Bonterra Resources Inc.

Condensed Interim Financial Statements

For the Three Month Periods Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

Bonterra Resources Inc.

For the Three Month Periods Ended March 31, 2024 and 2023

INDEX **Page**

Condensed Interim Financial Statements

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying condensed interim financial statements of Bonterra Resources Inc. (the "Company") are the responsibility of the management and Board of Directors of the Company.

The condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Marc-Andre Pelletier" (signed)
Chief Executive Officer

"Pier-Elise Hebert-Tremblay" (signed)
Chief Financial Officer

NOTICE TO READER

The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The condensed interim financial statements for the three month periods ended March 31, 2024 and 2023 have not been reviewed and or audited by the Company's auditors.

Bonterra Resources Inc.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

As at,		**March 31, 2024**		December 31, 2023
Assets				
Current				
Cash	**$**	**849,520**	$	2,793,796
Marketable securities (note 7)		**60,000**		60,000
Receivables (note 8)		**990,272**		1,519,704
Prepaids		**190,651**		120,963
		2,090,443		4,494,463
Security and contract deposits (note 9)		**2,918,131**		3,000,431
Property, plant and equipment (note 10)		**19,130,525**		19,358,525
	$	**24,139,099**	$	26,853,419
Liabilities				
Current				
Trade and other payables (notes 12 and 13)	**$**	**5,809,951**	$	6,987,620
		5,809,951		6,987,620
Asset retirement obligations (note 15)		**11,185,750**		11,100,000
		16,995,701		18,087,620
Shareholders' Equity				
Share Capital (note 16)		**277,530,901**		277,530,901
Share-based Payments Reserve (note 16)		**21,383,878**		20,962,388
Deficit		**(291,771,381)**		(289,727,490)
		7,143,398		8,765,799
	$	**24,139,099**	$	26,853,419

Going Concern (note 2)
Commitments and Contingent Liabilities (note 19)
Subsequent Events (note 8, 16 and 20)

Approved on behalf of the Board:

"Peter O'Malley"
……………………………… Director
Peter O'Malley

"Matthew Happyjack"
……………………………… Director
Matthew Happyjack

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

Bonterra Resources Inc.

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

For the three month period ended March 31,	2024	2023
Expenses		
Exploration and evaluation (notes 10, 11 and 15)	**$ 934,553**	$ 3,801,267
Mill and mine care and maintenance (note 10)	**181,517**	403,320
Salaries, management and director fees (note 13)	**415,662**	367,909
Office, general and other	**119,423**	186,244
Professional fees (note 13)	**38,292**	114,984
Rent and property taxes	**84,863**	18,300
Share-based payments (notes 13 and 16)	**421,490**	107,000
Shareholder communications and investor relations	**21,295**	70,374
Transfer agent and filings fees	**11,103**	11,349
Travel	**24,526**	24,171
Loss Before Other Items	**(2,252,724)**	(5,104,918)
Other Items		
Miscellaneous income (note 11)	**183,157**	483,632
Recovery of flow-through premium liability (note 14)	**-**	855,144
Net interest income	**25,676**	100,265
Net Loss and Comprehensive Loss for the period	**$ (2,043,891)**	$ (3,665,877)
Basic and Diluted Loss Per Share	**$ (0.02)**	$ (0.03)
Weighted Average Number of Common Shares Outstanding – Basic and Diluted (000's)	**127,358**	126,196

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

Bonterra Resources Inc.

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Share Capital							
	Number of Shares		**Share Capital**		**Share-based Payments Reserve**		**Deficit**		**Total**
Balance, December 31, 2022	126,195,500		277,330,901		20,252,388		(282,123,949)		15,459,340
Shares issued for services	1,162,115		200,000		-		-		200,000
Share-based payments	-		-		710,000		-		710,000
Net loss and comprehensive loss for the period	-		-		-		(7,603,541)		(7,603,541)
Balance, December 31, 2023	127,357,615	$	277,530,901	$	20,962,388	$	(289,727,490)	$	8,765,799
Share-based payments	**-**		**-**		**421,490**		**-**		**421,490**
Net loss and comprehensive loss for the period	**-**		**-**		**-**		**(2,043,891)**		**(2,043,891)**
Balance, March 31, 2024	**127,357,615**	**$**	**277,530,901**	**$**	**21,383,878**	**$**	**(291,771,381)**	**$**	**7,143,398**
Balance, December 31, 2022	126,195,500	$	277,330,901	$	20,252,388	$	(282,123,949)	$	15,459,340
Share-based payments	-		-		107,000		-		107,000
Net loss and comprehensive loss for the period	-		-		-		(3,665,877)		(3,665,877)
Balance, March 31, 2023	126,195,500	$	277,330,901	$	20,359,388	$	(285,789,826)	$	11,900,463

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

Bonterra Resources Inc.

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)

For the three month period ended,		2024		2023
Operating Activities				
Net loss for the period	$	**(2,043,891)**	$	(3,665,877)
Items not involving cash				
Depreciation		**228,000**		254,000
Share-based payments		**421,490**		107,000
Recovery of flow-through premium liability		**-**		(855,144)
Accretion expense		**85,750**		36,250
Changes in non-cash working capital				
Receivables		**529,432**		2,120,340
Prepaids		**(69,688)**		-
Security and contract deposits		**82,300**		-
Trade and other payables		**(1,177,669)**		(1,881,235)
Cash Used in Operating Activities		**(1,944,276)**		(3,884,666)
Financing Activities				
Repayment of long-term debt		**-**		(15,135)
Cash Used in Financing Activities		**-**		(15,135)
Outflow of Cash		**(1,944,276)**		(3,899,801)
Cash, Beginning of Period		**2,793,796**		7,394,113
Cash, End of Period	$	**849,520**	$	3,494,312

Supplemental Disclosure with Respect to Cash Flows (note 17)

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Bonterra Resources Inc. is an exploration stage company incorporated on May 1, 2007, under the laws of the province of British Columbia, Canada. Its principal business activity is the acquisition, exploration and evaluation of mineral properties in the province of Québec, Canada. The Company's common shares are traded on the TSX Venture Exchange ("**TSX-V**") under the symbol "BTR". The Company's shares also trade on the OTC Exchange in the United States under the symbol "BONXF" and on the Frankfurt Stock Exchange under the symbol "9BR2". The Company's head office and principal business address is 2872 Sullivan Rd, Suite 2 Val-d'Or, Quebec, Canada, J9P 0B9.

2. GOING CONCERN

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company incurred a comprehensive loss of $2,043,891 for the three month period ended March 31, 2024 (year ended December 31, 2023 - $7,603,541) and has an accumulated deficit of $291,771,381 at March 31, 2024 (December 31, 2023 - $289,727,490). As at March 31, 2024, the Company had working capital deficiency of $3,719,508 (December 31, 2023 - deficiency of $2,493,157). These factors indicate the existence of a material uncertainty that may cast 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 the existence of economically recoverable mineral resources, the ability to fund its existing acquisition and exploration commitments on its exploration and evaluation properties when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation properties or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

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

3. BASIS OF PREPARATION

a) Statement of compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

These condensed interim financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on May 16, 2024.

The notes herein include only significant transactions and events occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed in the annual audited financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with our most recent annual audited financial statements for the year ended December 31, 2023.

b) Basis of measurement

These condensed interim financial statements have been prepared under the historical cost basis, except for financial instruments classified as fair value through profit or loss ("**FVTPL**"). These condensed interim financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

4. FUTURE ACCOUNTING POLICIES AND STANDARDS ADOPTED

New accounting standard adopted during the period

Amendments to IAS 1 – Non-current Liabilities with Covenants (Amendments to IAS 1)

- Effective on January 1, 2024, the amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. This amendment did not have a material impact on the Company's financial statements.

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

- Effective on January 1, 2024, the amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. This amendment did not have a material impact on the Company's financial statements.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

- Effective on January 1, 2024, the amendment clarifies to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. This amendment did not have a material impact on the Company's financial statements.

5. 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 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.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

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 statements within the next fiscal year are discussed below.

a) Title to mineral property interests

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's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

b) Going concern risk assessment

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation properties when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

c) Impairment of long-term assets

The evaluation if an impairment test in accordance with IAS 36 needs to be performed on its long-term assets requires judgement in determining whether it is likely that future economic benefits will be achieved at certain mining properties, which may be based on assumptions about future events or circumstances. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written down in the statement of comprehensive loss in the period when the new information becomes available.

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the financial statements.

a) Asset retirement obligations

The Company assesses its asset retirement obligations annually. Determining these obligations requires significant estimates and assumptions due to the numerous factors that affect the amount ultimately payable. Such factors include estimates of the scope and cost of restoration activities, legislative amendments, known environmental impacts, the effectiveness of maintenance and restoration measures and changes in the discount rate. This uncertainty may lead to differences between the actual expense and the allowance. At the date of the statement of financial position, asset retirement obligations represent management's best estimate of the charge that will result when the actual obligations are terminated.

(Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash and marketable securities are classified as FVTPL; receivables and security and contract deposits as amortized cost; and trade and other payables, and long-term debt as amortized cost.

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

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

The following table sets forth the Company's financial assets measured at fair value by levels within the fair value hierarchy as at March 31, 2024 and December 31, 2023:

March 31, 2024	Level 1	Level 2	Level 3	Total
Cash	**$ 849,520**	**$ -**	**$ -**	**$ 849,520**
Marketable securities	**$ 50,000**	**$ -**	**$ 10,000**	**$ 60,000**

December 31, 2023	Level 1	Level 2	Level 3	Total
Cash	$ 2,793,796	$ -	$ -	$ 2,793,796
Marketable securities	$ 50,000	$ -	$ 10,000	$ 60,000

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

a) 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 manages credit risk, in respect of cash, by placing it at major Canadian financial institutions. Included in receivables is $748,963 (December 31, 2023 - $1,237,160) owing from the Canada Revenue Agency and Revenu Québec. Management of the Company believes it has minimal credit risk. Remaining receivables are due from third party customers.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The current financial liabilities of the Company as of March 31, 2024, equal $5,809,951 (December 31, 2023 - $6,987,620).

6. FINANCIAL INSTRUMENTS (Continued)

c) Market risk

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

i) *Currency risk* – The Company has no funds held in a foreign currency, and as a result, is not exposed to significant currency risk on its financial instruments at period-end.
ii) *Interest rate risk* – Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Interest earned on cash is at nominal interest rates. Long-term debt bears interest at fixed rates, the Company is not exposed to the risk of changes in fair value arising from interest rate fluctuations.
iii) *Other price risk* – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is exposed to other price risk on its marketable securities and the gold price.

d) Capital management

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company manages the capital structure and adjusts 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. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

The Company considers its capital to be equity, which is comprised of share capital, share based payments reserve and deficit, which as at March 31, 2024 totalled $7,143,398 (December 31, 2023 – $8,765,799).

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 Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the three month period ended March 31, 2024, and year ended December 31, 2023.

7. MARKETABLE SECURITIES

As at March 31, 2024, marketable securities consisted of shares in publicly-traded or reporting issuer companies with a cost of $60,000 (December 31, 2023 - $60,000) and a fair value of $60,000 (December 31, 2023 - $60,000).

(Expressed in Canadian Dollars)

8. RECEIVABLES

As at,	March 31, 2024	December 31, 2023
Sales tax receivable	$ **322,165**	$ 810,362
Exploration tax credits receivable	**426,798**	426,798
Other receivables	**241,309**	282,544
Total receivables	$ **990,272**	$ 1,519,704

Below is an aged analysis of the Company's other receivables:

As at,	March 31, 2024	December 31, 2023
1 - 90 days	$ **8,001**	$ 263,057
Over 90 days	**233,308**	19,487
Total other receivables	$ **241,309**	$ 282,544

At March 31, 2024, an allowance has been recorded against these receivables in the amount of $179,650 (December 31, 2023 - $150,000) in unpaid rent related to the Bachelor Camp. The tenant did not pay rent for the month of June 2023 as forest fires prevented access to the property. The tenant submitted a claim to its insurance company and Bonterra has recorded an allowance for bad debt pending resolution.

The credit risk on the receivables has been further discussed in note 6(a). The Company holds no collateral for any receivable amounts outstanding as at March 31, 2024 and December 31, 2023. Subsequent to March 31, 2024, the Company has received $346,452 of sales taxes receivable at March 31, 2024.

9. SECURITY AND CONTRACT DEPOSITS

As at March 31, 2024, the Company had $2,918,131 (December 31, 2023 - $3,000,431) in deposits with the Government of Quebec for the settlement of asset retirement obligations and security deposits, comprised of $60,001 (December 31, 2023 - $142,301) in deposits with Hydro Quebec and $2,858,130 (December 31, 2023 - $2,858,130) to a third party insurance provider to cover the Company's bonds with the Government of Quebec. During the year ended December 31, 2020, the Company engaged an insurance provider to cover the Company's bonds with the Government of Quebec. Under this arrangement, the Company was required to put 40% of the bonds value up as collateral to the insurance provider being $1,758,000. In return, the Company received the deposits with the Government of Quebec of $4,395,001. During the year ended December 31, 2021, the insurance provider agreed to reduce the collateral required from 40% of the bonds value to 30%. During the year ended December 31, 2023, the insurance provider requested additional collateral required and the Company increased the bonding by $915,093 and increased the collateral required to approximately 40%.

During the year ended December 31, 2021, the Company's closure plan related to its Barry property was reviewed and approved and as a result, the Company was required to increase its bonding requirements as follows: $758,173 by September 2021 (completed during the year ended December 31, 2021 through a third party insurance provider using 30% collateral), $379,085 by September 2022 (completed during the year ended December 31, 2022 with no additional collateral required) and $397,085 by September 2023 (completed during the year ended December 31, 2023 with no additional collateral required). A new closure plan was approved by the MRNF on February 24, 2024. The closure cost estimate is $3,038,450 at Barry of which $1,911,240 is already secured. The variance represents an amount of $1,127,210 and the Company has secured 50% or $563,606 as required by the MRNF.

(Expressed in Canadian Dollars)

10. PROPERTY, PLANT AND EQUIPMENT

Cost	Mill infrastructure and related equipment	Underground infrastructure and related equipment	Exploration and related equipment	Total
Balance, December 31, 2022	11,748,770	5,681,500	9,071,177	26,501,447
Additions	-	-	-	-
Disposals	(125,000)	(1,089,200)	(144,500)	(1,358,700)
Balance, December 31, 2023 and March 31, 2024	**$ 11,623,770**	**$ 4,592,300**	**$ 8,926,677**	**$ 25,142,747**
Depreciation				
Balance, December 31, 2022	844,315	1,906,900	3,305,142	6,056,357
Depreciation	148,000	195,000	572,000	915,000
Disposals	(104,154)	(971,184)	(111,797)	(1,187,135)
Balance, December 31, 2023	**$ 888,161**	**$ 1,130,716**	**$ 3,765,345**	**$ 5,784,222**
Depreciation	**35,000**	**62,000**	**131,000**	**228,000**
Balance, March 31, 2024	**$ 923,161**	**$ 1,192,716**	**$ 3,896,345**	**$ 6,012,222**
Net book value, December 31, 2023	$ 10,735,609	$ 3,461,584	$ 5,161,332	$ 19,358,525
Net book value, March 31, 2024	**$ 10,700,609**	**$ 3,399,584**	**$ 5,030,332**	**$ 19,130,525**

Depreciation for the three month period ended March 31, 2024 is reflected as $131,000 (2023 - $121,667) recorded in exploration and evaluation expenditures and $97,000 (2023 - $132,333) recorded in mill and mine care and maintenance costs on the statements of comprehensive loss.

11. EXPLORATION AND EVALUATION PROPERTIES

a) Gladiator Property

(i) Coliseum Property

During the year ended May 31, 2010, the Company acquired a 100% interest in claim blocks in Québec near the Windfall Lake gold project. The property is subject to a 2% net smelter returns royalty ("**NSR**") of which 0.5% can be purchased by the Company for $1,000,000.

(ii) West Arena Property

The Company entered into an option agreement on September 15, 2010, and as amended on February 8, 2011, and March 19, 2012, to acquire a 100% interest in additional mineral claims adjacent to the Coliseum property in Québec.

The agreement is subject to a 2% NSR of which 1% can be purchased for $500,000.

On November 7, 2013, the Company sold an additional 1% NSR.

(iii) East Arena Property

On December 30, 2010, the Company closed a property purchase agreement entered into on December 10, 2010 to acquire a 100% interest in mineral claims east of the Urban-Barry Township in Québec. The agreement is subject to a 2% NSR of which 1% may be purchased for $1,000,000.

11. EXPLORATION AND EVALUATION PROPERTIES (Continued)

a) Gladiator Property (Continued)

(iv) St-Cyr Property

On February 23, 2016, the Company entered into an agreement to acquire a 100% interest in the St-Cyr property, located in Québec. The vendor retains a 2% NSR, of which 1% can be purchased by the Company for $1,000,000.

(v) West Lacroix Lake Property

On February 23, 2016, the Company entered into an agreement to acquire a 100% interest in the West Lacroix Lake property, located in Québec. The vendor retains a 2% NSR, of which 1% can be purchased by the Company for $1,000,000.

(vi) Lac Barry Property

On March 10, 2016, and as amended March 30, 2017, the Company entered into an option agreement with Golden Valley Mines Ltd. ("**Golden Valley**") (acquired by Gold Royalty Corp. in November 2021) to acquire an 85% interest in Golden Valley's Lac Barry property, located in Québec.

Golden Valley retains a 15% interest in the property and a 3% NSR, of which 1% can be purchased by the Company for $1,000,000.

(vii) Macho South Property

On March 11, 2016, the Company entered into an agreement to acquire a 100% interest in the Macho South property, located in Québec. The vendor retains a 2% NSR, of which 1% can be purchased by the Company for $1,000,000.

(viii) Barry Property

On March 11, 2016, the Company entered into an agreement to acquire a 100% interest in the Barry property, located in Québec. The vendor retains a 2% NSR, of which 1% can be purchased by the Company for $1,000,000.

(ix) Bailly Property

On March 11, 2016, the Company entered into an agreement to acquire a 100% interest in the Bailly property, located in Québec. The vendor retains a 2% NSR, of which 1% can be purchased by the Company for $1,000,000.

(x) Thubière Property

On March 10, 2017, the Company entered into an agreement to acquire a 100% interest in the Thubière property, located in Québec.

(xi) Lac Mista Property

On March 14, 2017, the Company entered into an agreement to acquire a 100% interest in the Lac Mista property, located in Québec. The vendors retain a 2% gross overriding royalty reserve on the property, of which 1% may be repurchased by the Company for $1,000,000.

11. EXPLORATION AND EVALUATION PROPERTIES (Continued)

a) Gladiator Property (Continued)

(xii) Duke Property

On July 6, 2018, the Company entered into an agreement with Beaufield Resources Inc., which subsequently amalgamated with Osisko Mining Inc. ("**Osisko**"), to acquire a 70% interest in the Duke property, located in Québec. In consideration, the Company made the payments as follows:

- Cash payment of $250,000 (paid) and issue 400,000 common shares of the Company (issued on July 12, 2018, and valued at $1,600,000) upon acceptance by the TSX-V;
- An additional $250,000 on or before July 6, 2019 (paid); and
- An additional $250,000 on or before July 6, 2020 (paid).

The Company also completed work commitments totalling at least $4,500,000, as follows:

- a minimum of $1,500,000 on or before the first anniversary of this Agreement (completed);
- a further $1,500,000 on or before the second anniversary of this Agreement (completed); and
- a further $1,500,000 on or before the third anniversary of this Agreement (completed).

The Duke property is subject to an underlying 2.3% NSR, of which 1% can be purchased for $1,000,000.

During the year ended December 31, 2021, the Company completed the earn in and Osisko and the Company (each a "**Party**") formed a joint venture (the "**JV**") in which Bonterra was deemed to have contributed $7,000,000 and Osisko $3,000,000 respectively, to represent a 70/30 % working interest (the "Working Interest"). Pursuant to the JV, if the Working Interest of any Party is reduced to at or below a 5% Working Interest, the JV will terminate and a termination payment is owed to the party below 5% by either (i) a cash payment of the sum of $1,500,000; or (ii) such number of shares in the capital of the other Party that is equal in value to $1,500,000, based upon the current market price on the termination date. During the year ended 2022, no participation was incurred by Osisko. During the year ended December 31, 2023, the Company received $250,965 from Osisko to maintain relative working interest based on expenditures incurred by the Company. During the three month period ended March 31, 2024, the Company received $27,008 from Osisko to maintain relative working interest based on expenditures incurred by the Company.

(xiii) Panache Property

On March 25, 2019, the Company entered into an option agreement to acquire a right to a new property called Panache, consisting of one mining claim covering an area of 56 ha, located 20 km north of the Barry property. The Company acquired the property by making a cash payment of $25,000 (paid on March 28, 2019) and issued 10,000 common shares (issued on March 28, 2019 and valued at $19,500) on closing, to the arm's length vendors and an additional cash payment of $50,000 (paid on March 19, 2020) and 15,000 common shares (issued on March 19, 2020 and valued at $11,400) before the one-year anniversary of the agreement.

(xiv) Lapointe Property

On March 9, 2020, the Company entered into a purchase agreement and acquired a new property called the Lapointe property consisting of nine new claims covering an area of 508 ha, contiguous with the Company's Urban-Barry properties located approximately 10 km southwest of the Barry gold deposit. To acquire the property, the Company made a cash payment of $10,000.

11. EXPLORATION AND EVALUATION PROPERTIES (Continued)

b) Barry Property

(i) Barry

The Company holds a 100% interest in mining lease and titles of the Barry gold deposit. It is subject to a 3% NSR.

(ii) Barry United

The Company holds a 100% interest in mining titles located near the Barry gold deposit. It is subject to NSRs of 1% to 4%.

(iii) Barry Extension

The Company holds a 100% interest in mining titles located near the Barry gold deposit. It is subject to a 2% NSR, half of which may be repurchased by the Company for $1,000,000, and the other half at conditions to be agreed upon by the parties.

(iv) Barry Souart

The Company holds a 100% interest in mining titles located near the Barry gold deposit. It is subject to a 2% NSR, half of which may be repurchased by the Company for $500,000, payable in cash or by the issuance of shares at the option of the seller.

c) Bachelor Camp Property

(i) Moroy

The Company holds a 100% interest in mining titles located near the Bachelor Mill. The whole area is subject to a 1.25% NSR. In addition, certain mining titles are subject to an additional 2% NSR, half of which may be repurchased for $1,000,000.

(ii) Nelligan

The Company holds a 70% interest in mining titles located near the Bachelor Mill. It is subject to a 2% NSR, half of which may be repurchased for $1,000,000.

(iii) Coniagas

The Company holds a 100% interest in a mining lease located near the Bachelor Mill.

(iv) Waswanipi

During the year ended December 31, 2020, the Company staked 231 claims north and west of the Bachelor Mill.

d) Other Properties

(i) Wahnapitei

The Company holds a 90% interest in a property comprised of mining leases and concessions located in Sudbury, Ontario. The remaining 10% can be purchased for $1,000,000.

11. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Joint Venture with Osisko related to exploration properties on the Gladiator-Barry and Duke and Lac Barry properties:

On November 28, 2023, the Company executed a definitive earn-in and joint venture agreement with Osisko. Under the agreement, Osisko has the right to acquire up to a 70-per-cent interest in the Company's Gladiator and Barry projects, in addition to the adjoining Duke and Lac Barry properties held through joint venture agreements with Osisko and Gold Royalty Corp., respectively, are being split according to the proration of the JV.

Pursuant to the terms of the agreement, Osisko has paid the Company initial upfront payments totalling $5,000,000 (received).

Specific terms of the agreement include:

- Osisko can earn a 70-per-cent interest in the properties, reducing the Company's interest in the Gladiator, Barry and Duke properties to 30-per-cent and its interest in the Lac Barry joint venture to 15-per-cent by incurring $30 million in work expenditures on the properties, with a minimum spending commitment of $10-million per year over the three-year period following the execution of the agreement;
- Osisko will have the right to carry over work expenditures from year to year, and to pay cash in lieu of expenditures in the event of a shortfall;
- Osisko will be the operator for the properties during the exploration earn-in period;
- Once a 70-per-cent interest in the properties is earned by Osisko, the properties will be operated as a joint venture, with Osisko as the operator, and each party required to contribute to future work expenditures in accordance with the proportional interests in the joint venture;
- On January 18, 2024, the Company incorporated a subsidiary called UB Phoenix Corp. ("**Subco**"). As part of the deal, Osisko will own 70-per-cent interest of certain assets including existing surface infrastructure, surface mining assets, plants and equipment once the earn-in is completed. These assets along with the properties are being transferred to the Subco and will be 100% owned by Bonterra until the earn-in is completed.
- Dilution of a party to less than 10 percent of the joint venture will result in the conversion of their respective joint venture interest to a 1-per-cent net smelter return royalty, 50-per-cent of which is subject to a buyback right of $1-million; and
- In its sole discretion, Osisko may accelerate its exercise of the earn-in right.

As payment for its role as the Company's financial adviser in connection with the joint venture, during the year ended December 31, 2023, Cormark Securities Inc. received an advisory fee of $200,000 in cash and 1,162,115 shares with value of $200,000 in common shares of the Company.

Joint Venture Payments
The Company incurred $628,259 in fees in connection of the closing of the JV transaction.

NSR's related to exploration properties on the Barry and Bachelor Camp properties:

On September 29, 2017, Metanor Resources Inc. ("**Metanor**"), a predecessor company, entered into an amending agreement with Sandstorm Gold Royalties, effectively reducing the then existing gold stream on the Bachelor mine (which required Metanor to sell 20% of its gold production at the fixed price of US $500 per ounce) and replacing it with a 3.9% NSR on all minerals produced from the Bachelor and Barry properties (including the surrounding exploration properties held by Metanor at September 29, 2017). 2.1% of the NSR can be repurchased upon payment of US $2M for each property, thereby reducing the NSR to 1.8%.

(Expressed in Canadian Dollars)

11. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Exploration and evaluation expenditures:

A summary of exploration and evaluation expenditures for the three month periods ended March 31, 2024 and 2023 is as follows:

Three months ended March 31, 2024

	Gladiator	Duke	Barry	Moroy	Desmaraisville	Bachelor	Urban	Other properties	Total
Drilling and assays	-	-	-	-	29,286	-	-	-	**29,286**
Depreciation	98,500	-	32,500	-	-	-	-	-	**131,000**
Geological, consultingand wages	41,796	3,153	132,249	-	290,696	47,239	21,550	3,152	**539,835**
Camp costs, travel and other	6,784	-	42,551	27,281	90,338	-	1,147	6,532	**174,633**
Environmental	-	-	758	-	32	267	-	-	**1,057**
JV payments	-	-	(27,008)	-	-	-	-	-	**(27,008)**
Accretion	-	-	23,750	-	-	62,000	-	-	**85,750**
Total exploration and evaluation expenditures	147,080	3,153	204,800	27,281	410,352	109,506	22,697	9,684	**934,553**

Three months ended March 31, 2023

	Gladiator	Duke	Barry	Moroy	Desmaraisville	Bachelor	Urban	Other properties	Total
Drilling and assays	64,839	344,458	1,295,383	-	-	8,124	1,080	-	**1,713,884**
Depreciation	97,333	-	24,333	-	-	6,059	50,917	-	**178,642**
Geological, consultingand wages	63,379	30,154	813,128	-	211	-	-	1,043	**907,915**
Camp costs, travel and other	19,723	152,841	760,338	35,836	212	52,452	10,339	9,015	**1,040,756**
Environmental	-	-	10,667	-	-	-	-	-	**10,667**
Quebec mining taxes	-	-	(86,847)	-	-	-	-	-	**(86,847)**
Accretion	-	-	10,000	-	-	26,250	-	-	**36,250**
Total exploration and evaluation expenditures	245,274	527,453	2,827,002	35,836	423	92,885	62,336	10,058	**3,801,267**

Miscellaneous income

The company has earned income as a result of renting certain of its camps during the year to third parties. The rental income earned during the year has been recognized as miscellaneous income in the statements of comprehensive loss.

Included in exploration and evaluation expenditures for the three month period ended March 31, 2024 is depreciation of $131,000 (2023 - $121,667). The Company has applied for exploration tax credits for exploration work done between 2020 to 2023. In the event that the Company receives any additional exploration tax credits it has claimed, these amounts will likely increase the amount the Company's flow-through expenditure requirements. The exploration and evaluation expenditures for the three month period ended March 31, 2024 are net of $nil (2023 - $86,847) in exploration tax credits receivable from Revenu Québec. As at March 31, 2024, $426,798 is receivable (December 31, 2023 - $426,798).

(Expressed in Canadian Dollars)

12. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is a breakdown of the trade and other payables:

	As at,	
	March 31, 2024	December 31, 2023
Trade payables	**$ 5,157,010**	$ 6,073,717
Accrued liabilities and other payables	**652,941**	913,903
Total trade and other payables	**$ 5,809,951**	$ 6,987,620

13. RELATED PARTY TRANSACTIONS

These amounts of key management compensation are included in the amounts shown on the statements of comprehensive loss:

For the three month period ended,	**2024**	2023
Short-term compensation		
Salaries, management and director fees	**$ 262,181**	$ 278,445
	262,181	278,445
Share-based payments	**354,000**	107,000
	$ 616,181	$ 385,445

Included in trade and other payables at March 31, 2024 was $nil (December 31, 2023 - $220,096) due to officers and or directors for expense reimbursements and unpaid fees. The amounts payable are non-interest-bearing, uncollateralized and are repayable on demand.

14. FLOW-THROUGH PREMIUM LIABILITY

Flow-through premium liability consists of the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share issuances.

Balance, December 31, 2022	**3,940,144**
Settlement of flow-through premium liability by incurring expenditures	**(3,940,144)**
Balance, December 31, 2023 and March 31, 2024	**$ -**

At March 31, 2024, the Company had a remaining commitment to incur exploration expenditures of $nil (December 31, 2023 - $nil) in relation to its flow-through share financing.

(Expressed in Canadian Dollars)

15. ASSET RETIREMENT OBLIGATIONS

The Company's past production and current exploration activities are subject to various federal and provincial 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 to protect public health and the environment. The Company has recorded the asset retirement obligations based on management's best estimates of future costs, based on information available on the reporting date.

Best estimates of future cost are the amount the Company would reasonably pay to settle its obligation on the closing date of the project.

The future costs are discounted using the risk-free interest rate of the Company and are recorded as liabilities. The asset retirement obligations are adjusted for accumulated accretion in accordance with the expected timing of payment of the cash flows required to settle these obligations. Revisions made to the reclamation obligation were primarily a result of an increase in expected costs of reclamation activities relative to the quotations received in the prior year.

a) Changes in obligations

The following table sets forth the changes in the asset retirement obligations:

As at,		**March 31, 2024**		December 31, 2023
Balance, beginning of year	**$**	**11,100,000**	$	6,534,000
Accretion expense		**85,750**		214,000
Change in estimate for asset retirement obligations		**-**		4,352,000
Balance, end of year	**$**	**11,185,750**	$	11,100,000

b) Information used in the calculation of obligations

The total inflated and undiscounted amount of estimated cash flows required to settle the Company's estimated future closure and decommissioning costs is $13,300,922 (December 31, 2023 - $13,300,922), which has been inflated using inflation rates of 2.18% (December 31, 2023 – 2.18%). The total provision is calculated using discount rates of 3.02% (December 31, 2023 – 3.02%). The schedule of payments was determined by considering the resources that the Company considers highly likely to be able to convert into reserves of related mining properties and the estimated annual production level. The Company plans to settle these obligations during the financial year ending in 2038 for the Barry site and 2048 for the Bachelor Mill Complex.

c) Distribution of asset retirement obligations

The following table sets forth the break down in the asset retirement obligations between the sites:

As at,		**March 31, 2024**		December 31, 2023
Barry site	**$**	**2,927,750**	$	2,904,000
Bachelor mill complex		**8,258,000**		8,196,000
	$	**11,185,750**	$	11,100,000

(Expressed in Canadian Dollars)

16. SHARE CAPITAL

a) Authorized

Unlimited number of common voting shares without par value.

b) Issued and outstanding

During the three month period ended March 31, 2024

There were no transactions during the three month period ended March 31, 2024.

During the year ended December 31, 2023

As payment for its role as the Company's financial adviser in connection with the joint venture as described in note 11, Cormark Securities Inc. received 1,162,115 shares of the Company with a value of $200,000.

c) Warrants

There are no warrants outstanding as at March 31, 2024 and December 31, 2023.

d) Stock options

The Company has an incentive compensation plan to grant securities to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares that may be subject to securities at any one time may not exceed 10% of the issued common shares of the Company as of that date, including securities granted prior to the adoption of the plan. Options granted may not exceed a term of 10 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless they are otherwise specified by the Board of Directors or if they are granted for investor relations activities. Options granted for investor relations activities vest over a twelve-month period with no more than 25% of the options vesting in any three-month period. As at March 31, 2024, the Company had 2,620,762 (December 31, 2023 - 4,980,762) options remaining available for issuance under the plan.

The following is a summary of option transactions under the Company's stock option plan for the three month period ended March 31, 2024 and year ended December 31, 2023:

For the,	**Three Month Period Ended March 31, 2024**		Year Ended December 31, 2023	
	Number of Options	**Weighted Average Exercise Price**	Number of Options	Weighted Average Exercise Price
Outstanding and exercisable, beginning of period/year	**7,755,000**	**$ 1.09**	9,110,000	$ 1.33
Transactions during the period/year:				
Granted	**2,570,000**	**0.23**	1,770,000	0.345
Expired/Cancelled/Forfeited	**(210,000)**	**1.96**	(3,125,000)	1.38
Outstanding, end of period/year	**10,115,000**	**$ 0.85**	7,755,000	$ 1.09
Exercisable, end of period/year	**9,240,000**	**$ 0.83**	6,255,000	$ 1.07

(Expressed in Canadian Dollars)

16. SHARE CAPITAL (Continued)

d) Stock options (Continued)

The following table provides additional information about outstanding stock options at March 31, 2024:

Range of Exercise Prices ($)	No. of Options Outstanding	Weighted Average Exercise Price ($)	Weighted Average Remaining Life (Years)	No. of Options Exercisable	Weighted Average Exercise Price of Exercisable ($)
0.20 – 0.50	4,715,000	0.30	4.49	4,465,000	0.29
1.16 – 1.54	5,400,000	1.33	2.18	4,775,000	1.34
0.20 – 1.54	**10,155,000**	**0.85**	**3.26**	**9,240,000**	**0.83**

On March 17, 2024, the Company granted 1,970,000 stock options to directors of the Company at an exercise price of $0.20. These stock options have a 5-year life and vested immediately.

On February 1, 2024, the Company granted 600,000 stock options to various employees, officers and directors of the Company at an exercise price of $0.24. These stock options have a 5-year life and vested immediately.

On May 5, 2023, the Company granted 1,770,000 stock options to various employees, officers and directors of the Company at an exercise price of $0.345. These stock options have a 5-year life and vested immediately.

During the three month period ended March 31, 2024, 210,000 (2023 – 915,000) options expired unexercised with a weighted average exercise price of $1.96 (2023 – $1.38).

After March 31, 2024, 65,000 options were forfeited.

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its stock options granted. The fair value of each option grant was calculated using the following assumptions:

Three Month Period Ended March 31,	**2024**	2023
Expected life (years)	**5**	-
Risk-free interest rate	**3.34%-3.67%**	-
Expected annualized volatility	**63%-64%**	-
Dividend yield	**N/A**	-
Stock price at grant date	**0.20-0.24**	-
Exercise price	**0.20-0.24**	-
Weighted average grant date fair value	**$0.112-$0.137**	-

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

Share-based payment expense related to vesting of stock options during the three month period ended March 31, 2024 amounted to $384,000 (2023 - $107,000).

(Expressed in Canadian Dollars)

16. SHARE CAPITAL (Continued)

(e) Restricted share units

The Restricted Share Unit Plan (the "**RSU Plan**") provides for the grant of restricted share units (each, an "**RSU**") convertible into a maximum number of common shares equal to ten percent (10%) of the number of common shares then issued and outstanding, provided, however, the number of common shares reserved for issuance from treasury under the RSU Plan and pursuant to all other security-based compensation arrangements of the Company shall, in the aggregate, not exceed ten percent (10%) of the number of common shares then issued and outstanding. Any common shares subject to a RSU which has been cancelled or terminated in accordance with the terms of the RSU Plan without settlement will again be available under the RSU Plan. When vested, each RSU entitles the holder to receive, subject to adjustments as provided for in the RSU Plan, one common Share or payment in cash for the equivalent thereof based on the greater of the volume weighted average trading price of the common shares on the five trading days immediately preceding the redemption date and the closing price on the grant date or date immediately prior thereto. Payment in cash is entirely at the discretion of the Company. The terms and conditions of vesting (if applicable) of each grant are determined by the Board at the time of the grant, subject to the terms of the RSU Plan. RSU awards may, but need not, be subject to performance incentives to reward attainment of annual or long-term performance goals.

Any such performance incentives or long term performance goals are subject to determination by the Board and specified in the award agreement.

The Company uses the fair value method to recognize the obligation and compensation expense associated with the RSUs. The fair value of RSUs issued is determined on the grant date based on the market price of the common shares on the grant date multiplied by the number of RSUs granted. The fair value is expensed over the vesting term. Upon redemption of the RSU the carrying amount is recorded as an increase in common share capital and a reduction in share-based payment reserve.

The following table summarizes changes in the number of RSUs outstanding:

	Number of RSUs
Balance, December 31, 2023	-
Granted	750,000
Balance, March 31, 2024	750,000

On January 2, 2024, the Company granted to certain officers of the Company an aggregate of 750,000 RSUs of the Company pursuant to the Company's omnibus compensation plan. The RSUs are subject to a one-year vesting period from the date of grant.

Share-based payment expense related to vesting of RSUs during the three month period ended March 31, 2024 amounted to $37,490 (2023 - $nil).

(Expressed in Canadian Dollars)

17. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Three month period ended,	**March 31, 2024**	March 31, 2023
Interest received	**$ 26,990**	$ 101,062
Interest paid	**$ (1,314)**	$ (797)

	December 31, 2022	Cash Flows	Non-cash changes Loan Additions	March 31, 2023
Long-term debt	$ 52,385	$ (15,135)	$ -	$ 37,250

18. SEGMENTED DISCLOSURE

The Company operates several exploration and evaluation properties in Quebec, as well as a past producing gold mine and mill that has been put on care and maintenance. These operating sites are managed separately given their different locations. The Company assesses the performance of each segment. Accounting policies for each segment are the same as those used for the preparation of the financial statements.

For the three month period ended March 31, 2024 and 2023, the Company's two operating segment were mining site care and maintenance and mineral exploration. All other costs are considered corporate administration costs.

Three month period ended March 31, 2024	**Mining Site**	**Exploration**	**Corporate**	**Total**
Mill and mine care and maintenance	**$ 181,517**	**$ -**	**$ -**	**$ 181,517**
Exploration and evaluation	**-**	**934,553**	**-**	**934,553**
Miscellaneous income	**-**	**(183,157)**	**-**	**(183,157)**
Administration*	**-**	**-**	**1,110,978**	**1,110,978**
Net loss	**$ 181,517**	**$ 751,396**	**$ 1,110,978**	**$ 2,043,891**

Three month period ended March 31, 2023	Mining Site	Exploration	Corporate	Total
Mill and mine care and maintenance	$ 403,320	$ -	$ -	$ 403,320
Exploration and evaluation	-	3,801,267	-	3,801,267
Miscellaneous income	-	(483,632)	-	(483,632)
Recovery of flow-through premium liability	-	(855,144)	-	(855,144)
Administration*	-	-	800,066	800,066
Net loss	$ 403,320	$ 2,462,491	$ 800,066	$ 3,665,877

* Administration costs include salaries, management and director fees, office, general and other, professional fees, rent, share-based payments, shareholder communication and investor relations, transfer agent and filing fees, travel, interest income and accretion expense.

19. COMMITMENTS AND CONTINGENT LIABILITIES

a) The Company had entered into agreements with officers and consultants that include termination and change of control clauses. In the case of termination and change of control, the officers and consultants are entitled to certain amounts payable.

As at March 31, 2024, the Company had three (December 31, 2023 – three) of these types of agreements with officers of the Company that totaled annual base fees of $695,000 and US$150,000 (December 31, 2023 – $695,000 and US$150,000). In the case of termination, the officers are entitled to an amount equal to $593,000 (December 31, 2023 – $593,000) and in the case of a change of control of the Company, the officers under certain circumstances are entitled to an amount equal to $1,145,000 and US $150,000 (December 31, 2023 – $1,145,000 and US $150,000).

b) On September 9, 2013, the Ministry of Natural Resources and Forests of Quebec (“**MRNF**”) approved the update of the restoration plan of the Bachelor mine. The financial guarantee covering the restoration costs amount to $4,000,104 which has been covered by insurance bonds as at March 31, 2024 and December 31, 2023 (note 9). On May 2, 2023, the MRNF approved the updated restauration plan of the Bachelor Mine. The insurance bond will be determined during 2024. In February 2024, the MRNF approved the update of the restoration plan of the Barry mine and bonding requirements as follows: $563,606 by May 2024, $281,802 by February 2025 and $281,802 by February 2026.

20. SUBSEQUENT EVENTS

On May 3, 2024, the Company closed a private placement for gross proceeds of $8,541,250. The Company sold (i) 5,250,000 flow-through units of the Company to purchasers (each, a "FT Unit") at a price of $0.445 per FT Unit for gross proceeds of $2,336,250; and (ii) 24,820,000 units of the Company (each, a "Unit", and together with the FT Units, the "Offered Units") at a price of $0.25 per Unit for gross proceeds of $6,205,000 from the sale of Units. Each Unit and FT Unit consists of one common share of the Company and one common share purchase warrant (each, a "Warrant"), with each Warrant entitling the holder to purchase one common share of the Company at a price of $0.31 at any time on or before May 3, 2028.

In connection with the Offering the Company issued to the Agents warrants to purchase an aggregate of 2,004,500 common shares of the Company at a price of $0.25 per share exercisable for a period of four years from closing.

On May 2, 2024, The Company announced that the TSX-Venture Exchange approved an agreement to settle approximately $1.5 million in outstanding indebtedness owed to an arms length creditor through the issue of 6,000,000 Shares at a deemed price of $0.25 per Share. Shares issued pursuant to the debt settlement will be subject to a hold period in Canada of four months.