Blue Star Gold Corp.

Interim Condensed Consolidated Financial Statements

For the six months ended May 31, 2024

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

MANAGEMENT’S RESPONBILITY FOR FINANCIAL REPORTING

The interim condensed consolidated financial statements and all information in the quarterly report are the responsibility of the Board of Directors and management. These interim condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that the financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control through an Audit Committee. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the financial statements.

The interim condensed consolidated financial statements for the six months ended May 31, 2024 are unaudited and prepared by Management. The Company’s independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

BLUE STAR GOLD CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
(Unaudited)
AS AT,

	Notes	May 31, 2024	November 30, 2023
ASSETS			
Current			
Cash and cash equivalent		$ 1,852,473	$ 3,487,503
Advances and deposits		71,386	58,893
Other receivables		44,538	20,725
Total current assets		1,968,397	3,567,121
Long-term deposits	6	3,014,848	2,814,741
Right-of-use assets	8	154,609	213,688
Equipment	7	175,589	290,836
Exploration and evaluation assets	9	27,027,967	25,772,052
Total assets		$ 32,341,410	$ 32,658,438
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities		$ 150,311	$ 80,782
Due to related parties	10	310,745	252,978
Loan payable – short term	11	76,123	-
Lease liabilities – short term	8	132,131	118,928
Total current liabilities		669,310	452,688
Flow-through share premium liability	13	216,250	228,750
Loans payable – long term	11	1,701,606	1,652,450
Lease liabilities – long term	8	42,809	113,238
Total liabilities		2,629,975	2,447,126
Shareholders' equity			
Share capital	12	45,393,079	45,020,750
Obligation to issue shares	11, 12	72,854	72,854
Reserves – options	12	3,398,670	3,031,828
Reserves – warrants	12	543,657	532,021
Deficit		(19,696,825)	(18,446,141)
Total shareholders' equity		29,711,435	30,211,312
Total liabilities and shareholders' equity		$ 32,341,410	$ 32,658,438

Approved and authorized by the Board of Directors on July 11, 2024

"Kenneth R. Yurichuk"
Kenneth R. Yurichuk, Director

"Robert Metcalfe"
Robert Metcalfe, Director

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

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

	Three months ended May 31, 2024	Three months ended May 31, 2023	Six months ended May 31, 2024	Six months ended May 31, 2023
EXPENSES				
Accretion and interest (Notes 8 and 11)	$ 90,006	$ 20,074	$ 178,163	$ 108,860
Amortization (Note 7)	134	190	267	381
Amortization of ROU assets (Note 8)	25,709	25,709	51,419	51,419
Directors fees (Note 10)	32,500	35,178	65,000	60,178
Insurance	19,132	20,873	43,042	38,696
Investor and shareholder relations	74,911	72,446	154,108	151,709
Interest income	(32,829)	(2,900)	(58,207)	(7,437)
Office and miscellaneous	48,572	48,817	85,285	93,424
Professional fees	38,685	41,709	64,080	58,376
Regulatory and transfer agent fees	11,684	15,018	24,095	21,717
Salaries (Note 10)	156,988	162,287	305,638	318,007
Share-based compensation (Notes 10 and 12)	366,842	911,888	366,842	920,815
Travel and entertainment	-	13,948	421	13,948
Loss and comprehensive loss before income tax	(832,334)	(1,365,237)	(1,280,153)	(1,830,093)
Deferred income tax recovery (Note 13)	23,147	-	29,469	-
Loss and comprehensive loss for the period	(809,187)	(1,365,237)	(1,250,684)	(1,830,093)
Basic and diluted loss per common share	$ (0.01)	$ (0.02)	$ (0.02)	$ (0.03)
Weighted average number of common shares outstanding	81,895,802	64,372,145	81,815,440	64,372,145

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

BLUE STAR GOLD CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)
(Unaudited)

	Share Capital						
	Number	Amount	Obligation to issue shares	Reserves - options	Reserves - warrants	Deficit	Total
Balance, November 30, 2022	64,166,101	$39,080,112	$ -	$ 2,109,979	$ 238,349	$(16,377,664)	$ 25,050,776
Shares issued in private placement	6,250,000	2,437,500	-	-	62,500	-	2,500,000
Share issuance costs	-	(5,269)	-	-	-	-	(5,269)
Share-based compensation	-	-	-	920,815	-	-	920,815
Loss for the period	-	-	-	-	-	(1,830,093)	(1,830,093)
Balance, May 31, 2023	70,416,101	41,512,343	-	3,030,794	300,849	(18,207,757)	26,636,229
Shares issued in private placement	10,250,000	3,861,875	-	-	129,125	-	3,991,000
Finders' warrants	-	(102,047)	-	-	102,047	-	-
Share issuance costs	-	(287,848)	-	-	-	-	(287,848)
Equity portion in renewed shareholder's loan	-	-	109,281	-	-	-	109,281
Gain on renewal of shareholder's loan	-	-	-	-	-	462,697	462,697
Shares issued for loan bonus	98,451	36,427	(36,427)	-	-	-	-
Share-based compensation	-	-	-	1,034	-	-	1,034
Loss for the period	-	-	-	-	-	(701,081)	(701,081)
Balance, November 30, 2023	80,764,552	45,020,750	72,854	3,031,828	532,021	(18,446,141)	30,211,312
Shares issued in private placement	1,131,250	435,531	-	-	-	-	435,531
Finders' warrants	-	(11,636)	-	-	11,636	-	-
Share issuance costs	-	(51,566)	-	-	-	-	(51,566)
Share-based compensation	-	-	-	366,842	-	-	366,842
Loss for the period	-	-	-	-	-	(1,250,684)	(1,250,684)
Balance, May 31, 2024	81,895,802	$45,393,079	$ 72,854	$ 3,398,670	$ 543,657	$(19,696,825)	$ 29,711,435

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

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

	Six months ended May 31, 2024	Six months ended May 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (1,250,684)	$ (1,830,093)
Items not affecting cash:		
Accretion of interest	178,163	108,856
Amortization	267	381
Amortization of ROU assets	51,419	51,419
Share-based compensation	366,842	920,815
Flow-through tax recovery	(29,469)	-
Changes in non-cash working capital items:		
Advances and deposits	(12,493)	56,152
Receivables	(23,813)	6,419
Accounts payable and accrued liabilities	(87,419)	(18,590)
Due to related parties	57,767	13,466
Net cash used in operating activities	(749,420)	(691,175)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance	452,500	2,500,000
Share issuance costs	(51,566)	(5,269)
Repayment of lease liability	(72,048)	(68,575)
Net cash provided by financing activities	328,886	2,426,156
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term deposit	(200,107)	-
Exploration and evaluation expenditures	(1,014,389)	(715,356)
Government grant	-	125,000
Net cash used in investing activities	(1,214,496)	(590,356)
Change in cash during the period	(1,635,030)	1,144,625
Cash, beginning of period	3,487,503	1,055,101
Cash, end of period	$ 1,852,473	$ 2,199,726
SUPPLEMENT NON-CASH DISCLOSURES		
Exploration and evaluation assets included in accounts payable and accrued liabilities	$ 121,769	$ 128,514
Right-of-use assets included in lease liabilities	$ 7,660	$ 39,578
Amortization in exploration and evaluation assets	$ 114,980	$ 108,644
Interest paid	$ -	$ -
Taxes paid	$ -	$ -

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

1. Nature of Operations

Blue Star Gold Corp. ("Blue Star" or the "Company") was incorporated on April 13, 2007 pursuant to the *Business Corporations Act* of British Columbia. The Company's principal business activity is the acquisition and exploration of mineral property interests. The Company is in the exploration stage and substantially all the Company's efforts are devoted to financing and developing these property interests. There has been no determination whether the Company's interests in unproven exploration and evaluation assets contain economically recoverable mineral resources.

The Company is listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "BAU" and on OTCQB under the symbol "BAUFF", and its corporate head office is located at 507 - 700 West Pender Street, Vancouver, BC, Canada V6C 1G8.

2. Basis of Presentation

a) Statement of compliance

These unaudited interim condensed consolidated financial statements, including comparatives that are unaudited, have been prepared in accordance with IAS 34 ("IAS 34") using accounting policies consistent with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These interim condensed consolidated financial statements have been prepared using accounting policies consistent with those used in the Company's audited annual financial statements for the year ended November 30, 2023 except for income tax expense which is recognized and disclosed for the full financial year in the audited financial statements.

These interim condensed consolidated financial statements were authorized by the Board of Directors on July 11, 2024.

b) Going concern

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of its resource properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

These consolidated financial statements have been prepared in accordance with IFRS on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company incurred a loss of $1,250,684 during the six months ended May 31, 2024 and had an accumulated deficit of $19,696,825 (November 30, 2023 - $18,446,141) as at May 31, 2024. These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The outcome of these matters cannot be predicted at this time.

2. Basis of Presentation (continued)

c) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Ulu Mining Inc. and Inukshuk Exploration Incorporated ("Inukshuk"), both incorporated under the laws of British Columbia. All significant intercompany transactions have been eliminated upon consolidation. A subsidiary is an entity that the Company controls, either directly or indirectly. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns.

d) Functional and presentation currency

The Company and its wholly owned subsidiaries' reporting and functional currency is the Canadian dollar. Monetary assets and liabilities of the Company are translated into Canadian dollars at the exchange rate in effect on the consolidated statements of financial position date, while non-monetary assets and liabilities are translated at historical rates. Expenses are translated at the average rates over the reporting period. Gains and losses from these translations are included in profit or loss.

e) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

f) Estimates and judgments

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows.

Critical accounting estimates

i. Share-based compensation

Estimating the fair value of granted stock options requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected rate of forfeitures, expected life, price volatility, interest rate and dividend yield. Changes in the input assumptions can significantly affect the fair value estimate of the Company's earnings and reserves.

ii. Interest rates

The Company estimates a market interest rate in determining the fair value of the liability component of its loan payable and an incremental borrowing rate in determining the right-of-use asset. The determination of market interest rate is subjective and could significantly affect the fair value estimate.

2. Basis of Presentation (continued)

f) Estimates and judgments (continued)

Critical accounting judgments

i. Impairment of exploration and evaluation assets

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

ii. Going concern

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

ii. Application of IFRS 16 *Leases*

The Company applies judgment in determining whether the contract contains an identified asset, whether the Company has the right to control the asset, and the lease term. Lease term reflects the period over which the lease payments are reasonably certain including renewal options that the Company is reasonably certain to exercise. The determination of lease terms involves significant judgment with respect to assumptions of whether lease extensions will be utilized. Management makes assumptions about long-term industry outlook which relate to future events and circumstances. Actual results could vary from these assumptions, and the differences could be material to the carrying value of the lease liabilities and right-of-use assets, for which the lease term is the basis for determining useful life.

iii. Flow-through expenditures

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

iv. Modification versus extinguishment of financial liability

Judgement is required in applying IAS 32 *Financial Instruments: Presentation* and *IFRS 9 Financial Instruments: Recognition and Measurement* to determine whether the amended terms of the loan payable are a substantial modification of an existing financial liability and whether it should be accounted for as an extinguishment of the original loan payable.

3. Material Accounting Policy information

These Condensed Interim Consolidated Financial Statements have been prepared using accounting policies consistent with those used in the Company's audited consolidated financial statements for the year ended November 30, 2023.

New, amended and future accounting pronouncements

Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. Capital Management

Capital includes all the components of shareholders' equity as well as proceeds from loans. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. Further information relating to liquidity risk is disclosed in note 5.

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, enter into joint venture property arrangements, acquire or dispose of assets, or adjust the amount of cash.

To facilitate the management of its capital requirements, the Company prepares budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The budgets are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the six months ended May 31, 2024. The Company is not subject to externally imposed capital requirements.

5. Management of Financial Risks

Fair value measurement disclosure includes classification of financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

5. Management of Financial Risks (continued)

The Company's financial instruments as at May 31, 2024 are as follows:

		Level 1		Level 2		Level 3
Financial assets at FVTPL						
Cash and cash equivalents	$	1,852,473	$	-	$	-
Financial liabilities at amortized costs						
Accounts payable and accrued liabilities	$	150,311	$	-	$	-
Due to related parties	$	310,745	$	-	$	-
Lease liabilities	$	-	$	174,940	$	-
Loans payable	$	-	$	1,777,729	$	-

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

a) Fair value

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and amounts due to related parties approximated their fair value since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. The lease liabilities and loans payable are classified as level 2 due as the fair value is determined based on indirectly observable market interest rates.

b) Interest rate risk

The Company has no significant exposure at May 31, 2024 and November 30, 2023 to interest rate risk through its financial instruments. The Company has a loan payable with fixed interest rate at 3% per annum.

c) Currency risk

As at May 31, 2024 and November 30, 2023, the majority of the Company's cash and cash equivalents was held in Canadian dollars, the Company's functional and reporting currency. The majority of the Company's accounts payable and accrued liabilities are denominated in Canadian dollars. Loan payable and lease liabilities outstanding as at May 31, 2024 and November 30, 2023 are denominated in Canadian dollars. Currency risk is not significant.

d) Credit risk

Concentration of credit risk exists with respect to the Company's cash and cash equivalents, as substantially all amounts are held at major financial institutions. The credit risk associated with cash and cash equivalents is minimized by ensuring that these financial assets are placed with financial institutions with investment-grade ratings by a primary ratings agency.

e) Liquidity risk

The Company attempts to manage liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at May 31, 2024, the Company had cash and cash equivalents of $1,852,473 (November 30, 2023 - $3,487,503) to settle current liabilities of $669,310 (November 30, 2023 - $452.688).

(Expressed in Canadian dollars)

6. Long-term deposits

As at May 31, 2024, the Company has the following long-term deposits:

a) a deposit of $943,835 (November 30, 2023 - $943,835) held with the Kitikmeot Inuit Association pursuant to its Land Use License for the Ulu Gold Project;

b) a deposit of $1,685,542 (November 30, 2023 - $1,685,542) with Crown-Indigenous Relations and Northern Affairs Canada, in relation to the Ulu Water License issued by the Nunavut Water Board ("NWB") for the reclamation liability of the mining license;

c) advances of $326,597 (November 30, 2023 - $126,490) for exploration and evaluation expenditures; and

d) a deposit of $58,874 (November 30, 2023 - $58,874) for renewal of its office lease.

7. Equipment

	Computer and office equipment	Camp and field equipment	Total
Cost			
Balance, November 30, 2022	$ 19,097	$ 702,050	$ 721,147
Additions	-	100,912	100,912
Balance, November 30, 2023 and May 31, 2024	$ 19,097	$ 802,962	$ 822,059
Accumulated amortization			
Balance, November 30, 2022	$ 16,558	$ 293,329	$ 309,887
Additions	762	220,574	221,336
Balance, November 30, 2023	17,320	513,903	531,223
Additions	267	114,980	115,247
Balance, May 31, 2024	$ 17,587	$ 628,883	$ 646,470
Carrying amounts			
At November 30, 2023	$ 1,777	$ 289,059	$ 290,836
At May 31, 2024	$ 1,510	$ 174,079	$ 175,589

During the six months ended May 31, 2024, amortization expenses of $114,980 (2023 - $101,877) were recorded into the exploration and evaluation assets.

(Expressed in Canadian dollars)

8. Right-of-Use ("ROU") Assets and Lease Liabilities

Office lease

On May 5, 2022, the Company entered into an office lease agreement for a 36-month lease period starting October 1, 2022. In accordance with IFRS 16 *Leases*, the Company recorded right-of-use assets of $308,516 and recognized lease liabilities of $308,516 on commencement of the lease. As at October 1, 2022, the Company measured the present value of its lease liabilities using a discount rate of 16% as determined from its incremental borrowing rate.

Equipment lease

On December 21, 2022, the Company entered into an equipment rental/purchase agreement for a 31-month lease period starting December 21, 2022. In accordance with IFRS 16 *Leases*, the Company recorded right-of-use assets of $39,578 and recognized lease liabilities of $39,578 on commencement of the lease. On inception, the Company measured the present value of its lease liabilities using a discount rate of 0.2% as determined according to this agreement.

During the six months ended May 31, 2024, the Company recorded amortization expense of $7,660 (2023 - $6,767) into the exploration and evaluation assets.

a) *Right-of-use assets*

A reconciliation of the Company's right-of-use assets for the six months ended May 31, 2024 and for the year ended November 30, 2023 is as follows:

		Total
Balance, November 30, 2022	$	291,376
Initial recognition of new equipment lease		39,578
Amortization of ROU of office lease		(102,839)
Amortization of ROU of equipment lease		(14,427)
Balance, November 30, 2023		213,688
Amortization of ROU of office lease		(51,419)
Amortization of ROU of equipment lease		(7,660)
Balance, May 31, 20224	$	154,609

b) *Lease liabilities*

A reconciliation of the Company's lease liabilities for the six months ended May 31, 2024 and for the year ended November 30, 2023 is as follows:

		Total
Balance, November 30, 2022	$	291,586
Addition of new equipment lease		39,578
Accretion of interest		40,465
Lease payments - office		(125,383)
Lease payments – equipment		(14,080)
Balance, November 30, 2023		232,166
Accretion of interest		14,822
Lease payments - office		(64,368)
Lease payments – equipment		(7,680)
Balance, May 31, 2024	$	174,940

(Expressed in Canadian dollars)

8. Right-of-Use ("ROU") Assets and Lease Liabilities (continued)

b) *Lease liabilities (continued)*

		May 31, 2024		November 30, 2023
Short-term portion of lease liability	$	132,131	$	118,928
Long-term portion of lease liability	$	42,809	$	113,238

c) *Lease operating costs*

The Company pays about $8,000 per month for its leased office operating costs from October 1, 2022 to September 30, 2025. The total operating costs approximately $48,000 (2023 - $48,000) are recorded in office and miscellaneous expenses in the consolidated statements of loss and comprehensive loss for the six months ended May 31, 2024.

9. Exploration and Evaluation Assets

	Ulu Property (Nunavut)	***Hood River Property (Nunavut)***	***Roma Property (Nunavut)***	***Total***
Balance, November 30, 2022	$ 14,573,053	$ 7,717,414	$ 604,435	$ 22,894,902
Exploration				
Amortization (Notes 7 and 8)	117,501	117,500	-	235,001
Camp and supplies	1,132,422	-	-	1,132,422
Claim maintenance and filing fee	60,767	-	9,452	70,219
Consulting	16,450	-	-	16,450
General exploration	754,463	357,876	125,259	1,237,598
Geochemistry and assay	19,801	25,897	1,091	46,789
Geophysical	62,728	729	2,250	65,707
Permits	-	44,816	-	44,816
Project manager	63,411	63,411	-	126,822
Remediation	151,326	-	-	151,326
Government grant	(250,000)	-	-	(250,000)
Balance, November 30, 2023	16,701,922	8,327,643	742,487	25,772,052
Exploration				
Amortization (Notes 7 and 8)	61,320	61,320	-	122,640
Camp and supplies	452,759	-	-	452,759
Claim maintenance and filing fee	2,679	44,816	8,238	55,733
Drilling	8,171	11,591	14,343	34,105
Consulting	8,500	-	-	8,500
General exploration	175,716	59,528	94,528	329,772
Geochemistry and assay	1,250	1,250	1,074	3,574
Geophysical	300	4,390	750	5,440
Project manager	30,664	30,664	30,673	92,001
Remediation	151,391	-	-	151,391
Balance, May 31, 2024	$ 17,594,672	$ 8,541,202	$ 892,093	$ 27,027,967

9. Exploration and Evaluation Assets (continued)

a) Ulu Property

The Ulu Property consists of a renewable 21-year lease with an area of approximately 947 hectares and an expiry date of November 18, 2038.

On January 8, 2018, the Company and Mandalay Resources Corporation ("Mandalay") entered into an Ulu Property Option Agreement, which was further amended on July 19, 2019, pursuant to which, the Company acquired 100% of Ulu Property on February 10, 2020.

b) Hood River Property

The Company, through its subsidiary Inukshuk Exploration Inc. ("Inukshuk"), holds the Hood River Property in Nunavut through a 20-year renewable mineral exploration agreement ("MEA") dated June 1, 2013, issued by Nunavut Tunngavik Incorporated ("NTI").

On February 26, 2018, the Company signed a final Transaction Agreement (the "Definitive Agreement") and Net Smelter Royalty Agreement ("Royalty Agreement") to acquire 100% of the outstanding shares of Inukshuk, with an effective date as of September 18, 2014.

Under the terms of the Royalty Agreement in the Definitive Agreement, the Company will pay the following:

i. Pay a 3% NSR royalty on the disposition of all minerals produced from the Hood River Property;
ii. Make advance royalty payments totaling $500,000 (paid);
iii. Offer the vendor a right of conveyance if the Company abandons the Hood River Property; and
iv. Maintain the Hood River Property in good standing during the conveyance period.

Prior to the commencement of commercial production on the Hood River Property, the Company has the option to acquire up to 2% of the NSR for up to $8,000,000 under the following terms:

i. Purchase an initial 0.5% of the NSR for $1,000,000;
ii. Purchase an additional 0.5% of the NSR for an additional $1,500,000;
iii. Purchase an additional 0.5% of the NSR for an additional $2,500,000; and
iv. Purchase an additional 0.5% of the NSR for an additional $3,000,000.

On January 25, 2022, the Company signed an amended Hood River MEA with NTI resulting in an expansion of the project area by approximately 40%. The project area now encompasses 11,203 hectares.

c) Roma Property

On February 17, 2021, the Company entered into a Property Purchase Agreement to acquire 100% interest in nine mineral claims ("Roma") located in Nunavut. The Company issued 75,000 shares (fair valued at $67,500) on February 22, 2021 and reimbursed all expenses ($22,230) in connection with staking the claims. In January 2022, the Company staked additional claims at a cost of $7,885.

Also in January 2022, the Company entered into a 20-year renewable mineral exploration agreement ("MEA") with NTI for an exploration area of 4,119 hectares. Upon signing the MEA, the Company paid the first-year lease fee and the administration fee totaling $4,619.

9. Exploration and Evaluation Assets (continued)

d) Government grant

During the six months ended May 31, 2024, the Company received government grants of $Nil (November 30, 2023 - $250,000) from the Government of Nunavut (the "GN"). The Company recorded $250,000 as reduction of the exploration and evaluation assets as the GN's contribution is towards mineral expenditure incurred by the Company for the 2022-2023 period that has been incurred and approved.

Title to resource properties

Although the Company has taken steps to verify the title to exploration properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Realization of assets

The investment in and expenditures on exploration properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims are permitted to lapse.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource properties, the potential for production on the property may be diminished or negated.

(Expressed in Canadian dollars)

10. Related Party Transactions and Key Management Compensation

Related party transactions are in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed by the related parties. Amounts due to or from related parties are non-interest bearing and unsecured.

As at May 31, 2024, $310,745 (November 30, 2023 - $252,978) was due to directors and officers of the Company:

		May 31, 2024		November 30, 2023
CFO	$	12,705	$	13,000
Former CEO*		168,000		168,000
Directors		130,040		71,978
	$	310,745	$	252,978

* The Company's CEO was terminated during the year ended November 30, 2020 (Note 15).

During the six months ended May 31, 2024 and 2023, the Company entered into the following transactions with related parties:

		Six months ended May 31, 2024		Six months ended May 31, 2023
Salary – CEO	$	112,200	$	102,850
Salary – Spouse of CEO, Office and Human Resources Manager		45,240		61,920
Management fee – CFO		72,600		66,550
Directors' fees		65,000		60,179
Share-based compensation – 1,550,000 (2023 – 1,550,000) options granted to directors and officers (Note 13)		199,501		533,368
	$	494,541	$	824,867

11. Loans Payable

On November 21, 2019, the Company entered into a loan agreement with Dr. Georg Pollert. The loan principal amount is $2,435,542.

On November 21, 2022, the loan principal of $2,435,542 and unpaid interest balance of $101,892, totaling $2,537,434, was extended for one year interest free. The Company measured the present value of the loan as at $2,214,310 at 10% at the original effective interest rate. The interest benefit of $323,125 measured at the renewal date is recorded into shareholders' equity as Dr. Pollert is a major shareholder and a director of the Company.

On April 26, 2023, the maturity date was further extended to August 21, 2024. In accordance with IFRS 9, the Company determined the changes to the term of the loan was not significant to be considered an extinguishment, and as such, has been accounted for as a modification of financial liability. Accordingly, the Company recognized a gain of $55,923 on modification in deficit.

(Expressed in Canadian dollars)

11. Loan Payable (continued)

On October 5, 2023, the Company entered into a new loan agreement with Dr. Georg Pollert to renew the above loan with the principal amount of $2,537,434. The loan has a term of three years and bears interest at 3% per annum. In relation to the loan, the Company intends to issue up to 295,354 bonus shares with the first tranche of 98,541 bonus shares issued on October 25, 2023. In connection with the bonus shares described above, the Company initially recognized an obligation to issue shares of $109,281. The Company also recorded a gain on extinguishment of the original loan of $462,697 in deficit.

For accounting purposes, the loans with bonus shares were considered a hybrid financial instrument and were allocated into corresponding debt and equity components at the date of issue. The Company used the residual value method to allocate the principal amount of the loans between the liability and obligation to issue shares component. The Company valued the debt component of the loan agreements by calculating the present value of principal and interest payments, discounted at a rate of 21% which represents managements best estimate of the rate that a loan without bonus shares would earn. The debt component is subsequently accreted to the face value of the loan agreements with an effective interest rate of 19%.

		Liability Component		Obligation to issue shares
Balance at November 30, 2022	$	2,214,310	$	-
Accretion and interest		211,281		-
Gain on modification of loan		(55,923)		-
Derecognition of old loan – liability portion		(2,369,668)		-
Recognition of renewed loan		1,600,692		109,281
Accretion of interest		51,758		-
Bonus shares issued		-		(36,427)
Balance at November 30, 2023		1,652,450		72,854
Accretion of interest		163,341		-
Interest payable transferred to due to related parties		(38,062)		-
Balance at May 31, 2024	$	1,777,729	$	72,854

		May 31, 2024		November 30, 2023
Short-term portion of liability	$	76,123	$	-
Long-term portion of liability	$	1,701,606	$	1,652,450

12. Share Capital and Reserves

a) Authorized

Unlimited number of common shares without par value.

b) Share issuances

As at May 31, 2024, the Company had 81,895,802 (November 30, 2023 – 80,764,552) common shares issued and outstanding.

During the six months ended May 31, 2024:

On December 13, 2023, the Company closed the final tranche of a non-brokered private placement by issuing 1,131,250 flow-through share shares (each a "FT Share") at a price of $0.40 per FT Share, raising total gross proceeds of $$452,500, of which $16,969 is recorded as FT share premium liability. The Company issued 67,500 finder's warrants valued at $11,636, and paid finder's fees of $27,000 and legal and filing fees of $23,049.

12. Share Capital and Reserves (continued)

b) Share issuances (continued)

During the year ended November 30, 2023:

i) On May 25, 2023, the Company closed a non-brokered private placement by issuing 6,250,000 share units (each a "Unit") at $0.40 per Unit for gross proceeds of $2,500,000. Each Unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at $0.50 per share till May 25, 2025. The Company allocated $62,500 from share capital to warrant reserves. The Company paid legal and filing fees of $21,006.

ii) On July 20, 2023, the Company closed a non-brokered private placement by issuing 700,000 flow-through share units (each a "FT Unit") at a price of $0.42 per FT Unit, and 1,175,000 charitable flow-through share units (each, a "Charitable FT Unit") at a price of $0.49 per Charitable FT Unit raising total gross proceeds of $869,750. Each FT Unit and each Charitable FT Unit consists of one flow-through share and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at $0.50 per share till July 20, 2025. Of the proceeds, $129,125 is allocated from share capital to to warrant reserves and $Nil to flow-through premium liability. The Company paid finder's fees of $52,185, issued 112,500 finder's warrants valued at $17,647, and paid legal and filing fees of $11,582.

iii) the Company issued 98,451 bonus shares (fair valued at $36,427) to Dr. Georg Pollert in relation to a loan of $2,537,435 the Company renewed on October 5, 2023 (Note 11).

iv) On November 3, 2023, the Company closed the first tranche of a non-brokered private placement by issuing 4,750,000 flow-through share shares (each a "FT Share") at a price of $0.40 per FT Share, raising total gross proceeds of $1,900,000, of which $47,500 is recorded as FT share premium liability. The Company paid finder's fees of $114,000, issued 285,000 finder's warrants valued at $51,857.

v) On November 22, 2023, the Company closed the second tranche of a non-brokered private placement by issuing 3,625,000 FT Share at a price of $0.40 per FT Share, raising total gross proceeds of $1,450,000, of which $181,250 is recorded as FT share premium liability. The Company paid finder's fees of $87,000, issued 217,500 finder's warrants valued at $32,543, and paid legal and filing fees of $7,344.

c) Stock options

The Company has a stock option plan under which the aggregate number of common shares to be reserved for exercise of all options granted under the plan and any other share compensation arrangement shall not exceed 10% of the issued shares of the Company at the time of granting of options. The stock option plan provides for the granting of stock options to regular employees and persons providing investor relations or consulting services up to a limit of 5% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. Options granted to consultants providing investor relations services shall vest at a minimum over a period of twelve months with no more than one-quarter of such options vesting in any three-month period.

On April 22, 2024, the Company granted to directors, officers and consultants 2,800,000 stock options, exercisable at $0.25 per share for a term of five years. These options vested on the date of grant. The fair value of the stock options granted was $360,390 ($0.13 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

(Expressed in Canadian dollars)

12. Share Capital and Reserves (continued)

c) Stock options (continued)

On November 10, 2023, the Company granted to IR consultants 50,000 stock options, exercisable at $0.385 per share for a term of two year. These options vested 25% on the date of grant, and then 25% every three months. The fair value of the stock options granted was $9,086 ($0.18 per option), of which $6,452 is recorded in the consolidated statements of loss and comprehensive loss for the six months ended May 31, 2024 (November 30, 2023 - $1,034).

On May 2, 2023, the Company granted to directors, officers and consultants 2,650,000 stock options, exercisable at $0.43 per share for a term of five years. These options vested on the date of grant. The fair value of the stock options granted was $911,888 ($0.34 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

The fair value of the stock options granted was determined using the Black-Scholes option price model with the following weighted average assumptions:

Weighted average assumptions	**Six months ended May 31, 2024**	**Year ended November 30, 2023**
Risk free interest rate	3.79%	3.09%
Volatility	99.52%	110.23%
Expected life of options	5 years	4.94 years
Dividend rate	0%	0%

Expected volatility is based on the historical volatility of the Company's market share price. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, November 30, 2022	2,670,000	$ 0.90
Granted	2,700,000	0.43
Expired/forfeited	(500,000)	0.84
Balance, November 30, 2023	4,870,000	0.64
Granted	2,800,000	0.25
Expired/forfeited	(860,000)	1.06
Balance, May 31, 2024	6,810,000	$ 0.43
Exercisable, at May 31, 2024	6,810,000	$ 0.43

(Expressed in Canadian dollars)

12. Share Capital and Reserves (continued)

c) Stock options (continued)

At May 31, 2024, the Company has the following outstanding stock options outstanding:

Number of Options	Exercise Price	Expiry Date
120,000	$ 1.25	August 7, 2025
60,000	$ 1.25	October 17, 2024
535,000	$ 1.10	October 17, 2024
25,000	$ 1.10	June 28, 2024 (subsequently expired)
570,000	$ 0.50	March 30, 2027
100,000	$ 0.40	October 18, 2027
2,550,000	$ 0.43	May 2, 2028
50,000	$ 0.385	November 10, 2025
2,800,000	$ 0.25	April 22, 2029

d) Warrants

On May 25, 2023, the Company closed a non-brokered private placement by issuing 6,250,000 share units (each a "Unit") at $0.40 per Unit for gross proceeds of $2,500,000. Each Unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at $0.50 per share till May 25, 2025. The Company allocated $62,500 ($0.01 per warrant) from share capital to warrant reserves.

On July 20, 2023, the Company closed a non-brokered private placement by issuing 700,000 flow-through share units (each a "FT Unit") at a price of $0.42 per FT Unit, and 1,175,000 charitable flow-through share units (each, a "Charitable FT Unit") at a price of $0.49 per Charitable FT Unit raising total gross proceeds of $869,750, of which $129,125 is allocated to warrant reserves. Each FT Unit and each Charitable FT Unit consists of one flow-through share and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at $0.50 per share till July 20, 2025.

On July 20, 2023, the Company issued 112,500 finder's warrants valued at $17,647 ($0.22 per warrant). The finders' warrants are exercisable at $0.50 per share till July 20, 2025.

On November 3, 2023, the Company issued 285,000 finder's warrants valued at $51,857 ($0.18 per warrant). The finders' warrants are exercisable at $0.40 per share till November 3, 2025.

On November 22, 2023, the Company issued 217,500 finder's warrants valued at $32,543 ($0.15 per warrant). The finders' warrants are exercisable at $0.40 per share till November 22, 2025.

On December 13, 2023, the Company issued 67,500 finder's warrants valued at $11,636 ($0.17 per warrant). The finders' warrants are exercisable at $0.40 per share till December 13, 2025.

(Expressed in Canadian dollars)

12. Share Capital and Reserves (continued)

d) Warrants (continued)

The fair value of the finders' warrants was determined using the Black-Scholes option price model with the following weighted average assumptions:

Weighted average assumptions	Six months ended May 31, 2024	Year ended November 30, 2023
Risk free interest rate	4.22%	4.51%
Volatility	81.37%	83.22%
Expected life of options	2 years	2 years
Dividend rate	0%	0%

Share purchase warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2022	2,798,910	$ 1.03
Issued	4,677,500	0.49
Expired	(2,798,910)	1.03
Balance, November 30, 2023	4,677,500	0.49
Issued	67,500	0.40
Balance, May 31, 2024	4,745,000	$ 0.49
Exercisable, at May 31, 2024	4,745,000	$ 0.49

As at May 31, 2024, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
1,050,000	$ 0.50	July 20, 2025
3,125,000	$ 0.50	May 25, 2025
285,000	$ 0.40	November 3, 2025
217,500	$ 0.40	November 22, 2025
67,500	$ 0.40	December 13, 2025

(Expressed in Canadian dollars)

13. Flow-Through Share Premium Liabilities

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

	Issued in November, 2023	Issued in December, 2023	Total
Balance, November 31, 2022	$ -	$ -	$ -
Flow-through share premium on issuance of shares	228,750	-	228,750
Settlement of flow-through share liability on incurring expenses	-	-	-
Balance, November 30, 2023	228,750	-	228,750
Flow-through share premium on issuance of shares	-	16,969	16,969
Settlement of flow-through share liability on incurring expenses	(12,500)	(16,969)	(29,469)
Balance, May 31, 2024	$ 216,250	$ -	$ 216,250

During the six months ended May 31, 2024:

On December 13, 2023, the Company closed the final tranche of a non-brokered private placement by issuing 1,131,250 flow-through share shares (each a "FT Share") at a price of $0.40 per FT Share, raising total gross proceeds of $$452,500, of which $16,969 is recorded as FT share premium liability. As at May 31, 2024, the Company incurred all of the $452,500 qualified expenditures.

During the year ended November 30, 2023:

On July 20, 2023, the Company closed a non-brokered private placement by issuing 700,000 flow-through share units (each a "FT Unit") at a price of $0.42 per FT Unit, and 1,175,000 charitable flow-through share units (each, a "Charitable FT Unit") at a price of $0.49 per Charitable FT Unit raising total gross proceeds of $869,750, of which $Nil is recorded as FT share premium liability. As at November 30, 2023, the Company incurred all of the $869,750 qualified expenditures.

In November 2023, the Company raised $3,350,000 through the issuance of 8,375,000 flow-through shares (each a "FT Share") at a price of $0.40 per FT Share. A flow-through liability of $228,750 was recognized on the issuance date. As at November 30, 2023, the Company has an outstanding expenditure commitment of $3,350,000 to be incurred by December 2024. As at May 31, 2024, the Company incurred $592,746 qualified expenditures.

14. Segmented Information

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties. At May 31, 2024 and November 30, 2023, the Company's long-term deposits, right-of-use assets, equipment and exploration and evaluation assets are located in Canada. All expenses and cash receipts pertaining to exploration and evaluation activities are capitalized.

15. Litigation

On June 13, 2022, Stephen Wilkinson (the "Plaintiff"), the former CEO of the Company, filed a Notice of Civil Claim at the Supreme Court of BC to claim wrongful dismissal and breach of contract. The Plaintiff requested for compensation of 24 months of salary, bonus and other additional loss and damages. The Company has engaged legal counsel to defend itself against the claim.

As of May 31, 2024, the Company accrued $168,000 (November 30, 2023 - $168,000) in due to related parties, which equals the Plaintiff's salary for 12 months.

16. Events subsequent to the reporting period

i) In June 2024, the Company closed a non-brokered private placement by issuing 12,500,000 non-flow-through shares (each a "NFT Share") and 6,812,500 flow-through shares (each a "FT Share") at a price of $0.16 per share for total gross proceeds of $3,090,000. The Company paid finder's fees of $63,600, issued 397,500 finder's warrants exercisable at $0.16 per share for a period of two years.

ii) On June 6, 2024, the Company entered into an Advanced Exploration Lease (AEL) with the Kitikmeot Inuit Association (KIA) which provides the Company exclusive surface rights and access to this area of Inuit Owned Lands (IOL) for a period of 10 years. According to the AEL, the Company will pay an annual rent of $16,400 and water fee of $1,000, and also issue 2,460,000 common shares to KIA. The KIA's shareholding is subject to certain resale restrictions.