalents, beginning of year		23,663,821	38,939,849
Cash and cash equivalents, end of year	$	29,825,251	23,663,821
Summary of non-cash transactions:			
Exploration asset disposals - sale to Archer	$	-	52,054,545
Exploration expenditures - change in accounts payable and accrued liabilities		(892,720)	6,998,752
Exploration recoveries included in amounts receivable		8,599,094	12,768,383
Exploration expenditures - capitalized depreciation of equipment		1,603,387	1,824,323
Property and equipment purchased under lease agreements		-	41,211
Property and equipment disposals - sale to Archer		-	93,177
Property and equipment purchases - change in accounts payable and accrued liabilities		24,792	111,250
Stock based compensation capitalized to exploration and evaluation assets		85,879	273,585
Settlement of accounts receivable - shares received		-	312,865
Exploration and evaluation assets - shares received		37,500	78,750
Proceeds on sale of assets - shares received		-	25,348,000
Distribution of Archer shares to Wallbridge shareholders		-	20,048,000
Recognition of indemnification asset		-	2,466,991
Deferred tax impact on share issuance costs		271,000	496,000
Settlement of accounts payable with deferred stock units		81,968	85,719

See accompanying notes to the financial statements.

1. Nature of operations:

Wallbridge Mining Company Limited (**"Wallbridge"** or the **"Company"**) is incorporated under the laws of Ontario and is engaged in the acquisition, exploration, discovery and development of metals focusing on gold projects. The Company's head office is located at 129 Fielding Road in Lively, Ontario, Canada.

The Company's primary focus is advancement of the exploration and sustainable development of gold projects along the Detour-Fenelon Gold Trend located in Québec's Northern Abitibi region. Wallbridge also has a 15.9% interest in Archer Exploration Corp. (**"Archer"**) which is focused on exploration and development of copper, nickel and platinum group metal properties. Archer and Walbridge entered into a sale agreement in November 2022 whereby Archer acquired the rights and obligations to Wallbridge's nickel assets.

While the Company has no source of revenue, management believes it has sufficient cash resources to meet its obligations and fund planned expenditures and administrative costs for at least the next twelve months. The Company will have to raise funds in the future to finance the advancement of exploration and development of gold projects along the Detour-Fenelon Gold Trend properties and meet future expenditures and administrative costs. Although the Company has been successful in raising funds to date, as evidenced by proceeds raised from equity financing in 2022 and 2023 (note 17), there can be no assurance that adequate financing will be available in the future or available under terms acceptable to the Company.

2. Material accounting policies:

(a) Basis of presentation:

These financial statements have been prepared by management in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board (**"IASB"**). These financial statements were prepared on a going concern basis.

These financial statements have been prepared on an historical cost basis except for certain financial assets and liabilities which are measured at fair value. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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

On March 21, 2024, the Company's Board of Directors approved the financial statements as at and for the years ended December 31, 2023 and 2022 and authorized them for issue.

2. Material accounting policies (continued):

(b) Associates:

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity.

Associates are accounted for using the equity method and are recognized initially at cost. The Company's investment includes goodwill and other purchase price adjustments identified on acquisition based on the fair value of the assets acquired, and the investment is net of any accumulated impairment losses. The financial statements include the Company's share of the income and expenses and equity movements of the associate, after adjustments to align the accounting policies with those of the Company and other adjustments arising from the elimination of intercompany transactions, from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee. Judgment is involved in the determination of the carrying amount of the investment in associates while the Company has significant influence.

The Company follows the guidance of IAS 28, Investments in Associates and Joint Ventures to assess whether there is objective evidence that its net investment in associate is impaired. This determination requires significant judgment in evaluating objective evidence and loss events. If there is objective evidence that the carrying value of an associate is impaired, it is written down to its recoverable amount.

2. Material accounting policies (continued):

(c) Financial instruments:

(i) Classification:

The Company classifies its financial instruments in the following categories: fair value through profit and loss (**"FVTPL"**), fair value through other comprehensive income (loss) (**"FVTOCI"**), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. The Company's investments in marketable securities that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election to designate the asset as FVTOCI at initial recognition. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (a derivative or financial liability that is held for trading) or the Company has opted to measure them at FVTPL. The following table shows the classification:

Financial assets/liabilities	Classification
Cash and cash equivalents	FVTPL
Restricted cash	FVTPL
Amounts receivable	Amortized cost
Marketable securities	FVTPL
Long-term investment	FVTOCI
Accounts payable	Amortized cost

(ii) Measurement:

Financial assets and liabilities at amortized cost - Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost, less any impairment.

Financial assets and liabilities at FVTPL - Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of net loss and comprehensive loss. Realized and unrealized gains and losses arising from the change in fair value are included in the statement of net loss and comprehensive loss in the period in which they arise.

Financial assets at FVTOCI – Equity instruments that have been irrevocably elected at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from the changes in fair value recognized in other comprehensive loss.

2. Material accounting policies (continued):

(iii) Impairment of financial assets at amortized cost:

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime of the expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(d) *Exploration and evaluation assets*:

These assets relate to mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are in the exploration or pre-development stage.

Exploration and evaluation expenditures include costs which are directly attributable to acquisition, surveying, geological, geochemical, geophysical, exploratory drilling, underground exploration development, land maintenance, sampling, and assessing technical feasibility and commercial viability. Interest cost on borrowing for the acquisition of exploration and evaluation assets are capitalized. These expenditures are capitalized until the technical feasibility and commercial viability of the extraction of mineral reserves in a project is demonstrated.

The Company assesses whether there is any indication of impairment. Indicators of impairment include, but are not limited to:

(i) The right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

(ii) Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

(iii) Exploration for and evaluation of mineral resources in the specific area have not led to the commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

(iv) Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount. The estimated recoverable amount is the greater of fair value less costs of disposal (**"FVLCD"**), and value in use (**"VIU"**). If the exploration and evaluation asset is determined to be impaired, the exploration and evaluation asset is written down to the estimated recoverable amount.

2. Material accounting policies (continued):

(e) Property and equipment:

Property and equipment are carried at cost, less accumulated depreciation. Depreciation is provided using the following methods and annual rates:

Asset	Basis	Rate
Buildings and bridges	Declining-balance	5% - 10%
Vehicles and equipment	Declining-balance	20% - 30%
Leasehold	Declining-balance	20%

Management reviews the estimated lives, residual values and depreciation methods of the Company's property and equipment at the end of each financial year and when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

Unless the Company is reasonably certain to obtain ownership of a leased asset at the end of the lease term, the right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

Once a mining project has been established as commercially viable, technically feasible, and a development decision has been made, costs are no longer capitalized to exploration and evaluation assets, an impairment test is completed on the asset, and the unimpaired costs are transferred from exploration and evaluation assets to property and equipment. Costs associated with development of the project are capitalized to property and equipment. Sales proceeds and related costs from selling items produced while preparing an asset for its intended use are recognized in profit or loss.

At each reporting date, the Company reviews the carrying amounts of its property and equipment to determine whether there is any indication of impairment. If any such impairment exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (**"CGU"**). The recoverable amount of an asset or CGU is the greater of its VIU and its FVLCD. An impairment is recognized, if the carrying amount of an asset or CGU exceeds its recoverable amount, in the statement of loss and comprehensive loss.

2. Material accounting policies (continued):

(f) Cash and cash equivalents and restricted cash:

Cash and cash equivalents consist of cash on hand and deposits in banks which may be settled on demand or have a maturity no longer than a 90 day period from the date of purchase.

Restricted cash, classified as long-term, consists of cash balances assigned to support one-year letters of credit in support of various agreements.

(g) Share based payments:

The fair value of the stock options, restricted share units, and deferred share units granted to employees, officers and directors is recognized as an expense over the graded vesting period with a corresponding increase to contributed surplus. The fair values for stock options are determined at the grant date by applying the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price, expected volatility, weighted average expected life, expected dividends, expected forfeiture rate and the risk free interest rate. Under graded vesting the fair value of each tranche is recognized over its respective vesting period.

Restricted share units and deferred share units are measured at the fair value of the shares at the grant date and are equity settled. Other share based payments are measured at the fair value of goods or services received. In situations where equity instruments are issued and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at fair value of the share based payment.

(h) Provision for restoration, rehabilitation and environmental obligations:

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises.

Discount rates to reflect the time value of money are specific to the liability. These costs are charged against profit or loss over the economic life of the related asset, through amortization using a unit-of-production methodology. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate and amount or timing of the underlying cash flows needed to settle the obligation. The unwinding of the discount is recognized as a finance cost.

2. Material accounting policies (continued):

(i) Income taxes:

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income or loss (**"OCI"**).

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(j) Earnings (loss) per share:

Basic earnings (loss) per share are computed by dividing earnings (loss) by the weighted average number of shares outstanding during the year. The Company uses the treasury stock method for calculating diluted earnings per share. Diluted earnings per share are computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of stock options and warrants.

2. Material accounting policies (continued):

(k) Flow-through common shares:

The Company finances a portion of its exploration activities through the issue of flow-through shares. Canadian tax legislation permits a company to issue flow-through instruments whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Common shares issued on a flow-through basis typically include a premium because of the tax benefits provided to the investor. At the time of issue, the Company estimates the proportion of the proceeds attributable to the premium and the common shares. The premium is estimated as the excess of the subscription price over the trading price of the shares and is recorded as a deferred liability. The Company recognizes a pro rata amount of the premium through the statement of loss and comprehensive loss as other income relating to flow-through share premium with a corresponding reduction to the deferred liability as the flow-through expenditures are incurred.

(l) Significant accounting judgments and estimates:

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Significant Judgments in Applying Accounting Policies*:*

The areas which require management to make significant judgments in applying the Company's accounting policies in determining carrying values include, but are not limited to:

Impairment of exploration and evaluation properties:

The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation properties. Judgment is required to determine if the right to explore will expire in the near future or is not expected to be renewed. Judgment is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted. Judgment is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgment is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

2. Material accounting policies (continued):

(l) Significant accounting judgments and estimates (continued):

Significant Accounting Estimates and Assumptions*:*

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Fair value of consideration received in the sale agreement with Archer:

Management determined the fair value of the consideration received for the sale of interests in several copper, nickel and platinum group metal properties, and a 20.4% interest in Lonmin Canada Inc. ("**Loncan**"), (collectively "**the Nickel Assets**") using the Black Scholes Model. Key inputs used in the Black Scholes Model include the Archer non-flow-through unit price, unrestricted common share price, exercise price, risk-free rate, hold periods pursuant to the agreement and regulatory requirements, and expected volatility. Changes in these key inputs affect the fair value estimates.

Impairment of exploration and evaluation properties:

Management's assumptions and estimates of future cash flows used in the Company's impairment assessment of exploration and evaluation properties are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. If an indication of impairment exists, or if an exploration and evaluation asset is determined to be technically feasible and commercially viable, an estimate of a CGU's recoverable amount is calculated. The recoverable amount is based on the higher of FVLCD and VIU using a discounted cash flow methodology taking into account assumptions that would be made by market participants, unless there is a market price available based on a recent purchase or sale of a mine. Cash flows are for periods up to the date that mining is expected to cease which depends on a number of variables including recoverable mineral reserves and resources, expansion plans and the forecasted selling prices for such production.

2. Material accounting policies (continued):

(l) Significant accounting judgments and estimates (continued):

Income taxes and recoverability of potential deferred tax assets:

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions 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. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Share-based compensation and warrants:

Management determines fair value for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

2. Material accounting policies (continued):

(l) Significant accounting judgments and estimates (continued):

Provisions:

From time to time the Company may be subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, volatility in stock price or failure to comply with disclosure obligations. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company's future cash flows, results of operations or financial condition.

Management determines when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and is probable that a future outflow of resources will be required to settle the obligation, provided that a reasonable estimate of the amount of the obligation can be made. Provisions for legal claims, closure plans, onerous contracts and commitments are recognized at the best estimates of the expenditures required to settle the Company's liability. Provisions are measured at the present value of the expenditures required to settle the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

Mineral Resources:

The Company has indicated and inferred mineral resources based on information compiled by appropriately qualified persons.

Changes in indicated and inferred mineral resources estimates may impact the carrying value of exploration and evaluation assets, property and equipment, environmental provisions, recognition of deferred tax amounts and depreciation, depletion and amortization.

3. Changes in accounting policies including initial adoption:

(a) *IAS 12, Income Taxes*

Effective January 1, 2023, the Company adopted the amendment to IAS 12 which narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as deferred taxes on leases and decommissioning obligations. There is no impact to the financial statements in the current period as a result of this amendment.

(b) IAS 1, Disclosure of Accounting Policies

Effective January 1, 2023 the Company adopted the amendments to IAS 1 requiring an entity to disclose its material accounting policies, rather than its significant accounting policies. The Company's policy is to disclose information that could reasonably be expected to influence the decisions of primary users of the Company's financial statements. There is no impact to the financial statements as a result of this amendment in the current period.

4. Accounting standards and amendments issued but not yet effective or adopted:

The IASB issued an amendment to IAS 1, Presentation of Financial Statements for annual periods beginning on or after January 1, 2024, to clarify one of the requirements under the standard for classifying a liability as non-current in nature, specifically the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendment includes:

- Specifying that an entity's right to defer settlement must exist at the end of the reporting period;
- Clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- Clarifying how lending conditions affect classification; and
- Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Company anticipates no impact to the financial statements as a result of this amendment.

5. Capital management:

The Company considers its capital structure to be total equity of $295,982,323 at December 31, 2023 (2022 - $289,232,688).

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions necessary to support operational activities.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term guaranteed deposits, and all are held in various major Canadian chartered banks.

6. Financial risk factors:

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(a) Credit risk:

Credit risk refers to cash and cash equivalents, amounts receivable, marketable securities and restricted cash arises from the possibility that any party to the contracts fail to meet its contractual obligations.

The Company monitors the credit worthiness of its customers and joint venture partners.

The Company's cash and cash equivalents are held in major Canadian chartered banks.

The Company's exposure to credit risk at December 31, 2023 was the carrying value of the cash and cash equivalents, amounts receivable, and restricted cash. Most of the amounts receivable are from the federal and Québec government for sales tax and Québec tax credits and have low credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At December 31, 2023, the Company has cash and cash equivalents and amounts receivable of $38,996,468 to settle current accounts payable and accrued liabilities, current portion of the provision for closure plan, and current portion of lease liabilities of $5,436,407.

6. Financial risk factors (continued):

(c) Market risk:

Interest rate risk – Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company had $29,825,251 in cash and cash equivalents at December 31, 2023. The Company invests cash in interest bearing accounts or guaranteed investment certificates held in major Canadian chartered banks. The Company periodically assesses the quality of its investments with the banks and is satisfied with the credit rating of the banks.

At December 31, 2023, the Company's cash is held primarily in interest bearing accounts or guaranteed investment certificates. A 100 basis point change in the interest rate at December 31, 2023 would affect the Company by an annualized amount of interest equal to approximately $298,253.

7. Fair value of financial instruments:

Financial assets and liabilities are grouped into three levels based on significant inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

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

Carrying values for cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate fair value due to their short term maturities.

The Company's leases payable are classified as level 2. The fair values of leases payable using discounted cash flows based on the cost of borrowing.

(expressed in Canadian Dollars)

8. Amounts receivable:

	2023	2022
Harmonized Sales Tax and Québec Sales Tax	$ 617,001	$ 452,243
Québec tax credits	8,360,000	17,050,997
Other receivables	194,216	664,965
	$ 9,171,217	$ 18,168,205
Less current portion of amounts receivable	(9,171,217)	15,547,216
Amounts receivable, long-term	$ -	$ 2,620,989

The Company is entitled to refundable tax credits and tax credits on qualified exploration expenditures incurred in Québec. The Québec tax credits in 2023 of $8,360,000 relate to 2023 expenditures incurred in Québec. Of the $17,050,997 Québec tax credits in 2022, $13,104,942 related to 2022 qualified expenditures incurred in Québec and $3,946,055 related to 2021 qualified expenditures incurred in Québec.

The Company received refundable tax credits of $3,946,241 relating to 2021 qualified exploration expenditures in March 2023 and received refundable tax credits of $13,342,708 relating to 2022 qualified exploration expenditures in July and August 2023.

(expressed in Canadian Dollars)

9. Investment in associates:

Loncan (a)	Number of Shares	Amount
Balance, January 1, 2022	**4,096,680**	**$ 1,223,036**
Share of comprehensive loss (17.8%)	-	(13,851)
Shares received in settlement of accounts receivable	1,042,950	312,865
Sale of shares to Magna Mining Inc. (**"Magna"**)	(5,139,630)	(1,522,050)
Balance, December 31, 2022 and 2023	**-**	**$ -**

Archer (b)	Number of Shares	Amount
Balance, January 1, 2022	**-**	**$ -**
Shares received pursuant to the Sale Agreement	66,211,929	25,348,000
Shares distributed to Wallbridge shareholders (note 17 (a)(iv))	(48,168,171)	(20,048,000)
Share of comprehensive loss	-	(288,004)
Balance, December 31, 2022	**18,043,758**	**$ 5,011,996**
Impairment loss	-	(3,549,229)
Gain on dilution of interest	-	103,357
Share of comprehensive loss	-	(587,618)
Balance, December 31, 2023	**18,043,758**	**$ 978,506**

(a) On November 7, 2022, Magna purchased the Company's 20.4% interest (17.8% prior to the closing of the sale) in Loncan. The Company recognized a gain of $1,743,177 as a result of the sale of Loncan to Magna which included a cash payment of $2,652,997 and a deferred payment of $612,230 to be received in either cash or Magna shares of equivalent fair value within 12 months of the closing of the sale transaction. The cash payment was transferred to Archer upon closing of the Archer transaction and the receivable of $612,230 was transferred to Archer upon receipt by the Company. Loncan's joint venture arrangements with Wallbridge terminated concurrently with closing of the transaction on November 7, 2022.

Effective October 28, 2019, and directly prior to the closing of the sale on November 7, 2022, the Company had an operatorship agreement with Loncan and received a 10% fee on exploration expenditures incurred in Loncan, one director of the Company and William Day Holdings Limited ("William Day") were minority shareholders of Loncan, and the Company had representation on the board of directors of Loncan. Shawn Day is a director and the President of William Day and was a director of the Company from 2017 to June 8, 2023.

(expressed in Canadian Dollars)

9. Investment in associates (continued):

(b) On November 18, 2022, the Company sold its Nickel Assets along with related equipment and liabilities to Archer in exchange for 66,211,929 common shares of Archer and immediately distributed a portion of Archer common shares to Wallbridge shareholders as a return of capital (note 17(a)(iv)).

The remaining 18,043,758 common shares of Archer were retained within the Company as an investment in associate. At December 31, 2023, this represents a 15.9% interest in Archer (2022 – 19.9%). The CEO of the Company is a director of Archer pursuant to the terms of the investor rights agreement dated November 18, 2022, which provides, among other things, that for so long as Wallbridge holds at least 10% of the issued and outstanding shares of Archer, it will have a pro rata pre-emptive right, top-up rights, and a standard piggyback registration right subject to underwriter cutback.

The investment in Archer was initially recorded at fair value which was determined by measuring the expected market value of a common share of Archer of approximately $0.3828 based on bifurcating the non-flow-through units of Archer at a price of $0.66 in the private placement completed by Archer on November 18, 2022. Each non-flow-through unit in the private placement consisted of one common share of Archer and one common share purchase warrant with the warrant entitling its holder to acquire one additional common share of Archer at a price of $1.02 expiring in 24 months.

The non-flow-through units were bifurcated into the following components: an unrestricted Archer common share, an Archer purchase warrant, and a four month and one day hold period on the share. The distributed shares are subject to a four month and one day hold period, whereas the shares retained by the Company have hold periods ranging from one year to approximately three years pursuant to the terms of the Sale Agreement and regulatory requirements. The expected market value of a common share of Archer was calculated as a weighted average between the shares retained by the Company valued at approximately $0.2937 and the value of the shares distributed to Wallbridge shareholders of $0.4162 (note 17(a)(iv)).

The key inputs used in the Black Scholes pricing model are as follows:

	Bifurcated Purchase Warrant (Call Value of Warrant)	Hold Periods for Distributed Shares (Put Value)	Hold Periods for Retained Shares (Put Value)
Archer non-flow-through unit price	$0.660	$0.660	$0.660
Unrestricted common share price	$0.548	$0.548	$0.548
Risk free rate	4.41%	4.48%	4.08% to 4.78%
Exercise price	$1.02	$0.548	$0.548
Warrant Expiry / Hold Period	2.00 years	0.3342 years	1.00 to 3.0301 years
Expected volatility estimated based on market data	110%	110%	110%

(expressed in Canadian Dollars)

9. Investment in associates (continued):

The Nickel Assets were derecognized at carrying value, which was determined to be the lower of carrying value and FVLCD, as follows:

	Note	
Exploration and evaluation assets[1]	10	$ 52,054,545
Cash proceeds on sale of Loncan to Magna	13(a)(i)	2,652,997
Receivable from Magna on Loncan sale	13(a)(i)	612,230
Property and equipment	-	93,177
Total assets sold		**$ 55,412,949**
Closure plan liability – Broken Hammer Project	15	$ 2,466,991
Total liabilities sold		**$ 2,466,991**
Net carrying value sold		**$ 52,945,958**
Fair value of share consideration received		**$ 25,348,000**
Net loss on sale of Nickel Assets		**$ (27,597,958)**

(1) The exploration and evaluation assets included in the Nickel Assets are certain claims relating to Grasset, the Sudbury properties relating to the Loncan exploration joint venture agreements, Jeremie and RUM properties included in Other Québec Properties, Other Sudbury Properties and Other Ontario Properties.

Transaction costs relating to the sale of the Nickel Assets are included in general and administrative expenses on the statement of net loss and comprehensive loss for the year ended December 31, 2022.

As part of the sale agreement, Archer assumed the Broken Hammer Project closure plan liability and indemnified the Company for this liability (note 15). The Company will derecognize this liability when the transfer of the legal obligation of the closure plan occurs. The Company recorded an indemnification asset based on the terms of the sale agreement. On February 28, 2024, the closure plan transfer to Archer was approved by the Ministry of Mines.

In addition, Wallbridge was granted a royalty equal to 2% of net smelter returns (**"NSR"**) less the amount of any pre-existing royalties on encumbered portions of the Grasset property (note 10(c)). The NSR was not included in the proceeds of the transaction as the future economic benefit to the Company is uncertain.

(expressed in Canadian Dollars)

9. Investment in associates (continued):

The Company recorded an impairment loss on its investment in Archer during the year ended December 31, 2023, of $3,549,229 based on a significant and prolonged decline in fair value of quoted market prices. Management measured the impairment loss based on the quoted market price per share held by the Company.

During the year ended December 31, 2023, Archer issued shares resulting in a dilution of the Company's interest in Archer to 15.9% from 19.9%. The Company recorded a gain of $103,357 on dilution of its interest in Archer during the year ended December 31, 2023 (December 31, 2022 -$nil).

10. Exploration and evaluation assets:

Total exploration and evaluation expenditures are detailed as follows:

	Balance January 1, 2023	Expenditures	Disposition/ Recovery	Balance, December 31, 2023
Fenelon (a)	$189,932,615	12,916,372	(4,122,094)	$ 198,726,893
Martinière (b)	37,192,476	8,346,485	(2,807,000)	42,731,961
Grasset (c)	1,680,095	4,934,607	(862,000)	5,752,702
Detour East (d)	14,084,547	-	-	14,084,547
Hwy 810 (e)	4,429,159	89,212	-	4,518,371
Casault (f)	1,606,528	1,186,036	(808,000)	1,984,564
Harri (g)	5,084,733	303,833	-	5,388,566
Beschefer (h)	846,560	1,512	(37,500)	810,572
N2 Property (i)	2,715,790	6,051	-	2,721,841
Nantel (j)	140,316	-	-	140,316
Doigt (k)	1,054,222	5,962	-	1,060,184
	$258,767,041	27,790,070	(8,636,594)	$ 277,920,517

(expressed in Canadian Dollars)

10. Exploration and evaluation assets (continued):

	Balance January 1, 2022	Expenditures	Impairment Reversal	Disposition/ Recovery	Sale of Assets to Archer (1)	Balance, December 31, 2022
Fenelon (a)	$ 152,617,394	49,361,604	-	(12,046,383)	-	$189,932,615
Martinière (b)	30,431,707	7,199,769	-	(439,000)	-	37,192,476
Grasset (c)	28,624,217	965,878	-	(283,000)	(27,627,000)	1,680,095
Detour East (d)	14,083,479	1,068	-	-	-	14,084,547
Hwy 810 (e)	4,428,526	633	-	-	-	4,429,159
Casault (f)	957,300	649,228	-	-	-	1,606,528
Harri (g)	4,881,380	203,353	-	-	-	5,084,733
Beschefer (h)	923,623	1,687	-	(78,750)	-	846,560
N2 Property (i)	2,712,448	3,342	-	-	-	2,715,790
Nantel (j)	140,041	275	-	-	-	140,316
Doigt (k)	1,053,501	721	-	-	-	1,054,222
Other Québec Properties	7,799,536	74,125	-	-	(7,873,661)	-
Sudbury Properties subject to Loncan exploration joint venture agreements	12,342,259	185,517	-	(44,912)	(12,482,864)	-
Other Sudbury Properties	3,314,868	13,362	-	-	(3,328,230)	-
Other Ontario Properties	-	72,634	670,156	-	(742,790)	-
	$ 264,310,279	58,733,196	670,156	(12,892,045)	(52,054,545)	$258,767,041

(1) On November 18, 2022, the Company sold its property, assets, rights and obligations related to its Nickel Assets (note 9). The exploration and evaluation assets included in the Nickel Assets are certain claims relating to Grasset, the Sudbury properties relating to the Loncan exploration joint venture agreements, Jeremie and RUM properties included in Other Québec Properties, Other Sudbury Properties, and Other Ontario Properties.

Included in 2023 expenditures are salaries and benefits of $4,496,280 (2022 - $7,540,050).

10. Exploration and evaluation assets (continued):

(a) Fenelon, Québec:

Fenelon is located in the Nord-du-Québec administrative region, approximately 75 km west-northwest of the town of Matagami, in the province of Québec, Canada and is part of the Detour-Fenelon Gold Trend Property. Wallbridge owns a 100% undivided interest in Fenelon which is subject to three separate royalties equaling to 4% net smelter return royalty (**"NSR"**) on any future production on 19 claims and one lease and subject to 0% to 1% NSR on any future production on the remaining claims. Buyout provisions exist for a portion of these royalties.

Included in the 2023 expenditures of $12,916,372 are $12,206,728 of exploration costs, depreciation of capital assets of $685,147, and stock option expense of $24,497. Recovery of $4,122,094 is $3,883,000 from Québec refundable tax credits relating to 2023 expenditures and $239,094 in tax adjustments in the year ended December 31, 2023 relating to exploration costs incurred in 2022.

Included in the 2022 expenditures of $49,361,604 are $47,263,696 of exploration costs, depreciation of capital assets of $1,824,323, and stock option expense of $273,585. Recovery of $12,046,383 is $12,382,982 from Québec refundable tax credits relating to 2022 expenditures less $336,599 in adjustments resulting from tax audits for 2021 and prior periods.

As a result of a private placement on December 2, 2019, the Company has agreed to not sell or grant any additional royalty rights or interests with respect to Fenelon and/or any contiguous claims or properties adjacent to Fenelon so long as Agnico Eagle Mines Limited (**"Agnico"**) holds shares representing at least 7.5% of the issued and outstanding shares of the Company.

(b) Martinière, Québec:

The Martinière project is located approximately 30 km west of Fenelon and is part of the Detour-Fenelon Gold Trend Property. The Company owns 100% interest in the Martinière property.

Included in the 2023 expenditures of $8,346,485 are $7,717,105 of exploration costs, depreciation of capital assets of $584,492, and stock option expense of $44,888. Recovery of $2,807,000 is from Québec refundable tax credits relating to 2023 expenditures.

Included in the 2022 expenditures of $7,199,769 is a $400,000 increase to the closure plan relating to a change in the estimate in the period. Recovery of $439,000 is from Québec refundable tax credits relating to 2022 expenditures in the year ended December 31, 2022.

There is a 2% NSR on the majority of the Martinière property and payable on commencement of commercial production.

10. Exploration and evaluation assets (continued):

(c) Grasset, Québec:

The Company owns a 100% interest in the Grasset gold property. The Grasset gold property is located immediately east of and adjoins the Fenelon Property and is part of the Detour-Fenelon Gold Trend Property. There are no underlying royalties on the Grasset gold property. Claims relating to nickel assets with a historical book value of $27,627,000 were sold to Archer (note 9(b)) in 2022. The remaining carrying value of $1,680,095 in 2022 relates to claims retained by the Company.

Included in the 2023 expenditures of $4,934,607 are $4,584,365 of exploration costs, depreciation of capital assets of $333,748, and stock option expense of $16,494. Recovery of $862,000 is from Québec refundable tax credits relating to 2023 expenditures.

Recovery of $283,000 is from Québec refundable tax credits relating to 2022 expenditures in the year ended December 31, 2022. The recovery relates to the claims retained by the Company.

The Company has a royalty equal to 2% of net smelter returns less the amount of any pre-existing royalties on encumbered portions of the Grasset property acquired by Archer. In certain circumstances, Wallbridge will be granted a right of first refusal to acquire any new royalties sold by Archer on the Grasset claims.

On November 18, 2022, the Company and Archer have also entered into an exploration cooperation agreement concerning the Grasset property (the **"Exploration Agreement"**). The Exploration Agreement applies to the Grasset property but excludes those portions which include the mineral resource on such property (the **"Gold Cooperation Area"**). Pursuant to the Exploration Agreement, Wallbridge will be granted the right to explore the Gold Cooperation Area for gold in certain circumstances. If the results from either Wallbridge's or Archer's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which Archer will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which Archer will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such venture will be to explore, develop and operate such a mineral resource. The Exploration Agreement has a term of five years and is subject to early termination in certain circumstances.

10. Exploration and evaluation assets (continued):

(d) Detour East, Québec:

The Company owns a 100% interest in the majority of claims on the Detour East Property and the Company is the operator of an exploration joint venture consisting of 18 claims on the Detour East property (collectively **"The Detour East property"**) and is part of the Detour-Fenelon Gold Trend Property. There is an NSR royalty of 2%, which relates to the entirety of the property, payable to a former property owner, which may be repurchased at any time for $1,000,000 for the first 50% of the NSR interest and $2,000,000 for the remainder.

On November 23, 2020, the Company entered into an option agreement (**"the Detour Option Agreement"**) with Agnico. Under the terms of the Detour Option Agreement, the Company granted Agnico the option to acquire up to an undivided 50% interest in Detour East by incurring expenditures of $7,500,000 over five years, with a minimum commitment of $2,000,000 in the first two years ($500,000 by the first anniversary and $1,500,000 by the second anniversary of entering into the agreement). Agnico satisfied the first and second anniversary minimum commitments of $2,000,000 at December 31, 2022 and excess expenditures will be carried forward to the final minimum commitment under the option agreement of $5,500,000 on or before November 23, 2025.

During the option period, Agnico shall have the right to act as operator of Detour East. Upon satisfaction of the Detour East option, the Company and Agnico shall form a joint venture on Detour East with Agnico acting as the operator. Upon the formation of the joint venture, Agnico will hold the right to acquire an additional 25% interest in Detour East by incurring additional expenditures of $27,500,000 within the first five years of the formation of the joint venture. Upon Agnico having incurred additional expenditures of $27,500,000, Agnico shall have earned an undivided 75% interest in Detour East. After Agnico has earned an undivided 75% interest any additional funds required will be contributed by the joint venture parties based on their then proportional interests. Should either the Company or Agnico elect not to fund a program, its joint venture interest will be diluted pro-rata. If either the Company or Agnico commit to fund a program, and fails to contribute its share of the funding, their joint venture interest will be diluted at three times the pro-rata rate.

(expressed in Canadian Dollars)

10. Exploration and evaluation assets (continued):

(e) Hwy 810, Québec:

The Company owns a 100% interest in the Hwy 810 Property, which is located proximal to the producing Casa Berardi gold mine approximately 70 kms south of the Detour-Fenelon Gold Trend Property. There are no royalties or other encumbrances on the property.

(f) Casault, Québec:

The Company entered into an option agreement (the **"Casault Agreement"**) with Midland Exploration Inc. (**"Midland"**) on June 16, 2020, and amended on March 16, 2021, to acquire up to a 65% interest in the Casault gold property and made an initial $100,000 payment upon signing. Casault is contiguous to Wallbridge's Martiniere and Detour East Gold properties and is part of the Detour-Fenelon Gold Trend Property. The Company can acquire an initial undivided 50% interest in the Casault gold property (first option period), by incurring $5 million expenditures and making cash payments of $500,000. On November 4, 2022, the Company and Midland amended the agreement on the Casault property to extend the June 30, 2023 spending requirement of $1,250,000 to on or before December 31, 2023. On September 29, 2023, the Company and Midland amended the option agreement to extend the June 30, 2024 spending requirement of $2,000,000 to on or before June 30, 2025.

As of December 31, 2023, the Company incurred $3,111,846 of expenditures which includes a 5% administration fee and made cash payments of $110,000 by June 30, 2021, $110,000 by June 30, 2022, and $130,000 by June 30, 2023 pursuant to the option agreement.

The remaining expenditures and cash payments to earn the initial undivided 50% interest under the Casault Agreement are as follows:

	Expenditures	Cash payments
On or before June 30, 2024	-	$ 150,000
On or before June 30, 2025	$ 1,888,154	-

Should the Company's expenditures fall short of the required amount in any specified period, it may elect to make a cash payment to Midland in an amount equal to the shortfall in full satisfaction of the expenditure commitment for such period.

Upon earning a 50% interest in Casault upon completion of the first option period, the Company can increase its ownership interest to 65%, by incurring an additional $6 million of expenditures within a period of two years from the date of exercising this option.

Should the Company elect to not earn, or to cease to earn, the additional undivided interest pursuant to the second option, the parties shall then form a joint venture to manage the Casault gold property. The Company shall be the operator of the joint venture as long as it has at least a 50% participating interest in the joint venture, or it has not elected to discontinue operatorship of the joint venture.

(expressed in Canadian Dollars)

10. Exploration and evaluation assets (continued):

(f) Casault, Québec (continued):

The Casault property is subject to a NSR of 1% which the mining claims holder has the right to buy half of the royalty for $1,000,000 or 100% of the royalty for $2,000,000.

The recovery of $808,000 relates to Québec refundable tax credits relating to 2023 exploration expenditures.

(g) Harri, Québec:

The Company owns a 100% interest in the Harri property which is part of the Detour-Fenelon Gold Trend Property. There are NSR royalties of 1% to 2% relating to claims on the Harri property.

(h) Beschefer, Québec:

Beschefer is a gold exploration property located approximately 30 km southwest of Fenelon.

On February 21, 2020, the Company acquired certain claims relating to Beschefer for $659,200. As part of the acquisition agreement, the Company shall spend up to $600,000 on other properties owned by the vendor, at the vendor's discretion, in consideration for transfer of 10% ownership in the properties, as well as a right of first refusal to purchase such properties. On March 17, 2020, the Company entered into an agreement to deem the exercise of the Company's option pursuant to the Beschefer agreement satisfied upon the issuance of 3,000,000 common shares and 500,000 common share purchase warrants exercisable for $1.00 per common share and expiring five years from the date of issuance. The value of the shares and warrants of $1,449,500 were recorded as acquisition costs.

On February 26, 2021, the Company entered into an option agreement with Abitibi Metals (formerly Goldseek Resources Inc.) for Abitibi Metals to earn a 100% interest in the Beschefer Property. Abitibi Metals can exercise its option by incurring aggregate expenditures and issuing shares in Abitibi Metals over a four year period as follows:

	Expenditures	Common shares to be issued
Upon execution of the agreement -completed	$ -	750,000
On or before February 26, 2022 – completed	500,000	750,000
On or before February 26, 2023 – completed	750,000	750,000
On or before February 26, 2025	1,750,000	2,033,672
	$3,000,000	4,283,672

The Company received 750,000 common shares of Abitibi Metals with a fair value of $187,500 on March 9, 2021, 750,000 common shares with a fair value of $78,750 on February 8, 2022, and 750,000 shares on February 13, 2023 with a fair value of $37,500. In accordance with the Company's accounting policy, this amount reduced the carrying value of the related exploration and evaluation asset. The Company does not record any expenditures made by Abitibi Metals.

10. Exploration and evaluation assets (continued):

(h) Beschefer, Québec (continued):

At December 31, 2023, Abitibi Metals has satisfied the first and second anniversary minimum commitments of $500,000 and $750,000 respectively and excess expenditures will be carried forward to the third anniversary minimum commitment under the option agreement.

Abitibi Metals may accelerate its expenditures and the option will be effectively exercised when they have incurred expenditures which total $3,000,000 and issue 4,283,672 common shares.

The Beschefer property is subject to a 1% and a 2% net smelter return royalty on any future commercial production.

(i) N2 Property, Québec:

The Company owns a 100% interest in the N2 Property which is located approximately 25 kilometres south of Matagami, Québec. There are NSR royalties of 1% to 5% on the property in favour of former property owners and payable on commencement of commercial production. Buyout provisions exist for certain portions of these royalties.

(j) Nantel, Québec:

The Company owns a 100% interest in the Nantel property, which is part of the Detour-Fenelon Gold Trend Property. There are no royalties or other encumbrances on the property.

(k) Doigt, Québec:

The Company owns a 100% interest in the Doigt property, which is part of the Detour-Fenelon Gold Trend Property. There are no royalties or other encumbrances on the property.

(expressed in Canadian Dollars)

11. Property and equipment:

Cost:

	Buildings, leaseholds and bridges	Vehicles, site buildings, and equipment	Right-of-Use buildings	Right-of-Use vehicles and equipment	Total
Balance, December 31, 2021	$ 810,588	$ 11,642,154	$ 336,591	$ 86,808	$ 12,876,141
Additions	-	1,114,919	41,211	-	1,156,130
Reclassification of purchased right of use assets	-	43,067	-	(43,067)	-
Disposals	(92,920)	(282,958)	(274,716)	-	(650,594)
Balance, December 31, 2022	$ 717,668	$ 12,517,182	$ 103,086	$ 43,741	$ 13,381,677
Additions	-	260,513	-	-	260,513
Reclassification of purchased right of use assets	-	43,741	-	(43,741)	-
Disposals	-	(8,180)	(61,875)	-	(70,055)
Balance, December 31, 2023	$ 717,668	$ 12,813,256	$ 41,211	$ -	$ 13,572,135

Accumulated depreciation:

	Buildings, leaseholds and bridges	Vehicles, Site buildings, and equipment	Right-of Use buildings	Right-of Use vehicles and equipment	Total
Balance, December 31, 2021	$ 238,028	$ 3,137,921	$ 255,862	$ 65,189	$ 3,697,000
Depreciation	47,981	1,817,415	84,164	10,634	1,960,194
Reclassification of purchased right of use assets	-	43,067	-	(43,067)	-
Disposals	(42,017)	(240,684)	(274,716)	-	(557,417)
Balance, December 31, 2022	$ 243,992	$ 4,757,719	$ 65,310	$ 32,756	$ 5,099,777
Depreciation	42,275	1,594,615	13,737	618	1,651,245
Reclassification of purchased right of use assets	-	33,374	-	(33,374)	-
Disposals	-	(3,032)	(61,875)	-	(64,907)
Balance, December 31, 2023	$ 286,267	$ 6,382,676	$ 17,172	$ -	$ 6,686,115

Carrying amounts:

	Buildings, leaseholds and bridges	Vehicles, Site buildings, and equipment	Right-of-Use buildings	Right-of-Use vehicles and equipment	Total
At December 31, 2022	$ 473,676	$ 7,759,463	$ 37,776	$ 10,985	$ 8,281,900
At December 31, 2023	$ 431,401	$ 6,430,580	$ 24,039	$ -	$ 6,886,020

(expressed in Canadian Dollars)

11. Property and equipment (continued):

The Company capitalized depreciation of $1,603,387 to Exploration and Evaluation assets in 2023 (2022 - $1,824,323).

Included in disposals in 2022 are bridges and equipment sold to Archer (note 9(b)) for a total carrying value of $93,177.

12. Accounts payable and accrued liabilities:

	2023	2022
Accounts payable	$ 2,008,159	$ 2,942,064
Accrued liabilities	2,069,720	1,854,537
Payroll related liabilities	1,155,914	482,190
	$ 5,233,793	$ 5,278,791

Included in accounts payable and accrued liabilities at December 31, 2023 are amounts relating to exploration properties of $2,038,697 (December 31, 2022 - $2,931,417).

13. Related party transactions:

(a) The Company had the following transactions with related parties:

	2023	2022
Loncan (i)		
Recovery of costs billed to Loncan plus 10% fee	$ -	$ (15,409)
Other income related to milestone reached	-	(150,000)
Gemibra Media (ii)		
Social media, website, and video production services	42,300	56,400
Archer (iii)		
Other income related to secondment, sub-lease agreements, camp occupancy recoveries and other recoveries	(987,626)	(17,338)

(i) These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties. With the sale of Loncan to Magna on November 7, 2022, Loncan is no longer a related party.

(expressed in Canadian Dollars)

13. Related party transactions (continued):

(ii) A principal of Gemibra Media is a close family member of Marz Kord, the former President and CEO, and former director of the Company. At December 31, 2022, the Company had a payable to Gemibra Media of $5,311. In each of January 2022 and 2023, the Company entered into two agreements to provide social media, website and video production services for a total of $4,700 per month for a term of twelve months. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties. On October 10, 2023, Marz Kord retired from his role as President and CEO, and director of the Company.

(iii) Effective November 18, 2022, the Company entered into a sublease agreement with Archer for a portion of Wallbridge premises relating to Nickel Assets and a secondment agreement to provide Archer with Company personnel for work on Nickel Asset properties on an as needed basis. The Company also charges Archer for the use of Wallbridge accommodations at the Detour-Fenelon Gold Trend site facilities in the Northern Abitibi region of Quebec. At December 31, 2023, the Company has a receivable from Archer of $23,807 (2022 – $19,591) and a payable to Archer of $nil (2022 - $612,230). In addition, the Company has an indemnification asset of $2,477,366 (2022 - $2,466,991) relating to the Broken Hammer closure plan liability (note 15) which Archer assumed pursuant to the Sale Agreement. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(b) Key management personnel compensation:

The remuneration of Directors, President and CEO, and CFO of Wallbridge was as follows:

	2023	2022
Salaries, benefits and retirement settlement costs (1)	$1,851,964	$1,367,267
Share-based compensation (2)	811,777	835,841
	$2,663,741	$2,203,108

(1) Salaries and benefits and directors' fees are included in general and administrative expenses on the statement of loss and comprehensive loss. Included in salaries and benefits is $600,000 relating to estimated retirement settlement costs and an estimated $100,000 performance-based cash bonus for 2023 payable to the former CEO. Included in directors' fees are deferred share units ("DSUs") granted in lieu of cash for 2023 fees totalling $300,872 (2022 - $339,124).

(2) Share based compensation is included in general and administrative expenses on the statement of loss and comprehensive loss and consists of stock options.

(expressed in Canadian Dollars)

14. Flow-through premium liability and commitment for qualifying flow-through expenditures:

Balance, January 1, 2022	$	-
Premium recorded through flow-through proceeds – February 2022		8,621,698
Other income recorded as flow-through expenditures incurred		(8,621,698)
Balance, December 31, 2022	$	-
Premium recorded through flow-through proceeds – February 2023		1,269,000
Other income recorded as flow-through expenditures incurred		(1,269,000)
Premium recorded through flow-through proceeds – October 2023		2,092,700
Other income recorded as flow-through expenditures incurred		(535,161)
Balance, December 31, 2023	$	1,557,539

The Company incurred and renounced Canadian Exploration Expenses as defined under subsection 66.1(6) of the Income Tax Act (Canada) ("**CEE**") of $29,187,570 effective December 31, 2022. The Company recorded premiums of $8,621,698 in connection with the charity flow-through financing (note 17(a)(ii)) and private placement flow-through financing (note 17(a)(iii)) in 2022.

In connection with the private placement flow-through financing in February 2023 (note 17 (a)(v, vi)), the Company incurred in 2023 and renounced CEE of $8,621,925 effective December 31, 2023. The Company recorded premiums of $1,269,000 for this financing (note 17(a)(v, vi)) completed in year ended December 31, 2023.

In connection with the private placement flow-through financing in October 2023 (note 17 (a)(viii, ix), the Company committed to spending by December 31, 2024 and renouncing effective December 31, 2023, CEE of $9,437,910. The Company incurred $2,675,805 during the year ended December 31, 2023. The Company recorded premiums of $2,092,700 in connection with the October private placement flow-through financing (note 17 (a)(viii, ix)) completed in the year ended December 31, 2023.

The Company estimates the proportion of the proceeds attributable to the flow-through premium as the excess of the subscription price over the market value of the shares and records this value as a liability at the time the shares are issued.

As qualifying expenditures are incurred, the Company recognizes a pro-rata reduction of the flow-through premium liability as other income in the statements of loss and comprehensive loss. During the year ended December 31, 2023, a reduction in the flow-through premium liability of $1,804,161 was recorded in other income (2022 - $8,621,698).

(expressed in Canadian Dollars)

15. Provision for Closure Plan:

	December 31, 2023	December 31, 2022
Broken Hammer Project	$ 2,477,366	$ 2,466,991
Fenelon property	1,215,660	1,089,860
Martiniere property	393,472	475,479
Provision for closure plan	$ 4,086,498	$ 4,032,330

The following is a reconciliation of the provision for closure plan amounts:

	2023	2022
Provision for closure plan, beginning of the year	$ 4,032,330	$ 3,194,119
Change in estimate - Broken Hammer Project	643,805	1,020,849
Provision for Martiniere property reclamation – change in estimate	-	400,000
Closure plan expenditures - Broken Hammer Project	-	(558,117)
Change in estimate – Fenelon property	125,800	
Reduction in the Broken Hammer Project closure plan for disposal	(633,430)	-
Property reclamation expenditures – Martiniere property	(82,007)	(24,521)
Provision for closure plans, end of the year	$ 4,086,498	$ 4,032,330
Broken Hammer closure plan for disposal	(2,477,366)	(2,466,991)
Current portion of provision for closure plan	(193,472)	(275,479)
Provision for closure plan, long term	$1,415,660	$1,289,860

The Company's initial estimates are based on independent studies or agreements with the respective government body for each project using current restoration standards and techniques. Subsequent changes to provisions for the closure plans were based on management's best estimates.

The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. The closure plan liability related to the Broken Hammer Project was sold to Archer effective November 18, 2022 pursuant to the sale agreement (note 9). The Company has recorded a reduction in the Broken Hammer Project closure plan for disposal of $633,430 based on remediation expenses incurred by Archer during the year ended December 31, 2023. The Company recorded an increase to the provision to reflect a change in estimate of $643,805. The Company increased the indemnification asset relating to the Broken Hammer closure plan for disposal by $10,375 during the year ended December 31, 2023. The transfer of the Broken Hammer Project closure plan to Archer through the Ministry of Mines was approved on February 28, 2024.

15. Provision for Closure Plan (continued):

The current balance of $193,472 on Martiniere is expected to be incurred in 2024 and the long-term balance of $200,000 is expected to be incurred in 2025. The change to the provision for property reclamation at Martiniere in 2022 was based on management's best estimates for the requirements.

The long-term balance of $1,215,660 on Fenelon is estimated to be incurred within three years once operations have ceased. The timing of the closure plan activities is uncertain and could commence far in the future as Fenelon is in the exploration and evaluation stage. As such, management has estimated the carrying value of the obligation based on probabilistic scenarios. The closure plan liability at Fenelon is based on the current closure plan which may be required to be amended based on future activities on the property.

On August 12, 2021, the Company received approval from the Ministère de l'Énergie et des Ressources Natural ("MERN") for an updated closure plan at Fenelon. The updated closure plan includes additions for future disturbances which have not occurred as at December 31, 2023. With the approval of the closure plan in 2021, the Company increased its financial assurance with MERN from $1,089,960 to $2,908,600 and will increase the closure plan provision once the disturbances have occurred.

At December 31, 2023 and December 31, 2022, the Company has one-year renewable letters of credit, secured by cash and cash equivalents, of $3,259,845 supporting the closure plans. The letter of credit of $361,245 relating to the Broken Hammer Project closure plan was returned to the Company by the Ministry of Mines on March 8, 2024.

(expressed in Canadian Dollars)

16. Taxes:

(a) Tax provision:

Income taxes differ from the amount that would be computed by applying the combined Federal and Provincial statutory income tax rates of 26.5% (2022 – 26.5%). The reconciliation between the statutory and the effective tax rates is provided as follows:

	2023	2022
Loss before income taxes	$(7,412,364)	$(22,901,289)
Expected tax recovery at statutory rate	(1,964,000)	(6,069,000)
Increase (decrease) in provision resulting from:		
Renunciation of exploration expenditures	4,802,000	12,405,000
Non-deductible loss on the sale of Nickel Assets	-	7,314,000
Tax impact on the sale of Nickel Assets and Distribution of Archer shares	-	(1,917,000)
Other permanent differences	760,000	239,000
Adjustment to prior years	170,000	(336,000)
Non-taxable income on flow through shares	(478,000)	(2,285,000)
Change in unrecognized deferred tax assets	6,000	-
Future deductibility of deferred and minimum mining related taxes	(529,000)	(1,534,000)
Attributes utilized to claim tax credit	251,000	856,000
Deferred tax expense	$ 3,018,000	$ 8,673,000

(b) The components of deferred tax assets and liabilities are as follows:

	2023	2022
Exploration and evaluation assets	$(45,414,000)	$ (38,944,000)
Property and equipment	135,000	(277,000)
Non-capital losses	15,082,000	12,544,000
Deferred financing and other costs	715,000	941,000
Deferred and minimum mining related taxes	5,306,000	4,777,000
Investment in associates	(106,000)	(576,000)
Deferred tax liability	$ (24,282,000)	$ (21,535,000)

The Company has non-capital losses of approximately $85,283,000 that will expire between 2027 and 2043 if not used.

16. Taxes (continued):

(c) Unrecognized deferred tax assets:

Deferred tax assets have not been recognized in respect of the following deductible temporary differences, because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom:

	2023	2022
Provision for closure plan	$ 1,215,660	1,089,860
Unrealized loss on marketable securities	-	209,500

(expressed in Canadian Dollars)

17. Shareholders' equity:

(a) Share capital transactions:

	Number of shares	Share capital
Balance, January 1, 2022	**818,115,891**	**$391,532,268**
Shares issued upon exercise of stock options (i)	130,000	20,017
"Bought deal" Public Offering – charity flow-through shares (ii)	27,300,000	15,015,000
Private Placement – flow-through shares (iii)	36,968,351	14,172,570
Issuance costs allocated to shares (ii, iii)	-	(1,380,261)
Flow-through premium (ii, iii)	-	(8,621,698)
Return of capital distribution to the Company's shareholders (iv)	-	(20,048,000)
Balance, December 31, 2022	**882,514,242**	**$390,689,896**
February private placement, National flow-through shares (v)	37,956,353	7,021,925
February private placement, Québec flow-through shares (vi)	8,000,000	1,600,000
March private placement, common shares (vii)	6,000,000	1,020,000
October private placement, National flow-through shares (viii)	47,820,000	5,977,500
October private placement, Québec flow-through shares (ix)	25,632,666	3,460,410
November private placement, common shares (x)	7,926,277	871,890
Issuance costs allocated to shares (v,vi,vii,viii,ix,x)	-	(755,418)
Flow-through premium (v,vi,viii,ix)	-	(3,361,700)
Shares issued upon exercise of stock options (xi)	400,000	47,713
Balance, December 31, 2023	**1,016,249,538**	**$406,572,216**

(i) During the year ended December 31, 2022, 130,000 common shares were issued upon exercise of stock options at an average price of $0.08 for total proceeds of $10,050. Value of the stock options exercised of $9,967 is included in share capital.

(ii) On February 24, 2022, the Company completed a "bought deal" public offering through the issuance of an aggregate of 27,300,000 charity flow-through common shares of the Company at a price of $0.55 (the **"Offering price"**) per charity flow-through share for gross proceeds of $15,015,000 to the Company. The charity flow-through shares were issued and sold pursuant to the terms of an underwriting agreement dated February 8, 2022. The Underwriters were paid a cash commission of 6% on the gross proceeds of the Offering.

In connection with the Offering, Agnico was one of the back-end buyers and acquired 6,362,519 common shares to maintain its ownership interest in the Company at approximately 9.9% (on a non-diluted basis) in accordance with the non-dilution rights granted to Agnico by the Company pursuant to a participation agreement between the Company and Agnico dated December 6, 2019. William Day also participated as a back-end buyer and acquired 1,612,903 common shares of the Company.

17. Shareholders' equity (continued):

(a) Share capital transactions (continued):

In respect of the Offering, the charity flow-through shares were offered by way of a short form prospectus dated February 18, 2022, filed in all of the provinces of Canada. The gross proceeds from the sale of the charity flow-through shares were used to support the Company's 2022 exploration program at the Company's Québec properties on the Detour-Fenelon Gold Trend.

The Company recorded a flow-through share premium and a corresponding deferred liability of $6,279,000 (note 14).

Share issuance costs of approximately $1,279,598 for the public offering were charged as a reduction of share capital, net of tax impact of $338,000.

(iii) On February 24, 2022, the Company completed a non-brokered private placement of 24,611,351 National flow-through common shares (**"National FT shares"**) and 12,357,000 Québec flow-through common shares (**"Québec FT shares"**) for aggregate gross proceeds of $14,172,570. The National FT shares were issued at a price of $0.37 and the Québec FT shares at a price of $0.41. In connection with the private placement, the Company paid a cash finder's fee of 4%. The gross proceeds from the sale of the flow-through shares were used to support the Company's 2022 exploration program at the Company's Québec properties on the Detour-Fenelon Gold Trend.

The Company recorded a flow-through share premium and corresponding deferred liability of $2,342,698 (note 14). Share issuance costs of approximately $596,663 for the private placement were charged as a reduction of share capital, net of tax impact of $158,000.

(iv) On November 18, 2022, the Company completed the sale of all of the property, rights and obligations related to Wallbridge's Nickel Assets to Archer (note 9(b)). As part of this transaction, Wallbridge immediately distributed 48,168,171 of Archer common shares to the Company's shareholders of record as of November 16, 2022. The common shares of Archer distributed to Wallbridge's shareholders are subject to a four month hold period in accordance with regulatory requirements.

The distribution was effected as a reduction in the stated capital of the Company pursuant to Section 34(1)(b) of the Business Corporations Act (Ontario) in accordance with the resolution approved by the Company's shareholders on October 18, 2022 and as approved by the Company's Board of Directors on November 9, 2022.

17. Shareholders' equity (continued):

(a) Share capital transactions (continued):

In accordance with IFRIC 17, Distribution of Non-cash Assets to Owners, the Company recognized the transfer of net assets to Wallbridge shareholders at fair value which was based on the expected market value per Archer common share bifurcated from the non flow-through units sold in the private placement completed by Archer on November 18, 2022. The fair value of the assets distributed was calculated as $0.4162 per common share, resulting in a reduction to the Company's share capital of $20,048,000 and was distributed on the basis of 0.0546 Archer shares for every one share held in Wallbridge to the Company's shareholders. There was no change in the fair value of the shares between the date of the approval of the distribution by the Company's Board of Directors on November 9, 2022 and the date of the distribution; therefore, there is no gain or loss recognition in the statement of net and comprehensive loss.

(v) On February 24, 2023, the Company completed a non-brokered private placement of 37,956,353 National FT shares issued at a price of $0.185 for gross proceeds of $7,021,925. The Company paid a cash finder's fee of 4% in connection with this non-brokered private placement. The net proceeds were used to support the Company's 2023 exploration program at the Company's Detour-Fenelon Gold Trend Property.

The Company recorded a flow-through share premium and a corresponding deferred liability of $949,000 (note 14).

Share issuance costs of approximately $264,773 for the private offering were charged as a reduction of share capital, net of tax impact of $95,286.

(vi) On February 24, 2023, the Company completed a non-brokered private placement of 8,000,000 Québec FT shares issued at a price of $0.20 for gross proceeds of $1,600,000. The Company paid a cash finder's fee of 4% in connection with this non-brokered private placement. The net proceeds were used to support the Company's 2023 exploration program at the Company's Detour-Fenelon Gold Trend Property.

The Company recorded a flow-through share premium and a corresponding deferred liability of $320,000 (note 14).

Share issuance costs of approximately $59,114 for the private offering were charged as a reduction of share capital, net of tax impact of $21,274.

17. Shareholders' equity (continued):

(a) Share capital transactions (continued):

(vii) On March 10, 2023, the Company completed a non-brokered private placement with Agnico of 6,000,000 common shares issued at a price of $0.17 for aggregate gross proceeds of $1,020,000 pursuant to certain participation rights set out in a pre-existing participation agreement.

Share issuance costs of approximately $9,558 for the private offering were charged as a reduction of share capital, net of tax impact of $3,440.

(viii) On October 26, 2023, the Company completed a non-brokered private placement of 47,820,000 National FT shares issued at a price of $0.125 for gross proceeds of $5,977,500.

The Company recorded a flow-through share premium and corresponding deferred liability of $1,195,500 (note 14).

Share issuance costs of approximately $263,650 for the private offering were charged as a reduction of share capital, net of tax impact of $94,345.

(ix) On October 26, 2023, the Company completed a non-brokered private placement of 25,632,666 Québec FT shares issued at a price of $0.135 for aggregate gross proceeds of $3,460,410.

The Company recorded a flow-through share premium and corresponding deferred liability of $897,200 (note 14).

Share issuance costs of approximately $151,287 for the private offering were charged as a reduction of share capital, net of tax impact of $54,137.

(x) On November 2, 2023, the Company completed a non-brokered private placement with Agnico of 7,926,277 common shares issued at a price of $0.11 for aggregate proceeds of $871,890 pursuant to certain participation rights set out in a pre-existing participation agreement.

Share issuance costs of approximately $7,036 for the private offering were charged as a reduction of share capital, net of tax impact of $2,518.

(xi) During the year ended December 31, 2023, 400,000 common shares were issued upon exercise of stock options at an exercise price of $0.075 for total proceeds of $30,000. Value of the stock options exercised of $17,713 is included in share capital.

17. Shareholders' equity (continued):

(b) Share based compensation plan:

The Company has an omnibus share based compensation plan comprised of restricted share units, deferred share units and stock options. Awards under the plan may be granted to any non-employee director, officer, employee or consultant. Under the plan, no cash settlements will be made as settlement will be in common shares only. The number of common shares available for issuance may not exceed 10% of the issued and outstanding common shares. In addition, the number of common shares issued and issuable to insiders within one year period shall not exceed 10% of the issued and outstanding common shares and to any one insider within one year shall not exceed 5% of the issued and outstanding common shares.

(i) Restricted Share Units (**"RSUs"**) may be granted to participants and are based on individual and corporate performance criteria. The Compensation and HR Committee determines the vesting schedule at the time of grant. The RSUs will be paid out to the participant no later than three years from the year in which the RSUs were granted. A restricted share unit is automatically converted into one common share upon vesting for no additional consideration. RSUs are equity-settled and are fair valued based on the market value of the shares at the grant date. The Company's compensation expense is recognized over the vesting period based on the number of units estimated to vest. Management estimates the number of awards likely to vest on grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period. On settlement of RSUs, the shares are issued from treasury. No RSUs were issued during 2023 and 2022.

(ii) Deferred share units (**"DSUs"**) may be used for partial payment of directors' fees to non-employee directors. A DSU is a notional share that has the same value as one common share. Directors may choose to take all or part of their fees in DSUs, with the consent of the Company. DSUs are paid out to the directors when they retire from the Board. DSUs are equity settled and are fair valued based on the market value of the shares at the grant date.

(iii) Stock Options may be granted to participants of the plan. The Compensation and HR Committee determines the exercise price, vesting period and exercise rights for each stock option granted. The exercise price of options granted in accordance with the plan must not be lower than the closing price for such shares as quoted on the TSX on the last business day prior to the date of the grant. Alternatively, the exercise price must not be lower than the five day weighted average trading price of the shares for the last five days that the shares traded on the TSX prior to the date of the grant.

(expressed in Canadian Dollars)

17. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

A summary of the Company's DSUs are as follows:

	2023		2022	
DSUs	Number	Fee Amount	Number	Fee Amount
Outstanding, beginning of year	4,236,111		2,719,818	
Granted for settlement of prior year's directors' fees	426,921	$81,968	219,792	$85,718
Granted for settlement of current year's directors' fees	1,751,980	$235,554	1,296,501	$257,156
Outstanding, end of year	6,415,012		4,236,111	

In 2024, a total of 583,197 DSUs were granted in lieu of cash to the directors of the Company in settlement of the fourth quarter of 2023 directors' fees owing of $65,318.

A summary of the Company's stock options are as follows:

	2023		2022	
Stock Options	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of year	19,965,412	$0.45	12,645,436	$0.59
Granted	10,108,800	$0.15	10,350,500	$0.36
Forfeited	(1,230,870)	$0.33	(903,336)	$0.45
Expired unexercised	(698,565)	$0.22	(1,997,188)	$0.95
Exercised	(400,000)	$0.08	(130,000)	$0.08
Outstanding, end of year	27,744,777	$0.35	19,965,412	$0.45

At December 31, 2023, 10,893,577 stock options were exercisable. The weighted average exercise price of options exercisable at December 31, 2023 is $0.50 (December 31, 2022 – 7,591,758 exercisable stock options with a weighted average exercise price of $0.49 per share). The weighted average remaining contractual life of stock options outstanding is 4.61 years (December 31, 2022 – 4.61 years).

17. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

For the year ended December 31, 2023, $911,992 (year ended December 31, 2022 - $928,318) of expense relating to stock options was recorded in share based compensation, and $85,879 (December 31, 2022 - $273,585) was capitalized to exploration and evaluation assets.

On March 28, 2022, 9,236,900 stock options were granted at an exercise price of $0.385 which will expire on March 28, 2029. Upon resignation of employees during the 2022 year, 660,400 stock options were forfeited as they did not vest. Upon resignation of employees during the 2023 year, 232,933 stock options were forfeited as they did not vest and 8,733 expired unexercised. The remaining stock options will vest equally over three years (approximately 2,778,278 per year) on March 28, 2023, March 28, 2024, and March 28, 2025.

On August 22, 2022, 1,113,600 stock options were granted at an exercise price of $0.18 which will expire on August 23, 2029. The stock options will vest equally over three years beginning on August 22, 2023.

On March 30, 2023, 9,008,800 stock options were granted at an exercise price of $0.155 which will expire on March 30, 2030. Upon resignation of employees during the 2023 year, 454,200 stock options were forfeited as they did not vest. The remaining stock options will vest equally over three years (approximately 2,851,533 per year) on March 30, 2024, March 30, 2025, and March 20, 2026.

On November 23, 2023, 1,100,000 stock options were granted at an exercise price of $0.08 which will expire November 23, 2030. The stock options will vest equally over three years beginning on November 23, 2024.

(expressed in Canadian Dollars)

17. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

The fair value of stock options granted during the year ended December 31, 2023 has been estimated using the Black-Scholes pricing model to be $776,409 (2022 - $1,782,316) or $0.08 per common share (2022 - $0.17 per common share).

The assumptions used in the pricing model are as follows:

	2023	2022
Estimated risk free interest rate	3.41% to 4.12%	2.27% to 2.84%
Expected life	3.4 years	3.3 years
Expected volatility *	62.7% to 72.6%	70.4% to 71.9%
Expected dividends	$Nil	$Nil
Forfeiture rate *	4.3% to 5%	3% to 4.4%

* The expected volatility used was based on the historical volatility of the Company's share price over a period equivalent to the expected life of the options prior to their grant date. The forfeiture rate is based on historical rate of forfeitures at the time of stock option grant.

The following table summarizes the stock options outstanding at December 31, 2023:

Exercise Price	Number	Exercisable	Expiry Date
$0.155	1,275,000	1,275,000	January 3, 2024(1)
$0.175	200,000	200,000	January 28, 2024(1)
$0.385 - $0.93	252,865	252,865	February 14, 2024(1)
$0.25	624,800	624,800	April 12, 2024
$0.42	200,000	200,000	July 21, 2024
$0.785	200,000	200,000	December 9, 2024
$0.66	1,597,500	1,597,500	January 30, 2025
$0.93	995,000	995,000	May 11, 2025
$0.77	100,000	100,000	December 12, 2025
$0.64	3,304,700	2,203,114	March 19, 2028
$0.61	280,312	186,874	June 15, 2028
$0.61	115,300	76,866	September 13, 2028
$0.385	7,831,100	2,610,357	March 28, 2029
$0.18	1,113,600	371,200	August 22, 2029
$0.155	8,554,600	-	March 30, 2030
$0.08	1,100,000	-	November 23, 2030
Outstanding options	27,744,777	10,893,576	

(1) Expired unexercised subsequent to December 31, 2023.

17. Shareholders' equity (continued):

(c) Share purchase warrants:

Each warrant entitles the holder to purchase one common share.

No warrants were issued during the year ended December 31, 2023 or 2022.

There are 500,000 warrants outstanding at December 31, 2023 with an exercise price of $1.00 which expire on March 17, 2025.

18. Commitments and contingencies:

(a) The Company has committed to contributing up to $1,500,000 to improve and upgrade the road that will facilitate access to the Sunday Lake geological fault located near Matagami, Québec. The total road improvement and upgrade costs are estimated to be $6,500,000 with the balance of the costs to be contributed by the Government of Québec. The first payment of $54,698 was paid in 2022. The Company has accrued a liability of $1,071,000 in the year ended December 31, 2023. The balance of the Company's commitment is estimated to be paid in 2024.

(b) The Company has a commitment of flow-through share expenditures of $6,762,105 (note 14).

(c) The Company has accrued estimated costs of $205,000 for remediation work resulting from equipment damaged in its water treatment plant that had caused a minor environmental spill in September 2023. These costs have been expensed in the statements of net loss and comprehensive loss in the year ended December 31, 2023.