



**MAMMOTH RESOURCES CORP.**

**Condensed Interim Consolidated Financial Statements of  
Mammoth Resources Corp.**

**For the three and six months ended July 31, 2024 and 2023**  
(Expressed in Canadian Dollars)

**Unaudited condensed interim consolidated financial statements**

**In accordance with National Instrument 51-102 released by the Canadian Securities administrators, the Company discloses that its auditors have not reviewed these condensed interim consolidated financial statements for the three and six months ended July 31, 2024 and 2023.**

**MAMMOTH RESOURCES CORP.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Expressed in Canadian dollars)**

As at,	Notes	July 31, 2024	January 31, 2024
<b>ASSETS</b>			
Current			
Cash		\$ 4,973	\$ 10,039
Short-term investments	5	-	21,521
Sales taxes recoverable	4	6,449	5,886
Prepaid		-	-
Total assets		\$ 11,422	\$ 37,446
<b>LIABILITIES</b>			
Current			
Accounts payable and accrued liabilities	6, 9	\$ 551,078	\$ 360,437
Due to related party	9	-	-
Loan from related party	9	26,295	11,408
Total liabilities		577,373	371,845
<b>SHAREHOLDER'S EQUITY</b>			
Share capital	7	6,100,061	6,100,061
Contributed surplus	7	472,936	472,936
Accumulated deficit		(7,138,948)	(6,907,396)
Total shareholders' equity (deficiency)		(565,951)	(334,399)
Total liabilities and shareholders' equity (deficiency)		\$ 11,422	\$ 37,446
Going concern	2		
Commitments and contingencies	13		

Approved on behalf of the board on September 30, 2024

(signed) "Tom Atkins"  
Director

(signed) "Paul O'Brien"  
Director

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

**MAMMOTH RESOURCES CORP.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian dollars)**

	Notes	For the three months ended		For the six months ended	
		July 31,		July 31,	
		2024	2023	2024	2023
<b>Expenses</b>					
General and administrative	10	\$ 8,338	\$4,299	\$ 16,382	\$21,033
Exploration and evaluation		104,126	-	212,014	-
Management fees	9	12,250	8,833	24,500	22,083
Professional fees		-	325	177	325
Interest expense	9	180	25	362	129
Foreign exchange		(29,502)	(8,835)	(21,690)	(24,039)
<b>Net loss</b>		<b>95,392</b>	<b>4,647</b>	<b>231,745</b>	<b>19,531</b>
<b>Other items</b>					
Interest income	5	39	1,237	193	845
<b>Net loss and comprehensive loss</b>		<b>\$ 95,353</b>	<b>\$3,410</b>	<b>\$ 231,552</b>	<b>\$18,686</b>
<b>Net loss per share - basic and diluted</b>	8	<b>\$(0.00)</b>	<b>\$(0.00)</b>	<b>\$(0.00)</b>	<b>\$(0.00)</b>
<b>Weighted average shares outstanding basic and diluted</b>		<b>67,329,753</b>	<b>67,329,753</b>	<b>67,329,753</b>	<b>67,329,753</b>

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

**MAMMOTH RESOURCES CORP.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian dollars)**

	<b>For the six months ended</b>	
	<b>July 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flow used in operating activities</b>		
Loss for the period	\$ (231,552)	\$ (18,686)
Items not affecting cash:		
Foreign exchange	-	(24,039)
Net change in non-cash working capital balances:		
Taxes recoverable	(563)	(6,248)
Prepaid expenses	-	8,490
Interest receivable	-	1,211
Accounts payables and accrued liabilities	190,642	(32,138)
Cash flow used in operating activities	<b>(41,473)</b>	<b>(71,410)</b>
<b>Cash flow provided by (used in) financing activities</b>		
Loan received from related party	31,461	19,150
Repayment of loan from related party	(16,574)	(27,483)
Cash flow provided by (used in) financing activities	<b>14,887</b>	<b>(8,333)</b>
<b>Cash flows provided by (used in) investing activities</b>		
Short-term investments	21,521	128,333
Exploration and evaluation costs	-	(57,935)
Cash flow provided by (used in) investing activities	<b>21,521</b>	<b>70,398</b>
Effect of exchange rate changes on cash	(2)	4,752
<b>Net change in cash</b>	<b>(5,067)</b>	<b>(4,593)</b>
Cash at the beginning of the period	<b>10,039</b>	<b>26,256</b>
<b>Cash at the end of the period</b>	<b>\$ 4,973</b>	<b>\$ 21,664</b>

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**MAMMOTH RESOURCES CORP.**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**  
**(Deficiency)**  
**(Expressed in Canadian dollars)**

	Share Capital		Reserve Contributed surplus	Accumulated deficit	Total
	Number of shares	Amount			
Balance January 31, 2023, restated	67,329,753	\$ 6,173,601	\$ 2,248,080	\$ (3,658,005)	\$ 4,763,676
Net loss for the period	-	-	-	(18,686)	(18,686)
Balance, July 31, 2023	67,329,753	\$ 6,173,601	\$ 2,248,080	\$ (3,676,691)	\$ 4,744,990
<b>Balance, January 31, 2024</b>	<b>67,329,753</b>	<b>\$ 6,100,061</b>	<b>\$ 472,936</b>	<b>\$ (6,907,396)</b>	<b>\$ (334,399)</b>
Net loss for the period	-	-	-	(231,552)	(231,552)
Balance, July 31, 2024	67,329,753	\$ 6,100,061	\$ 472,936	\$ (7,138,948)	\$ (565,951)

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

**Mammoth Resources Corp.**  
***Notes to the Condensed Interim Consolidated Financial Statements***  
For the three and six month period ended July 31, 2024 and 2023  
(Expressed in Canadian dollars)

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**1. Nature of operations**

Mammoth Resources Corp. (“Mammoth” or the “Company”) was incorporated on January 7, 2011 under the *Canada Business Corporations Act*, and is involved in the acquisition, exploration and evaluation of mining properties in Mexico. Its stock is listed on the TSX Venture Exchange under the symbol MTH. The head office of the Company is located at 410-150 York Street, Toronto, Ontario Canada M5H 3S5.

Mammoth is an exploration stage company and currently has interests in mineral exploration properties in Mexico. Substantially all of the Company’s efforts are devoted to financing and developing these properties and/or acquiring new ones. There has been no determination whether the Company’s interests in mineral exploration properties contain mineral reserves, which are economically recoverable.

Title to the exploration project involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of mineral claims. The Company has investigated title to all of its exploration asset interests and, to the best of its knowledge, title is in good standing.

**2. Going concern**

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplate the realization of assets and the discharge of liabilities in the ordinary course of business. As of July 31, 2024, the Company had recurring net losses, negative cash flows from operations and a working capital deficiency. In addition, the Company has future spending commitments with the Government of Mexico to keep its exploration concessions in good standing.

As at July 31, 2024, the Company had an accumulated deficit of \$7,138,948 (January 31, 2024 - \$6,907,396) and a working capital deficiency of \$565,951 (January 31, 2024 – working capital deficiency of \$334,399). For the period ended July 31, 2024, the Company incurred a net loss of \$231,552 (July 31, 2023 – \$18,686). The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations. The Company also is dependent upon its ability to continue to raise adequate financing and there can be no assurances that the Company will be successful. These circumstances comprise a material uncertainty, which may lend significant doubt as to the ability of the Company to continue as a going concern. Changes in future conditions could require material write-downs of the carrying values.

The consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities, which would be necessary if the Company were unable to continue its operations as a going concern.

**3. Basis of preparation and significant accounting policies**

**Statement of compliance**

These unaudited condensed interim consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standard 34 (IAS 34) Interim Financial Reporting. The Company’s significant accounting policies are presented under Note 3 in the audited consolidated financial statements as at and for the year ended January 31, 2024 and have been consistently applied in the preparation of these unaudited condensed interim consolidated financial statements.

There are no new IFRS and/or IFRIC pronouncements currently in effect that would have a material effect on the Company.

These condensed interim consolidated financial statements were approved and authorized for issuance on September 30, 2024, by the Board of Directors of the Company.

### **3. Basis of preparation and significant accounting policies (Continued)**

#### **Basis of measurement**

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

#### **Changes in accounting policies**

Exploration and evaluation expenditures

During the year ended January 31, 2024, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes expensing such costs as incurred provides more reliable and relevant financial information. The cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable and technically feasible. Previously, the Company capitalized these amounts and value added taxes. As a result of the change in policy, deferred tax calculations were also updated.

#### **Critical accounting estimates and judgments**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on the historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. In preparing these unaudited condensed interim consolidated financial statements, the significant judgements and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended January 31, 2024.

#### **New and amended IFRS standards not yet effective**

A number of new standards are not yet effective for the year ended January 31, 2025, and have not been applied in preparing these financial statements. Many are not applicable to, or do not have a significant impact on the Company and have therefore been excluded. The following have not been adopted and are being evaluated to determine their impact on the Company's consolidated financial statements:

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

### **4. Sales taxes recoverable**

The Company's government taxes recoverable arise from two main sources: The Canadian harmonized sales tax (“GST”/“HST”) receivable due from the Canadian government taxation authorities and the value added tax (“VAT”) receivable due from Mexican government taxation authorities.

It is management's judgment that the VAT recoverable is not collectible at this time. As a result, these amounts have been included as expenses within exploration and evaluation expenditures in the period they were incurred.

### **5. Short-term investments**

As of July 31, 2024 the Company held \$ Nil (January 31, 2024 - \$21,521) of GIC investments. The \$21,521 in GIC investments held at January 31, 2024 matured during the reporting period.

**Mammoth Resources Corp.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**6. Exploration and evaluation projects**

The Company has incurred the following acquisition costs and exploration costs on its exploration and evaluation projects:

<b>Tenoriba Project</b>	<b>For the period ended July 31, 2024</b>	<b>For the year ended January 31, 2024</b>
Acquisition costs, opening balance	\$ 216,614	\$ 216,614
Additions	-	-
Total acquisition costs	216,614	216,614
Exploration costs, opening balance	4,575,477	4,289,397
Additions for the year	212,014	286,080
Total exploration costs	4,713,471	4,575,477
<b>Total exploration and evaluation expenditures</b>	<b>\$ 5,004,105</b>	<b>\$ 4,792,091</b>

Title to exploration and evaluation assets involve certain inherent risks due to the difficulty of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets, and, to the best of its knowledge, title to all of its properties, except as described below, are properly registered and in good standing. However, there can be no guarantee of title and the exploration and evaluation assets may otherwise be subject to prior claims, agreements, or transfers and rights of ownership may be affected by undetected defects. The properties in which the Company has earned or committed to earn an interest are located in Mexico.

**Tenoriba Area**

Mammoth signed an agreement (the "Agreement") with two private Mexican citizens on July 3, 2012 to option the Tenoriba project in southwestern Chihuahua State, Mexico. The Agreement pertained to three concessions, Mapy, Mapy2 and Fernanda, collectively referred to as the Tenoriba Project. The terms of the Agreement permitted the Company to acquire a 100% interest in the Tenoriba Project, subject to a 2.0% Net Smelter Return ("NSR") royalty payable to the vendors upon commercial production (the royalty can be purchased by the Company at any time within a two-year period from commencement of commercial production for US\$1,500,000). The Company has met the terms of the agreement and has earned a 100% interest in the Tenoriba Project, subject to the 2.0% NSR.

On October 3, 2012, the Company, through its Mexican subsidiary, registered the Mapy3 concession, located near the Mapy and Mapy2 concessions. On February 18, 2018, the Company received confirmation of title from the Direccion General de Minas (mining department of the Mexican government) acknowledging title to the Mapy3 concession. The Company is 100% holder of this concession which is now part of the Tenoriba Area.

The Tenoriba Area is thus comprised of four concessions, Mapy, Mapy2, Mapy3 (collectively the "Mapy Concessions") and Fernanda.

As at July 31, 2024 the Company has \$367,195 (MXN\$4,955,412) in estimated unpaid concession fees (January 31, 2024 - \$313,319, (MXN\$4,016,393). In conducting operations in Mexico, the Company is subject to certain considerations and risks. These include risks such as the political, economic, and legal environments. As a result of these risks, the Company's results may be adversely affected by changes in the political and social conditions and by changes in governmental policies with respect to mining laws and regulations and rates and methods of taxation. The Company is aware of recent legislative changes in Mexico applicable to the mining industry. The full impact of these legislative changes have not been completely determined as the industry awaits further clarifications from the government on these proposed changes. The Company believes it has taken action to preserve its interests in its mineral concessions. The Company will continue to monitor the legislative changes and will best respond as these laws, regulations, or the Company's status becomes more clear. Should the Company decide not to pay these unpaid concession fees, this could result in loss of title to property.



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**7. Share capital and reserves**

**Share capital**

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

	Number	Amount
Balance at July 31, 2024, January 31, 2024 and 2023	67,329,753	\$ 6,100,061

**Stock options**

The Company's stock option plan (the "Plan") is a 10% rolling Plan, whereby the maximum number of common shares that may be reserved for issuance under it shall not exceed 10% of the then outstanding common shares at the time of grant. The terms upon which any options are issued under the Plan are subject to vesting provisions determined by the board of directors. The term of any options granted may not exceed five years and their exercise price and vesting conditions will be determined by the board of directors pursuant to the policies of the TSX Venture Exchange.

A summary of the Company's stock options at July 31, 2024 is presented below:

	Number of options	Weighted average exercise price
<b>Options outstanding and exercisable at July 31, 2024 and January 31, 2024</b>	<b>3,803,500</b>	<b>\$ 0.09</b>

- i) On December 22, 2022, the Company granted a total of 1,516,000 stock options to directors, officers and consultants of the Company. The options are exercisable at a price of \$0.05 per share, for a period of five years from the date of grant. The grant date fair value assigned for the stock options was \$68,000 and was determined using the Black-Scholes option pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 3.34%; expected volatility of 165% based on the Company's historical volatility, and an expected life of 5 years. The options vested immediately following issuance.

The following tables sets out the details of the stock options outstanding and exercisable for the period ended July 31, 2024:

Date of grant	Date of expiry	Remaining life (years)	Number of options outstanding and exercisable	Exercise Price	
July 10, 2020	July 10, 2025	0.9	927,500	\$ 0.05	
December 22, 2020	December 22, 2025	1.4	200,000	0.09	
June 9, 2021	June 9, 2025	1.8	1,160,000	0.17	
December 22, 2022	December 22, 2027	3.4	1,516,000	0.05	
<b>Options outstanding and exercisable at July 31, 2024</b>			<b>2.2</b>	<b>3,803,500</b>	<b>\$ 0.09</b>

**8. Loss per share**

The calculation of basic loss per share for the period ended July 31, 2024 was based on the loss attributable to common shareholders of \$231,552 (July 31, 2023 - \$18,686) and on the weighted average number of common shares outstanding of 67,329,753 (July 31, 2023 – 67,329,753).

## Mammoth Resources Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

For the three and six month period ended July 31, 2024 and 2023

(Expressed in Canadian dollars)

#### 9. Related party transactions and key management compensation

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing, and controlling the activities of the Company including any directors and officers of the Company. For the period ended July 31, 2024, key management compensation was \$86,500 (July 31, 2023 - \$64,002).

The following table summarizes information on related party transactions:

	Six months ended	
	2024	July 31, 2023
Exploration and evaluation	62,000	37,500
Management fees	24,500	26,502
Interest expense	362	129

As at July 31, 2024, included in accounts payable and accrued liabilities was \$129,750 due to officers and directors of the Company (January 31, 2024 – \$43,250). The amounts are unsecured, non-interest bearing and due on demand.

As at July 31, 2024, loans due to an officer and directors amounted to \$26,295 (January 31, 2024 - \$11,328). The interest due on the loan is calculated at 13%, unsecured and due on demand.

The Company entered into consulting agreements with the CEO and VP Exploration for the provision of consulting services subject to the capitalization of the Company (funds available from a financing, other financing related activities, including project funding, and free of any accruals and debt). The amounts are fixed until such time it exceeds the capitalization stage. The capitalization stages are as follows:

Annual Base Cash Compensation	CEO	VP Exploration
Capitalization (as described above):		
Between \$0 to \$500,000	\$66,000	\$42,000
Between \$500,000 to \$1,000,000	\$98,000	\$75,500
Greater than \$1,000,000	\$178,000	\$130,000

In addition to base cash fees noted above the officers can accrue the difference between lower and the next highest compensation level if Capitalization falls below the next highest level, amounts having accrued to be paid in cash or shares at the discretion of the officer once Capitalization reaches the next highest compensation level. Officers are also eligible for a discretionary bonus up to 100% of base fees as recommended by the Compensation Committee and approval by the Board of Directors.

The provision of these consulting services commenced on November 1, 2023, and extend for five-years from this date, unless renegotiated, and then will automatically renew every six months thereafter, unless otherwise terminated. The Company must provide six and 12 months written notice of termination for the VP Exploration and CEO, respectively, but reserves the right to waive such notice upon paying the fees, which would have accrued during these periods. Should the Company be subject to a change of control and the agreements terminate, the agreements will terminate immediately, and the Company will be required to pay the base fees equal to 24 and 36 months for the VP Exploration and CEO, respectively, at the rates equivalent to Capitalization greater than \$1,000,000, plus an amount equal to any discretionary bonus paid or accrued in the preceding 12 month period, payable in cash, common shares or combination of both at the discretion of the officers.

**Mammoth Resources Corp.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**10. General and administrative expenses**

The following table illustrates spending activity related to general and administrative expenses:

	Six months ended July 31,	
	2024	2023
Office costs	\$ 2,896	\$ 2,721
Regulatory and filing fees	8,801	14,576
Insurance	4,463	3,736
Travel	222	-
	\$ 16,382	\$ 21,033

**11. Financial instrument risk management**

**Credit risk**

The Company's credit risk is primarily attributable to its cash. The risk exposure is limited to their carrying values at the statement of financial position date. Cash is held as cash deposits with counterparties that carry investment grade ratings as assessed by external rating agencies. The Company does not invest in asset-backed deposits or investments.

**Interest rate risk**

The Company is not exposed to significant interest rate risk since it has no interest-bearing debt except loans from related party, which bears a fixed rate of interest. Cash is held in accounts of financial institutions that do not bear significant interest.

**Liquidity risk**

The Company's objective is to ensure that there is sufficient cash available to meet annual business requirements. As at July 31, 2024, the Company had cash of \$4,973 (January 31, 2024 - \$10,039) to settle current liabilities of \$577,373 (January 31, 2024 - \$371,845).

As the Company does not have operating cash flow, the Company has and will continue to rely primarily on loans from an Officer and equity financing to meet its capital requirements.

The following are the contractual maturities of financial liabilities as at July 31, 2024:

	Carrying amount	Within 1 year	1-3 years	4+ years
Accounts payable and accrued liabilities	\$ 551,078	\$ 551,078	\$ -	\$ -
Loan from related parties	26,295	26,295	-	-
	\$ 577,373	\$ 577,373	\$ -	\$ -

**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 the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

## **Mammoth Resources Corp.**

### ***Notes to the Condensed Interim Consolidated Financial Statements***

For the three and six month period ended July 31, 2024 and 2023

(Expressed in Canadian dollars)

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#### **11. Financial instrument risk management (Continued)**

##### **Currency risk**

The Company operates in Canada and Mexico, and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency which are primarily the Mexican Peso (“MXN”) and the US dollar (“USD”).

The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will consequently have an impact upon the reporting results of the Company and may also affect the value of the Company’s assets and liabilities.

As at July 31, 2024 and January 31, 2024, the Company held the following United States and Mexican monetary assets and liabilities:

	July 31, 2024	January 31, 2024
Cash	USD 2,314	USD 230
Accounts payable and accrued liabilities	USD (22,583)	USD (22,583)

	July 31, 2024	January 31, 2024
Cash	MXN 1,482	MXN 244
Accounts payable and accrued liabilities	MXN (4,967,341)	MXN (3,102,957)

A 10% increase (decrease) in the value of the Canadian dollar against all foreign currencies in which the Company held financial instruments as at July 31, 2024 would result in an estimated increase (decrease) of approximately \$30,309 (January 31, 2024 - \$27,400). The Company does not currently hedge its foreign currency exposure.

Based on management’s knowledge and experience of the financial markets, management does not believe that the Company’s current financial instruments will be affected by interest rate risk, currency risk or credit risk.

#### **12. Capital risk management**

The Company’s objective when managing capital is to raise sufficient funds to execute its exploration plan and to meet its ongoing administrative costs. At July 31, 2024, the Company’s capital consisted of items in shareholders’ equity, in the amount of (\$231,552) (January 31, 2024 – (\$334,399)).

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

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 does not have any externally imposed capital requirements or covenants.

#### **13. Commitments and contingencies**

The Company’s mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and 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.

From time to time, the Company may be named as a party to claims or involved in proceedings, including legal and regulatory, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net income (loss) in that period.

See additional commitments and contingencies in Note 9.