Condensed Interim Consolidated Financial Statements
(Unaudited)

AVIDIAN GOLD CORP.

For the three months ended September 30, 2023 and 2022

(Expressed in US dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Avidian Gold Corp. (the "Company" or "Avidian") for the three months ended September 30, 2023 and 2022 have been prepared by Management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited condensed interim consolidated financial statements have not been reviewed by an auditor.

November 23, 2023

"Steve Roebuck"
Chief Executive Officer

"Donna McLean"
Chief Financial Officer

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AVIDIAN GOLD CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited; Expressed in US Dollars)

	As at September 30, 2023	As at June 30, 2023
	$	$
Assets		
Current		
Cash	**39,547**	48,492
Due from associate	**-**	27,857
Amounts receivable and prepaid expenses	**15,190**	9,847
Total current assets	**54,737**	86,196
Non-current assets		
Equipment (Note 5)	**25,316**	34,069
Investment in associate (Note 8)	**1,127,542**	1,169,120
Total assets	**1,207,595**	1,289,385
Liabilities		
Current		
Trade payables and accrued liabilities (Note 10)	**561,765**	621,950
Total current liabilities	**561,765**	621,950
Non-current liabilities		
Convertible debenture (Note 12)	**76,385**	-
Warrant liability (Note 7)	**72,448**	99,221
Total liabilities	**710,598**	721,171
Shareholders' Equity		
Share capital (Note 6(b))	**19,932,362**	19,932,362
Share-based payment reserve (Note 6(c))	**2,175,736**	2,161,283
Deficit	**(21,611,101)**	(21,525,431)
Total equity	**496,997**	568,214
Total liabilities and shareholders' equity	**1,207,595**	1,289,385

DESCRIPTION OF BUSINESS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Notes 12, 13 and 14)

APPROVED BY THE BOARD OF DIRECTORS

Original signed by James Polson, Director

Original signed by Dino Titaro, Director

See accompanying notes to the condensed interim consolidated financial statements

AVIDIAN GOLD CORP.
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
(Unaudited; Expressed in US Dollars)

	For the three months ended September 30, 2023	For the three months ended September 30, 2022
	$	$
Operating Expenses		
Exploration and evaluation expenditures (Note 13)	**39,949**	303,796
General and administrative (Note 11)	**49,849**	117,310
Accretion	**3,919**	-
Share-based compensation (Note 6(c))	**14,453**	50,180
Net loss before other losses (gains)	**108,170**	471,286
Foreign exchange gain	**(8,963)**	(2,041)
Finance costs (Note 12)	**56,375**	-
Loss from equity accounting in associate (Note 8)	**41,578**	124,151
Unrealized gain on warrant revaluation (Note 7)	**(24,914)**	(9,391)
Unrealized gain on derivative liability (Note 12)	**(86,576)**	-
Total other (gains) losses	**(22,500)**	112,719
Net loss and comprehensive loss for the period	**85,670**	584,005
Net loss per share - basic and diluted (Note 9)	**0.00**	0.00
Weighted average number of shares outstanding - basic and diluted (Note 9)	**185,411,207**	167,756,624

See accompanying notes to the condensed interim consolidated financial statements

AVIDIAN GOLD CORP.
Condensed Interim Consolidated Statements of Change in Shareholders' Equity
(Unaudited; Expressed in US Dollars)

	Number of shares	Share capital	Share-based payment reserve	Deficit	Total Equity
		$	$	$	$
Balance June 30, 2022	**167,756,624**	**19,536,485**	**2,033,015**	**(19,785,125)**	**1,784,375**
Net loss and comprehensive loss for the period	-	-	-	(584,005)	(584,005)
Share-based compensation (Note 6(c))	-	-	50,180	-	50,180
Balance September 30, 2022	**167,756,624**	**19,536,485**	**2,083,195**	**(20,369,130)**	**1,250,550**
Net loss and comprehensive loss for the period	-	-	-	(1,156,301)	(1,156,301)
Private placement, net of issue costs (Note 6(b))	11,549,429	280,882	-	-	280,882
Value of warrants issued under private placement (Note 7)	-	(86,420)	-	-	(86,420)
Broker warrants issued (Note 7)	-	(3,645)	3,645	-	-
Shares for property acquisition (Note 13)	6,105,154	205,060	-	-	205,060
Share-based compensation (Note 6(c))	-	-	74,443	-	74,443
Balance June 30, 2023	**185,411,207**	**19,932,362**	**2,161,283**	**(21,525,431)**	**568,214**
Net loss and comprehensive loss for the period	-	-	-	(85,670)	(85,670)
Share-based compensation (Note 6(c))	-	-	14,453	-	14,453
Balance September 30, 2023	**185,411,207**	**19,932,362**	**2,175,736**	**(21,611,101)**	**496,997**

See accompanying notes to the condensed interim consolidated financial statements

AVIDIAN GOLD CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited; Expressed in US Dollars)

	For the three months ended September 30, 2023	For the three months ended September 30, 2022
	$	$
Operating activities		
Net loss for the period	**(85,670)**	(584,005)
Items not involving cash:		
Amortization	**8,753**	9,101
Loss from equity accounting in associates	**41,578**	124,151
Unrealized foreign exchange gain	**(10,132)**	(1,439)
Unrealized gain on warrant revaluation	**(24,914)**	(9,391)
Accretion	**3,919**	-
Finance costs	**56,375**	-
Unrealized gain on derivative liability	**(86,576)**	-
Share-based compensation	**14,453**	50,180
	(82,214)	(411,403)
Changes in non-cash working capital		
Increase in amounts receivable and prepaids	**(5,343)**	(25,745)
Decrease in amount due from associate	**27,857**	53,493
Decrease (increase) in trade payables and accrued liabilities	**(52,196)**	177,423
Change in non-cash operating working capital	**(29,682)**	205,171
Net cash flows used in operating activities	**(111,896)**	(206,232)
Financing activities		
Proceeds from issuance of convertible debentures	**102,951**	-
Net cash flows provided by financing activities	**102,951**	-
Change in cash	**(8,945)**	(206,232)
Cash, beginning of period	**48,492**	265,034
Cash, end of period	**39,547**	58,802

See accompanying notes to the condensed interim consolidated financial statements

1. DESCRIPTION OF BUSINESS AND GOING CONCERN

Avidian Gold Corp. ("Avidian" or the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on September 24, 2013. The Company was continued in the Province of Ontario on October 20, 2020. The registered head office of the Company is located at 110 Yonge Street, Suite #1601, Toronto, Ontario, M5C 1T4.

Avidian is in the business of acquiring and exploring gold projects. As of September 30, 2023, the Company has acquired the rights to explore four gold properties in the United States of America and has a 28% ownership of High Tide Resources Corp. which holds the right to explore three properties in Eastern Canada.

The condensed interim consolidated financial statements of the Company for the three months ended September 30, 2023 (the "Interim Financial Statements") were reviewed, approved, and authorized for issue by the Board of Directors on November 23, 2023. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and currency exchange fluctuations and restrictions.

The Company's property interests are at an early stage of exploration and, in common with many exploration companies, it raises financing for its exploration and evaluation activities in discrete tranches. The Company has incurred a loss for the three months ended September 30, 2023 of $85,670 (2022 - $584,005), and has an accumulated deficit of $21,611,101 (June 30, 2023 - $21,525,431) and a working capital deficiency as at September 30, 2023.

Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future, or available under terms acceptable to the Company. In the event that the Company is unable to secure further financing, it may not be able to complete the development of a gold, copper and other mineral projects. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

These Interim Financial Statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore, evaluate, and develop gold, copper, and other mineral projects and ultimately, to achieve profitable operations. The success of these endeavours cannot be predicted at this time. These Interim Financial Statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

2. BASIS OF PRESENTATION

These Interim Financial Statements have been prepared in accordance with the International Accounting Standards ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standard Board ("IASB"). These Interim Financial Statements have been prepared in accordance with the accounting policies described in Note 2 of the Company's annual consolidated financial statements as at and for the years ended June 30, 2023 and 2022 ("Annual Financial Statements"). Accordingly, these Interim Financial Statements should be read together with the Annual Financial Statements.

These Interim Financial Statements have been prepared on an accrual basis except for cash flow information. These condensed interim consolidated financial statements are based on historical costs except for those financial instruments carried at fair value and, except where otherwise stated, do not take into account changing money values, fair values of assets and liabilities or recoverable amounts. The policies set out below have been consistently applied to all periods presented.

Basis of consolidation

These Interim Financial Statements include the accounts of the Company and its wholly-owned subsidiaries Avidian Gold Inc., Avidian Gold US Inc., Avidian Gold Alaska Inc., and High Tide Resources Inc. and include all assets, liabilities, revenues, expenses, and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

3. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of gold resource assets.

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 the future development of the business. The Company considers its capital to be equity, which comprises issued capital, share-based payment reserve and deficit, which at September 30, 2023, totaled $496,997 (June 30, 2023 - $568,214).

The Company invests all capital not required for its immediate needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term guaranteed deposits, all held with select major Canadian financial institutions.

The Company is currently attempting to identify an economic gold resource and as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned acquisitions and exploration, as well as pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

3. CAPITAL MANAGEMENT (continued)

a. maintaining a liquidity cushion in order to address any potential disruptions or industry downturns;
b. minimizing discretionary disbursements; and
c. exploring alternative sources of liquidity.

In light of the above, the Company will continue to assess new properties if the Company believes there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no significant changes in the Company's approach to capital management during the three months ended September 30, 2023.

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (specifically commodity price risk).

Risk management is carried out by the Company's Management with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is attributable to cash. Cash is held with a reputable financial institution, from which management believes the risk of loss to be remote.

Included in amounts receivable is sales tax receivable from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable and the amount due from associate is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. 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 related to matters specific to the Company.

The Company generates cash flow primarily from its financing activities. As at September 30, 2023, the Company had cash of $39,547 (June 30, 2023 - $48,492) to settle current liabilities of $561,765 (June 30, 2023 - $621,950). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance and liquidity.

All of the Company's current financial liabilities as at September 30, 2023 have contractual maturities of less than 30 days and are subject to normal trade terms.

4. FINANCIAL RISK FACTORS (continued)

Market risk

Interest rate risk

The Company has cash balances subject to fluctuations in the prime rate. The Company's current policy is to invest excess cash in money market funds traded by its banking institutions.

The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management believes that interest rate risk is remote as investments are short-term, and the Company currently does not carry interest-bearing debt at floating rates.

Foreign currency risk

The Company primarily incurs expenditures in US dollars and Canadian dollars. As at September 30, 2023, the Company holds in cash the following amounts (reported in US$ currency) in Canadian ("CDN") and US funds respectively: $34,016 and $5,531 (June 30, 2023 - $46,392 and $2,100).

Commodity price risk

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

Sensitivity analysis

As of September 30, 2023 and June 30, 2023, both the carrying and fair value amounts of the Company's current financial instruments are approximately equivalent due to their short-term nature. The sensitivity analysis shown in the notes below may differ materially from actual results. Based on Management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible for the three months ended September, 2023:

(i) As at September 30, 2023, if foreign exchange rates had decreased/increased by 10% with all other variables held constant, the loss for the period ended September 30, 2023 would have changed by $61,172 as a result of lower/higher foreign exchange gains and losses on funds held in foreign currencies and reported shareholders' equity would also not have changed by a material amount.

(ii) Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of gold. Gold prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of gold may be produced in the future, a profitable market will exist for them. As of September 30, 2023, the Company was not a gold producer. As a result, gold price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

(Unaudited; Expressed in US dollars – except where otherwise indicated)

4. FINANCIAL RISK FACTORS (continued)

Fair value hierarchy and liquidity risk disclosure

The three levels of the fair value hierarchy are as follows:

Level 1 Unadjusted quoted prices 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. as prices) or indirectly (i.e. derived from prices); and

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

At September 30, 2023 and June 30, 2023, the Company did not hold any financial assets in the fair value hierarchy.

At September 30, 2023 and June 30, 2023, the fair value of the Company's conversion option and call option component of the convertible debenture and the warrant liability held at fair value is based on Level 2 measurements.

Level 2 Hierarchy

The key assumptions used in the valuation of the conversion option component of convertible debenture and warrant liability include (but are not limited to) the Company's quoted market price and share price volatility of comparable publicly traded companies.

For the conversion option and call option component of the convertible debenture and warrant liability valued based on market-based valuation technique, the inputs can be judgmental (See Notes 7 and 12). A +/- 25% change in the fair value of these Level 2 liabilities as at September 30, 2023 will result in a corresponding +/- $37,208 change in the net loss for the period.

5. EQUIPMENT

Cost	**Equipment**
Balance, June 30, 2022	$ 213,002
Additions	-
Balance, June 30, 2023	213,002
Additions	-
Balance, September 30, 2023	**$ 213,002**

Amortization and impairment	**Equipment**
Balance, June 30, 2022	$ 142,881
Amortization	36,052
Balance, June 30, 2023	178,933
Amortization	8,753
Balance, September 30, 2023	**$ 187,686**

Carrying amounts	
Balance, June 30, 2023	$ 34,069
Balance, September 30, 2023	**$ 25,316**

(Unaudited; Expressed in US dollars – except where otherwise indicated)

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares, with no par value.

(b) Issued

(i) On December 15, 2022, the Company closed a private placement for gross proceeds of CDN$404,232 ($296,343). A total of 11,549,429 units were issued at a price of CDN$0.035 ($0.026) per unit. Each unit consists of one common share of the Company and one common share purchase warrant; each warrant is exercisable into a common share at a price of CDN$0.06 ($0.044) for 24 months following the warrant issuance.

(ii) On January 16, 2023, the Company issued 6,105,154 shares valued at CDN$0.045 ($0.03) for a total value of CDN$274,732 ($205,060) pursuant to the Golden Zone property agreement. See Note 13.

(c) Share-based payment reserve

Share based payment activity for the three months ended September 30, 2023 and the year ended June 30, 2023 is summarized as follows:

	Number of stock options	Weighted average exercise price (CDN$)
Balance, June 30, 2022	**12,690,149**	**0.31**
Expired	(500,000)	(0.13)
Balance, June 30, 2023	**12,190,149**	**0.31**
Expired	(2,635,000)	(0.60)
Balance, September 30, 2023	**9,555,149**	**0.23**

Summary of options outstanding as at September 30, 2023:

							Black-Scholes inputs			
Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price (CDN$)	Share-based compensation amount for the period ended September 30, 2023	Grant date fair value per option	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
150,000	150,000	15-Nov-18	15-Nov-23	0.60	-	$ 0.24	125%	5	0%	2.31%
100,000	100,000	4-Feb-19	4-Feb-24	0.40	-	$ 0.18	125%	5	0%	2.31%
3,500,000	3,500,000	26-Aug-19	26-Aug-24	0.20	-	$ 0.09	125%	5	0%	1.24%
55,149	55,149	1-Dec-17	19-Nov-24	0.30	-	$ 0.25	150%	7	0%	1.78%
3,000,000	3,000,000	3-Sep-20	3-Sep-25	0.28	10,004	$ 0.17	125%	5	0%	0.35%
1,100,000	733,333	7-Apr-21	7-Apr-26	0.20	3,124	$ 0.17	125%	5	0%	0.83%
1,650,000	1,550,000	19-Jul-21	19-Jul-26	0.20	1,325	$ 0.10	125%	5	0%	0.71%
9,555,149	9,088,482				$ 14,453					

The weighted average remaining time to expiry for all outstanding options as of September 30, 2023, is 1.72 years (June 30, 2023 – 1.58 years).

7. WARRANTS

Warrants issued in connection with the completion of certain private placements are exercisable in Canadian dollars. The fair value of these non-compensatory warrants is recorded as a warrant liability at the date of issuance. These warrants are revalued at each financial position reporting date with the corresponding change recorded as gain (loss) on warrant revaluation on the consolidated statement of operations.

At September 30, 2023, the fair values of the Company's warrants were determined using the Black-Scholes option pricing model with the following inputs:

Expiry date	10-Jun-24	15-Dec-24
Number of warrants	14,713,887	11,549,429
Exercise price (CDN$)	0.20	0.06
Share price (CDN$)	0.015	0.015
Expected volatility	188%	180%
Risk free interest rate	4.83%	4.54%
Expected dividend yield	0%	0%
Remaining life in years	0.70	1.21
Fair value	$ 15,950	$ 56,498

The following table presents the reconciliation of the beginning and ending balances of the warrant liability:

	Warrant liability
	$
June 30, 2022	**31,582**
Warrant issuance	86,420
Warrant revaluation	(20,322)
Change in foreign exchange	1,541
June 30, 2023	**99,221**
Warrant revaluation	(24,914)
Change in foreign exchange	(1,859)
September 30, 2023	**72,448**

(Unaudited; Expressed in US dollars – except where otherwise indicated)

7. WARRANTS (continued)

The following is a summary of warrant activity for the three months ended September 30, 2023 and the year ended June 30, 2023:

	September 30, 2023		June 30, 2023	
	Number	**Weighted average exercise price**	Number	Weighted average exercise price
		CDN$		CDN$
Balance, beginning of period	**27,625,529**	**0.14**	40,941,958	0.22
Granted in connection with private placements	**-**	**-**	11,835,086	0.06
Expired during the period	**-**	**-**	(25,151,515)	(0.22)
Balance, end of period	**27,625,529**	**0.14**	27,625,529	0.14

Summary of warrants outstanding as at September 30, 2023:

Warrants	**Classification**	**Exercise price**	**Grant date fair value of warrants**	**Expiry date**
#		CDN$	$	
14,713,887	Liability	0.20	893,224	June 10, 2024
1,076,556	Equity	0.20	103,834	June 10, 2024
11,549,429	Liability	0.06	86,420	December 15, 2024
285,657	Equity	0.05	3,645	December 15, 2024
27,625,529			1,087,123	

8. INVESTMENT IN ASSOCIATE

The continuity of carrying value of the investment in High Tide Resources Corp. ("HTR Corp.") is set out below:

	September 30, 2023	June 30, 2023
Balance - beginning of period	**$ 1,169,120**	$ 1,518,163
Less: Equity loss from HTR Corp.	**(41,578)**	(349,043)
Balance - end of period	**$ 1,127,542**	$ 1,169,120

Based on the quoted market price at September 30, 2023, the fair value of the Company's 28% interest in HTR Corp. was $888,490 (June 30, 2023 - $2,144,646).

9. BASIC AND DILUTED NET LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended September 30, 2023 was based on the loss attributable to common shareholders of $85,670 (2022 – $584,005) and the weighted average number of common shares outstanding of 185,411,207 (2022 – 167,756,624).

(Unaudited; Expressed in US dollars – except where otherwise indicated)

9. BASIC AND DILUTED NET LOSS PER SHARE (continued)

Diluted loss per share did not include the effect of the stock options disclosed in Note 6(c), or the share purchase warrants disclosed in Note 7 as they are anti-dilutive for the three-months periods ended September 30, 2023 and 2022.

10. RELATED PARTY TRANSACTIONS

a) The remuneration of key management personnel is comprised of:

	Three months ended September 30, 2023	Three months ended September 30, 2022
Consulting fees	$ -	$ 39,268
Share-based compensation	10,926	35,800

*Key management personnel include directors, officers and former directors/officers.

b) See Notes 6(b), (c), and Note 8.
c) Trade payables and accrued liabilities as at September 30, 2023 include $212,265 (June 30, 2023 - $216,959) owed to current and former officers of the Company. Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.

11. GENERAL AND ADMINISTRATIVE

	Three months ended September 30, 2023	Three months ended September 30, 2022
Amortization (Note 5)	$ 8,753	$ 9,101
Corporate relations	-	13,376
Occupancy costs	1,500	900
Office supplies, bank charges and telephone	6,031	24,894
Professional fees and transfer agent	33,565	69,039
	$ 49,849	$ 117,310

12. CONVERTIBLE DEBENTURE

On August 8, 2023, the Company entered into loan facility agreements with certain private lenders (which included two directors for CDN$100,000) (the "Financing") for gross funding of CDN$150,000 (the "Principal Amount"). The Financing was completed through the issuance of unsecured loan facility units (the "Units") issued to the subscribers (the "Subscribers") on a private placement basis. The Principal Amount shall be due and repayable in full, 18 months from the closing of the Financing, or upon the occurrence of a liquidity event (the "Liquidity Event"), whichever is earlier (both such events being the "Maturity Date"). The Liquidity Event shall mean any arms-length financing of the Company or any disposition of assets of the Company.

12. CONVERTIBLE DEBENTURE (continued)

On the Maturity Date, a commitment fee totalling CDN$22,500 (the "Commitment Amount") shall be due and payable to the Subscribers by the Company in addition to the Principal Amount.

Before the Maturity Date, the Subscribers shall have the option (the "Conversion Option") to convert the Principal Amount and the Commitment Amount into common shares of HTR Corp. owned by the Company (the "High Tide Shares"), on the basis of eight (8) High Tide Shares for every one dollar (CDN$1.00), being an effective price of CDN$0.125 per High Tide Share for an aggregate of CDN$172,500 and a total of 1,380,000 High Tide Shares. In addition, regardless of whether the Conversion Option has been exercised, for a period of two years from the closing of the Financing the Subscribers shall have the option (the "Call Option") to acquire 1,200,000 High Tide Shares at a price of CDN$0.125 per common share for an aggregate purchase price of CDN$150,000. In connection with the Conversion Option and the Call Option, the Company shall place 2,580,000 High Tide Shares into escrow with their legal counsel.

Under IFRS, when the currency of the conversion price of the conversion option is different than the functional currency of the legal entity in which they were issued, the conversion option component is accounted for as a derivative liability.

The Company allocated the net proceeds to liability and derivative liability components based on the fair value of the conversion feature (which is an embedded derivative liability requiring separation) and the convertible debentures using the effective interest rate method. The effective interest rate is 70.16% (this is determined by establishing the rate that is required to discount the contractual cash flows back to the carrying amount, as adjusted for transaction costs).

The fair value of the Conversion Option component was determined to be $64,614 with a residual amount of $38,337 allocated to the liability on the date of issuance. The fair value of the Conversion Option component of the debenture at issuance was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 132%, risk-free interest rate of 4.56%, share price of CDN$0.11, and an expected life of 1.5 years.

The fair value of the Call Option was determined to be $56,186 on the date of issuance. The fair value of the Call Option was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 132%, risk-free interest rate of 4.56%, share price of CDN$0.11, and an expected life of 2 years.

The discount on the convertible debentures is amortized using the effective interest method over the term of the debenture. The Company accretes the carrying value of the convertible debentures each month by recognizing an accretion expense in the statement of operations and comprehensive loss and a credit to convertible note. For the three months ended September 30, 2023, $3,919 (2022 - $nil) of finance expense from the debt discount was recorded by the Company.

The fair value of the Conversion Option as at September 30, 2023 was estimated as $18,372 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 118%, risk-free interest rate of 4.83%, share price of CDN$0.055, and an expected life of 1.36 years.

(Unaudited; Expressed in US dollars – except where otherwise indicated)

12. CONVERTIBLE DEBENTURE (continued)

The fair value of the Call Option as at September 30, 2023 was estimated as $15,975 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 101%, risk-free interest rate of 4.83%, share price of CDN$0.055, and an expected life of 1.86 years.

The following table presents the reconciliation of the beginning and ending balances of the components of the convertible debt:

	Liability $	Conversion Option $	Call Option $	Total $
June 30, 2023	**-**	**-**	**-**	**-**
Issuance of debenture	38,337	64,614	-	102,951
Issuance of call option	-	-	56,375	56,375
Accretion of liability	3,919	-	-	3,919
Revaluation of conversion option	-	(46,308)	-	(46,308)
Revaluation of call option	-	-	(40,268)	(40,268)
Change in foreign exchange	(218)	66	(132)	(284)
September 30, 2023	**42,038**	**18,372**	**15,975**	**76,385**

At September 30, 2023, the face value of the outstanding convertible debentures totals CDN$150,000.

13. EXPLORATION AND EVALUATION EXPENDITURES

Golden Zone

The Company's 100% owned Golden Zone property is comprised of State of Alaska claims, a Millsite Lease and an Uplands Mining Lease which is valid until 2050. Certain claims are subject to a 3-4% net smelter royalty ("NSR") while the Company has the right to buy back 50% of the claims that are subject to a 3% NSR.

Amanita

On October 31, 2016, the Company signed a definitive agreement for a 15-year lease to purchase an option to acquire a 100% interest in the Amanita claim block subject to a 3% NSR for cash consideration of $3,000,000. The Amanita claim block is comprised of 88 lode claims located within the Fairbanks Mining District, approximately 25 kilometres northeast of Fairbanks, Alaska.

The Company paid $5,000 at the time of signing a letter of intent and a further $20,000 on the signing of the definitive property agreement. The Company is required to make minimum payments as follows, which are credited against the $3,000,000 purchase price.

a. First anniversary of agreement date: $15,000 (paid)
b. Second anniversary of agreement date: $25,000 (paid)
c. Third anniversary of agreement date: $30,000 (paid)
d. Every subsequent anniversary: payments increase by $10,000 annually

13. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Amanita (continued)

In July 2022, the Company made the seventh anniversary payment of $70,000. The Company has received an extension to make the 2023 anniversary payment. It expects to make the payment on or before December 31, 2023. The Company may acquire the 3% NSR royalty for an additional $3,000,000.

Amanita NE

On July 21, 2020, the Company acquired a 100% interest in the Amanita NE gold property, located in Alaska, for the issuance of 2,500,000 common shares. The fair value of the shares was estimated based on the quoted market price of the Company's shares. The vendors were granted a 1% NSR on the Amanita NE property and a 0.2% NSR royalty on the Amanita property.

The vendors are also entitled to receive one-half of any additional royalty granted to a third party in the event of the subsequent disposition by the Company of the Amanita NE property, and to receive 25% of any net profits received from such sale to the third party after the deduction of a) an amount equal to two times the exploration costs expended by the Company on the Amanita NE property and b) all reasonable transactional expenses incurred in connection with the sale to the third party.

Jungo

The Company's Jungo property consists unpatented mining claims held by the Company. Certain claims are subject to a 2% NSR.

(Unaudited; Expressed in US dollars – except where otherwise indicated)

13. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The following table summarizes exploration and evaluation expenditures for each of the Company's respective properties for the three-months ended September 30, 2023 and 2022.

Golden Zone	Three Month Period ended September 30 2023	Three Month Period ended September 30 2022
Acquisition and holding costs	$ 21,389	$ 69,712
Evaluation expenditures	4,303	62,868
	$ 25,692	$ 132,580
Amanita		
Acquisition and holding costs	$ 6,811	$ 88,086
Evaluation expenditures	-	36,395
	$ 6,811	$ 124,481
Amanita NE		
Acquisition and holding costs	$ -	$ 5,305
Evaluation expenditures	-	-
	$ -	$ 5,305
Jungo		
Acquisition and holding costs	$ 7,446	$ 41,430
Evaluation expenditures	-	-
	$ 7,446	$ 41,430
TOTAL EXPLORATION AND EVALUATION EXPENDITURES	$ 39,949	$ 303,796

14. COMMITMENTS AND CONTINGENCIES

Environmental contingencies

The Company's 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 currently has management services agreements with two Company employees that contain the provision of termination and change of control benefits. The agreements provide that in the event that their services are terminated by the Company, other than for cause, or there is a change in control of the Company, the employees are entitled to a lump sum payment equal to 30 months of remuneration. As a triggering event has not taken place, the contingent payments of $724,000 have not been reflected in these Interim Financial Statements.