

NORTH ARROW MINERALS INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the Three and Six Months Ended October 31, 2023

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

These condensed interim financial statements of North Arrow Minerals Inc. for the three and six months ended October 31, 2023 have been prepared by and are the responsibility of the Company's Management.

The Company's independent auditors have not performed a review of these financial statements in accordance with standards established for a review of interim financial statements by an entity's auditor.

NORTH ARROW MINERALS INC.
STATEMENTS OF FINANCIAL POSITION
As at October 31, 2023
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	October 31, 2023	April 30, 2023
ASSETS		
Current		
Cash	\$ 1,278,390	\$ 271,513
Receivables (Note 5)	56,693	16,148
Marketable securities (Note 4)	1,875	2,916
Prepaid expenses	129,235	5,552
	1,466,193	296,129
Equipment (Note 6)	21,573	27,221
Security deposits (Note 8)	243,361	-
Right-of-use assets (Note 7)	42,853	60,097
Exploration and evaluation assets (Note 8)	16,592,920	15,799,564
	\$ 18,366,900	\$ 16,183,011
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 9 and 13)	\$ 550,161	\$ 547,107
Bank line of credit (Note 10)	-	40,000
Loan payable (Note 11)	521,662	496,324
Deferred premium (Note 12)	98,225	-
Current portion of lease liabilities (Note 7)	32,106	33,333
	1,202,154	1,116,764
Reclamation provision (Note 8)	195,995	-
Lease liabilities (Note 7)	7,925	23,877
	1,406,074	1,140,641
SHAREHOLDERS' EQUITY		
Capital stock (Note 12)	40,848,452	38,773,039
Share-based payment reserve (Note 12)	6,150,275	5,798,269
Deficit	(30,037,901)	(29,528,938)
	16,960,826	15,042,370
	\$ 18,366,900	\$ 16,183,011

Nature and continuance of operations (Note 1)

Approved and authorized on behalf of the Board on December 15, 2023

"D. Grenville Thomas"

Director

"Blair Murdoch"

Director

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

NORTH ARROW MINERALS INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the Three and six Months Ended October 31, 2023 and 2022
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months October 31, 2023	Three months October 31, 2022	Six months October 31, 2023	Six months October 31, 2022
Advertising, promotion and travel	\$ 48,003	\$ 38,758	\$ 94,891	\$ 61,097
Amortization of warrants (Note 11)	-	5,605	-	11,210
Consulting (Note 13)	2,250	2,250	4,500	4,500
Depreciation	11,446	10,682	22,892	22,374
Office and miscellaneous (Note 13)	49,740	37,422	81,701	64,673
Professional fees	8,914	29,898	13,114	34,898
Property investigation costs	1,130	19,135	12,078	20,135
Regulatory and filing fees	3,616	2,479	5,602	3,413
Salaries and benefits (Note 13)	78,922	77,663	153,820	153,289
Shared-based compensation (Note 12)	117,176	3,973	320,729	10,015
	(321,197)	(227,865)	(709,327)	(385,604)
Interest and foreign exchange	15,892	3,280	28,300	4,583
Gain on loan (Note 10)	10,000	-	10,000	-
Other income – deferred premium	125,900	10,254	163,105	11,638
Gain (loss) on marketable securities	(833)	(3,750)	(1,041)	(6,250)
	150,959	9,784	200,364	9,971
Net and comprehensive loss for the period	\$ (170,238)	\$ (218,081)	\$ (508,963)	\$ (375,633)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares	175,535,939	120,898,744	172,004,202	120,898,744

The accompanying notes are an integral part of these financial statements

NORTH ARROW MINERALS INC.
STATEMENTS OF CASH FLOWS
For the Six Months Ended October 31, 2023 and 2022
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (508,963)	\$ (375,633)
Items not involving cash:		
Depreciation	22,892	22,374
Share-based compensation	320,729	10,015
Loss (gain) on marketable securities	1,041	6,250
Finance cost	29,435	25,402
Amortization of bonus shares and warrants	-	11,210
Other income – deferred premium and gain on loan	(173,105)	(11,638)
Changes in non-cash working capital items:		
Receivables	(40,545)	9,889
Prepaid expenses	(123,683)	11,048
Accounts payable and accrued liabilities	(48,711)	96,447
	(520,910)	(194,636)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets, net	(696,591)	(43,321)
Security deposits	(47,366)	-
Advance from Burgundy Diamond Mines Limited	-	(658,923)
Purchase of equipment	-	(4,191)
	(743,957)	(706,435)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from a private placement	2,423,940	-
Share issuance costs	(100,920)	-
Shares subscribed	-	300,000
Repayment of bank loan	(30,000)	-
Repayment of lease liabilities	(21,276)	(21,276)
	2,271,744	278,724
Change in cash during the period	1,006,877	(622,347)
Cash, beginning of the period	271,513	1,032,414
Cash, end of the period	\$ 1,278,390	\$ 410,067

Supplemental disclosure with respect to cash flows (Note 14)

The accompanying notes are an integral part of these financial statement

NORTH ARROW MINERALS INC.
STATEMENTS OF CHANGES IN EQUITY
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Share-based payment reserve	Deficit	Total
Balance, April 30, 2022	120,898,744	\$ 38,168,252	\$ 5,452,097	\$ (25,285,993)	\$ 18,334,356
Share-based compensation	-	-	10,015	-	10,015
Net loss	-	-	-	(375,633)	(375,633)
Balance, October 31, 2022	120,898,744	\$ 38,168,252	\$ 5,462,112	\$ (25,661,626)	\$ 17,968,738
Balance, April 30, 2023	139,058,744	\$ 38,773,039	\$ 5,798,269	\$ (29,528,938)	\$ 15,042,370
Share-based compensation	-	-	320,729	-	320,729
Net loss	-	-	-	(508,963)	(508,963)
Private placement – net of issuance costs	36,043,499	2,030,413	31,277	-	2,061,690
Shares issued for acquisition of exploration and evaluation assets	700,000	45,000	-	-	45,000
Balance, October 31, 2023	175,802,243	\$ 40,848,452	\$6,150,275	\$(30,037,901)	\$ 16,960,826

The accompanying notes are an integral part of these financial statements

NORTH ARROW MINERALS INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Six Months Ended October 31, 2023 and 2022
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

North Arrow Minerals Inc. (the “Company”) was incorporated federally under the laws of the Canada Business Corporations Act. On January 25, 2023, the Company was continued into British Columbia, from the jurisdiction of Canada, under the Business Corporations Act.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company. The Company trades on the TSX Venture Exchange (TSXV – NAR) and its registered office address is Ste. #960-789 West Pender Street, Vancouver, BC, Canada V6C 1H2.

The Company’s principal business activity is the acquisition and exploration of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

These financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At October 31, 2023, the Company had an accumulated deficit of \$30,037,901 (April 30, 2023 - \$29,528,938), incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

The Company’s continuation as a going concern is dependent on the successful results from its mineral property exploration activities, its ability to reduce or defer discretionary expenditures and its continued ability to raise equity capital or borrowings sufficient to meet current and future obligations. There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic from March 2020 and political conflicts in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company’s business or ability to raise capital.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and specifically with IAS 34, Interim Financial Reporting. The accounting policies applied in preparation of these financial statements are consistent with those applied and disclosed in the Company’s financial statements for the year ended April 30, 2023. These financial statements are presented in Canadian dollars unless otherwise noted.

b) Historical cost

These financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

c) Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during this period. Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

NORTH ARROW MINERALS INC.
NOTES TO THE FINANCIAL STATEMENTS
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2. BASIS OF PRESENTATION – *continued*

c) Significant accounting judgments, estimates and assumptions - continued

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets and the valuations for share-based payments, marketable securities, deferred premiums, deferred tax amounts, right-of-use assets, lease liabilities and reclamation provision.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

- (i) **Economic recoverability and probability of future benefits of exploration and evaluation costs.**
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.
- (ii) **Valuation of share-based payments and warrants recorded as marketable securities**
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants recorded as marketable securities. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.
- (iii) **Income taxes**
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.
- iv) **Valuation of deferred premiums and flow-through shares**
On issuance the Company bifurcates the flow-through share into a flow-through share premium liability based on the estimated premium the investor pays for the flow through share and share capital. When qualifying expenses are incurred the Company derecognizes the liability and the premium is recognized as other income.
- v) **Valuation of marketable securities**
Marketable securities are valued at fair market value based on quoted prices in active markets. Changes in market prices can materially affect the fair value estimate and the Company's earnings.
- vi) **Valuation of right-of-use assets and related lease liabilities**
Lease liabilities are initially measured at the present value of the lease payments discounted using the Company's estimated incremental borrowing rate or the interest rate implicit in the lease. Lease payments are allocated between the lease liability and the finance cost. The finance cost is charged to profit or loss using the effective interest method.

The right-of-use assets are initially measured at the cost or corresponding lease liability plus direct costs. They are subsequently measured at cost less depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.
- vii) **Valuation of loan payable**
The loan payable is initially recorded at the consideration given less any bonus shares and warrants granted. The bonus shares and warrants are amortized over the term of the loan.

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2. BASIS OF PRESENTATION – *continued*

c) Significant accounting judgments, estimates and assumptions - *continued*

viii) Reclamation provision

The reclamation provision represents the value of future estimated costs for the reclamation of the Company's exploration and evaluation projects. The estimate includes assumptions as to the future activities, costs and timing of reclamation work.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- * 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 Company's financial instruments consist of cash, marketable securities, receivables, security deposits, accounts payable and accrued liabilities, bank line of credit, loan payable, reclamation deposit, advance from Burgundy Diamond Mines Limited and lease liabilities. The carrying value of cash, receivables, accounts payable and accrued liabilities, loans, advances and bank line of credit approximate their fair values due to their immediate or short-term maturity. Marketable securities consisting of common shares are recorded at fair value based on the quoted market prices in active markets at the reporting date, which is consistent with Level 1 of the fair value hierarchy. Marketable securities consisting of warrants are recorded at fair value based on a Black Scholes pricing model consistent with Level 3 of the fair value hierarchy.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk, liquidity risks, foreign currency risk, and equity market risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its excess cash in short-term investments with investment grade ratings, issued by a Canadian chartered bank. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables, security deposits and cash.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. It is management's opinion that the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales or exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding could cast significant doubt on the Company's ability to continue as a going concern. As at October 31, 2023, the Company had cash of \$1,278,390 (April 30, 2023 - \$271,513) available to settle current liabilities of \$1,202,154 (April 30, 2023 - \$1,116,764).

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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

Foreign currency risk

The Company's activities are within Canada and accordingly the Company is not subject to significant foreign currency risk.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as fair value through profit (loss). The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

4. MARKETABLE SECURITIES

	Cost	Unrealized Gain (Loss) on AFS Securities	Cost of FVTPL Securities Sold	Gain (Loss) on FVTPL Securities Fair Valued	Fair Value
April 30, 2022	\$ 379,012	\$ (50,000)	\$(355,437)	\$ 36,425	\$ 10,000
Rover Metals Corp. – 41,667 shares	-	-	-	(7,084)	(7,084)
April 30, 2023	379,012	(50,000)	(355,437)	29,341	2,916
Rover Metals Corp. – 41,667 shares	-	-	-	(1,041)	(1,041)
October 31, 2023	\$ 379,012	\$(50,000)	\$(355,437)	\$28,300	\$ 1,875

5. RECEIVABLES

	October 31, 2023	April 30, 2023
HST/GST receivables	\$ 38,899	\$ 12,073
Other receivables	17,794	4,075
	\$ 56,693	\$ 16,148

6. EQUIPMENT

	Office and computer equipment	Field equipment	Total
Cost			
Balance, April 30, 2022	\$71,701	\$93,775	\$ 165,476
Additions	4,191	-	4,191
Balance, April 30, 2023	75,892	93,775	169,667
Additions	-	-	-
Balance, October 31, 2023	\$ 75,892	\$ 93,775	\$ 169,667

NORTH ARROW MINERALS INC.
NOTES TO THE FINANCIAL STATEMENTS
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6. EQUIPMENT - continued

Accumulated Depreciation			
Balance April 30, 2022	\$58,132	\$76,074	\$134,206
Additions	4,700	3,540	8,240
Balance April 30, 2023	62,832	79,614	142,446
Additions	3,436	2,212	5,648
Balance, October 31, 2023	\$ 66,268	\$ 81,826	\$ 148,094
April 30, 2023	\$ 13,060	\$ 14,161	\$ 27,221
October 31, 2023	\$ 9,624	\$ 11,949	\$ 21,573

7. RIGHT OF USE ASSETS AND LEASE LIABILITIES

Right of use assets		Six Months ended October 31, 2023	Year ended April 30, 2023
Opening balance	\$	60,097	\$ 95,595
Depreciation		(17,244)	(35,498)
Ending Balance	\$	42,853	\$ 60,097
Lease Liabilities		Six Months ended October 31, 2023	Year ended April 30, 2023
Opening balance	\$	57,210	\$ 94,877
Additions		-	-
Lease payments		(21,276)	(42,552)
Finance cost		4,097	4,885
Ending Balance	\$	40,031	\$ 57,210
Current	\$	32,106	\$ 33,333
Long-term		7,925	23,877
	\$	40,031	\$ 57,210

NORTH ARROW MINERALS INC.
NOTES TO THE FINANCIAL STATEMENTS
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8. EXPLORATION AND EVALUATION ASSETS

	April 30, 2023	Expended During the Period	Write-offs During the Period	October 31, 2023
Lithium Properties				
DeStaffany				
Exploration costs	\$ 2,042	\$ 51,007	\$ -	\$ 53,049
Acquisition and tenure costs	51,872	200	-	52,072
Geological, data collection and assays	1,793	203,246	-	205,039
Office and salaries	38,269	77,520	-	115,789
Recoveries	-	(73,440)	-	(73,440)
	<u>93,976</u>	<u>258,533</u>	<u>-</u>	<u>352,509</u>
Bathurst				
Exploration costs	2,248	-	-	2,248
Acquisition and tenure costs	25,025	25,468	-	50,493
Office and salaries	10,169	2,134	-	12,303
	<u>37,442</u>	<u>27,602</u>	<u>-</u>	<u>65,044</u>
MacKay				
Exploration costs	-	2,307	-	2,307
Acquisition and tenure costs	-	9,076	-	9,076
Geological, data collection and assays	-	107,598	-	107,598
Office and salaries	-	28,698	-	28,698
	<u>-</u>	<u>147,679</u>	<u>-</u>	<u>147,679</u>
Lac de Gras				
Exploration costs	-	44,681	-	44,681
Acquisition and tenure costs	-	28,734	-	28,734
Geological, data collection and assays	-	237,544	-	237,544
Office and salaries	-	72,913	-	72,913
Recoveries	-	(89,760)	-	(89,760)
	<u>-</u>	<u>294,112</u>	<u>-</u>	<u>294,112</u>
Diamond Properties				
Pikoo, Canada				
Exploration costs	1,317,386	-	-	1,317,386
Drilling	2,085,859	-	-	2,085,859
Acquisition and tenure costs	223,253	745	-	223,998
Geological, data collection and assays	1,911,489	-	-	1,911,489
Office and salaries	814,776	1,354	-	816,130
Recoveries and contributions	(637,813)	-	-	(637,813)
	<u>5,714,950</u>	<u>2,099</u>	<u>-</u>	<u>5,717,049</u>
Loki, Canada				
Exploration costs	547,398	-	-	547,398
Drilling	687,226	-	-	687,226
Acquisition and tenure costs	113,300	5,822	-	119,122
Geological, data collection and assays	596,398	46,120	-	642,518
Office and salaries	399,793	3,356	-	403,149
Recoveries	(1,142,452)	-	-	(1,142,452)
	<u>1,201,663</u>	<u>55,298</u>	<u>-</u>	<u>1,256,961</u>

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8. EXPLORATION AND EVALUATION ASSETS - continued

	April 30, 2023	Expended During the period	Write-offs During the period	October 31, 2023
Naujaat, Canada				
Exploration costs	1,503,145	7,368	-	1,510,513
Drilling	1,464,020	-	-	1,464,020
Acquisition and tenure costs	460,981	24,961	-	485,942
Geological, data collection and assays	9,169,682	-	-	9,169,682
Office and salaries	1,988,187	2,040	-	1,990,227
Recoveries and contributions	(5,941,167)	(13,961)	-	(5,955,128)
	8,644,848	20,408	-	8,665,256
CSI, Canada				
Exploration costs	3,808	-	-	3,808
Acquisition and tenure costs	13,278	(12,375)	-	903
Geological, data collection and assays	61,818	-	-	61,818
Office and salaries	27,781	-	-	27,781
	106,685	(12,375)	-	94,310
TOTAL	\$ 15,799,564	\$ 793,356	\$ -	\$ 16,592,920

EXPLORATION AND EVALUATION ASSETS – April 30, 2023

	April 30, 2022	Expended During the Year	Write-offs During the Year	April 30, 2023
Lithium Properties				
DeStaffany				
Exploration costs	\$ -	\$ 2,042	\$ -	\$ 2,042
Acquisition and tenure costs	-	51,872	-	51,872
Geological, data collection and assays	-	1,793	-	1,793
Office and salaries	-	38,269	-	38,269
	-	93,976	-	93,976
Bathurst				
Exploration costs	-	2,248	-	2,248
Acquisition and tenure costs	-	25,025	-	25,025
Office and salaries	-	10,169	-	10,169
	-	37,442	-	37,442
Diamond Properties				
Pikoo, Canada				
Exploration costs	1,272,804	44,582	-	1,317,386
Drilling	2,085,859	-	-	2,085,859
Acquisition and tenure costs	220,979	2,274	-	223,253
Geological, data collection and assays	1,644,898	266,591	-	1,911,489
Office and salaries	719,332	95,444	-	814,776
Recoveries and contributions	(637,813)	-	-	(637,813)
	5,306,059	408,891	-	5,714,950

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8. EXPLORATION AND EVALUATION ASSETS – continued

	April 30, 2022	Expended During the Year	Write-offs During the Year	April 30, 2023
Loki, Canada				
Exploration costs	547,398	-	-	547,398
Drilling	687,226	-	-	687,226
Acquisition and tenure costs	80,004	33,296	-	113,300
Geological, data collection and assays	499,822	96,576	-	596,398
Office and salaries	363,381	36,412	-	399,793
Recoveries	(768,452)	(374,000)	-	(1,142,452)
	1,409,379	(207,716)	-	1,201,663
Naujaat, Canada				
Exploration costs	1,455,905	47,240	-	1,503,145
Drilling	1,464,020	-	-	1,464,020
Acquisition and tenure costs	436,166	24,815	-	460,981
Geological, data collection and assays	8,619,613	550,069	-	9,169,682
Office and salaries	1,855,848	132,339	-	1,988,187
Recoveries and contributions	(5,166,066)	(775,101)	-	(5,941,167)
	8,665,486	(20,638)	-	8,644,848
Mel, Canada				
Exploration costs	1,340,600	-	(1,340,600)	-
Drilling	465,004	-	(465,004)	-
Acquisition and tenure costs	306,260	24	(306,284)	-
Geological, data collection and assays	1,003,344	-	(1,003,344)	-
Office and salaries	414,463	5,774	(420,237)	-
Recoveries	(120,500)	-	120,500	-
	3,409,171	5,798	(3,414,969)	-
CSI, Canada				
Exploration costs	3,808	-	-	3,808
Acquisition and tenure costs	13,204	74	-	13,278
Geological, data collection and assays	61,818	-	-	61,818
Office and salaries	19,665	8,116	-	27,781
	98,495	8,190	-	106,685
TOTAL	\$ 18,888,590	\$ 325,943	\$(3,414,969)	\$ 15,799,564

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

Lithium Properties, Canada

DeStaffany Project, Northwest Territories

During the year ended April 30, 2023, the Company acquired a 100% interest in the DeStaffany lithium property. Under the terms of an agreement dated January 25, 2023 the Company acquired its interest from Panarc Resources Ltd. (“Panarc”) for the reimbursement of staking costs of \$18,000 (paid) and 500,000 shares of the Company issued at a fair value of \$32,500. Panarc retains a 2% net smelter return royalty on future metal production from the property. One-half of the royalty can be purchased at any time for \$2 million.

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8. EXPLORATION AND EVALUATION ASSETS – continued

Bathurst Project, Nunavut

During the year ended April 30, 2023, the Company entered into an option agreement to acquire a 100% interest in the Bathurst Inlet lithium property. Under the terms of an agreement dated February 23, 2023 the Company paid Panarc for the reimbursement of staking costs of \$16,515 and issued 100,000 shares of the Company valued at \$5,500 during the year ended April 30, 2023. In order to complete the acquisition, the Company issued an additional 500,000 shares prior to September 30, 2023 (issued September 18, 2023) valued at \$25,000. In addition, the Company will issue a further 2,000,000 shares to Panarc within 15 days of the Company's first public disclosure of a new mineral resource on the property. Panarc will retain a 2% net smelter return royalty on future metal production from the property. One-half of the royalty can be purchased at any time for \$2 million.

MacKay Lake, Northwest Territories

The MacKay Lake project consists of 8 mineral claims acquired through staking during the six months ended October 31, 2023.

Lac de Gras project, Northwest Territories

During the six months ended October 31, 2023, the Company concluded an agreement with Arctic Canadian Diamond Company under which the Lac de Gras joint venture was terminated. As a result, the Company holds a 100% interest in the property, the related security deposit and the reclamation provision. The LDG property consists of a block of mineral claims and mining leases located within the Lac de Gras region of the Northwest Territories.

Pursuant to an acquisition agreement between the Company and Springbok Holdings Inc. ("Springbok"), in the event the Company incurs \$2 million in joint venture expenditures on the Lac de Gras Joint Venture Property, the Company will issue to Springbok that number of common shares of the Company having a value of \$1 million. A director of the Company is a principal of Springbok.

Diamond Properties, Canada

Naujaat project, Nunavut

Prior to February 2023, the Company maintained a 100% interest in the Naujaat diamond project. This interest was subject to a June 1, 2020 option agreement under which the Company granted Burgundy Diamond Mines Limited ("Burgundy") (previously EHR Resources Ltd.) an option to earn a 40% interest in the project by investing \$5,600,000 in the project. Effective February 3, 2023, Burgundy exercised the option and acquired a 40% interest in the Naujaat project with the Company retaining a 60% interest in the project.

Subject to a February 15, 2017 agreement, the Company has agreed to pay Stornoway Diamond Corporation ("Stornoway") \$2.5 million at the time the first royalty payments relating to the Naujaat project are payable. In addition, Stornoway retains a 0.5% gross overriding royalty ("GOR") and net smelter royalty ("NSR") on diamond, precious metal and base metal production from the Naujaat project.

The Naujaat project is also subject to an additional 2.5% NSR on metals and a 2.5% gross production royalty ("GPR") on industrial minerals, including diamonds. Effective November 21, 2016, the Company reached an agreement with the underlying royalty holder where each of the NSR and GPR may be reduced from 3% to 1% subject to future contingent cash payments totaling \$5.15 million and future staged exploration expenditures totalling \$20 million. During the year ended April 30, 2022, as a result of expenditures incurred, the NSR and GPR was reduced to 2.5%.

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8. EXPLORATION AND EVALUATION ASSETS - continued

Pikoo project, Saskatchewan

The Company maintains a 100% interest in the Pikoo diamond project. This interest is subject to a February 15, 2017 agreement under which the Company agreed to pay Stornoway \$1.25 million at the time the first royalty payments relating to the Pikoo project are payable. In addition, Stornoway retains a 1.0% GOR and NSR on diamond, precious metal and base metal production from the Pikoo project.

Loki project, Northwest Territories

The Company maintains a 100% interest in the Loki diamond project subject to 2.5% royalties on diamonds and base and precious metals granted to Umgeni Holdings International Limited (“Umgeni”) under the terms of a January 25, 2016 royalty purchase agreement as amended July 31, 2019 and March 3, 2023. Umgeni is a private company of which a director of the Company is a beneficiary of the sole shareholder.

During the year ended April 30, 2023, the Company reached an agreement with Umgeni under which Umgeni increased its royalty interest in the Loki project from 2.0% to 2.5% in exchange for the payment of \$374,000 (received).

The Company retains the option to purchase 0.5% of the royalties by paying Umgeni \$5,000,000 any time up to 24 months after the start of commercial production from a mine on the property. In addition, the Company will issue to Umgeni 1,000,000 shares upon announcement of a new kimberlite discovery on the property and will issue a further 5,000,000 shares upon the announcement of a mineral resource in respect of a kimberlite with the property.

Mel project, Nunavut

The Company maintains a 100% interest in the Mel diamond project in Nunavut. This interest is subject to a 1% GOR payable to Anglo Celtic Exploration Ltd (the “ACEL GOR”), a private company controlled by a director of the Company. The Company retains the right to buy back one half of the ACEL GOR for \$1,000,000 at any time.

Effective January 13, 2021, as amended effective August 9, 2021, the Company entered into an agreement with StrategX Elements Corp (“StrategX”) to sell to StrategX the non-diamond mineral rights in the Mel Property for consideration of a 1% GOR on the non-diamond production and 100% of the rights to any diamond discoveries in a 435,000 ha area of interest surrounding the property (“StrategX AOI”). In addition, StrategX has assumed 100% of the responsibility for the Mel exploration camp, including the demobilization costs. StrategX retains a 2% GOR on any diamond production in the StrategX AOI, reduced to 1% wherever the ACEL GOR applies. North Arrow retains the right to purchase 50% of StrategX’s GOR for \$2,000,000. StrategX retains the right to purchase 50% of the North Arrow GOR for \$1,000,000.

During the year ended April 30, 2023, the Company wrote-down \$3,414,969 of exploration and evaluation on the Mel project in recognition of the lack of significant planned exploration expenditures on the property.

CSI Project, Nunavut

The CSI project consists of 3 claims that were acquired through staking during the year ended April 30, 2021.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2023	April 30, 2023
Trade payables	\$ 416,951	\$ 358,707
Accrued liabilities	133,210	188,400
	\$ 550,161	\$ 547,107

Included in accrued liabilities is a provision of \$120,500 (April 30, 2023 - \$120,500) for estimated costs related to the demobilization of equipment in Nunavut.

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10. BANK LINE OF CREDIT

	October 31, 2023	April 30, 2023
Bank line of credit	\$ -	\$ 40,000

During the year ended April 30, 2020, the Company received a 0% interest operating line of credit under the terms of the Canadian Emergency Business Account Program (“CEBA”). During the six months ended October 31, 2023, the loan was repaid and \$10,000 of the balance was forgiven per the terms of the CEBA program.

11. LOAN PAYABLE

Effective February 17, 2021 the Company entered into an agreement with Anglo Celtic Exploration Ltd. (“Anglo”), a company controlled by a director, to provide the Company an unsecured loan of \$400,000. Under the terms of the agreement the loan carries an interest rate of 10% per annum and was to be repaid February 16, 2022. As further consideration for agreeing to advance the loan, the Company issued to Anglo 1,000,000 bonus shares at a fair value of \$85,000. Effective February 16, 2022, the loan was extended for a period of one year under the same terms and conditions. As consideration for granting the extension Anglo received 1,000,000 warrants. Each warrant entitled Anglo to purchase one share at a price of \$0.12 per share for a period of one year. The warrants granted had a total fair value of \$22,422. The warrants cost was amortized over one year. During the year ended April 30, 2023, the warrants expired unexercised.

The fair value of warrants granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

Risk-free interest rate	1.00%
Expected dividend yield	Nil
Expected stock price volatility	30.34%
Expected life	1 year
Expected forfeiture rate	Nil

Effective December 19, 2022, the Company made a limited security agreement in favour of Anglo, under which the Company secured the payment and performance of its obligations to Anglo in accordance with the loan by granting Anglo a security interest in the Company’s interests in the mineral claims comprising each of the Pikoo Property, Loki Property and CSI Property.

Effective February 16, 2023, the loan was extended for an additional period of one year under the same terms and conditions.

12. CAPITAL STOCK AND RESERVES

Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value.

Share issuances

- a) On December 28, 2022, the Company completed a 16,700,000 unit private placement at a price of \$0.05 per unit for gross proceeds of \$835,000. Each unit consisted of one common share and one common share purchase warrant. At December 28, 2022, the Company’s market price was \$0.03 per share; accordingly \$334,000 of the proceeds were assigned to the value of the warrants under the residual method. Finders fees and costs of \$20,213 were paid in

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12. CAPITAL STOCK AND RESERVES - continued

Share issuances - continued

connection with this private placement. Included in finder's fees were 90,000 warrants valued at \$1,100. The fair value of warrants issued as finders fees was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

Risk-free interest rate	4.00%
Expected dividend yield	Nil
Expected stock price volatility	126.31%
Expected life	2 year
Expected forfeiture rate	Nil

- b) During the year ended April 30, 2023, the Company issued 600,000 common shares at a fair value of \$38,000 for the acquisition of mineral properties.
- c) During the six months ended October 31, 2023, the Company issued 700,000 common shares at a fair value of \$45,000 for the acquisition of exploration and evaluation assets.
- d) On May 17, 2023, the Company completed two financings consisting of a non-flow through unit financing and a flow through unit financing for gross proceeds of \$2,423,940. The non-flow through financing consisted of 22,976,999 units at a price of \$0.06 per unit. Each non-flow through unit consisted of one share and one transferable common share purchase warrant. Each non-flow through warrant entitles the holder to purchase one share at a price of \$0.10 for a period of 24 months.

The flow through unit financing consisted of 13,066,500 units at a price of \$0.08 per unit. Each flow through unit consisted of one flow through share and one half of a transferrable non-flow through share purchase warrant. Each whole flow through warrant entitles the holder to purchase a non-flow through share at a price of \$0.12 for a period of 24 months. The flow through shares were issued at a premium which was determined to be \$261,330 and this has been recorded as a deferred premium liability. During the six months ended October 31, 2023 the Company incurred eligible exploration expenditures and credited other income \$163,105 to operations.

In connection with these financings North Arrow paid finders' fees and costs of \$100,920 and 676,620 finders warrants valued at \$31,277. Each finders' warrant has the same terms as the non-flow through warrants.

The fair value of warrants issued as finders fees was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

Risk-free interest rate	4.00%
Expected dividend yield	Nil
Expected stock price volatility	147.47%
Expected life	2 year
Expected forfeiture rate	Nil

Stock options and warrants

At the Company's Annual General Meeting held on December 17, 2022, the shareholders ratified the stock option plan (the "Plan"). The Plan gives the directors the authority to grant options to directors, officers, employees and consultants. The maximum number of shares to be issued under the Plan is 10% of the issued and outstanding common shares at the time of the grant. The exercise price of each option granted shall not be less than the market price at the date of grant less a discount up to 25% in accordance with the policies of the TSX Venture Exchange ("TSXV").

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12. CAPITAL STOCK AND RESERVES - continued

Stock options and warrants - continued

Options granted typically have a term up to 5 years with vesting provisions determined by the directors in accordance with TSXV policies for Tier 2 Issuers, with a typical vesting period of 25% upon grant and 25% every six months thereafter.

As at October 31, 2023, the following stock options were outstanding:

Number of Options	Exercise Price	Number of Options vested	Expiry Date
2,970,000	\$ 0.10	2,970,000	November 8, 2024
400,000	\$ 0.10	400,000	December 17, 2025
1,025,000	\$ 0.12	1,025,000	June 3, 2026
8,625,000	\$ 0.08	2,156,250	June 1, 2028
13,020,000		6,551,250	

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, April 30, 2022	11,395,000	\$ 0.19
Options expired	(2,260,000)	0.27
Balance, April 30, 2023	9,135,000	0.17
Options expired	(4,740,000)	0.23
Options granted	8,625,000	0.08
Balance, October 31, 2023	13,020,000	\$ 0.09

Share-based compensation

During the six months ended October 31, 2023, the Company granted 8,625,000 stock options (October 31, 2022 – nil) having a total fair value of \$508,536 (October 31, 2022 - \$nil) and a weighted average grant-date value of \$0.06 (October 31, 2022 – \$nil) per option. During the six months ended October 31, 2023, the Company recognized share-based compensation of \$320,729 (October 31, 2022 – \$10,015) relating to options vested during the period.

The fair value of options granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	October 31, 2023	April 30, 2023
Risk-free interest rate	4%	-
Expected dividend yield	Nil	-
Expected stock price volatility	124.8%	-
Expected life	5 years	-
Expected forfeiture rate	Nil	-

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12. CAPITAL STOCK AND RESERVES - continued

Stock options and warrants - continued

A summary of the Company's warrant activity is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, April 30, 2022	49,997,003	\$ 0.18
Expired	(27,481,717)	0.23
Exercised	(860,000)	0.10
Issued	16,790,000	0.10
Balance April 30, 2023	38,445,286	0.11
Expired	(4,611,000)	0.18
Issued	30,186,869	0.10
	64,021,155	\$ 0.10

At October 31, 2023 the following warrants were outstanding:

	Number of Warrants	Exercise Price	Expiry Date
	17,044,286	\$ 0.10	July 31, 2024
	16,790,000	\$ 0.10	December 28, 2024
	6,533,250	\$ 0.12	May 17, 2025
	23,653,619	\$ 0.10	May 17, 2025
	64,021,155	\$ 0.10	

13. RELATED PARTY TRANSACTIONS

Details of the transactions between the Company and related parties not disclosed elsewhere in the financial statements are disclosed below.

During the six months ended October 31, 2023, the Company incurred the following transactions in the normal course of operations in connection with companies which have an officer and/or director in common.

- a) Paid or accrued consulting fees of \$4,500 (October 31, 2022 - \$4,500) to the Corporate Secretary of the Company. This amount is included in salaries disclosed below.
- b) Charged related parties \$4,500 (October 31, 2022 - \$13,135) for rent, office and administrative costs.
- c) Included in accounts payable is \$168,545 (October 31, 2022 - \$128,795) due to directors and officers.
- d) Interest of \$25,338 (October 31, 2022 - \$23,123) has been accrued on a loan from a company controlled by a director.
- e) Included in shares subscribed is \$nil (October 31, 2022 - \$300,000) from a company controlled by a director.

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13. RELATED PARTY TRANSACTIONS - continued

The remuneration of directors and key management personnel during the six months ended October 31, 2023 was as follows:

	October 31, 2023	October 31, 2022
Salaries ¹	\$ 86,027	\$ 109,875
Salaries in exploration costs ¹	60,973	37,125
Share-based compensation ²	249,524	6,915
Total	\$ 396,524	\$ 153,915

1 – When key management is working specifically on mineral properties their time is capitalized against the mineral property.

2 – Share-based compensation is the fair value of options that have been granted to directors and key management personnel.

During the year ended April 30, 2016, the Company entered into an employment agreement with a senior employee and officer for his services requiring a minimum annual payment of \$225,000. In addition, the employment agreement contains clauses which could provide for a payment or payments in excess of \$450,000 on termination of employment or conclusion of a change in control or similar transaction.

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash transactions for the six months ended October 31, 2023 were:

- a) the Company incurred exploration and evaluation expenditures of \$330,285 (April 30, 2023 - \$278,520) that are included in accounts payable and accrued liabilities.
- b) The Company issued 700,000 shares (October 31, 2022 - \$nil) valued at \$45,000 as consideration for the acquisition of exploration and evaluation assets.

15. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company's objective for capital management is to plan for the capital required to support the Company's ongoing acquisition and exploration of its mineral properties and to provide sufficient funds for its corporate activities. There have been no changes to the management of capital during the fiscal year.

The Company's exploration and evaluation assets are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings to finance its operations. In order to carry out the Company's planned exploration programs and to pay for administrative costs, the Company will have to raise additional funds as required. To effectively manage the Company's capital requirements, the Company's management has in place a planning and budgeting process.

16. SEGMENTED INFORMATION

The Company operates in Canada in a single operating segment – the acquisition and exploration of mineral properties in Canada.