TDG GOLD CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

Notice to Reader

These condensed interim consolidated financial statements of TDG Gold Corp. have been prepared by management and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim consolidated financial statements, notes to the financial statements or the related Management's Discussion and Analysis.

TDG GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Expressed in Canadian dollars)

	Note		January 31, 2024		July 31, 2023
ASSETS					
Current					
Cash	4	$	218,734	$	1,588,712
Receivables	5		503,388		63,733
Prepaid expenses	6		266,947		67,686
			989,069		1,720,131
Equipment	7		185,530		221,008
Exploration and evaluation assets	8		6,706,716		6,706,716
Reclamation deposits	9		566,245		466,245
Right-of-use asset	10		-		15,701
		$	8,447,560	$	9,129,801
LIABILITIES					
Current					
Trade and other payables	11	$	588,407	$	914,369
Lease liability	10		-		15,920
Flow-through premium liability	12		-		407,747
			588,407		1,338,036
Asset retirement obligation	13		795,875		790,517
			1,384,282		2,128,553
EQUITY					
Share capital	14		44,994,985		42,239,302
Reserve	14		1,802,021		1,677,186
Deficit			(39,733,728)		(36,915,240)
			7,063,278		7,001,248
		$	8,447,560	$	9,129,801

Nature of operations and going concern	1
Subsequent event	18

These condensed interim consolidated financial statements are approved for issue by the Board of Directors of the Company on March 27, 2024.

On behalf of the Board:

/s/ Fletcher Morgan Director /s/ Stephen Quin Director

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

TDG GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Expressed in Canadian dollars)

		Three months ended January 31,		Six months ended January 31,	
	Note	**2024**	**2023**	**2024**	**2023**
Expenses					
Accretion	*13*	$ 2,684	$ 1,355	$ 5,358	$ 2,708
Depreciation	*7 & 10*	25,799	22,062	51,179	44,125
Director fees	*15*	40,355	40,821	80,710	89,591
Exploration and evaluation expenditures	*8*	568,758	1,113,940	2,413,937	5,229,879
Office expenses		27,660	73,060	65,641	143,418
Marketing and promotion		41,606	87,278	91,375	192,045
Professional fees		48,078	42,526	63,303	62,456
Salaries & benefits / Consulting fees	*15*	120,421	153,072	252,194	253,370
Share-based compensation	*14*	84,823	2,950	115,789	9,533
Transfer agent and filing fees		11,350	9,974	15,680	13,698
Travel		12,866	9,054	70,189	22,838
		(984,400)	(1,556,092)	(3,225,355)	(6,063,661)
Flow-through premium recovery	*12*	-	307,713	407,747	1,506,828
Interest expense	*10*	(647)	(653)	(880)	(1,441)
Loss and comprehensive loss for the period		$ (985,047)	$ (1,249,032)	$ (2,818,488)	$ (4,558,274)
Basic and diluted loss per share		$ (0.01)	$ (0.01)	$ (0.02)	$ (0.05)
Weighted average number of shares outstanding		119,500,507	96,343,142	115,240,181	96,343,142

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

TDG GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Expressed in Canadian dollars)

	Six months ended January 31,	
	2024	**2023**
Operating activities		
Loss for the period	$ (2,818,488)	$ (4,558,274)
Items not affecting cash:		
Accretion	5,358	2,708
Depreciation	51,179	44,125
Share-based compensation	115,789	9,533
Flow-through premium recovery	(407,747)	(1,506,828)
Interest expense on lease liability	880	1,441
Change in non-cash working capital items:		
Receivables	(439,655)	326,609
Prepaid expenses	(199,261)	172,700
Trade and other payables	(325,962)	(1,027,610)
Cash used in operating activities	(4,017,907)	(6,535,596)
Investing activities		
Purchase of equipment	-	(99,500)
Exploration and evaluation assets	-	(25,000)
Reclamation deposits refunded	-	682,191
Reclamation deposits paid	(100,000)	(342,916)
Cash provided by (used in) investing activities	(100,000)	214,775
Financing activities		
Proceeds from private placement	2,821,000	-
Share issue costs	(56,271)	-
Repayment of lease liability	(16,800)	(16,800)
Cash provided by (used in) financing activities	2,747,929	(16,800)
Decrease in cash for the period	(1,369,978)	(6,337,621)
Cash, beginning of period	1,588,712	6,961,007
Cash, end of period	$ 218,734	$ 623,386
Non-cash investing and financing activities		
Broker warrants	$ 9,046	$ -
Supplementary information		
Interest paid	$ -	$ -
Income taxes paid	-	-

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

TDG GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited – Expressed in Canadian dollars)

	Number of shares	Share capital	Reserve	Deficit	Total
Balance, July 31, 2023	105,619,434	$ 42,239,302	$ 1,677,186	$ (36,915,240)	$ 7,001,248
Private placement	16,594,116	2,821,000	-	-	2,821,000
Share issue costs	-	(65,317)	9,046	-	(56,271)
Share-based compensation	-	-	115,789	-	115,789
Loss and comprehensive loss for the period	-	-	-	(2,818,488)	(2,818,488)
Balance, January 31, 2024	122,213,550	$ 44,994,985	$ 1,802,021	$ (39,733,728)	$ 7,063,278

	Number of shares	Share capital	Reserve	Deficit	Total
Balance, July 31, 2022	96,343,142	$ 40,226,317	$ 1,352,328	$ (30,201,196)	$ 11,377,449
Share-based compensation	-	-	9,533	-	9,533
Loss and comprehensive loss for the period	-	-	-	(4,558,274)	(4,558,274)
Balance, January 31, 2023	96,343,142	$ 40,226,317	$ 1,361,861	$ (34,759,470)	$ 6,828,708

1. NATURE OF OPERATIONS AND GOING CONCERN

TDG Gold Corp. (the "Company") is a publicly traded company incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 14, 2018. The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol TDG. The Company's head office and registered and records office address is Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6.

The Company is engaged in the identification, acquisition, exploration and, if warranted, development of mineral resource projects in British Columbia.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As at January 31, 2024, the Company had working capital of $400,662. However, management estimates that its working capital may not provide the Company with sufficient financial resources to carry out currently planned exploration and operations through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

Recent global issues, including the ongoing COVID-19 pandemic and certain political conflicts in other regions of the world have adversely affected workplaces, economies, supply chains, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of these issues and their effects on the Company's business or results of operations this time.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2023.

Basis of measurement

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

2. BASIS OF PRESENTATION (continued)

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the parent company's functional currency as well as being the functional currency for the Company's Canadian subsidiary.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

The carrying value and the recoverability of exploration and evaluation assets - Management has determined that exploration and evaluation costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities and existing permits.

Asset retirement obligations

The Company's asset retirement obligations represent management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs on the Company's exploration projects. The provision reflects estimates of future costs, inflation and assumptions of risks associated with the future cash outflows, and the applicable interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

Changes to the asset retirement obligations are recorded with a corresponding change to the carrying amounts of related exploration and evaluation assets. Adjustments to the carrying amounts of related mining properties can result in a change to future depletion expense.

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments (continued)

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Going concern – In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis. The key inputs used by the Company in this process include forecasted capital deployment, progress on permitting, results from the exploration of its properties and general industry conditions. Changes in these inputs may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern (Note 1).

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended July 31, 2023.

New standards, interpretations, and amendments not yet effective

There are no new standards that will have any significant effect on the Company.

4. CASH

	January 31, 2024	July 31, 2023
Cash	$ 218,734	$ 378,599
Cash allocated for flow-through expenditures	-	1,210,113
Total	$ 218,734	$ 1,588,712

(Unaudited – Expressed in Canadian dollars)

5. RECEIVABLES

		January 31, 2024		July 31, 2023
Amounts due from the Government of Canada pursuant to goods and services input tax credits	$	43,777	$	63,733
Exploration tax credit		459,611		-
Total	$	503,388	$	63,733

The Company claims British Columbia Mineral Exploration Tax Credits ("BCMETC") for eligible expenditures incurred on its exploration and evaluation assets. The BCMETC is subject to adjustments due to reassessments.

6. PREPAID EXPENSES

		January 31, 2024		July 31, 2023
Prepaid exploration and evaluation expenditures	$	23,698	$	23,698
Prepaid insurance		16,427		17,292
Prepaid marketing and promotion		137,708		-
Prepaid other		31,614		26,696
Deposit		57,500		-
Total	$	266,947	$	67,686

7. EQUIPMENT

		Exploration equipment		Total
Cost				
At July 31, 2023	$	350,575	$	350,575
Additions		-		-
At January 31, 2024	$	350,575	$	350,575
Accumulated depreciation				
At July 31, 2023	$	129,567	$	129,567
Depreciation		35,478		35,478
At January 31, 2024	$	165,045	$	165,045
Carrying amounts				
At July 31, 2023	$	221,008	$	221,008
At January 31, 2024	$	185,530	$	185,530

(Unaudited – Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION ASSETS

	Baker-Shasta	Oxide Peak	Total
As at July 31, 2023	$ 6,471,395	$ 235,321	$ 6,706,716
Additions	-	-	-
As at January 31, 2024	$ 6,471,395	$ 235,321	$ 6,706,716

Baker-Shasta Projects

In December 2020, the Company completed the acquisition of the Baker-Shasta, Mets, and Bot projects (collectively the “Baker-Shasta Projects”) located in the Toodoggone region of British Columbia. Certain Baker-Shasta claims are subject to net smelter return (“NSR”) royalties that range from 0.5% to 2.5%.

Oxide Peak Property

In December 2019, the Company entered into an option and joint venture agreement with ArcWest Exploration Inc. (“ArcWest”) pursuant to which the Company can earn up to an 80% interest in the Oxide Peak property located in the Toodoggone region of British Columbia.

The Company earned an initial 60% interest in the Oxide Peak property (the “First Option”) by fulfilling the following terms:

1. Cash payments as follows:
    - $15,000 on signing (paid);
    - $15,000 on or before December 31, 2020 (paid); and
    - $25,000 on exercise of the First Option (paid).

2. Incurring $2,400,000 of exploration expenditures as follows:
    - $400,000 by December 31, 2020 (incurred);
    - An additional $500,000 by December 31, 2021 (incurred); and
    - An additional $1,500,000 by December 31, 2022 (incurred).

Pursuant to the agreement, on the Company earning its interest, the parties would form a joint venture to hold and operate the Oxide Peak property, and each party would fund the costs associated with the Oxide Peak property proportionate to their respective interests. If a party did not contribute its share of the costs, the other party may contribute the shortfall, in which case, the interest of each party in the Oxide Peak property would be adjusted in accordance with a dilution formula. Should the Company’s or ArcWest’s interest be diluted to less than 10%, then that interest would convert to a 2% NSR royalty, of which 1% of the NSR royalty can be bought back for a $2,000,000 cash payment at any time.

Subsequent to January 31, 2024, the Company completed the acquisition of a 100% interest in the Oxide Peak property. The agreement replaces the option agreement, which has been terminated (Note 18).

(Unaudited – Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation expenditures incurred during the three and six months ended January 31, 2024 and 2023 are as follows:

	Three months ended January 31,		Six months ended January 31,	
	2024	**2023**	**2024**	**2023**
Baker-Shasta Projects				
Community engagement	$ 40,000	$ -	$ 85,000	$ 4,205
Drilling and assays	250,988	294,955	556,231	1,057,433
Field supplies and other	68,702	41,681	274,330	413,218
Fuel	22,183	37,957	56,636	303,382
Geophysics	66,428	6,118	126,854	249,167
Geological and technical consulting	85,382	154,242	405,621	905,780
Heavy equipment	-	-	7,561	338,544
Permitting & environmental	177,701	236,426	422,086	514,137
Project travel	12,903	35,257	231,604	347,945
Technical and field personnel	299,105	175,250	698,148	498,347
	1,023,392	981,886	2,864,071	4,632,158
Oxide Peak Property				
Drilling and assays	4,977	111,536	9,477	607,045
Field supplies and other	-	-	-	97,278
Fuel	-	-	-	79,956
Geophysics	-	-	-	52,130
Geological and technical consulting	-	10,568	-	270,119
Permitting & environmental	-	7,500	-	12,500
Project travel	-	2,450	-	500,409
	4,977	132,054	9,477	1,619,437
	1,028,369	1,113,940	2,873,548	6,251,595
Recoveries from third-party	-	-	-	(1,021,716)
Exploration tax credit	(459,611)	-	(459,611)	-
Total	$ 568,758	$ 1,113,940	$ 2,413,937	$ 5,229,879

(Unaudited – Expressed in Canadian dollars)

9. RECLAMATION DEPOSITS

		January 31, 2024		July 31, 2023
Baker-Shasta Projects	$	550,125	$	450,125
Oxide Peak Property		16,120		16,120
Total	$	566,245	$	466,245

10. RIGHT-OF-USE ASSET AND LEASE LIABILITY

On July 1, 2022, the Company entered into a lease agreement for an office in Richmond, BC which qualifies for reporting under IFRS 16. Accordingly, the Company recorded a right-of-use asset of $49,720 with a corresponding entry to lease liability. The Company calculated the present value of the minimum lease payments using an interest rate of 7%. Thereafter, the right-of-use asset was depreciated on a straight-line basis over the term of the lease which is 18 months.

The continuity of right-of-use assets for the six months ended January 31, 2024 and the year ended July 31, 2023 is as follows:

		January 31, 2024		July 31, 2023
Opening balance	$	15,701	$	47,103
Additions		-		-
Depreciation		(15,701)		(31,402)
Closing balance	$	-	$	15,701

The continuity of lease liability for the six months ended January 31, 2024 and the year ended July 31, 2023 is as follows:

		January 31, 2024		July 31, 2023
Opening balance	$	15,920	$	47,206
Additions		-		-
Interest expense		880		2,314
Repayment		(16,800)		(33,600)
Closing balance	$	-	$	15,920

(Unaudited – Expressed in Canadian dollars)

11. TRADE AND OTHER PAYABLES

		January 31, 2024		July 31, 2023
Trade and other payables in Canada	$	505,153	$	793,702
Amounts due to related parties (Note 15)		83,254		120,667
Total	$	588,407	$	914,369

12. FLOW-THROUGH PREMIUM LIABILITY

		January 31, 2024		July 31, 2023
Opening balance	$	407,747	$	1,578,907
April 2023 flow-through private placement		-		92,992
July 2023 flow-through private placement		-		578,370
Flow-through premium recovery		(407,747)		(1,842,522)
Closing balance	$	-	$	407,747

During the six months ended January 31, 2024, the Company spent $1,210,113 of flow-through funds and recorded a flow-through share premium recovery of $407,747 on the statement of loss and comprehensive loss.

13. ASSET RETIREMENT OBLIGATION

		January 31, 2024		July 31, 2023
Opening balance	$	790,517	$	882,368
Adjustment		-		(97,230)
Accretion		5,358		5,379
Closing balance	$	795,875	$	790,517

(Unaudited – Expressed in Canadian dollars)

14. SHARE CAPITAL

a) Authorized share capital

The authorized share capital is comprised of an unlimited number of common shares without par value.

b) Issued share capital

On October 6 and November 10, 2023, the Company completed, in two tranches, a private placement through the issuance of 16,594,116 non-flow-through shares at a price of $0.17 per non-flow-through share for gross proceeds of $2,821,000. The Company paid cash finder's fees of $41,140 and issued 126,000 broker warrants. Each broker warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.17 per share until November 10, 2025. The broker warrants were valued at $9,046 using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 4.57%; an expected volatility of 83%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero. The Company paid other share issue costs of $15,131.

c) Warrants

The continuity of share purchase warrants for the six months ended January 31, 2024 is as follows:

Expiry date	Exercise price	Balance, July 31, 2023	Granted	Exercised	Expired	Balance, January 31, 2024
September 19, 2023	$ 0.45	3,510,729	-	-	(3,510,729)	-
October 7, 2023	$ 0.42	1,316,245	-	-	(1,316,245)	-
December 11, 2023	$ 0.45	5,525,021	-	-	(5,525,021)	-
December 16, 2023	$ 0.75	1,987,499	-	-	(1,987,499)	-
December 16, 2023	$ 0.55	163,636	-	-	(163,636)	-
December 22, 2023	$ 0.75	1,534,091	-	-	(1,534,091)	-
December 22, 2023	$ 0.55	197,454	-	-	(197,454)	-
December 30, 2023	$ 0.75	225,000	-	-	(225,000)	-
November 10, 2025	$ 0.17	-	126,000	-	-	126,000
April 26, 2026	$ 0.42	1,789,750	-	-	-	1,789,750
April 26, 2026	$ 0.30	255,666	-	-	-	255,666
July 7, 2026	$ 0.42	2,162,667	-	-	-	2,162,667
July 7, 2026	$ 0.30	167,050	-	-	-	167,050
		18,834,808	126,000	-	(14,459,675)	4,501,133
Weighted average exercise price		$ 0.50	$ 0.17	$ -	$ 0.53	$ 0.40

As at January 31, 2024, the weighted average remaining contractual life of the warrants outstanding was 2.32 years.

(Unaudited – Expressed in Canadian dollars)

14. SHARE CAPITAL (continued)

d) Share-based compensation

In March 2022, the Company's shareholders approved a new stock option plan (the "New Option Plan"). The New Option Plan is a 10% "rolling" stock option plan which governs the granting of stock options to directors, officers, employees and consultants of the Company or a subsidiary of the Company for the purchase of up to 10% of the issued and outstanding common shares of the Company from time to time which supersedes the previous stock option plan (the "Superseded Option Plan"). Any stock options outstanding under the Superseded Option Plan will remain outstanding, however new stock option grants will be subject to the New Option Plan. The maximum term of stock options is ten years from the grant date. The exercise price and vesting terms are at the discretion of the directors.

In addition, the shareholders approved a new equity incentive plan (the "Equity Plan") which governs the granting of any restricted share unit (RSU), performance share unit (PSU) or deferred share unit (DSU) granted under the Equity Plan, to directors, officers, employees and consultants of the Company or a subsidiary of the Company. The Company has reserved for issuance up to 7,836,109 common shares, being 10% of the issued and outstanding common shares of the Company, pursuant to the Equity Plan.

The continuity of stock options for the six months ended January 31, 2024, is as follows:

Expiry date	Exercise price	Balance, July 31, 2023	Granted	Exercised	Expired	Balance, January 31, 2024
September 19, 2023	$ 0.20	66,668	-	-	(66,668)	-
February 1, 2026	$ 0.35	2,537,500	-	-	-	2,537,500
July 8, 2027	$ 0.42	1,925,000	-	-	-	1,925,000
July 8, 2027	$ 0.42	250,000	-	-	-	250,000
July 11, 2028	$ 0.30	1,410,000	-	-	-	1,410,000
December 27, 2028	$ 0.25	-	3,875,000	-	-	3,875,000
		6,189,168	3,875,000	-	(66,668)	9,997,500
Weighted average exercise price		$ 0.36	$ 0.25	$ -	$ 0.20	$ 0.32

As at January 31, 2024, 4,800,000 stock options were exercisable.

As at January 31, 2024, the weighted average remaining contractual life of the stock options outstanding was 3.79 years.

14. SHARE CAPITAL (continued)

d) Share-based compensation (continued)

During the six months ended January 31, 2024, the Company recorded $115,789 (2023 - $9,533) of share-based compensation in relation to stock options that vested during the period.

On December 27, 2023, the Company granted 3,675,000 stock options to directors, officers, employees, and consultants at a fair value of $637,015 or $0.17 per option, of which $40,857 was recorded as share-based compensation for the six months ended January 31, 2024. The options vest 50% one year from the date of grant and 50% two years from the date of grant. The fair value of the options granted was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.94%; an expected volatility of 93%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

On December 27, 2023, the Company granted 200,000 stock options to an investor relations consultant at a fair value of $34,667 or $0.17 per option, of which $14,247 was recorded as share-based compensation for the six months ended January 31, 2024. The options vest 25% on grant and 25% every three months thereafter. The fair value of the options granted was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.94%; an expected volatility of 93%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

On July 11, 2023, the Company granted 1,360,000 stock options to directors, officers, employees, and consultants at a fair value of $152,187 or $0.11 per option, of which $57,408 was recorded as share-based compensation for the six months ended January 31, 2024. The options vest 50% one year from the date of grant and 50% two years from the date of grant.

On July 11, 2023, the Company granted 50,000 stock options to an investor relations consultant at a fair value of $5,595 or $0.11 per option, of which $3,277 was recorded as share-based compensation for the six months ended January 31, 2024. The options vest 25% on grant and 25% every three months thereafter.

(Unaudited – Expressed in Canadian dollars)

15. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes the Chief Executive Officer, the VP Exploration, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid, or payable, to key management personnel during the three and six months ended January 31, 2024 and 2023 were as follows:

	Three months ended January 31, 2024	Three months ended January 31, 2023	Six months ended January 31, 2024	Six months ended January 31, 2023
Salaries & benefits / Consulting fees				
Chief Executive Officer	$ 64,620	$ 106,623	$ 129,240	$ 171,243
Golden Oak *	30,000	34,875	60,000	64,875
	94,620	141,498	189,240	236,118
Director fees	40,355	40,821	80,710	89,591
Exploration and evaluation expenditures				
VP Exploration	41,250	68,062	82,500	109,312
Share-based compensation	61,130	-	76,959	-
Total	$ 237,355	$ 250,381	$ 429,409	$ 435,021

** Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by the Chief Financial Officer and the Corporate Secretary of the Company. The Chief Financial Officer and the Corporate Secretary are employees of Golden Oak and are not paid directly by the Company.*

Amounts due to related parties

		January 31, 2024	July 31, 2023
Chief Executive Officer	Expenses	$ 9,780	$ 13,396
Director	Expenses	2,396	-
Golden Oak	Expenses	3,006	16,644
VP Exploration	Expenses	14,266	-
Directors	Director fees	53,806	90,627
		$ 83,254	$ 120,667

16. SEGMENTED INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and evaluation.

All of the Company's capital assets are located in Canada as at January 31, 2024 and July 31, 2023.

(Unaudited – Expressed in Canadian dollars)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss; fair value through other comprehensive income; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		January 31, 2024	July 31, 2023
Cash	Amortized cost	$ 218,734	$ 1,588,712
Receivables	Amortized cost	503,388	63,733
Reclamation deposits	Amortized cost	566,245	466,245
Trade and other payables	Amortized cost	(588,407)	(914,369)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.
- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of cash, receivables, reclamation deposits, and trade and other payables approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

Risk management

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended July 31, 2023.

18. SUBSEQUENT EVENT

On March 14, 2024, the Company completed the acquisition of a 100% interest in the Oxide Peak property (Note 8). In consideration, the Company paid $100,000 cash and issued 412,031 common shares of the Company. In addition, ArcWest shall receive a 2% NSR royalty on the Oxide Peak property, of which 1% may be repurchased for $1,000,000. The agreement replaces the option agreement, which has been terminated.