NUINSCO RESOURCES LIMITED

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023

DATED MAY 23, 2024

Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements

The accompanying unaudited Condensed Interim Consolidated Financial Statements of Nuinsco Resources Limited for the three months ended March 31, 2024 and 2023 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited Condensed Interim Consolidated Financial Statements have not been reviewed by an auditor.

Nuinsco Resources Limited

Unaudited Condensed Interim Consolidated Statements of Financial Position
As at March 31, 2024 and December 31, 2023

(in Canadian dollars)	Notes	March 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash		**$ 18,154**	$ 56,029
Receivables	*5*	**14,931**	18,007
Prepaids		**-**	100
Total current assets		**33,085**	74,136
Non-current assets			
Property and equipment	*6*	**1,815**	1,815
Exploration and evaluation projects	*7*	**745,801**	715,801
Total non-current assets		**747,616**	717,616
Total Assets		**$ 780,701**	$ 791,752
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current liabilities			
Trade and other payables		**$ 671,328**	$ 657,057
Loan payable	*8*	**60,000**	60,000
Total current liabilities		**731,328**	717,057
Non-current liabilities			
Long-term liabilities	*9*	**2,315,650**	2,255,525
Total Liabilities		**3,046,978**	2,972,582
Shareholders' deficiency			
Share capital	*10*	**101,043,919**	101,043,919
Shares to be issued		**10,000**	-
Contributed surplus	*12*	**6,959,674**	6,949,774
Warrants	*12*	**48,096**	57,996
Accumulated other comprehensive loss		**(2,147,261)**	(2,147,261)
Deficit		**(108,180,705)**	(108,085,258)
Total shareholders' deficiency		**(2,266,277)**	(2,180,830)
Total Liabilities and Shareholders' Deficiency		**$ 780,701**	$ 791,752

The accompanying notes are an integral part of these consolidated financial statements
NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENT (Note 17)

Nuinsco Resources Limited

Unaudited Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
For the three months ended March 31, 2024 and 2023

(in Canadian dollars)	*Notes*	**2024**	2023
Operating expenses			
General and administrative		**$ 94,975**	$ 123,844
Share-based payments	*12*	**-**	47,995
Depreciation of property and equipment	*6*	**-**	145
Operating loss		**(94,975)**	(171,984)
Other income (expenses)			
Interest expense	8	**(472)**	-
Other income	7	**-**	12,720
Loss before income taxes		**(95,447)**	(159,264)
Income taxes		**-**	-
Net loss and comprehensive loss for the period		**$ (95,447)**	$ (159,264)
Loss per share	*11*		
Basic and diluted loss per share		**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding		592,863,512	568,955,041

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

Nuinsco Resources Limited

Unaudited Condensed Interim Consolidated Statements of Shareholders' Deficiency
For the three months ended March 31, 2024 and 2023

(in Canadian dollars)	**Share Capital**	**Shares to be issued**	**Contributed Surplus**	**Warrants**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total Shareholders' Deficiency**
Balances as at December 31, 2022	**$ 100,959,879**	**$ -**	**$ 6,639,745**	**$ 283,730**	**$ (2,147,261)**	**$ (106,843,948)**	**$ (1,107,855)**
Share-based payments	-	-	47,995	-	-	-	47,995
Net loss for the period	-	-	-	-	-	(159,264)	(159,264)
Balances as at March 31, 2023	**$ 100,959,879**	**$ -**	**$ 6,687,740**	**$ 283,730**	**$ (2,147,261)**	**$ (107,003,212)**	**$ (1,219,124)**
Balances as at December 31, 2023	**$ 101,043,919**	**$ -**	**$ 6,949,774**	**$ 57,996**	**$ (2,147,261)**	**$ (108,085,258)**	**$ (2,180,830)**
Expiry of warrants	-		9,900	(9,900)	-	-	-
Exercise of stock options	-	10,000					
Net loss for the period	-	-	-	-	-	(95,447)	(95,447)
Balances as at March 31, 2024	**$ 101,043,919**	**$ 10,000**	**$ 6,959,674**	**$ 48,096**	**$ (2,147,261)**	**$ (108,180,705)**	**$ (2,276,277)**

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

Nuinsco Resources Limited

Unaudited Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31, 2024 and 2023

(in Canadian dollars)	*Notes*	**2024**	2023
Cash flows from operating activities			
Net loss for the period		**$ (95,447)**	$ (159,264)
Adjustments for:			
Share-based payments	*12*	**-**	47,995
Depreciation of property and equipment	*6*	**-**	145
Option deposit		**-**	(12,720)
Changes in prepaid expenses		**100**	(11,378)
Change in receivables		**30,125**	(7,361)
Change in trade and other payables		**3,076**	(116,413)
Change in long-term liabilities		**14,270**	60,125
Net cash used in operating activities		**(47,875)**	(198,871)
Cash flows from investing activities			
Proceeds from sale of exploration and evaluation projects		**-**	190,000
Cash expenditures on exploration and evaluation projects	*7*	**-**	(32,972)
Net cash provided by investing activities		**-**	157,028
Cash flows from financing activities			
Proceeds from exercise of stock options		**10,000**	-
Net cash provided by financing activities		**10,000**	-
Net decrease in cash		**(37,875)**	(41,843)
Cash, beginning of the period		**56,029**	120,358
Cash, end of the period		**$ 18,154**	$ 78,515

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nature of Operations

Nuinsco Resources Limited ("Nuinsco" or the "Company") is a company incorporated in Canada. The address of the Company's registered office is 115-2420 Bank Street, Ottawa, Ontario, K1V 8S2. The consolidated financial statements of the Company as at and for the three months ended March 2024 and 2023 (the "Consolidated Financial Statements") comprise the Company and its subsidiaries. Nuinsco is primarily engaged in the acquisition, exploration and evaluation of properties for precious and base metals. The Company conducts its activities on its own or participates with others on an investment basis. The Company also makes strategic investments through equity or loan financing to companies engaged in the exploration and development of resource properties. The Company's shares trade on the Canadian Securities Exchange under the symbol NWI.

Going Concern

The Company's Consolidated Financial Statements have been prepared using the going concern assumption, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The Company has incurred a net loss of $95,447 for the three months ended March 31, 2024 (three months ended March 31, 2023 – $159,264) and as at March 31, 2024 has an accumulated deficit of $108,180,705 (December 31, 2023 - $108,085,258). As at March 31, 2024, the Company had a working capital deficiency of $698,243 (December 31, 2023 - $642,921). Working capital deficiency is defined as current liabilities less current assets.

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to: continuing losses, dependence on key individuals, and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financing. Refer to Note 4 on Financial Risk Management and Capital Management to these Consolidated Financial Statements for additional information.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and 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 government licensing requirements or regulations, First Nations claims, unregistered prior agreements, social licensing requirements, unregistered claims, and non-compliance with regulatory and environmental requirements. The Company may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainties.

None of the Company's projects are currently in commercial production and, accordingly, the Company is dependent upon debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The Company's ability to continue as a going concern, is dependent upon the Company's ability to finance exploitation of its projects through debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding.

The Company's management continues to be engaged in securing financing or the potential sale of assets. There are no assurances that the Company will be successful in obtaining any financing or selling assets, or in accomplishing that on a timely basis or on reasonable or acceptable terms, or at all. If the Company cannot obtain financing or otherwise improve liquidity, it will be unable to fund continuing operations and corporate administration costs.

If the Company is unable to obtain additional financing, it will be required to curtail all of its operations and may be required to liquidate its assets.

Should the Company not be able to continue to obtain the necessary financing, achieve favourable exploration results, achieve future profitable production or the sale of properties or improve its liquidity sufficient to enable it to fund operations, the Company's ability to continue as a going concern will be compromised. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN - CONTINUED

These consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes to the statements of operation and comprehensive loss that might be necessary if the Company was unable to continue as a going concern.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The Consolidated Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB") and in accordance with IAS 34, Interim Financial Reporting ("IAS 34").

The Company's significant accounting policies are described in Note 3 of the audited financial statements for the year ended December 31, 2023 ("2023 Audited Consolidated Financial Statements").

The management of Nuinsco prepares the consolidated financial statements which are then reviewed by the Audit Committee and the Board of Directors. The Consolidated Financial Statements were authorized for issuance by the Board of Directors on May xx, 2024.

(b) Basis of Measurement

The consolidated financial statements have been prepared on the historic cost basis.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its active subsidiaries. All financial information is expressed in Canadian dollars unless otherwise stated.

(d) Use of Estimates and Judgments

The preparation of 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. It is reasonably possible that, on the basis of existing knowledge, outcomes in the next financial year that are different from the assumptions used could require a material adjustment to the carrying amount of the asset or liability affected.

The accompanying consolidated financial statements include all adjustments that are, in the opinion of management, necessary for fair presentation.

Significant estimates and assumptions

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.

Information regarding significant areas of estimation uncertainty made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 12 — Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made in applying valuation techniques. These assumptions include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

2. BASIS OF PREPARATION – CONTINUED

Significant Judgments
Judgments are reviewed on an ongoing basis. Changes resulting from the effects of amended judgments are recognized in the period in which the change occurs and in any future periods presented.

Information regarding significant areas of critical judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 1 Going concern assessment - As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time.

- Note 7 Classification of expenditures as exploration and evaluation projects or operating expenses - The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

- Note 7 Impairment of exploration and evaluation projects - While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future cash flows expected to be derived from the Company's properties, costs to sell the properties and the appropriate discount rate.

- Disclosure of contingencies - Provisions and contingencies arising in the course of operations, including provisions for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments to the Company's assets when the amounts are determined or additional information is acquired.

3. MATERIAL ACCOUNTING POLICIES

The Company's material accounting policies are described in Note 3 of the audited financial statements for the year ended December 31, 2023 ("2023 Audited Consolidated Financial Statements").

4. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board fulfils its responsibility through the Audit Committee which is responsible for overseeing the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management practices are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has an established code of conduct which sets out the control environment within which framework all directors' and employees' roles and obligations are outlined. The Company's risk and control framework is facilitated by the small-sized and hands-on executive team.

Credit Risk

Credit risk is the risk of an unexpected financial loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash.

Cash

The Company's cash is held through large Canadian financial institutions. The Company has a corporate policy of investing its available cash in Canadian government instruments and certificates of deposit or other direct obligations of major Canadian banks, unless otherwise specifically approved by the Board.

Receivables

Amounts due are settled on a regular basis.

When necessary, the Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments. The main component of this allowance is a specific loss component that relates to individually significant exposures.

Further, when the Company engages in corporate transactions, it seeks to manage its exposure by ensuring that appropriate recourse is included in such agreements upon the counterparty's failure to meet contractual obligations.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking undue damage to the Company's reputation.

Presently, the Company is facing a significant shortfall in liquidity before it expects any cash flows from its projects. The Company continues to hold discussions on securing financing or potential sale of assets. There are no assurances that the Company will be successful in obtaining any financing or selling assets, or in accomplishing that on a timely basis or on reasonable or acceptable terms, or at all. If the Company cannot obtain financing or otherwise improve liquidity, it will be unable to fund continuing operations and corporate administration costs (Note 1).

The Company's objective is to maintain sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. This is accomplished by budgets and forecasts which are updated on a periodic basis to understand future cash needs and sources. When possible, spending plans are adjusted accordingly to provide for liquidity.

4. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT - CONTINUED

The Company manages its liquidity risk through the mechanisms described above and as part of Capital management Disclosures below. The Company has historically relied on issuances of shares to develop projects and to finance day-to-day operations and may do so again in the future.

All contractually obligated cash flows are payable within the next fiscal year with the exception of the Company's loan payable, deferred director and management fees, which are recorded in long-term liabilities.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Company's income, the value of its E&E properties or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk on purchases, trade and other payables that are denominated in a currency other than the respective functional currency. The currencies in which these transactions primarily are denominated are the United States dollars ("US$"). The Company does not actively hedge its foreign currency exposure. Currently the Company does not hold any material amount of foreign currency, thus reducing any currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash earns interest at variable short-term rates. Accordingly, the estimated effect of a 50 basis points change in interest rate would not have a material effect on the Company's results of operations.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damages to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. The Company has a small but hands-on and experienced executive team which facilitates communication across the Company. This expertise is supplemented, when necessary, by the use of experienced consultants in legal, compliance and industry-related specialties.

Capital Management Disclosures

The Company's objective when managing capital is to safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds to support continued project development and corporate activities. Capital is defined by the Company as the aggregate of its shareholders' deficiency as well as any long-term debt, equipment-based and/or project-based financing.

The Company manages its capital structure and makes adjustments to it based on the level of funds available to the Company to manage its operations. In order to maintain or adjust the capital structure, the Company's objectives are to obtain equity, long-term debt, equipment-based financing and/or project-based financing sufficient to maintain and expand its operations. There are no assurances that these initiatives will be successful.

(all amounts in Canadian dollars)

4. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT - CONTINUED

Neither the Company, nor any of its subsidiaries, are subject to externally imposed capital requirements. There were no changes in the Company's approach to financial risk management or capital management during the period.

Fair value hierarchy

The different levels of valuation are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability are not based on observable market data (unobservable inputs).

The carrying value of these financial instruments approximate their fair value due to their immediate or short term to maturity, or their ability for liquidation at comparable amounts.

5. RECEIVABLES

	March 31, 2024	December 31, 2023
Sales tax receivable	**$ 14,931**	$ 18,007

6. PROPERTY AND EQUIPMENT

Equipment	**Cost**	**Accumulated Depreciation**	**Carrying Amount**
Balance as at December 31, 2022	**113,181**	**110,836**	**2,345**
Depreciation	-	530	(530)
Balance as at December 31, 2023 and March 31, 2024	**$ 113,181**	**$ 111,366**	**$ 1,815**

7. EXPLORATION AND EVALUATION PROJECTS

	Prairie Lake	**Dash Lake**	**Zig Zag Lake**	**El Sid**	**Total**
Balance, December 31, 2022	**$514,613**	**$ -**	**49,258**	**$ 652,407**	**$1,216,278**
Option payments	-	-	23,500	-	23,500
Project expenditures	201,188	24,192	1,000	53,753	280,133
Disposal	-	-	(73,758)	-	(73,758)
Impairment write-down	-	(24,192)	-	(706,160)	(730,352)
Balance, December 31, 2023	**715,801**	**-**	**-**	**-**	**715,801**
Project expenditures accrued	30,000	-	-	-	30,000
Balance, March 31, 2024	**$ 745,801**	**$ -**	**$ -**	**$ -**	**$ 745,801**

Prairie Lake

The Prairie Lake project, located near Marathon, Ontario, is within a large carbonatite intrusion hosting a number of commodities of potential commercial interest including phosphate (P2O5), niobium (Nb) tantalum (Ta), uranium, rare earth elements ("REEs"), and other elements and compounds. The Prairie Lake project is owned 100% by the Company, is royalty-free and consists of nine claims comprising of 46 mining claims (27 single cell and 19 boundary cell mining claims), encompassing 608 ha. Evaluation, analytical sampling, and metallurgical and process testing are ongoing.

7. EXPLORATION AND EVALUATION PROJECTS - CONTINUED

Sunbeam Gold Property

In February 2018, the Company acquired the Sunbeam Gold Property, which is located about 30km northeast of Atikokan, north-western Ontario and is readily accessible by road. The property is composed of 101 mining claims (99 single cell and 2 boundary cell mining claims) totalling 1,552ha and is the site of a former patented mining claim that encompassed the Sunbeam Mine.

On October 3, 2022, the Company entered into an option agreement (the “Agreement I”) with First Class Metals PLC (“FCM”) on the Sunbeam Gold Property (the “Project”).

Under the terms of the Agreement I, FCM can acquire a 100% interest in the Project on the following basis:

- making aggregate payments to Nuinsco of $700,000 in three tranches comprising:
  - $400,000 within 10 (ten) business days of the execution of the Agreement (received);
  - $150,000 prior to the four-month anniversary of execution of the Agreement (received); and,
  - $150,000 prior to the eight-month anniversary of execution of the Agreement (received);
- expending on the Project $750,000 in exploration expenses within three years of executing the Agreement, of which $50,000 must be spent in the first year;
- paying to Nuinsco $250,000 upon estimating an Indicated Resource containing 250,000 ounces of gold, and paying to Nuinsco an additional $250,000 upon estimating an additional Indicated Resource containing 250,000 ounces of gold (for a total Indicated Resource containing 500,000 ounces of gold) (the “Earnout Receivable”); and,
- providing to the Company a 1% net smelter return royalty.

The Company received the payments of $400,000 in October 2022, $150,000 in February 2023 and $150,000 in June 2023. The Company recognized $nil gain on the sale of property and fully impaired the capitalized project expenditures of $64,920 during the year ended December 31, 2022.

The Earnout Receivable was considered a contingent consideration. Management has assessed that the Earnout Receivable is considered highly improbable and accordingly has not recognized the Earnout Receivable.

Zig Zag Lake

On June 19, 2021, the Company signed an option agreement (the “Agreement III”) to acquire a 100% interest in the Zig Zag Lake lithium-tantalum property located approximately 68 kilometres east-northeast of Armstrong, Ontario. Terms of Agreement III are:

- On signing, an $8,000 cash payment (paid in 2021) and 200,000 common shares of the Company on signing (issued in 2021);
- On the first anniversary a $15,000 cash payment and 200,000 common shares of the Company (issued June 29, 2021 with a fair market value of $4,000);
- On the second anniversary a $20,000 cash payment ($14,000 paid in cash, $6,000 paid with 600,000 common shares) and 200,000 common shares of the Company;
- on the third anniversary a $30,000 cash payment and 200,000 shares of the Company;
- on the fourth anniversary a $40,000 cash payment and 200,000 shares of the Company.

The optionors will retain a 2% Net Smelter Return royalty, 1% of which can be acquired by Nuinsco for $1,200,000.
Work commitments of $6,000, $10,000, $20,000 and $40,000 are required in years one through four, respectively, of the option term.

During the year ended December 31, 2023, the Company paid additional cash of $20,500 to the seller of Zig Zag Project according to Agreement III. The Company also issued 480,000 of common shares with value of $3,000 to the seller of Zig Zag Project. During the year ended December 31, 2023, the Company incurred $1,000 expenditures on Zig Zag Project.

7. EXPLORATION AND EVALUATION PROJECTS – CONTINUED

Zig Zag Lake (Continued)

In March 2023, the Company and FCM finalized an Option Agreement with Zig Zag Project (the "Agreement IV"). Terms of the deal: FCM has an option to earn-in up to an 80% interest in the Zig Zag project mining claims. The payments for the exercise of this option include a cash component of $500,000 and a share component of $250,000 in FCM shares spread across approximately 3.5 years and comprises of: $50,000 cash upon execution of the agreement (received) and $25,000 of FCM shares within 30 days execution of the Agreement (received 117,701 shares), $75,000 cash (received) and $30,000 FCM shares by June 1 2023 (received 277,436), $100,000 cash and $50,000 FCM shares by June 1 2024, $125,000 cash and $60,000 FCM shares by June 1 2025, $150,000 cash and $85,000 FCM shares by June 1 2026. Additionally, FCM has committed to undertake exploration related expenses on the property over the same period to a value of $550,000. In the event that the Optionee disposes of the property for valuable consideration, the Optionee agrees to pay to the Optionors 10% of the proceeds received by the Optionee from such disposition net of any costs incurred from the sale.

During the year ended December 31, 2022, the Company received $10,000 from FCM, which was recorded as an option deposit on the consolidated statement of financial position. In March and June 2023, the Company received an additional cash of $115,000. In October 2023, the Company received 117,701 of shares and 159,735 of shares from FCM with fair value of $42,233.

During the year ended December 31, 2023, the Company derecognized the Zig Zag Project to $nil and recorded a gain of $93,475 from disposal of Zig Zag Project. All shares of FCM were sold in 2023 for proceeds of $28,927, resulting in a realized loss of $13,306.

El Sid

El Sid gold dumps and tailings recovery operation ("El Sid") located in the Eastern Desert of Egypt approximately 90km west of the Red Sea coast. Three past producing gold mines are located on the project site – the largest of which is the El Sid Mine that between 1940 and 1957 was Egypt's largest gold producer. In 2018, Nuinsco, through its Egyptian subsidiary Z-Gold Resources, won the opportunity to evaluate and exploit the waste dumps and tailings from the project owner, Shalateen Mineral Resources Company ("SMRC"), a company established by the Egyptian Government. SMRC has the surface mineral rights from the Egyptian Mineral Resources Authority. During the year ended December 31, 2022, the Company entered into exclusivity agreements with third party with respect to the potential sale of the project, and received $12,720 (USD $10,000) from the third party which was recorded as an option deposit on the statement of financial position. As the exclusivity period ended without a deal closing, the deposit was included as other income in March 2023. As at December 31, 2023, the Company fully impaired the project due to the uncertainty around obtaining funding to further development.

8. LOAN PAYABLE

On April 28, 2020, the Company received an interest free government loan of $40,000, and an additional $20,000 on December 29, 2020 (collectively "CEBA loans"). On January 1, 2021, the outstanding balance of the CEBA loans automatically converted to a two-year interest free term loan. The loan could be repaid at any time without penalty. On January 12, 2022, the Department of Finance extended the repayment deadline from December 31, 2022 to December 31, 2023, and subsequently extended the deadline to January 18, 2024. The benefit of the government loan received at below market rate of interest is treated as a government grant. On January 12, 2022, the CEBA loans of $60,000 was recognized at its fair value of $48,199, using a discount rate at the Company's incremental borrowing rate of 11% per annum. The difference of $11,801 between the face value of the CEBA loans and its fair value was recorded as gain on government grant during the year ended December 31, 2022. The note was not repaid by January 18, 2024, and thus was converted to a 3-year term loan, subject to interest of 5% per annum. During the three months ended March 31, 2024, $472 of interest was charged on the CEBA Loans.

(all amounts in Canadian dollars)

9. LONG-TERM LIABILITIES

Long-term liabilities consist of accrued directors' fees and certain management consulting fees, payable to the Chief Executive Officer ("CEO") and Executive Vice President ("EVP"). Until the ongoing viability of the Company can be assured, the directors and management have agreed to provide 12 months' notice on calling the repayment of the fees. The amounts are therefore classified as long-term. The following table presents breakdown of the long-term liabilities:

	Directors' fees	Consulting fees to CEO	Consulting fees to EVP	Total
Balance, December 31, 2022	$596,025	$1,125,000	$ 294,000	$2,015,025
Addition	42,500	150,000	48,000	240,500
Balance, December 31, 2023	638,525	1,275,000	342,000	2,255,525
Addition	10,625	37,500	12,000	60,125
Balance, March 31, 2024	$649,150	$1,312,500	$354,000	$2,315,650

10. SHARE CAPITAL AND OTHER COMPONENTS OF SHAREHOLDERS' DEFICIENCY

Share Capital

The Company is authorized to issue an unlimited number of common shares.

Number of common shares issued and outstanding

	Notes	Number of Shares	Amount
Balance as at December 31, 2022		**573,804,012**	**100,955,879**
Shares issued on private placement	(a)	17,887,500	114,480
Value of warrants issued	(a)	-	(36,300)
Shares issued to settle debt	(b)	572,000	2,860
Shares issued for option payment on ZigZag	(c)	600,000	3,000
Balance as at December 31, 2023 and March 31, 2024		**592,863,512**	**$101,043,919**

a. On August 31, 2023, the Company closed a private placement financing for gross proceeds of $114,480 through the issuance of 17,887,500 unit at $0.0064 per unit. Each Unit consisted of one common share of the Company issued on a "flow-through" basis pursuant to the Income Tax Act (Canada) and one-half warrant ("Warrant"). Each whole Warrant entitles the holder thereof to purchase one common share of the Company (non-flow-through) at an exercise price of $0.05 per share for a period of 36 months from the Issue Date. These warrants were assigned a value of $36,300 using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate 4.40%; expected volatility of 260%; expected dividend yield of 0% and an expected life of three years.
b. The Company settled debt in the amount of $2,860 with a non-related party with the issuance of 572,000 shares.
c. In August 2023, the Company issued 600,000 shares for Zig Zag Lake per Agreement III with value of $3,000 (Note 7).

11. LOSS PER SHARE

The warrants and options outstanding were excluded from the computation of diluted loss per share in 2024 and 2023 because their impact was anti-dilutive.

12. SHARE-BASED PAYMENTS

Stock option plan (equity-settled)

The Company has a Stock Option Plan to encourage ownership of its shares by key management personnel (directors and executive management), employees and consultants, and to provide compensation for certain services. The terms of the Stock Option Plan provide that the directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant. No compensation is recognized when options are exercised. The number of shares reserved for issuance is not to exceed 15% of the aggregate number of common shares issued and outstanding (calculated on a non-diluted basis) from time to time.

(all amounts in Canadian dollars)

12. SHARE-BASED PAYMENTS - CONTINUED
Stock option plan (equity-settled)

As at March 31, 2024, the Company had 8,780,216 (December 31, 2023 – 8,780,216) common shares remaining available for the granting of future options. Options are exercisable at the market price of the shares on the date preceding the date of grant.

The terms and conditions relating to the grants of the Stock Option Plan are as follows:

- Options vest on the date of grant.
- All options are to be settled by physical delivery of shares.

The following is a summary of the activity of options:

	Year ended December 31, 2023		Three months ended March 31, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	70,549,311	$ 0.012	80,149,311	$ 0.011
Granted	9,600,000	0.005	-	-
Exercised	-	-	-	-
Balance, end of period	80,149,311	$ 0.011	80,149,311	$ 0.011

As at March 31, 2024, the options outstanding are as follows:

Number of Options	Exercise Price	Expiry date	Weighted average expiry (years)
4,150,000	$ 0.010	August 26, 2024	0.40
15,909,309	$ 0.005	November 17, 2025	1.63
6,290,000	$ 0.010	February 11, 2026	1.87
8,733,334	$ 0.015	February 28, 2026	1.92
10,833,334	$ 0.015	April 22, 2026	2.06
9,633,334	$ 0.015	May 5, 2026	2.10
15,000,000	$ 0.015	August 23, 2026	2.40
9,600,000	$ 0.005	March 1, 2028	2.92
80,149,311			2.15

(all amounts in Canadian dollars)

12. SHARE-BASED PAYMENTS - CONTINUED

Share purchase warrants

The following is a summary of the activity of warrants for the years ended December 31, 2023 and 2022:

	Year ended December 31, 2023		**Three months ended March 31, 2024**	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of period	28,285,000	$ 0.050	10,353,750	$ 0.050
Expired	(26,875,000)	(0.050)	(937,500)	(0.050)
Granted	8,943,750	0.050	-	-
Balance, end of period	10,353,750	$ 0.050	9,416,250	$ 0.050

As at March 31, 2024, the warrants outstanding are as follows:

Number of warrants	**Exercise price**	**Expiry date**	**Weighted average expiry (years)**
472,500	$ 0.050	June 29, 2024	0.25
8,943,750	$ 0.050	August 31, 2026	2.42
9,416,250			2.31

13. OPERATING SEGMENT

Reporting Segment

The Company is engaged in the exploration and evaluation of properties for the mining of precious and base metals. The Company does not have formal operating segments and does not have operating revenues, products or customers. The corporate office operates to support the Company's projects which are currently located in Canada and Egypt. Senior management makes decisions by considering exploration potential and results on a project basis. Any applicable amounts relating to projects are capitalized to the relevant project as Exploration and Evaluation projects on the consolidated statements of financial position.

14. RELATED PARTIES AND MANAGEMENT AGREEMENTS

Related Party Balances and Transactions

Short-term employee benefits provided by the Company to key management personnel include salaries, consulting fees and directors' fees. The Company's non-monetary benefit package for key management personnel is the same as that available to all full-time employees. In addition to short-term employee benefits, the Company may also issue shares as part of the Share Bonus Plan and the Stock Option Plan. Transactions with related parties for three months ended March 31, 2024 and 2023 are shown in the following table:

	2024	2023
Short-term employee benefits	**$ 72,125**	$ 72,125
Share-based compensation	**-**	29,997
	$ 72,125	$ 102,122

During the three months ended March 31, 2024, the Company was charged $12,000 (2023 - $12,000) by CFO Advantage Inc., a company controlled by Kyle Appleby, the Chief Financial Officer of the Company. As at March 31, 2024, $224,580 of such fees (December 31, 2023 - $212,580) is included in accounts payable and accrued liabilities.

(all amounts in Canadian dollars)

14. RELATED PARTIES AND MANAGEMENT AGREEMENTS (continued)

During the three months ended March 31 2024, the Company was charged $37,500 (2023 - $37,500) by the CEO of the Company. As at March 31, 2024, $1,312,500 (December 31, 2023 - $1,275,000) is owing for management fees and is included in long-term liabilities (Note 10). The Company also owes the CEO $22,972 (December 31, 2023 - $25,120) for expenses paid for on behalf of the Company and advances.

During the three months ended March 31 2024, the Company was charged $12,000 (2023 - $12,000) by the EVP of the Company. As at March 31, 2024, $354,000 (December 31, 2023 - $342,000) was owing to Executive Vice President and was included in long-term liabilities (Note 10).

As at March 31, 2024, two directors are owed a total of $20,000 for funds advanced to the Company with no interest, and no terms of repayment.

During the three months ended March 31, 2024, the Company received proceeds of $10,000 for stock options exercised by a director. As at March 31, 2024, the shares have not yet been issued.

15. COMPANY ENTITIES
Significant Subsidiaries and Jointly-Controlled Entities

		March 31, 2024	December 31, 2023
Ownership Interest	**Country of Incorporation**		
Lakeport Gold Corporation	Canada	**100%**	100%
Nuinsco Madencilik Sanaye Ticaret	Turkey	**100%**	100%
Nuinsco Exploration Inc.	BVI	**70%**	70%
Z-Gold Resources Limited (through Nuinsco Exploration Inc.)	Egypt	**70%**	70%
NuMENA Minerals Corp.	Canada	**100%**	100%

All of these subsidiaries have nominal assets and liabilities.

16. CONTINGENCIES

Nuinsco has been served with a third-party claim related to 30-year-old historical transaction. Documents have been requested from the opposing parties, to which the Company is awaiting final receipt of all documents. Once those documents are received, they will be considered with a view to understanding the implications of the claim. Based on information received to date, the Company considers the claim without merit.

Commitments
For ZigZag Lake, per Agreement III, the Company is obligated to pay $70,000 in cash to the optionors during the years ended December 31, 2024 to 2025 for the acquisition of ZigZag Lake property. (Note 7).