RUA GOLD INC.
(Formerly, First Uranium Resources Ltd.)

Condensed Interim Consolidated Financial Statements

For the three and six months ended December 31, 2023 and 2022

(Unaudited - Expressed in Canadian dollars)

RUA GOLD INC. (formerly First Uranium Resources Ltd.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	**December 31, 2023**	June 30, 2023
		$	$
		(unaudited)	(audited)
ASSETS			
Current			
Cash		**6,336,679**	7,717,832
Receivables		**86,451**	74,052
Prepaid expenses		**103,973**	4,942
Promissory note receivable	6	**805,000**	-
Investments	5	**209**	10,995
		7,332,312	7,807,821
Exploration and evaluation assets	7	**1**	1
Total assets		**7,332,313**	7,807,822
LIABILITIES			
Current			
Accounts payable and accrued liabilities	10	**39,718**	188,567
Promissory note payable	8	**-**	22,072
Total liabilities		**39,718**	210,639
SHAREHOLDERS' EQUITY			
Share capital	9(b)	**14,614,109**	14,614,109
Reserves	9(c), (d)	**438,845**	438,845
Deficit		**(7,760,359)**	(7,455,771)
Total shareholders' equity		**7,292,595**	7,597,183
Total liabilities and shareholders' equity		**7,332,313**	7,807,822

Nature of operations and going concern (Note 1)
Subsequent events (Note 1, 6, 9, 13)

Approved and authorized for issue on behalf the Board of Directors on April 26, 2024:

"/s/ "Robert Eckford	*/s/ Simon Henderson*
Director	Director

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

RUA GOLD INC. (formerly First Uranium Resources Ltd.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of share)

	Note	Three months ended December 31, 2023	2022	Six months ended December 31, 2023	2022
		$	$	**$**	$
Operating expenses					
Administrative fees		**15,185**	13,689	**58,282**	50,772
Consulting fees		**11,050**	145,600	**58,050**	188,179
Exploration expenses		**-**	850	**-**	28,000
Interest expense	8	**255**	363	**977**	1,185
Management fees	10	**38,000**	36,000	**62,000**	51,000
Professional fees		**117,899**	5,125	**118,924**	6,043
Transfer agent and filing fees		**14,934**	10,363	**21,224**	18,241
		(197,323)	(211,990)	**(319,457)**	(343,420)
Other expenses (income)					
Gain/(loss) on foreign exchange		**1,525**	(13,642)	**6,085**	1,136
Interest income		**114**	815	**1,246**	(3,922)
Change in fair value of investments	5	**(2,966)**	(530,369)	**(10,786)**	(1,159,982)
Other income		**18,324**	-	**18,324**	-
Net loss and comprehensive loss		**(180,326)**	(755,186)	**(304,588)**	(1,506,188)
Loss per share:					
Basic and diluted		**(0.00)**	(0.01)	**(0.00)**	(0.02)
Weighted average number of common shares outstanding:					
Basic and diluted		**81,126,589**	81,126,589	**81,126,589**	81,126,589

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

RUA GOLD INC. (formerly First Uranium Resources Ltd.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six months ended December 31,	
	2023	2022
	$	$
Operating activities:		
Net loss for the period	**(304,588)**	(1,506,188)
Items not affecting cash:		
Gain on foreign exchange	**-**	3,358
Change in fair value of investments	**10,786**	1,159,982
Interest expense	**977**	726
Changes in non-cash working capital items:		
Receivables	**(12,399)**	(7,486)
Prepaid expenses	**(99,031)**	(22,139)
Accounts payable and accrued liabilities	**(148,849)**	110,465
Cash used in operating activities	**(553,104)**	(261,282)
Investing activities:		
Promissory note issued to Reefton	**(805,000)**	-
Proceeds from sale of investments	**-**	712,604
Cash (used in)/provided by investing activities	**(805,000)**	712,604
Financing activity:		
Repayment of promissory note payable	**(23,049)**	-
Cash used in financing activity	**(23,049)**	-
Change in cash	**(1,381,153)**	451,322
Cash, beginning of period	**7,717,832**	6,601,658
Cash and cash, end of period	**6,336,679**	7,052,980
Cash received (paid) during the period for:		
Interest expense	**-**	(459)
Interest income	**977**	1,136

During the six-month periods ended December 31, 2023 and 2022, there were no significant non-cash financing or investing activities.

RUA GOLD INC. (formerly First Uranium Resources Ltd.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Reserves	Deficit	Total shareholders' equity
	#	$	$	$	$
Balance, June 30, 2022	81,126,589	14,614,109	438,845	(3,008,441)	12,044,513
Net loss and comprehensive loss	-	-	-	(1,506,188)	(1,506,188)
Balance, December 31, 2022	**81,126,589**	**14,614,109**	**438,845**	**(4,514,629)**	**10,538,325**
Net loss and comprehensive loss	-	-	-	(2,941,142)	(2,941,142)
Balance, June 30, 2023	81,126,589	14,614,109	438,845	(7,455,771)	7,597,183
Net loss and comprehensive loss	-	-	-	(304,588)	(304,588)
Balance, December 31, 2023	**81,126,589**	**14,614,109**	**438,845**	**(7,760,359)**	**7,292,595**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Rua Gold Inc. (formerly, First Uranium Resources Ltd.) ("Rua Gold" or the "Company") was incorporated under the Business Corporations Act of British Columbia on December 14, 2016. The Company's registered office is located at 1500 - 1055 West Georgia Street, Vancouver, BC, V6E 4N7. The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "RUA". The Company is engaged in the acquisition, exploration and evaluation of resource properties.

On February 27, 2024, the Company completed the business combination agreement dated July 24, 2023 (the "Business Combination Agreement") with Reefton Goldfields Inc. ("Reefton"), pursuant to which the Company acquired all of the issued and outstanding shares of Reefton (the "Transaction") (Note 6).

These unaudited condensed interim consolidated financial statements for the six months ended December 31, 2023 and 2022 (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at December 31, 2023, the Company had an accumulated deficit of $7,760,359 (June 30, 2023 - $7,455,771). For the six months ended December 31, 2023, the Company incurred a net loss of $304,588 (2022 - $1,506,188) and used cash in operating activities of $551,834 (2022 - $261,282). To date, the Company has not generated revenues from its operations. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although 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 advantageous to the Company.

Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on April 26, 2024.

These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended June 30, 2023 and 2022 (the "Annual Financial Statements").

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS, as well as information presented in the condensed interim consolidated statements of cash flows.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars. The functional currency is the currency of the primary economic environment in which an entity operates. The Company and its subsidiary's functional currency is the Canadian Dollar. Amounts denominated in Canadian dollars in these financial statements are denoted as CAD and $, amounts denominated in United States dollars are denoted as US$ and USD, and the amounts denominated in British pounds are denoted as £.

(Unaudited - Expressed in Canadian dollars, except where noted)

2. BASIS OF PREPARATION (continued)

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries included in these financial statements as at December 31, 2023 are as follows:

Name of subsidiary	Country of incorporation	Percentage ownership 2023	2022
1424060 BC Ltd.	Canada	100%	-

3. MATERIAL ACCOUNTING POLICIES

Except for as set out below, the accounting policies applied in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended June 30, 2023.

New and Amended IFRS Standards that are Effective for the Current Period

Amendments to IAS 8 – Definition of Accounting Estimates. These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. These amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of this amendment did not have a significant impact on the unaudited condensed interim consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies. These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of this amendment did not have a significant impact on the unaudited condensed interim consolidated financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities. The Company's interim results are not necessarily indicative of its results for a full year. The critical judgements and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in Note 4 to the Annual Financial Statements.

(Unaudited - Expressed in Canadian dollars, except where noted)

5. INVESTMENTS

A summary of the Company's investments is as follows:

	EarthRenew shares	EarthRenew warrants	Keras shares	Keras warrants	Total
	$	$	$	$	$
Balance, June 30, 2022	627,000	320,000	1,445,095	160,601	2,552,696
Proceeds from investments sold	(618,590)	(119,415)	(552,013)	-	(1,290,018)
Change in fair value of investments	(8,410)	(200,585)	(933,102)	(164,552)	(1,306,649)
Gain (loss) on foreign exchange	-	-	40,020	14,946	54,966
Balance, June 30, 2023	**-**	**-**	**-**	**10,995**	**10,995**
Change in fair value of investments	-	-	-	(10,786)	(10,786)
Balance, December 31, 2023	**-**	**-**	**-**	**209**	**209**

a) EarthRenew Inc.

EarthRenew Inc. ("EarthRenew") engages in the production and sale of regenerative and organic fertilizer in North America and is publicly listed on the Canadian Stock Exchange.

During the year ended June 30, 2023, the Company sold 3,800,000 EarthRenew common shares for a total proceeds of $618,590 and 4,000,000 EarthRenew warrants for total proceeds of $119,415.

As at December 31, 2023, the Company did not hold any EarthRenew common shares and share purchase warrants.

b) Keras Resources Plc

Keras Resources PLC ("Keras") is a mineral resource company publicly listed on the London Stock Exchange.

During the year ended June 30, 2023, the Company sold 13,750,000 common shares of Keras at an average price of $0.04 (US$0.03) per share for gross proceeds of $552,013 (US$162,871 and £200,000).

As at December 31, 2023, the Company holds 8,000,000 warrants. The fair value of the Keras warrants at December 31, 2023 is estimated to be $209 (June 30 2023 - $10,995) using the Black-Scholes option pricing model with the following inputs: share price of £3.75, exercise price of £18.00, expected term of 0.42 years, volatility of 80.11%, risk-free rate of 3.975% and dividend yield of 0.00%.

6. REVERSE TAKE-OVER TRANSACTION

On February 27, 2024, the Company completed the business combination agreement dated July 24, 2023 (the "Business Combination Agreement") with Reefton Goldfields Inc. ("Reefton"), pursuant to which the Company acquired all of the issued and outstanding shares of Reefton (the "Transaction"). Reefton is a resource exploration company with a mineral property, the Reefton Project, located in the Buller Province of the South Island, New Zealand.

In accordance with the terms and conditions of the Business Combination Agreement, the Business Combination (the "Transaction") was completed by way of a three-cornered amalgamation, whereby, among other things: (i) 1424060 B.C. Ltd. ("Subco") amalgamated with Reefton to form Reefton Acquisition Co., the amalgamated corporation resulting and continuing from the Amalgamation ("Amalco"); (ii) holders of the commons shares of Reefton ("Reefton Shares") received 1.6 Common Shares for each Reefton Share held and the Reefton Shares will be cancelled; (iii) First Uranium Warrants were issued to the holders of Reefton Warrants in exchange and replacement for, and on an equivalent basis after giving effect to the Exchange Ratio, such Reefton Warrants and such Reefton Warrants were cancelled; (iv) Amalco became a wholly-owned subsidiary of the First Uranium; and (v) First Uranium changed its name to "Rua Gold Inc.". Prior to the completion of the Business Combination, the outstanding capital of Reefton consists of 70,285,546 Reefton Shares and 5,300,000 Reefton Warrants. Pursuant to the Transaction, 112,456,874 Common Shares were issued in exchange for the Reefton Shares and 8,480,000 warrants were issued to the former holders of Reefton Warrants.

In connection with the Transaction, the Company entered into a grid promissory note dated August 29, 2023 issued by Reefton in favour of the Company in exchange for the Company extending to Reefton a non-revolving credit facility for up to an aggregate principal amount of $805,000, accruing interest at a rate of 8% per annum. The principal amount outstanding

(Unaudited - Expressed in Canadian dollars, except where noted)

6. REVERSE TAKE-OVER TRANSACTION (continued)

together with all accrued interest was waived in its entirety upon completion of the Transaction. During the six months ended December 31, 2023, the Company loaned $805,000 to Reefton. Subsequent to December 31, 2023, the grid promissory note was amended and restated to allow for an additional $500,000 drawdown, all of which Reefton drew prior to the completion of the Transaction.

In connection with the Transaction, the Company amended the terms of its existing warrants such that the exercise price is $0.20 and expiry date is March 31, 2025; and all stock options of the Company were exercised or terminated and cancelled prior to the closing of the Transaction.

7. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets is as follows:

	Black Duck Property	Hathor Property	Southwind Property	Total
	$	$	$	$
Balance June 30, 2022	1	400,000	2,569,867	2,969,868
Impairment of exploration and evaluation assets	-	-	(2,215,588)	(2,215,588)
Sale of property	-	(400,000)	(354,279)	(754,279)
Balance, December 31, 2023 and June 30, 2023	**1**	**-**	**-**	**1**

a) Black Duck Property, British Columbia, Canada

The Black Duck Property, located in south-central British Columbia, consists of two mineral titles, through staking.

b) Hathor Property, Saskatchewan, Canada

The Hathor Property is located in the heart of the Athabasca Basin in Saskatchewan and consists of 18 mineral claims.

On January 18, 2023, the Company closed a share purchase agreement to sell all of the issued and outstanding securities of Hathor for $400,000.

c) Southwind Property, Arkansas, USA

The Southwind Property is a land package in Arkansas comprising a phosphate and rare earth metals project.

During the six months ended December 31, 2023, the Company incurred $nil (2022 - $28,000) of exploration and evaluation expenses on this property.

On March 14, 2023, the Company closed a share transfer agreement to sell all of the issued and outstanding securities of Southwind for $100,000 and US$190,000 ($354,279 CAD equivalent). During the year ended June 30, 2023, the Company recorded an impairment on the property of $2,215,588 to match the consideration received from the purchaser.

8. PROMISSORY NOTES PAYABLE

On June 2, 2020, the Company entered into an unsecured promissory note of $18,000 with a third-party. The promissory note bears simple interest at 8% per annum accrued annually and is payable on demand. During the six months ended December 31, 2023, the Company accrued $977 (2022 - $1,185) of interest expense. During the six months ended December 31, 2023, the Company has fully repaid the promissory note. As at December 31, 2023, the amount of principal and accrued interest outstanding is $nil (June 30, 2023 - $22,072).

9. SHARE CAPITAL

a) Authorized share capital

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

(Unaudited - Expressed in Canadian dollars, except where noted)

b) Issued share capital

During the six months ended December 31, 2023, the Company had no share capital transactions. Subsequent to December 31, 2023, the Company issued 112,456,874 common shares pursuant to the Transaction (Note 6).

c) Reserves

A summary of the Company's reserves activity is as follows:

	Stock Options	Warrants	Total
	$	$	$
Balance, June 30, 2023 and December 31, 2023	**29,845**	**409,000**	**438,845**

d) Warrants

A summary of the Company's outstanding warrants as at December 31, 2023 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	$	Years
March 31, 2025	7,500,000	0.20	1.25
June 19, 2024	1,809,878	0.50	0.47
	9,309,878	**0.26**	**1.10**

On November 10, 2023, 525,000 warrants with an exercise price of $0.40 and 1,050,000 warrants with an exercise price of $0.20 expired. Furthermore, 7,500,000 warrants originally with an exercise price of $0.40 expiring November 10, 2023 were re-priced to an exercise price of $0.20 and extended the expiry date to March 31, 2025. The warrants were initially accounted for using the residual value method and were assigned a value of $nil. On the modification, the warrants remained out of the money resulting in an incremental value of $nil.

During the six months ended December 31, 2023, the Company did not issue any warrants. Subsequent to December 31, 2023, the Company issued 8,480,000 exchange warrants pursuant to the Transaction (Note 6).

e) Stock options

Stock options to purchase common shares have been granted to directors and officers of the Company at exercise prices determined by reference to the market value on the date of the grant. The number of shares available for options to be granted under the Company's stock option plan is 10% of the number of shares outstanding (the "Plan"). Options granted under the Plan vest immediately or over a period of time at the discretion of the Board of Directors.

Under the Plan, the options are non-assignable and non-transferable. The minimum exercise price of an option granted under the Plan must not be less than the discounted market price, as such term is defined in the policies of the CSE. The options can be granted for a maximum term of ten years.

The Company did not grant stock options during the six-month periods ended December 31, 2023 and 2022.

A summary of the Company's stock option activity is as follows:

	Number of options	Weighted Average Exercise price
	#	$
Balance December 31, 2023 and June 30, 2023	**400,000**	**0.10**

A summary of the Company's outstanding stock options as at December 31, 2023 is as follows:

(Unaudited - Expressed in Canadian dollars, except where noted)

Date of expiry	Exercise price	Number of options outstanding	Number of options exercisable	Weighted average remaining life
	$	#	#	years
April 24, 2024	0.10	400,000	400,000	0.32

Subsequent to December 31, 2023, the outstanding stock options were cancelled prior to the closing of the Transaction. Subsequent to December 31, 2023, the Company also issued 11,500,000 stock options with a weighted average exercise price of $0.11 which expire in 5 years and vest equally over three years.

10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

During the three and six months ended December 31, 2023, the Company incurred management fees with key management personnel of $38,000 and $62,000 respectively (2022 - $36,000 and $51,000 respectively).

Key management includes directors and officers of the Company and companies owned directly or indirectly by its directors and officers. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

As at December 31, 2023, accounts payable and accrued liabilities included $5,250 (June 30, 2023 - $nil) owed to officers of the Company. All related party amounts were incurred in the normal course of operations, bear no interest, and have no fixed terms of repayment.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

As at December 31, 2023, the Company's cash, promissory note receivable, accounts payables and accrued liabilities and promissory notes payable are measured at amortized cost. The fair values of these financial instruments approximate their carrying values due to their short-term nature.

As at December 31, 2023, the Company's investments are measured at fair value through profit and loss. The fair value of the investments in Keras warrants is determined using the Black-Scholes option pricing model and Level 3 inputs.

During the six months ended December 31, 2023 and 2022, there were no transfers between Level 1, Level 2, and Level 3 classified financial assets and liabilities. 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) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash. The Company minimizes its credit risk related to cash by placing the majority of its cash with major financial institutions. The Company considers the credit risk related to cash to be minimal.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that sufficient funds are raised from equity offerings or debt financing to meet its operating requirements, after taking into account existing cash and expected exercise of stock options and warrants. The Company's cash is held in business accounts which are available on demand for the Company's programs.

As at December 31, 2023, the Company had a working capital of $7,292,594. As such, the Company considers liquidity risk to be minimal.

c) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company is not exposed to material foreign exchange risk.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity prices. The Company is not exposed to significant interest rate risk on the basis that it does not hold any financial liabilities subject to movements in interest rates. The Company is not exposed to material price risk.

12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to pursue the development of its projects.

Historically, the Company has depended on external financing to fund its activities. The capital structure of the Company consists of all components of shareholders' equity, which was $7,292,595 as at December 31, 2023 (June 30, 2023 - $7,597,183). The Company manages its capital structure and makes adjustments to it for changes in economic conditions and the risk characteristics of the underlying assets, being mineral properties.

In order to maintain or adjust its capital structure, the Company may issue new shares through equity offerings or sell assets to fund operations. Management reviews the Company's capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements.

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, all held with major financial institutions. There have not been changes to the Company's capital management policy during the period.

13. SUBSEQUENT EVENTS

Subsequent to December 31, 2023, the Company adopted a Deferred Share Unit ("DSU") Plan. The number of DSU's which may be reserved for issuance must be taken into consideration with the Company's other share compensation arrangements and those, in combination, shall not be greater than 10% of the number of shares outstanding. The Company granted 875,476 DSUs to directors of the Company with a value of $0.176, being the volumed weighted average price of the common shares for the five trading days immediately preceding the grant date.