FORM 5A

ANNUAL LISTING SUMMARY

Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

General Instructions

(a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Listed Issuer Name: Class 1 Nickel and Technologies Limited **Website: https://class1nickel.com/** **Listing Statement Date: August 20, 2020** **Description(s) of listed securities(symbol/type): NICO/Common Shares**
Brief Description of the Issuer's Business: Class 1 Nickel and Technologies Limited is a mineral exploration company focused on acquiring, exploring and developing quality mineral properties in Canada.
Description of additional (unlisted) securities outstanding: **Options – NA**
Jurisdiction of Incorporation: Ontario

Fiscal Year End: December 31		
Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled): June 23, 2023/June 18, 2024		
Financial Information as at: December 31, 2023		
	Current	**Previous**
Cash	**$82,398**	**$106,461**
Current Assets	**$463,805**	**$748,018**
Non-current Assets	**-**	**-**
Current Liabilities	**$502,297**	**$1,287,379**
Non-current Liabilities	**$1,974,903**	**$1,047,300**
Shareholders' deficit	**$(1,930,997)**	**$(1,480,200)**
Revenue	**-**	**-**
Net Loss	**$(2,023,043)**	**$(5,601,890)**
Net Cash Flow from Operations	**$(2,263,484)**	**$(5,966,776)**

SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

The related party transactions are included in Note 10 to the audited consolidated financial statements which are attached hereto as "Schedule – A".

2. Summary of securities issued and options granted during the period.

Provide the following information for the Listed Issuer's fiscal year:

(a) summary of securities issued during the period,

The summary of securities issued during the reporting period is included in Note 7 to the audited consolidated financial statements which are attached hereto as "Schedule – A".

(b) summary of options granted during the period,

The summary of options granted during the reporting period is included in Note 8 to the audited consolidated financial statements which are attached hereto as "Schedule – A".

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(b) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

The summary of securities as at the end of the reporting period is included in Notes 7-9 to the audited consolidated financial statements which are attached hereto as "Schedule – A".

4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.

David Fitch	President & Executive Director	President: March 22, 2021 Director: September 24, 2019
Mathew Gilbertson	Non-Executive Director	September 24, 2019
David Crevier	Non-Executive Director	April 14, 2020
Omar Gonzalez	Chief Financial Officer	November 4, 2020
Monique Hutchins	Corporate Secretary	January 17, 2020
Alexander James Neuling	Co-Corporate Secretary	March 2, 2022

5. Financial Resources

a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

(iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

The Company is in exploration-stage and does not generate revenues, therefore its ability to ensure continuing operations is dependent on acquiring full control of its mineral property interests, the discovery of potentially economically recoverable Mineral Resources reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development, if they are proven successful, and future profitable production.

Class 1's goal is to deliver superior returns to shareholders by concentrating on the exploration of its existing properties and the acquisition of properties that have the potential to contain nickel sulphide. The Company currently plans to focus on its material properties.

Please see the Issuer's Financial Statements for the year ended December 31, 2023, attached as Schedule A and the corresponding Management Discussion and Analysis attached as Schedule B. The Issuer's working capital as at December 31, 2023 was $43,906. The funds available will be used for general business operations and working capital.

6. Status of Operations

During the fiscal year, did the Listed Issuer

(a) reduce or impair its principal operating assets; or

(b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

7. Business Activity

a) Activity for a mining or oil and gas Listed Issuer

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or $50,000 in exploration or development expenditures?

The Issuer incurred $1,162,282 towards exploration and evaluation expenses

(ii) If the response to (i) above is "no", for the three most recent fiscal years did the Listed Issuer have an aggregate of $100,000 in exploration or development expenditures?

Provide details. N/A

b) Activity for industry segments other than mining or oil & gas

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or $100,000 in revenue from operations or $100,000 in development expenditures?

N/A

(ii) If the response to (i) above is "no", for the three most recent fiscal years, did the Listed Issuer have either $200,000 in operating revenues or $200,000 in expenditures directly related to the development of the business?

Provide details. N/A

SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated May 2, 2024.

David Fitch
Name of Director or Senior Officer

"David Fitch"
Signature

President and Director
Official Capacity

Issuer Details Name of Issuer Class 1 Nickel and Technologies Limited	For Year End December 31, 2023	Date of Report YY/MM/DD 2024/05/02
Issuer Address 82 Richmond Street East		
City/Province/Postal Code Toronto, Ontario M5C 1P1	Issuer Fax No. 416 848-0790	Issuer Telephone No. 416 454-0166
Contact Name David Fitch	Contact Position President	Contact Telephone No. 416 454-0166
Contact Email Address dfitch@class1nickel.com	Web Site Address https://www.class1nickel.com/	

SCHEDULE A

FINANCIAL STATEMENT ENDING DECEMBER 31, 2023

CLASS 1 NICKEL AND TECHNOLOGIES LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)

Wasserman
Ramsay

Chartered Professional Accountants

3601 Hwy 7 East, Suite 1008, Markham, Ontario L3R 0M3
Tel. (905) 948-8637 Fax (905) 948-8638
email: wram@wassermanramsay.ca

Independent Auditors' Report

To the Shareholders of
Class 1 Nickel and Technologies Limited:

Opinion

We have audited the consolidated financial statements of Class 1 Nickel and Technologies Limited (formerly Lakefield Marketing Corp) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that for the year ended December 31, 2023 the Company incurred losses of $2,023,043 resulting in an accumulated deficit in the amount of $25,353,848 at year end. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Kevin Ramsay.

Wasserman Ramsay

Markham, Ontario
April 18, 2024

Chartered Professional Accountants
Licensed Public Accountants

Class 1 Nickel and Technologies Limited
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Audited

	As at December 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	**$ 82,398**	$ 106,461
Prepaid expenses	**18,204**	2,716
Accounts receivable (note 4)	**387,760**	737,957
Due from related party (note 10)	**57,841**	7,345
Total assets	**$ 546,203**	$ 854,479
SHAREHOLDER'S (DEFICIT) EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	**$ 502,297**	$ 1,287,379
Total current liabilities	**502,297**	1,287,379
Liability component of convertible debentures (note 6)	**1,974,903**	1,047,300
Total liabilities	**2,477,200**	2,334,679
Shareholder's (deficit) equity		
Share capital (note 7)	**18,941,877**	17,651,252
Contributed surplus	**2,515,641**	2,515,641
Warrant reserve (note 9)	**1,241,636**	2,159,065
Equity component of convertible debentures (note 6)	**723,697**	442,076
Deficit	**(25,353,848)**	(24,248,234)
Total shareholder's (deficit) equity	**(1,930,997)**	(1,480,200)
Total shareholder's (deficit) equity and liabilities	**$ 546,203**	$ 854,479

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

Nature of operations and going concern (note 1)
Commitments and contingencies (note 12)
Subsequent events (note 14)

Approved by the Board of Directors on April 18, 2024

"David Fitch" Director

"Matthew Gibertson" Director

Class 1 Nickel and Technologies Limited
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Audited

	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating expenses		
Exploration and evaluation (note 5)	**$ 1,162,282**	$ 4,679,026
General and administrative	**23,916**	108,344
Investor relations	**120,079**	91,331
Professional fees (note 10)	**384,495**	816,430
Regulatory	**38,839**	68,504
Share based compensation (note 8)	**-**	96,333
Travel	**33,749**	-
Loss before the following items	**1,763,360**	5,859,968
Finance expenses (note 6)	**260,428**	-
Interest income	**(745)**	(78)
Amortization of flow-through premium (note 12)	**-**	(258,000)
Net loss and comprehensive loss for the year	**$ (2,023,043)**	$ (5,601,890)
Net loss and comprehensive loss per share basic and diluted	**$ (0.01)**	$ (0.04)
Weighted average number of common shares outstanding basic and diluted	**150,074,374**	133,340,645

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

Class 1 Nickel and Technologies Limited
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Audited

	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating activities		
Net loss for the year	**$ (2,023,043)**	$ (5,601,890)
Adjustments for:		
Finance expenses	**260,428**	-
Amortization of flow-through premium	**-**	(258,000)
Share based compensation	**-**	96,333
Changes in non-cash working capital items:		
Accounts receivable	**350,197**	(248,006)
Prepaid expenses	**(15,488)**	49,527
Accounts payable and accrued liabilities	**(785,082)**	(4,740)
Due from related parties	**(50,496)**	-
Net cash used in operating activities	**(2,263,484)**	(5,966,776)
Financing activities		
Proceeds from issuance of shares, net of issuance cost	**1,290,625**	2,429,444
Proceeds from convertible debentures, net of transaction costs	**948,796**	1,489,376
Net cash provided by financing activities	**2,239,421**	3,918,820
Net change in cash and cash equivalents	**(24,063)**	(2,047,956)
Cash and cash equivalents, beginning of year	**106,461**	2,154,417
Cash and cash equivalents, end of year	**$ 82,398**	$ 106,461

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

Class 1 Nickel and Technologies Limited
Consolidated Statements of Changes in (Deficit) Equity
(Expressed in Canadian Dollars)
Audited

	Common Shares (#)	Share capital ($)	Contributed surplus	Warrants	ECCD (1)	Deficit	Total
Balance, December 31, 2021	**128,705,029**	**$ 15,221,808**	**$ 2,419,308**	**$ 2,159,065**	**$ -**	**$ (18,646,344)**	**$ 1,153,837**
Shares issued in private placement	16,000,000	2,440,000	-	-	-	-	2,440,000
Issuance of convertible debentures	-	-	-	-	442,076	-	442,076
Deferred flow-through premium	-	-	-	-	-	-	-
Shares issue cost	-	(10,556)	-	-	-	-	(10,556)
Share based compensation	-	-	96,333	-	-	-	96,333
Net loss for the year	-	-	-	-	-	(5,601,890)	(5,601,890)
Balance, December 31, 2022	**144,705,029**	**$ 17,651,252**	**$ 2,515,641**	**$ 2,159,065**	**$ 442,076**	**$ (24,248,234)**	**$ (1,480,200)**

	Common Shares (#)	Share capital ($)	Contributed surplus	Warrants	ECCD (1)	Deficit	Total
Balance, December 31, 2022	**144,705,029**	**$ 17,651,252**	**$ 2,515,641**	**$ 2,159,065**	**$ 442,076**	**$ (24,248,234)**	**$ (1,480,200)**
Shares issued in private placement	10,833,329	1,300,000	-	-	-	-	1,300,000
Issuance of convertible debentures	-		-	-	281,621	-	281,621
Shares issue cost	-	(9,375)	-	-	-	-	(9,375)
Warrants expired	-			(917,429)	-	917,429	-
Net loss for the year	-	-	-	-	-	(2,023,043)	(2,023,043)
Balance, December 31, 2023	**155,538,358**	**$ 18,941,877**	**$ 2,515,641**	**$ 1,241,636**	**$ 723,697**	**$ (25,353,848)**	**$ (1,930,997)**

(1) Equity component of convertible debentures

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

1. Nature of operations and going concern

Nature of business

Class 1 Nickel and Technologies Limited ("Class 1" or the "Company") was incorporated on December 12, 1989 as “871900 Ontario Limited” under the laws of the Province of Ontario. The principal business of the Company is mining exploration and development of minerals and base metals in Canada. The corporate head office of the Company is located at 82 Richmond Street East, Toronto, Ontario M5C 1P1. On August 20, 2020, the Company commenced trading on the Canadian Securities Exchange under the stock symbol "NICO".

Going concern uncertainty

At each reporting year, management assesses the basis of preparation of the financial statements. These consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"). The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments to amounts and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the year ended December 31, 2023, the Company incurred a net loss of $2,023,043 (year ended December 31, 2022 - $5,601,890), had negative operating cash flows of $2,263,484 (December 31, 2022 - $5,966,776) and has working capital of $43,906 (December 31, 2022 - deficiency of $432,900). The Company has an accumulated deficit of $25,353,848 since inception (December 31, 2022 - $24,248,234) and does not have sufficient cash as at December 31, 2023 to meet its expected ongoing obligations over the next twelve months. These factors raise significant doubt about the Company’s ability to continue as a going concern.

The Company’s ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations and to complete negotiations to obtain and successfully close additional funding from debt financing, equity financings or through other arrangements. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee(“IFRIC”).

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of April 18, 2024. The same accounting policies and methods of computation are followed in these consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2022. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2023 could result in restatement of these consolidated financial statements.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on April 18, 2024.

2. Significant accounting policies (continued)

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified at fair value through profit or loss ("FVTPL") as explained in the notes below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Legendary Ore Mining Corporation and 2814250 Ontario Inc. All significant inter-company transactions have been eliminated upon consolidation.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company. All financial information is expressed in Canadian dollars unless otherwise stated and has been rounded to the nearest dollar.

Critical accounting judgments, estimates and assumption

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statement are discussed below:

<u>Title to mineral property interests</u>

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company title. Such properties may be subject to prior agreement or transfers and titles may be affected by undetected defects.

<u>Non-current asset impairment</u>

The application of the Company’s accounting policy for impairment on exploration and evaluation (“E&E”) assets requires judgemental in determining if the facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

<u>Exploration and evaluation expenditures</u>

The point when an exploration property moves from exploration to development is subject to management’s judgemental.

2. Significant accounting policies (continued)

Going concern

The assessment of the Company’s ability to continue as a going concern involves judgemental regarding future funding available for its exploration projects and working capital requirements.

Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Exploration and evaluation properties

The Company expenses exploration costs as incurred, other than those acquired through a business combination. Exploration and evaluation expenditures include acquisition costs of mineral exploration properties, property option payments and evaluation activity.

Exploration and evaluation properties acquired through a business combination are capitalized on the statements of financial position.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Property option payments received are recognized in the statement of loss and comprehensive loss in the year they are received by the Company except for property option payments on properties obtained through a business combination which are recorded against the capitalized value on the statements of financial position.

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the year incurred. Discount rates using a pretax risk free rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other exploration and evaluation assets.

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset or expensed if they relate to exploration and evaluation activities, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each year for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses. The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

2. Significant accounting policies (continued)

Income Taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; any differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

Financial instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

<u>Financial assets</u>
Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

i. Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss.

ii. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company’s business model for these financial assets is to collect their contractual cash flows; and 2) the asset’s contractual cash flows represent "solely payments of principal and interest". The Company's cash, amounts receivable, and advances are classified as financial assets measured at amortized cost.

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities
Financial liabilities are classified as either financial liabilities at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

The Company's accounts payable and accrued liabilities do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs
Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement
Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected credit loss impairment model
IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Company's financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Related party transactions

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

New standards not yet adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishments of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2024. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

3. Financial instruments

The Company’s risk exposure and the impact on the Company’s financial instruments are described below.

Fair value

Financial instruments recognized at fair value in the statements of financial position have been prioritised into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. All financial instruments measured at fair value, at December 31, 2023, are as described in note 3.

(Expressed in Canadian Dollars)

3 Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at December 31, 2023, the Company does not has sufficient cash and receivables to settle accounts payable and accrued liabilities of $502,297 (December 31, 2022 - $1,287,379).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk.

Commodity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as they relate to the nickel industry to determine the appropriate course of action to be taken by the Company.

4. Accounts receivable

	As at December 31, 2023	As at December 31, 2022
Harmonized sales tax recoverable - (Canada)	**$ 384,260**	$ 734,457
Amounts receivable	**3,500**	3,500
Total	**$ 387,760**	$ 737,957

5. Mining interests

Alexo-Dundonald Project

The "Alexo-Dundonald Project" is an exploration stage, past-producing nickel-copper-cobalt sulphide project, located approximately 45 kilometers northeast of the city of Timmins, Ontario, Canada. Ontario. The Alexo-Dundonald Project combines the Alexo-Kelex and Dundonald properties and consists of 29 patented claims (19 with both mining and surface rights, nine with mining rights only and one with surface rights only), 40 leased claims (31 with both mining and surface rights and nine with mining rights only), 21 single cell mining claims and five boundary cell mining claims. The Company owns all the outstanding equity of Legendary Ore Mining Corporation, which holds a 100% interest in the mining claims, leases and properties comprising the Alexo-Dundonald Project, subject to certain tenure agreements and any rights or claims asserted in connection with historic royalty agreements granted in respect of the Alexo-Kelex and Dundonald properties.

The Alexo deposit was discovered in 1907, and between the years 1913 to 1919, 51,851 tonnes grading 4.5% nickel and 0.7% copper was extracted and sent to Sudbury, Ontario, for processing. Canadian Arrow Mines Ltd shipped 6,000 tonnes grading 2.46% nickel, 0.31% copper, and 0.07% cobalt as part of a 10,000 tonne bulk sample permit held at the time, and started the reclamation of the project as part of a Closure Plan approved in 2004 and amended in 2011.

(Expressed in Canadian Dollars)

5. Mining interests (continued)

Alexo-Dundonald Project (continued)

Under the purchase agreements for the Alexo-Kelex and Dundonald properties, the Company must incur an aggregate of $1,500,000 on the Alexo-Dundonald Project by November 9, 2021, of which the Company must incur at least $750,000 on the Alexo-Kelex property by October 18, 2021, otherwise the properties may be re-acquired by the vendors thereof. On July 12, 2021, the Company has completed the requisite minimum exploration expenditures on the Alexo-Dundonald Project, and now holds 100% interest in each properties, subject to a 2% net smelter return royalty on the Alexo Property and 2.5% net smelter return royalty on the Dundonald Property.

On August 10, 2021, the Company issued 50,000 common shares at $0.87 price per common share for $43,500 and granted 50,000 stock options to Matachewan First Nation ("MFN") as part of the exploration program on the Alexo-Dundonald Project.

On August 22, 2021, the Company acquired 100% of Platinum Group Elements limited ("PGEL") strategic project portfolio of adjacent and adjoining's claims to the Company's Alexo-Dundonald project as well as Somanike project, and a complementary primary PGE project in Sudbury, Ontario, for a total consideration of $550,000 in cash and issuance of 10 million common shares, subject to a 2% net smelter returns royalty on certain claims known as Timmins, River Valley and Metals Creek claims and a 2% gross metal royalty on certain claims known as the "Bilson Cubric claims".

Alexo-Kelex Property

The Company has spent the following on the Alexo-Kelex Property:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Administrative costs	**$ -**	$ 16,297
Exploration and evaluation	**284,212**	194,411
Field equipment	**8,082**	23,804
	$ 292,294	$ 234,512

Dundonald Property

The Company has spent the following on the Dundonald Property:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Administrative costs	**$ -**	$ 16,297
Exploration and evaluation	**284,212**	194,411
Field equipment	**8,082**	23,804
	$ 292,294	$ 234,512

(Expressed in Canadian Dollars)

5. Mining interests (continued)

Somanike Project

The Company has an option (the "Somanike Option") to acquire a 100% interest in the rights held by Vanicom Resources Limited, in an option to acquire the Somanike property, an exploration stage nickel-copper mine project, including the past-producing Marbridge Nickel Sulphide Mine located near Val d'Or, Quebec. The Company is concentrated on advancing the Alexo-Dundonald Project for the current time being and will continue to evaluate this option on an on-going basis. Prior to exercising the Somanike Option, the Company must complete 750m of drilling on certain mining claims held by Globex Mining Enterprises Inc. which comprise a portion of the Somanike property.

In August 2020, the Company issued an aggregate of 234,935 common shares (valued at $160,000) to satisfy all outstanding share issuances required by the Company. In order to earn its 100% undivided interest in the Somanike Property the Company must make cash payments of $25,000 due on or before June 15, 2022 and $50,000 in cash due on or before June 15, 2023. In February 2021, the Company paid $75,000 and $327,800 to earn 100% of interest and for reimbursement expenditures made on Somanike Property as part of the acquisition cost.

The Company has spent the following on the Somanike Property:

		Year Ended December 31, 2023		Year Ended December 31, 2022
Exploration and evaluation	**$**	**387,296**	$	4,163,494
Field equipment		**279**		46,508
	$	**387,575**	$	4,210,002

River Valley Project

On August 22, 2021, the Company acquired 100% of Platinum Group Elements limited ("PGEL") strategic project portfolio of adjacent and adjoining's claims to the Company's Alexo-Dundonald project as well as Somanike project, and a complementary primary PGE project in Sudbury, Ontario, for a total consideration of $550,000 in cash and issuance of 10 million common shares, subject to a 2% net smelter returns royalty on certain claims known as Timmins, River Valley and Metals Creek claims and a 2% gross metal royalty on certain claims known as the "Bilson Cubric claims".

The Company has spent the following on the River Valley Property:

		Year Ended December 31, 2023		Year Ended December 31, 2022
Exploration and evaluation	**$**	**190,119**	$	-
Total exploration expenditures	**$**	**190,119**	$	-

(Expressed in Canadian Dollars)

5. Mining interests (continued)

Total expenditures all properties:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Administrative costs	**$ -**	$ 32,594
Exploration and evaluation	**1,145,839**	4,552,316
Field equipment	**16,443**	94,116
Total exploration expenditures	**$ 1,162,282**	$ 4,679,026

6. Convertible debentures

On December 5, 2022, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $1,000,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.105.

On December 24, 2022, the Company completed a non-brokered private placement convertible debentures (the "Convertible Debentures") for aggregate proceeds of $500,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.11.

On January 9, 2023, the Company completed a non-brokered private placement convertible debentures (the "Convertible Debentures") for aggregate proceeds of $500,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.12.

On January 24, 2023, the Company completed a non-brokered private placement convertible debentures (the "Convertible Debentures") for aggregate proceeds of $450,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.10.

As the debentures have a conversion feature, the equity and debt components must be bifurcated. The value assigned to the liability on the date of issuance was the present value of the contractually determined stream of future cash flows discounted at 15%, being the estimated rate that the market would apply to an instrument with comparable credit status and provide substantially the same cash flows, on the same terms, but without the conversion option. From the date of issuance, the liability component accretes up to its principal value using the effective interest method, with the charge recorded in finance expenses in the consolidated statement of loss. Finally, the residual balance of proceeds on the offering was assigned to the conversion feature.

The Company recorded as transaction costs $1,204 for the 2023 and $10,624 for the 2022 convertible debentures. The issuances of convertible debentures were fully subscribed by the President of the Company. (see note 10)

The components of the Company's convertible debentures as of December 31, 2023 are as follows:

	Liability Component	Equity Component	Total
On date of issuance, net of transaction costs	$ 1,714,475	$ 723,697	$ 2,438,172
Accretion	260,428	-	260,428
Total	**$ 1,974,903**	**$ 723,697**	**$ 2,698,600**

During the year ended December 31, 2023, the Company accrued $260,428 (year ended December 31, 2022 - $nil) in finance expenses.

(Expressed in Canadian Dollars)

7. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares without par value ("Common Shares"). All issued shares are fully paid.

b) Common Shares issued

	Number of common shares	**Amount**
Balance, December 31, 2021	128,705,029	$ 15,221,808
Shares issued in private placement (i) and (ii)	16,000,000	2,440,000
Share issue cost (i)	-	(10,556)
Balance, December 31, 2022	**144,705,029**	**$ 17,651,252**
Shares issued in private placement (iii)	**10,833,329**	**1,300,000**
Share issue cost (iii)	**-**	**(9,375)**
Balance, December 31, 2023	**155,538,358**	**$ 18,941,877**

(i) On July 19, 2022, the Company closed a non brokered private placement of 4,000,000 common shares at $0.25 per share for gross proceeds of $1,000,000. A director of the Company subscribed 100% Common Shares in the placement. The Company paid legal fees for $10,556 recorded in share issue costs.

(ii) On October 6, 2022, the Company closed a non brokered private placement of 12,000,000 common shares at $0.12 per share for gross proceeds of $1,440,000. A director of the Company subscribed 100% Common Shares in the placement.

(iii) In March 2023, the Company closed a non-brokered private placement of 2,499,997 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $300,000 and paid $2,275 in legal fees recorded in shared issue cost. A director of the Company subscribed 666,666 of the Common Shares in the placement.

In June 2023, the Company closed a non-brokered private placement of 8,333,332 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $1,000,000 and paid $7,100 in legal fees recorded in shared issue cost. A total of 4,166,667 of the subscription were subscribed by a party related to a director of the Company.

8. Stock options

On December 21, 2020, the Company's stock option plan (the "Option Plan") was approved by the Board of Directors (the "Board"). Pursuant to the terms of the Option Plan, the Board may designate directors, officers, employees and consultants of the Company eligible to receive options to acquire such numbers of common shares as the Board may determine, each option so granted being for a term specified by the Board up to a maximum of ten years from the date of grant. The maximum number of common shares reserved for issuance for options granted under the Option Plan at any time is 10% of the issued and outstanding common shares of the Company.

During the year ended December 31, 2023, the Company recorded share based compensation of $nil (year ended December 31, 2022 - $96,333).

(Expressed in Canadian Dollars)

8. Stock options (continued)

	Number of stock options	Weighted average exercise price
Balance, December 31, 2021	11,665,835	$ 0.60
Issued (i)	1,000,000	0.50
Cancelled	(400,000)	0.50
Balance, December 31, 2022	**12,265,835**	**$ 0.50**
Cancelled	**(50,000)**	**0.11**
Balance, December 31, 2023	**12,215,835**	**$ 0.50**

The following table reflects the actual stock options issued and outstanding as of December 31, 2023:

Expiry date	Exercise price ($)	Weighted average Remaining contractual life (years)	Total Options	Options Exercisable
June 7, 2024	0.60	0.44	450,333	450,333
June 11, 2024 (*)	0.60	0.45	11,165,502	11,165,502
August 11, 2025 (*)	0.50	1.63	600,000	600,000
		0.41	12,215,835	12,215,835

(*) Subsequent to December 31, 2023, 11,765,502 options were cancelled.

9. Warrants

The following table reflects the continuity of warrants for year ended December 31, 2023 and 2022:

	Number of warrants	Weighted average exercise price
Balance, December 31, 2021 and December 31, 2022	9,610,434	$ 0.89
Expired	(3,177,100)	1.02
Balance, December 31, 2023	**6,433,334**	**$ 0.82**

(Expressed in Canadian Dollars)

9. Warrants (continued)

The following table reflects the actual share purchase warrants issued and outstanding as of December 31, 2023:

Expiry date	Grant date fair value ($)	Remaining contractual life (years)	Number of warrants outstanding	Exercise price ($)
June 7, 2024	570,834	0.44	3,030,000	0.85
June 7, 2024	670,802	0.44	3,403,334	0.80
	1,241,636		6,433,334	

Warrant is exercisable into 1 common shares.

During the year ended December 31, 2023, 3,177,100 warrants and broker warrants expired and no exercised.

10. Related party transactions

As at December 31, 2023, the Company has due from related party of $57,841 (December 31, 2022 - $7,345) from a company with a common shareholder of the Company and advance paid to the general manager.

During the year ended December 31, 2023, the Company incurred $100,000 (year ended December 31, 2022 - $175,000) in consulting services fees. As of December 31, 2023, the Company owed $nil (December 31, 2022 - $nil) due to the general manager for consultant services recorded in accounts payable and accrued liabilities.

During the year ended December 31, 2023, the Company incurred $130,000 (year ended December 31, 2022 - $139,748) in directors fees. As of December 31, 2023, the Company owes two directors $168,000 (December 31, 2022 - $68,000) and these amounts are recorded in accounts payable and accrued liabilities.

Key management includes directors and other key personnel, including the CEO - President, General Manager and CFO, who have authority and responsibility for planning, directing, and controlling the activities of the Company.

The Chief Financial Officer ("CFO") of the Company is a senior employee of Marrelli Support Services Inc. ("MSSI"). During the year ended December 31, 2023, the Company incurred professional fees of $9,000 (year ended December 31, 2022 - $9,000) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping and other services to the Company and charged $75,742 for the services (year ended December 31, 2022 - $68,108). As at December 31, 2023, MSSI was owed $6,435 (December 31, 2022 - $6,076) with respect to services provided. The balance owed was recorded in the statement of financial position in accounts payable and accrued liabilities.

During the year ended December 31, 2023, a Director and party related to a Director of the Company subscribed common shares of 6,666,664 (year ended December 31, 2022 - Director - 16,000,000) (note 7). As at December 31, 2023 and 2022, all convertible debentures issued are held by the president of the Company (note 6).

As at December 31, 2023, directors and a significant shareholder of the Company, beneficially own 98,519,656 common shares carrying approximately 63.34% of the voting rights attached to all common shares and convertible debentures for $2,450,000 at a deemed price of between $0.105 and $0.12.

(Expressed in Canadian Dollars)

10. Related party transactions (continued)

Additional remuneration of officers and directors of the Company was as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Stock-based compensation	**$ -**	$ 92,406
Directors and management compensation	**239,000**	323,748
	$ 239,000	$ 416,154

11. Income taxes

(a) Provision for income taxes

Major items causing the Company's income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% (2022 - 26.5%) were as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Loss before income taxes	**$ (2,023,043)**	$ (5,601,890)
Expected income tax benefit based on the statutory rate:	**$ (536,106)**	$ (1,484,501)
Adjustments to expected income tax benefit:		
Exploration and evaluation expenditures	**308,000**	1,124,000
Share issuance cost booked through equity	**(40,000)**	(39,000)
Change in tax benefit not recognized	**268,106**	399,501
Income tax expense	**$ -**	$ -

Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2023	December 31, 2022
Deductible temporary differences		
Exploration & evaluation properties	**$ 15,350,000**	$ 14,085,000
Non-capital loss carry-forwards and share issue costs	**5,259,000**	4,315,000
Deductible temporary differences not recognized	**$ 20,609,000**	$ 18,400,000

(Expressed in Canadian Dollars)

11. Income taxes (continued)

The non-capital loss carry forward expire a noted in the table below.

	Amount
2026	$ 79,000
2027	6,000
2038	180,000
2039	620,000
2040	1,070,000
2041	1,219,000
2042	1,235,000
2043	1,013,000
	$ 5,422,000

12. Commitments and contingencies

Matachewan First Nation ("MFN")

The Company entered into a signed Memorandum of Understanding ("MOU") whereby the Company recognizes the traditional values of the MFN and commits the Company to consult and establish a mutually beneficial cooperative and productive relationship to advance the Alexo-Dundonald Nickel Project. The agreement also provides MFN opportunity to participate in the benefits of the Project through business opportunities, employment and training, financial compensation, and consultation on environmental matters.

Environmental contingencies

The Company's exploration activities are subject to various federal, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through shares

As December 31, 2023 pursuant to the issuance of 5,448,688 flow-through shares during November 2020 and December 2020, and 6,433,334 in June 2021, the Company is required to incur qualifying expenditures of approximately $7,366,500 by December 31, 2022 and December 31, 2023. On June 29, 2021, the Department of Finance extended the flow-through funds spend period, filing and payment, and the look-back rule by one year, including suspending the Part XII.6 tax for the same period. The Company is subject to Part XII.6 taxes on any unspent flow-through expenditures. Since the proposal by the Department of Finance received Royal assent on June 29, 2021, the dates to incur Part XII.6 taxes will be extended by one year, however, if the amounts are not expended by the end of 2022 for agreements entered in 2020 or by the end of 2023 for agreements entered into in 2021, the additional 10% tax under Part XII.6 will apply.

As of December 31, 2023, the Company has fulfilled the total commitment.

13. Financial instruments and risks management

Below is a summary showing the classification and measurement bases of the Company's financial instruments:

Classification	**IFRS 9**
Cash and cash equivalents	FVTPL
Accounts receivables	Amortized cost
Due from related party	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Convertible debentures	Amortized cost

Financial instrument are measured on initial recognition at fair value, and, in the case of financial instruments other than those classified as "fair value through profit and loss" ("FVTPL"), directly attributable transaction costs.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the year ended December 31, 2023, there were no transfers between levels 1, 2 and 3 and there were no changes in valuation techniques.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has exposure to credit risk through its cash and cash equivalents, accounts receivable and amounts due from related parties. The Company manages credit risk in respect of cash and cash equivalents by maintaining cash at highly rated financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company’s liquidity and operating results may be adversely affected if the Company’s access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at December 31, 2023, the Company does not have sufficient cash and cash equivalent, and accounts receivables to settle accounts payable and accrued liabilities of $502,297 (December 31, 2022 - $1,287,379).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk.

13. Financial instruments and risks management (Continued)

Interest rate risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that its monetary assets and liabilities are denominated in currencies other than the Canadian Dollar. The Company’s has no monetary assets and liabilities in currencies other than the Canadian Dollar, therefore the Company is not exposed to foreign currency risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as they relate to the base metals industry to determine the appropriate course of action to be taken by the Company.

14. Subsequent events

On January 12, 2024, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $400,000. The Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into 8,000,000 common shares of the Company at a deemed price of $0.05. David Fitch, President of the Company, has purchased all of the Convertible Debentures issued in this private placement.

On February 16, 2024, the Company cancelled an aggregate of 11,765,502 stock options of the Company. Of these stock options cancelled, an aggregate of 11,165,502 stock options were exercisable at an exercise price of $0.60 until June 11, 2024, and the remaining balance of 600,000 stock options were exercisable at an exercisable price of $0.50 until August 11, 2025.

On March 27, 2024, the Company granted an aggregate of 11,765,502 stock options of the Company to directors, officers and consultants at an exercise price of $0.07 until March 27, 2027 vest immediately.

On April 4, 2024, the Company announced that it proposes to complete a non-brokered private placement (the "Private Placement") of up to 15,000,000 common shares of the Company at a price of $0.05 per share for exploration expenditures and general and administrative expenses.

SCHEDULE B

MANAGEMENT'S DISCUSSION AND ANALYSIS ENDING DECEMBER 31, 2023

Class 1 Nickel and Technologies Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2023

(EXPRESSED IN CANADIAN DOLLARS)

The following Management Discussion and Analysis ("MD&A") of the financial condition and results of operations of Class 1 Nickel and Technologies Limited ("Class 1" or the "Company") was prepared by management as at April 18, 2024 and was reviewed and approved by the Audit Committee. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited financial statements of Class 1 and notes thereto for the years ended December 31, 2023. The information provided herein supplements but does not form part of the financial statements. All amounts are stated in Canadian dollars unless otherwise indicated. Additional information related to the Company is available for view on SEDAR+ at **www.sedarplus.ca**.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this document constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", and "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's views with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the Company's performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events, or developments.

Forward-looking statements	Assumptions	Risk factors
Potential of the Company's properties to contain economic deposits of precious and base metals.	Financing will be available for future exploration and evaluation of the Company's properties; the actual results of the Company's exploration and evaluation activities will be favourable; operating, exploration and evaluation costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and evaluation activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits.
While the Company has no source of revenue, it believes it will be able to meet its administrative overhead and maintain its mineral investments for twelve months starting from December 31, 2023, depending on future events. The Company expects to incur further losses in the development of its business	The operating and exploration activities of the Company for the next year and beyond, starting from December 31, 2023, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; changes in the operations currently planned for the next twelve months; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Management's outlook regarding future trends, including the future price of precious and base metals and availability of future financing.	Financing will be available for the Company's exploration and operating activities; the price of precious and base metals will be favourable to the Company.	Precious and base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; availability of financing.

Forward-looking statements	Assumptions	Risk factors
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending December 31, 2024.	Financing will be available for the Company's exploration and evaluation activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of gold and/or other applicable metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Nickel and other metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits; market competition.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

NATURE OF BUSINESS

The Company

Class 1 was incorporated on December 12, 1989 as "871900 Ontario Limited" under the *Business Corporations Act* (Ontario). The Company's head office and registered office is located at 82 Richmond Street East, Toronto, Ontario M5C 1P1. Class 1 was formerly named "Lakefield Marketing Corporation" until it completed a business combination transaction (the "Transaction") with Legendary Ore Mining Corporation on September 24, 2019, whereby it changed its name to "Class 1 Nickel and Technologies Limited".

On August 20, 2020, the Company commenced trading on the Canadian Securities Exchange under the symbol "NICO".

Principal Business

The Company is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. Its objective is to locate and develop economic base metal properties of merit and to conduct its exploration program on the Alexo-Dundonald Project. The Company, as of the date of this report, currently beneficially owns 100% of the Alexo-Dundonald Project and holds 100% interest in the Somanike Project located in the Abitibi Region of Quebec.

The Company is in exploration-stage and does not generate revenues, therefore its ability to ensure continuing operations is dependent on acquiring full control of its mineral property interests, the discovery of potentially economically recoverable Mineral Resources reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development, if they are proven successful, and future profitable production.

Class 1's goal is to deliver superior returns to shareholders by concentrating on the exploration of its existing properties and the acquisition of properties that have the potential to contain nickel sulphide. The Company currently plans to focus on its material properties.

CORPORATE HIGHLIGHTS

On January 9, 2023, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $500,000. The Convertible Debentures have a three-year term and bear interest rate at 2% per annum. The Convertible Debentures shall be convertible at the option of the holder into 4,166,666 common shares of the Company at a deemed price of $0.12. David Fitch, President of the Company, has purchased all of the Convertible Debentures issued in the private placement.

On January 24, 2023, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $450,000. The Convertible Debentures have a three-year term and bear interest rate at 2% per annum. The Convertible Debentures shall be convertible at the option of the holder into 4,500,000 common shares of the Company at a deemed price of $0.10. David Fitch, President of the Company, has purchased all of the Convertible Debentures issued in the private placement.

In March 2023, the Company completed a non-brokered private placement (the "Private Placement") of 2,499,997 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $300,000. David Fitch, President of the Company purchased 666,666 shares pursuant to the Private Placement.

In June 2023, the Company closed a non-brokered private placement of 8,333,332 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $1,000,000 and paid $7,100 in legal fees recorded in shared issued costs.

On October 30, 2023, the Company announced the results of its 2022-2023 exploration program on its Somanike project.

TRENDS AND ECONOMIC CONDITIONS

The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer term strategic decisions.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global commodity prices
- Demand for base metals and the ability to explore for base metals;

- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on service provider availability, such as legal and accounting;
- Purchasing power of the Canadian dollar;
- Ability to obtain funding.

MINERAL PROPERTY INTERESTS

Eugene Puritch, P.Eng, FEC, CET is an independent Qualified Person under the definition of National Instrument 43-101. Mr. Puritch has approved the disclosure contained under the heading "Mineral Property Interests" and has verified the scientific and technical data contained herein.

Alexo-Dundonald Project

A comprehensive NI 43-101 Technical Report is available for the Alexo-Dundonald Project from the Company's website at www.class1nickel.com and from its profile at www.sedarplus.ca.

The Alexo-Dundonald Nickel Project is located approximately 45 km northeast of the City of Timmins, Ontario, Canada. It covers an area of approximately 1,895 hectares and comprises 95 Boundary Cell Mining Claims, Single Cell Mining Claims, Leased Claims and Patented Claims.

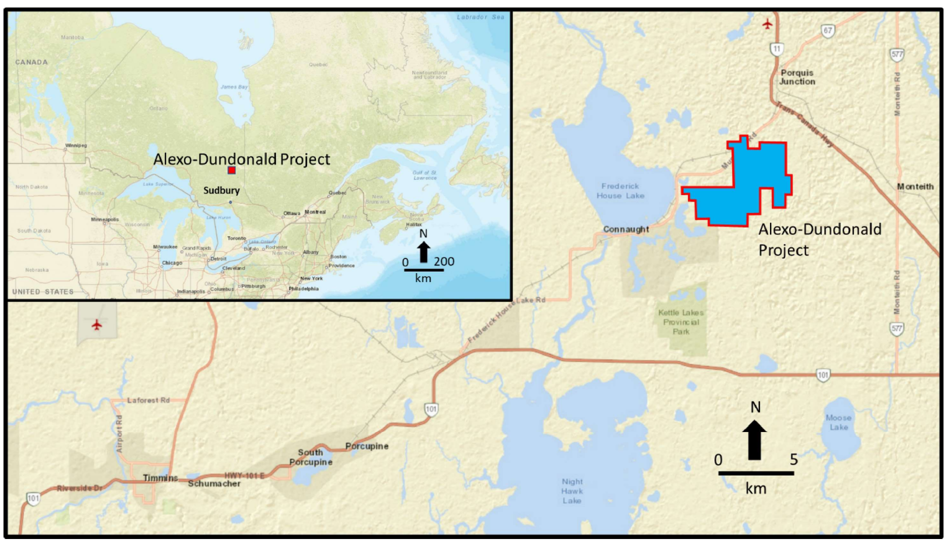


Figure 1 – Geographical location of Alexo-Dundonald Project

The geological setting of the Alexo-Dundonald Project area corresponds to the depositional equivalent environment of the Kidd-Munro assemblage. The Kidd-Munro assemblage is subdivided into lower and upper parts. The lower part of the Kidd-Munro assemblage (2719–2717 Ma) includes localised, regionally discontinuous depositional centres of predominantly intermediate to felsic calc-alkaline volcanic rocks. The upper part of the Kidd-Munro assemblage (2717–2711 Ma) extends across the Abitibi greenstone belt. It consists of tholeiitic and komatiitic volcanic rocks with minor centimetre- to metre-scale graphitic metasedimentary rocks and localised felsic volcanic centres. It has been interpreted that the upper Kidd-Munro assemblage reflects the impact of widespread mantle plume-related magmatism on localised lower Kidd-Munro arc-magmatism volcanic centres.

Previous exploration activity and results in the Alexo-Dundonald Project area have been extensively reviewed and documented by the NI 43-101 Technical Reports prepared by Montgomery (2004), Harron (2009) and Puritch *et al* (2010, 2012). Significant drill intersections reported therein represent the latest rounds of drilling by the last companies to drill on the various target areas within the Project (Canadian Arrow at Alexo-Kelex in 2004–2005 and 2010–2011; First Nickel at Dundonald in 2004–2005; and Falconbridge at Dundeal in 1989) and are presented as an indication of nickel grade and continuity of mineralisation typical of the Project. For more information, please refer to the NI 43-101 Technical Report on the Alexo-Dundonald Project posted to the Company's SEDAR+ profile on August 14, 2020 at www.sedarplus.ca.

Summary of Completed Activities (Year Ended December 31, 2023	**(A) Spent (approx.) (For the Year Ended December 31, 2023)**	**Plans for the Project (Fiscal 2024)**	**(B) Planned Expenditures (approx.)**
The Company completed a VTEM™ survey on the Alexo-Dundonald Nickel Project, thereby completing phase 1 of the exploration program as recommended under the Amended NI 43-101 Technical Report on the Alexo-Dundonald Nickel Project dated June 30, 2020. The Company continues to finalize the interpretation of anomalies identified by the VTEM™ survey. See Note 1 below.	$568,424	Continue interpreting the anomalies identified by the VTEM™ survey conducted on the Alexo-Dundonald Project. The Company intends to further explore the anomalies identified by the VTEM™ survey. The Company intends to undergo a 10,000m diamond drilling campaign on the Alexo-Dundonald Project focusing on the VTEM™ anomalies, as recommended as the phase 2 exploration program under the amended NI 43-101 Technical Report on the Alexo-Dundonald Nickel Project dated June 30, 2020. The Company had raised equity capital during 2023 to fund its exploration work requirements. The major variables are expected to be the size, timing and results of the Company's exploration program and its ability to continue to access capital to fund its ongoing operations.	$2,000,000
	$568,424		$2,000,000

As of December 31, 2023, the accumulated spent incurred in completing phase 1 of the exploration program is $6,173,080.

Note 1

Alexo-Kelex Property

The Company acquired a 100% interest (subject to a vendor buy-back) in Legendary Ore Mining Corporation, which held the Alexo-Kelex Property, under the Alexo-Kelex Agreement dated October 18, 2018 between Vanicom Resources Limited ("Vanicom"), Tartisan Nickel Corp. ("Tartisan") and Canadian Arrow Mines Limited ("Canadian Arrow"). The Alexo-Kelex Property consists of 55 mining claims and leases covering 940.43 hectares located in the Clergue and Dundonald townships near Timmins, Ontario. The Alexo-Kelex Property is subject to a 0.5% NSR with, which could be bought out by the Company for $1,000,000. The Alexo-Kelex Property is also subject to an existing 1.5% NSR granted to Outokumpu Mines Ltd.

The Alexo-Kelex Agreement allows Tartisan to re-acquire the Alexo-Kelex Property from Legendary for $1.00 if Legendary fails to incur by October 18, 2021 (a) $750,000 worth of Exploration Expenditures (as defined thereunder) on the Alexo-Kelex Property; and (b) $1,500,000 worth of Exploration Expenditures (as defined thereunder) on the Alexo-Dundonald Project. On July 12, 2021, the Company completed the requisite minimum exploration expenditures on the Alexo-Kelex Project, and now holds a 100% interest in each properties, subject to a 2% net smelter return royalty on the Alexo Property.

On August 10, 2021, the Company issued 50,000 common shares at a price of $0.87 price per common share for $43,500 and granted 50,000 stock options to Matachewan First Nation ("MFN") as part of the exploration program on the Alexo-Dundonald Project.

On August 22, 2021, the Company acquired 100% of Platinum Group Elements limited ("PGEL") strategic project portfolio of adjacent and adjoining claims to the Company's Alexo-Dundonald project as well as the Somanike project, and a complementary primary PGE project in Sudbury, Ontario, for a total consideration of $550,000 in cash and issuance of 10 million common shares, subject to a 2% net smelter returns royalty on certain claims known as Timmins, River Valley and Metals Creek claims and a 2% gross metal royalty on certain claims known as "Bilson Cubric" claims.

For the years ended December 31, 2023, the Company has spent the following on the Alexo-Kelex Property:

	Year Ended December 31, 2023	**Year Ended December 31, 2022**
Administrative costs	$ -	$ 16,297
Exploration and evaluation	**284,212**	194,411
Field equipment	**8,082**	23,804
	$ 292,294	$ 234,512

Dundonald Property

The Company acquired a 100% interest (subject to a vendor buy-back) in the Dundonald Property under the Dundonald Agreement dated November 9, 2018 between Legendary Ore Mining Corporation (a subsidiary of the Company) and Transition Metals Corp. ("Transition"). The Dundonald Property consists of 40 mineral claims and leases covering 954.075 hectares located in the Clergue and Dundonald townships near Timmins, Ontario. The Dundonald Property is subject to a 2.5% NSR royalty granted to Transition by Legendary upon acquisition of the property.

The Dundonald Agreement allows Transition to re-acquire the Dundonald Property from Legendary for $1.00 if Legendary fails to incur by November 9, 2021 $1,500,000 worth of Exploration Expenditures on the Alexo-Dundonald Project. On July 12, 2021, the Company completed the requisite minimum exploration expenditures on the Dundonald Project, and now holds a 100% interest in the property, subject to a 2.5% net smelter return royalty on the Dundonald Property.

For the years ended December 31, 2023, the Company has spent the following amount on the Dundonald property:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Administrative costs	$ -	$ 16,297
Exploration and evaluation	**284,212**	194,411
Field equipment	**8,082**	23,804
	$ 292,294	$ 234,512

Somanike Project

The Company has acquired a 100% interest in the Somanike Property pursuant to an option agreement dated September 24, 2019, as amended and restated April 27, 2020, between Legendary (a wholly-owned subsidiary of the Company) and Vanicom (the “Legendary Somanike Option Agreement”). Under the Legendary Somanike Option Agreement, the Company may exercise the option granted to Vanicom by Quebec Precious Metals Corporation (“QPMC”) under an option agreement dated August 20, 2018, as amended (the “QPMC Option Agreement”), by paying Vanicom $1.00 plus reimbursing Vanicom for all expenses made on the Somanike Property prior to the Company exercising said option. The Somanike Property consists of 110 mining titles covering 5146.06 hectares located in the Abitibi area of the Province of Quebec. The Legendary Somanike Option Agreement was entered into following a reorganization of Vanicom, whereby Vanicom divested its ownership of Legendary to Vanicom shareholders, which was completed on September 19, 2019.

Exploration in the Somanike Project (the “Project“) area has been dormant since the early 1970s following the closing of the Marbridge Ni-Cu Mine in 1968. Historical exploration programs focused on Ni-Cu with the majority of assays conducted for Ni and very limited Cu. Very few assays were taken for Au, Zn, Cu, and Ag. The entire project area was not investigated by modern surveys until 2014-15 when Sphinx Resources Ltd. (“Sphinx”) flew a VTEM survey over the entire Project with the objective of identifying nickel-copper, gold and VMS targets. Compilation of all historical drill data in conjunction with the new VTEM survey identified previously unrecognized sulphide iron formations occurring across the Project. Numerous targets were generated and programs designed for the commodities listed above.

To maintain the option to the Somanike Property under the QPMC Option Agreement, the Company has issued 181,089 Common Shares to QPMC and 53,846 Common Shares to Globex Mining Enterprises Inc. Prior to exercising its option under the Legendary Somanike Option Agreement, the Company must pay QPMC $25,000 in cash prior to June 15, 2022 and $50,000 in cash prior to June 15, 2023. Also, prior to exercising the option on the Somanike Project, the Company must drill 750m of core on certain claims held by Globex Mining Enterprises Inc. As of December 31, 2021, the Company has paid QPMC an aggregate of $327,800 and has drilled the necessary 750m of core on certain claims held by Globex Mining Enterprises Inc.

Figure 2 – Geographical location of Somanike Project

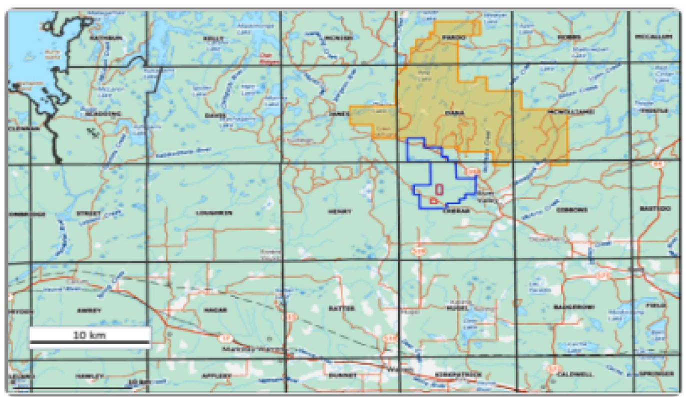
For the year ended December 31, 2023, the Company has spent the following amount on the Somanike property:

		Year Ended December 31, 2023		Year Ended December 31, 2022
Exploration and evaluation	**$**	**387,296**	$	4,163,494
Field equipment		**279**		46,508
	$	**387,575**	$	4,210,002

River Valley PGE Project

On August 22, 2021, the Company acquired 100% of Platinum Group Elements limited ("PGEL") strategic project portfolio of adjacent and adjoining's claims to the Company's Alexo-Dundonald project as well as Somanike project, and a complementary primary PGE project in Sudbury, Ontario, for a total consideration of $550,000 in cash and issuance of 10 million common shares, subject to a 2% net smelter returns royalty on certain claims known as Timmins, River Valley and Metals Creek claims and a 2% gross metal royalty on certain claims known as the "Bilson Cubric claims".

The River Valley PGE Project is located in Crerar and Dana townships, approximately 60 km east-northeast of Sudbury in northeastern Ontario, Canada, immediately south of New Age Metals' River Valley Palladium Project.



Township-scale location of the River Valley PGE Project mining claims (blue outline) in the West Nipissing District, about 60 km east of Sudbury, northeastern Ontario. Also outlined are the New Age Metals mining claims and leases (orange) that comprise thei River Valley PGE Project.

Figure 3 – Geographical location of River Valley Project

The Company has spent the following on the River Valley Property:

		Year Ended December 31, 2023		Year Ended December 31, 2022
Exploration and evaluation	**$**	**190,119**	$	-
Total exploration expenditures	**$**	**190,119**	$	-

Total expenditures all properties:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Administrative costs	**$ -**	$ 32,594
Exploration and evaluation	**1,145,839**	4,552,316
Field equipment	**16,443**	94,116
Total exploration expenditures	**$ 1,162,282**	$ 4,679,026

SUMMARY OF QUARTERLY RESULTS

SUMMARY OF SELECT QUARTERLY INFORMATION

2023	December 31	September 30	June 30	March 31
Total Assets	$ 546,203	$ 1,017,492	$ 1,338,053	$ 922,912
Working Capital	$ 43,906	$ 567,545	$ 1,006,530	$ 414,471
Shareholders' Deficit	$ (1,930,997)	$ (1,342,251)	$ (838,159)	$ (1,365,111)
Operating Expenses	$ 523,639	$ 439,730	$ 400,841	$ 399,150
Comprehensive Loss	$ 588,746	$ 504,092	$ 465,948	$ 464,257
Basic and Diluted Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

2022	December 31	September 30	June 30	March 31
Total Assets	$ 854,479	$ 933,240	$ 787,586	$ 1,227,132
Working Capita (Deficiency)	$ (432,900)	$ 142,240	$ 31,906	$ 575,952
Shareholders' (Deficit) Equity	$ (1,480,200)	$ 142,240	$ 31,906	$ 575,952
Operating Expenses	$ 3,647,923	$ 1,041,140	$ 579,195	$ 591,710
Comprehensive Loss	$ 3,530,923	$ 945,562	$ 545,695	$ 579,710
Basic and Diluted Loss per Share	$ (0.04)	$ (0.01)	(0.00)	(0.00)

Results of operation for the three month ended Dec 31, 2023 as compared to the three months ended December 31, 2022

The Company recorded a net loss and comprehensive loss of $588,746 compared to $3,530,923 in the prior period. The decrease in the net loss of $2,942,177 was attributed to the following: a decrease in exploration and evaluation of $3,041,936 due to decrease in drilling cost, a decrease in professional fees of $18,907 due to the decrease in consulting expenses and decrease in stock-based compensation of $36,963 due to the decrease in grant of stock options offset by a decrease the amortization of flow-through premium of $117,000.

SELECTED ANNUAL INFORMATION

Comparative information for annual periods from December 31, 2023, 2022 and 2021 has been presented in accordance with IFRS.

SUMMARY OF SELECT ANNUAL INFORMATION		2023		2022		2021
Operating Expenses	$	1,763,360	$	5,859,968	$	15,391,897
Comprehensive Loss	$	2,023,043	$	5,601,890	$	15,345,964
Basic and Diluted Loss	$	(0.01)	$	(0.04)	$	(0.14)
Total Assets	$	546,203	$	854,479	$	2,703,956

Results of operations for the year ended December 31, 2023 as compared to the year ended December 31, 2022

The Company recorded a net loss and comprehensive loss of $2,023,043 compared to $5,601,890 in the prior period. The decrease in the net loss and comprehensive loss of $3,578,847 was attributed to the following: a decrease in exploration and evaluation of $3,516,744 due to decrease in drilling cost, decrease in professional fees of $431,935 due to lower consulting expenses and a decrease in stock-based compensation of $96,333 due to decrease in grant of stock options. This has been offset by decrease the amortization of flow-through premium of $258,000.

LIQUIDITY AND CAPITAL

Class 1 is an exploration-stage company and does not generate revenues. As such, it finances all of its operations and the exploration of its mineral properties entirely through the issuance of share capital. Although the Company has to date been successful in its attempts to raise capital, there can be no assurance that its future efforts will likewise be successful. The mineral exploration business is high risk and the vast majority of exploration projects on which capital is spent will not result in producing mines. The success of future financing will depend on a variety of factors including geological success – i.e. obtaining superior results from exploration; a positive investment climate encompassing strong metal prices, solid stock market conditions, and a “risk-on” appetite among investors; and the Company’s track record and management’s ability and experience. If such financing is unavailable, the Company may be unable to retain its mineral interests and execute its business plans. As at December 31, 2023, the Company has not earned significant revenue and has an accumulated deficit of $25,353,848 (December 31, 2022 - $24,248,234). In order to reach sustainable business operations, the Company is actively seeking additional sources of liquidity.

The Company’s cash balance as of December 31, 2023 was $82,398 compared to $106,461 as of December 31, 2022. As of December 31, 2023, the Company had current assets of $546,203 (December 31, 2021 – $854,479), current liabilities of $502,297 (December 31, 2022 – $1,287,379), and a working capital of $43,906 (December 31, 2022 working capital deficiency – $432,900).

Operating Activities

During the years ended December 31, 2023 and 2022, the Company’s operating activities used cash of $2,263,484 and $5,966,776, respectively. Cash used in operating activities for the year ended December 31, 2023 is mainly attributable to net loss for the period of $2,023,043 (year ended December 31, 2022 - $5,601,890), share based compensation of $nil (year ended December 31, 2022 - $96,333) and amortization of flow-though premium of $nil (year ended December 31, 2022 - $258,000), a decrease in accounts payable and accrued liabilities of $785,082 (year ended December 31, 2022 - $4,740), offset by decrease in accounts receivable of $350,197 (increase year ended December 31, 2022 - $248,006), and an increase in prepaid expenses of $15,488 (decrease year ended December 31, 2022 - $49,527).

Financing Activities

During the years ended December 31, 2023 and 2022, the Company's financing activities generated cash of $2,239,421 and $3,918,820, respectively. The cash generated from financing activities during the year ended December 31, 2023, is due to the issuing of 10,833,329 shares in private placement for a proceeds of $1,290,625, net of issuance cost and convertible debentures, net of transactions cost of $948,796.

Going concern uncertainty

At each reporting period, management assesses the basis of preparation of the financial statements. These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not include any adjustments to amounts and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the year ended December 31, 2023, the Company incurred a net loss of $2,023,043 (year ended December 31, 2022 - $5,601,890), had negative operating cash flows of $2,263,484 (December 31, 2022 - $5,966,776) and has working capital of $43,906 (December 31, 2022 - deficiency of $432,900). The Company has an accumulated deficit of $25,353,848 since inception (December 31, 2022 - $24,248,234) and does not have sufficient cash as at December 31, 2023 to meet its remaining expected obligations over the next twelve months.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations and to complete negotiations to obtain and successfully close additional funding from debt financing, equity financings or through other arrangements. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. These unaudited interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

While the Company has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in the future on terms favourable for the Company. The Company may need to raise additional capital to fund operations. This need may be adversely impacted by uncertain market conditions, approval by regulatory bodies, and adverse results from operations. The Company believes it will be able to acquire sufficient funds to cover planned operations through the next twelve months by securing additional financing through additional private placements if required. The outcome of these matters cannot be predicted at this time.

RELATED PARTY TRANSACTIONS

As at December 31, 2023, the Company has due from related party of $57,841 (December 31, 2022 - $7,345) from a company with a common shareholder of the Company and advance paid to the general manager.

During the year ended December 31, 2023, the Company incurred $100,000 (year ended December 31, 2022 - $175,000) in consulting services fees. As of December 31, 2023, the Company owed $nil (December 31, 2022 - $nil) due to general manager for consultant services, which is recorded in accounts payable and accrued liabilities.

During the year ended December 31, 2023 the Company incurred $130,000 (year ended December 31, 2022 - $139,748) in directors fees. As of December 31, 2023, the Company owes three directors $168,000 (December 31, 2022 - $68,000) these amounts are recorded in accounts payable and accrued liability.

Key management includes directors and other key personnel, including the CEO - President and CFO, who have authority and responsibility for planning, directing, and controlling the activities of the Company.

The Chief Financial Officer ("CFO") of the Company is a senior employee of Marrelli Support Services Inc. ("MSSI"). During the year ended December 31, 2023, the Company incurred professional fees of $9,000 (year ended December 31, 2022 - $9,000) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping and other services to the Company and charged $75,742 for the services (year ended December 31, 2022 - $68,108). As at December 31, 2023, MSSI was owed $6,435 (December 31, 2022 - $6,076) with respect to services provided. The balance owed was recorded in the statement of financial position in accounts payable and accrued liabilities.

During the years ended December 31, 2023, a Director and party related to a Director of the Company subscribed common shares of 6,666,664 (years ended December 31, 2022 - Director - 16,000,000) (note 7). As at December 31, 2023 and 2022, all convertible debentures issued are held by the president of the Company (note 6).

As at December 31, 2023, directors and a significant shareholder of the Company, beneficially own 98,519,656 common shares carrying approximately 63.34% of the voting rights attached to all common shares and convertible debentures for $2,450,000 at a deemed price of between $0.105 and $0.12.

Additional remuneration of officers and directors of the Company was as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Stock-based compensation	**$ -**	$ 92,406
Directors and management compensation	**239,000**	323,748
	$ 239,000	$ 416,154

OFF BALANCE SHEET ARRANGEMENTS

The Company is not a party to any off-balance sheet arrangements or transactions.

CONVERTIBLE DEBENTURES

On December 5, 2022, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $1,000,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.105.

On December 24, 2022, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $500,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.11.

On January 9, 2023, the Company completed a non-brokered private placement convertible debentures (the "Convertible Debentures") for aggregate proceeds of $500,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.12.

On January 24, 2023, the Company completed a non-brokered private placement convertible debentures (the "Convertible Debentures") for aggregate proceeds of $450,000. These Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into common shares of the Company at a deemed price of $0.10.

The Company recorded as transaction costs $1,204 for the 2023 and $10,624 for the 2022 convertible debentures. The issuances of convertible debentures were fully subscribed by the President of the Company.

The components of the Company's convertible debentures as of December 31, 2023 are as follows:

	Liability Component	Equity Component	Total
On date of issuance, net of transaction costs	$ 1,714,475	$ 723,697	$ 2,438,172
Accretion	260,428	-	260,428
Total	**$ 1,974,903**	**$ 723,697**	**$ 2,698,600**

During the year ended December 31, 2023, the Company accrued $260,428 (year ended December 31, 2022 - $nil) in finance expenses.

SHARE CAPITAL TRANSACTIONS

On July 19, 2022, the Company closed a non brokered private placement of 4,000,000 common shares at $0.25 per share for gross proceeds of $1,000,000. A director of the Company subscribed 100% Common Shares in the placement. the Company paid legal fees for $10,556 recorded in share issued cost.

On October 6, 2022, the Company closed a non brokered private placement of 12,000,000 common shares at $0.12 per share for gross proceeds of $1,440,000. A director of the Company subscribed 100% Common Shares in the placement.

In March, 2023, the Company closed a non-brokered private placement of 2,499,997 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $300,000 and paid $2,275 in legal fees recorded in shared issued costs. A director of the Company subscribed 666,666 of the Common Shares in the placement.

In June 2023, the Company closed a non-brokered private placement of 8,333,332 common shares of the Company at a price of $0.12 per share to raise aggregate gross proceeds of $1,000,000 and paid $7,100 in legal fees recorded in shared issued cost. A total of 4,166,667 of the subscription were subscribed by a party related to a director of the Company.

ACCOUNTING POLICIES

New standards not yet adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishments of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2024. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

FINANCIAL INSTRUMENT (MANAGEMENT OF FINANCIAL RISK)

The Company's risk exposure and the impact on the Company's financial instruments are described below.

Fair value

Financial instruments recognized at fair value in the statements of financial position have been prioritised into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. All financial instruments measured at fair value, at December 31, 2023, are as described in note 3.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at December 31, 2023, the Company does not has sufficient cash and receivables to settle accounts payable of $502,297 (December 31, 2022 - $1,287,379).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk.

Interest rate risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that its monetary assets and liabilities are denominated in currencies other than the Canadian Dollar. The Company's has no monetary assets and liabilities in currencies other than the Canadian Dollar, therefore the Company is not exposed to foreign currency risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as they relate to the nickel industry to determine the appropriate course of action to be taken by the Company.

CAPITAL MANAGEMENT

The Company's shareholders' equity comprises its capital under management. 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 development of its mineral properties and to maintain a flexible capital structure that optimizes the costs of capital atan acceptable risk level.

The Company manages the capital structure and makes adjustments to 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 attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers its capital structure to consist of capital stock, warrants, equity component of convertible debentures and deficit, which at December 31, 2023 totaled $1,930,997 (December 31, 2022 – $1,480,200). When managing capital, the Company's objective is to ensure the Company continues as a going concern, to ensure continued development of products as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management reviews and adjusts its capital structure on an ongoing basis.

The Company is dependent on external financing to fund its activities. In order to maintain operations and pay for administrative costs, the Company will spend its existing working capital and issue new shares to facilitate the management of its capital requirements. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2023. The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the year ended December 31, 2023. The Company is not subject to externally imposed capital requirements.

OUTSTANDING SHARE DATA AS OF REPORT DATE

As of the date of this MD&A, the Company has the following securities issued and outstanding: (a) 155,538,358 common shares; (b) 12,215,835 stock options; (c) 6,433,334 FT warrants; and (d) shares issuable on conversion of convertible debentures 30,735,931.

SUBSEQUENT EVENTS

On January 12, 2024, the Company completed a non-brokered private placement of convertible debentures (the "Convertible Debentures") for aggregate proceeds of $400,000. The Convertible Debentures have a three-year term and bear interest rate at 2% per annum and are convertible at the option of the holder into 8,000,000 common shares of the Company at a deemed price of $0.05. David Fitch, President of the Company, has purchased all of the Convertible Debentures issued in this private placement.

On February 16, 2024, the Company cancelled an aggregate of 11,765,502 stock options of the Company. Of These stock options cancelled, an aggregate of 11,165,502 stock options were exercisable at an exercise price of $0.60 until June 11, 2024, and the remaining balance of 600,000 stock options were exercisable at an exercisable price of $0.50 until August 11, 2025.

On March 27, 2024, the Company granted an aggregate of 11,765,502 stock options of the Company to directors, officers and consultants at an exercise price of $0.07 until March 27, 2027 vest immediately.

On April 4, 2024, the Company announced that it proposes to complete a non-brokered private placement (the "Private Placement") of up to 15,000,000 common shares of the Company at a price of $0.05 per share for exploration expenditures and general and administrative expenses.

DISCLOSURE CONTROL AND PROCEDURES

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the period presented by the unaudited condensed interim consolidated financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the period presented

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

I. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

II. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

Nature of Mineral Exploration and Mining

The Company's future is dependent on the Company's exploration and evaluation programs. The exploration and evaluation of mineral deposits involves significant financial risks over a prolonged period of time, which a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required in constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility studies or final feasibility studies on the Company's projects or the current or proposed exploration programs on any of the properties in which the Company has exploration rights will result in any profitable commercial mining operation. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing Mineral Reserves. The Company's exploration and evaluation may be hampered by mining, heritage and environmental legislation, industrial accidents, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies.

The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by the Company towards the search for and evaluation of mineral deposits will result in discoveries that are commercially viable. Whether a deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Company not receiving an adequate return on invested capital or have a material adverse effect on the Company's business and financial condition. In addition, assuming discovery of a commercial ore-body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced. Most of the above factors are beyond the Company's control.

Limited Operating History

The Company's properties are in the exploration stage and are not commercially viable at this time. The Company has not recorded any revenues from mining operations and there is no certainty that the exploration expenditures towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore or that the Company will generate revenue, operate profitably or provide a return on investment in the future. There can be no assurance that significant additional losses will not occur in the future. The operating expenses and capital expenditures may increase in subsequent years with advancing exploration, evaluation, development of properties if proven successful and/or production of the properties. The Company does not expect to receive revenues from operations in the foreseeable future. The Company expects to incur losses until such time as its properties enter into commercial production and generate sufficient revenue to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources and there can be no assurance that the Company will be able to finance its operations externally.

There can be no assurance that the Company's exploration programs will result in locating commercially exploitable mineral ores or that its properties will be successfully developed. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Ability to Continue as a Going Concern

The Company's ability to continue as a going concern is dependent upon its ability to continue to raise adequate financing to fund its continuing exploration, evaluation activities and development of properties if they are proven successful. There is no assurance that the Company will either achieve or maintain profitability in the future.

Requirement for Further Financing

The further exploration of the various mineral properties in which the Company holds interests and the acquisition of additional properties depends upon the Company's ability to obtain financing through joint ventures of projects, debt financing, equity financing or other means. There can be no assurance that the Company will able to raise the balance of the financing required or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its operations or lose its interest in one or more of its properties.

In order to continue exploring the Company's mineral properties and acquiring additional properties, management will be required to pursue additional sources of financing. While management has been successful in obtaining such financing in the past, there is no assurance that it will be successful in the future. Failure to obtain sufficient financing may result in delaying or indefinitely postponing exploration, evaluation, development of or production on any or all of the Company's properties if they are proven successful, or even loss of property interest. It may also prevent the Company from meeting its obligations under agreements to which it is a party as a result of which, its interest in the properties may be reduced. There can be no assurance that additional capital or other types of financing, if needed, will be available or, if available, the terms of such financing will be favourable to the Company.

The amount of administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on our recent exploration experience and prospects, as well as general market conditions relating to the availability of funding for exploration-stage resource companies. As a result, there may not be predictable or observable trends in our business activities and comparison of financial operating results with prior years may not be meaningful.

Title Matters

The Company has taken reasonable measures, in accordance with industry standards for properties at the same stage of exploration as those of the Company to ensure proper title to its properties. However, there is no guarantee that title to any of its properties will not be challenged or impugned. Title insurance generally is not available for mining claims in Canada and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be limited. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes, carry out and file assessment work, may invalidate title to portions of the properties where the mineral rights are not held by the Company.

Market Factors and Volatility of Mineral Prices

There is no assurance that a profitable market will exist for the sale of mineralized material which may be acquired or discovered by the Company. There can be no assurance that ore prices received will be such that the Company's properties can be mined at a profit. Prices of minerals have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control. Commodity prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Future mineral prices cannot be accurately predicted. A severe decline in the price of a mineral being produced or expected to be produced by the Company would have a material adverse effect on the Company, and could result in the suspension of mining operations by the Company if such mining operations have commenced. Factors impacting the price of ore include political and economic conditions in mineral producing and consuming countries and production levels and costs of production in other jurisdictions.

Environmental Regulations and other Regulatory Requirements

The Company is subject to substantial environmental and other regulatory requirements and such regulations are becoming more stringent. All phases of exploration and development operations are subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests which are presently unknown to the Company and which have been caused by previous or existing owners or operators of the properties.

Although the Company intends to comply fully with all environmental regulations, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Conflicts of Interest

Certain directors and officers of the Company may become or are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company will be required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict is required under the British Colombia Business Corporations Act to disclose his interest and to abstain from voting on such matter.

Market Price of Common Shares

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company’s performance that may have an effect on the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company’s business may be limited if investment banks with research capabilities do not follow the Company’s securities; lessening in trading volume and general market interest in the Company’s securities may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company’s public float may limit the ability of some institutions to invest in the Company’s securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company’s securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the price of the Common Shares at any given point in time may not accurately reflect the Company’s long-term value.

Climate change

The Company is exposed to risks from climate change including a possible increase in severity of extreme weather events, such as tornados, droughts, floods, and fires. Climate change may also result in longer-term shifts in precipitation and temperature and increased variability in weather. Climate change-related risks may also be associated with the transition to a lower-carbon global economy, which may be reflected in changes to fiscal and environmental policies, legal actions, technology changes, market responses, and reputation considerations. The effect of these environmental and economic, and legal shifts on the Company are difficult to quantify at the present time.

Apart from these and the risk factors noted under the heading “Risks and Uncertainties” in the annual MDA, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company’s business, financial condition or results of operations.

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's annual management’s discussion & analysis for the fiscal year ended December 31, 2023, available on SEDAR+ at www.sedarplus.ca.